LEGISLATIVE COUNCIL

Wednesday 2 August 1978

The PRESIDENT (Hon. A. M. Whyte) took the Chair at 2.15 p.m. and read prayers.

QUESTIONS

OUI

The Hon. R. C. DeGARIS: I seek leave to make a brief statement prior to directing a question to the Leader of the Government in this Council concerning a pornographic publication.

Leave granted.

The Hon. R. C. DeGARIS: I refer to the April 1978 publication of *Oui*. This magazine, which I understand was purchased in Adelaide as an unclassified publication, has been classified in the past and, as honourable members know, classification of one issue can result in all subsequent publications of that magazine also being classified. The April 1978 issue shows scenes of two policemen arresting a girl, and going through a series of pornographic situations with her. The person who gave me this magazine objects to the portrayal in this magazine on the basis that it shows the police in the wrong atmosphere. Therefore, will the Government examine this magazine and ask the Classification of Publications Board to classify the publication, or to refuse to classify it?

The Hon. D. H. L. BANFIELD: I will draw the honourable member's question to the attention of my colleague.

SAMCOR

The Hon. N. K. FOSTER: I seek guidance from you, Mr. President, concerning a matter that I raised yesterday. What control have you, Sir, in this Council when misleading material is produced in the area under your jurisdiction which I consider and which I am sure most other honourable members would consider to contain wilful lies? The person responsible for this document is obviously the Leader of the Opposition, although he will not admit to that. I believe that the document, which I am willing to table in this Chamber, was printed in these premises, yet it is misleadingly couched in terms that give the impression that it was printed by an anonymous Samcor staff member who wished to remain anonymous. There can be no doubt not only in my mind but also in the minds of all clear thinking and understanding people, that the author, producer and architect of that document is the Leader of the Opposition in this Chamber.

The PRESIDENT: I point out to the honourable member that I am not responsible for private members' conduct, or for their literature. Nevertheless, in view of the quite serious charge the honourable member has made, if he will produce the relevant correspondence, I will peruse it and consider what action may be taken.

GOVERNMENT INSTRUMENTALITIES

The Hon. J. C. BURDETT: I seek leave to make a brief explanation before directing a question to the Minister of Health, representing the Minister of Prices and Consumer Affairs, on the subject of the Government's being bound by consumer protection legislation.

Leave granted.

The Hon. J. C. BURDETT: My question is supplementary to my Question on Notice on this subject yesterday. Having asked this question six times (this is the seventh occasion), I was pleased to read the first sentence in yesterday's reply, as follows:

> The Government believes that activities undertaken by the Government in the commercial field should be subject to consumer protection legislation . . .

But then appear the words "in appropriate cases". The next part of the reply was as follows:

> Each case should, however, be dealt with on its merits, and this will be the policy pursued.

I have been persistent in trying to get the Government willing to answer this question, and to say in which cases it will and in which cases it will not grant consumer protection when the Government itself enters the commercial field.

What does the Government consider to be appropriate cases in which consumer protection legislation should be extended to the consumer where the Government is entering into the commercial field, and what is its policy on this matter?

The Hon. D. H. L. BANFIELD: I will refer the honourable member's question to my colleague and bring back a report.

PERSONAL EXPLANATION: SAMCOR

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

Leave granted.

The Hon. R. C. DeGARIS: On two consecutive days, yesterday and today, the Hon. Mr. Foster has made allegations against me. Yesterday he used the term "scurrilous lies", and now once again accuses me of telling lies. The position is quite clear in regard to the document of which he speaks. A gentleman from Samcor came to see me, and told me that, although he was not prepared to make his name available, he wanted Liberal members of Parliament to know his side of the story. The statement Mr. Foster has is the statement made by that person and circulated by me to other members of the Liberal Party.

The Hon. D. H. L. Banfield: Why didn't I get a copy, if you wanted members of Parliament to know what is going on?

The Hon. R. C. DeGaris: You're not a member of the Liberal Party.

UNEMPLOYMENT

The Hon. M. B. DAWKINS: I seek leave to make a short statement before asking a question of the Leader of the Government in this place in relation to employment.

Leave granted.

The Hon. M. B. DAWKINS: Last month the Premier of New South Wales, Mr. Wran, issued a statement along these lines:

> Although New South Wales contains 36 per cent of the country's work force, last month it was responsible for half the 10 371 drop in national unemployment figures.

Mr. Wran also indicated that, whilst unemployment has grown by only 4·3 per cent in the past 12 months in his State, it has grown by a massive 56 per cent in South Australia, 56 per cent being by far the highest increase in any State. Does the Minister agree that Mr. Wran's statement is correct, and if so, what action has this Government taken to improve the situation in this State,

as South Australia is apparently in the worst position proportionately of all the States in regard to unemployment, despite a decrease of over 10 000, as referred to by the New South Wales Premier, overall in Australia in that month?

The Hon. D. H. L. BANFIELD: The honourable member would know very well that this State is the only State that took action to stop the increase in unemployment, using the SURS programme for this purpose, and we were criticised for this action by members opposite. Moreover, we received no help from the Federal Government, although we were saving that Government thousands of dollars in unemployment benefits that it did not have to pay. South Australia was prepared to do that, and did it successfully. It is true that, now that the money situation has worsened, we are unable to continue with such a full programme under the SURS scheme as we have been able to follow for some time. This Government has more than played its part in relation to unemployment in this State.

The South Australian Government, unlike the Prime Minister, is concerned about unemployment. When he assumed office, he said, "We will do something about unemployment." He has certainly done something about unemployment: he has increased it by over 50 per cent! So, let the honourable member get up and say what the Federal Government is going to do in relation to its election promise to reduce unemployment. Some of the economic measures taken by the Federal Government have in fact increased unemployment in this country. However, the South Australian Government can hold its head high, because it has done something in South Australia to help the people, so that they would not become unemployed.

SAMCOR

The Hon. N. K. FOSTER: I seek leave to make a statement before asking the Leader of the Opposition a question regarding what has been said about Samcor.

The PRESIDENT: Before allowing the honourable member to explain his question, I should like to bring to his notice Standing Order 173, which provides:

> By the indulgence of the Council, a member may explain matters of a personal nature although there be no question before the Council; but such matters may not be debated.

If this is a continuation of the matter which he raised previously and on which the Hon. Mr. DeGaris made a personal explanation, the question is not permissible.

The Hon. N. K. FOSTER: I sought leave to explain my question, Sir. I do not intend to debate the matter. Indeed, I am sure you will take care to ensure that I do not do so.

Leave granted.

The Hon. N. K. FOSTER: First, I should like to withdraw what I said previously in my question to you, Sir, because in his personal explanation the Hon. Mr. DeGaris cleared my mind regarding the matter. However, I should like to quote two short passages from this six-page document.

The PRESIDENT: The honourable member is getting close to continuing with the previous question.

The Hon. N. K. FOSTER: I am guided by you, Sir. I said, "I should like to."

The PRESIDENT: I rule that that is inadmissable.

The Hon. N. K. FOSTER: I will not try to be smart by continuing to ask the question, leave to explain which has already been granted. Yesterday I referred to one or two passages, and I thought that it was necessary to refer to them again today. However, I will not do that now, as I will deal with that matter in another way, perhaps next week. As the honourable gentleman has admitted to the Council that he had this document printed (and he therefore accepts responsibility for it), will he dissociate himself from the document, which contains some serious and disparaging remarks made about the work force at Samcor, and particularly about members of the A.M.I.E.U.?

The Hon. R. C. DeGARIS: In reply, I merely say that the views expressed are not necessarily mine: they are the views of an employee.

UNEMPLOYMENT

The Hon. M. B. DAWKINS: Does the Minister of Health agree with the Hon. Mr. Wran's statement that there was a 4·3 per cent growth in unemployment in the past 12 months in New South Wales, a 56 per cent increase in South Australia, and that there was a reduction of 10 371 in the number unemployed nationally last month? This is the question which I asked previously and which the Minister did not answer.

The Hon. D. H. L. BANFIELD: I may not have answered the question. I pointed out that Mr. Fraser did not keep his election promise, and he is still doing nothing about it. All the indicators are there that unemployment will continue. Regarding what Mr. Wran said, I have not seen the figures on which he based his assumption, and I am therefore unable to say whether or not those figures are correct. Mr. Wran is not normally one to exaggerate.

PRAWNS

The Hon. F. T. BLEVINS: I seek leave to make a brief explanation before asking a question of the Minister of Fisheries about prawns.

Leave granted.

The Hon. F. T. BLEVINS: During the last prawn season there was much controversy among prawn fishermen who operate in Spencer Gulf. The proposition was that the Government should close the gulf during part of the prawn season to allow the prawns to grow larger. It reached the stage where the prawn fishermen themselves said they would close the gulf voluntarily for three weeks; such a period seemed to be nonsensical, because in that period the prawns could not grow much larger.

The Hon. R. C. DeGaris: They grow quickly.

The Hon. F. T. BLEVINS: Prawn fishing in Spencer Gulf requires considerable attention from the Minister of Fisheries. Has the Minister given the coming prawn season any thought and, if he has, can he state what action he may take to close the gulf to prawn fishing for some period during the coming season?

The Hon. B. A. CHATTERTON: There has been intensive negotiation by me, my departmental officers, and the fishing industry on the question of closing Spencer Gulf to prawn fishing next season. I am pleased to say that agreement has virtually been reached, and we will be able to close the gulf for prawn fishing for a period to allow the prawns to grow to a more marketable size. The exact time of the closure will be announced shortly. The period will be about eight weeks, which is the sort of period required to make a substantial impact on the size of the prawns. We had originally hoped to have a flexible time for re-opening but, after much discussion with the industry, we have decided that it is probably too difficult to implement such a system in the first year of operation. The closure period

will be a fixed period in the initial year, and we will hold further discussions next year to see whether it is possible to operate a system whereby there is a fixed closing date and a flexible opening date, the latter date being based on the size of the prawns. That is impossible at this stage. I think the industry accepts that this is a sensible approach. The moves made late last year were too hasty. A decision such as this requires considerable consultation with fishermen and processors. Now that that consultation has taken place we will have a very satisfactory solution next year.

HOSPITAL CHAPLAINS

The Hon. JESSIE COOPER: Can the Minister of Health say whether the Government finances the appointment of hospital chaplains and, if it does, what the procedure is?

The Hon. D. H. L. BANFIELD: The Government does not finance the appointment of hospital chaplains. True, there is a full-time hospital chaplain at Queen Elizabeth Hospital, but that appointment is not financed by the Government. We make an annual grant from the Chief Secretary's "Miscellaneous" line to the Public Institutions Chaplain Service. A grant of $50 000 was included in the Estimates for the 1977-78 Budget. The Chaplains Advisory Committee, which is comprised of representatives of the various denominations, is responsible for the disbursement of funds to the various denominations who provide chaplains at Government hospitals, prisons and other institutions. At no time did we appoint or pay for the full-time chaplain at Queen Elizabeth Hospital.

OYSTERS

The Hon. J. R. CORNWALL: I understand that during my absence from South Australia numerous cases of food poisoning have been attributed to the eating of New South Wales oysters, and I seek information regarding the present situation in South Australia. Can the Minister of Health say whether or not further cases of food poisoning have been reported in South Australia that can be attributed to the eating of New South Wales oysters?

The Hon. D. H. L. BANFIELD: Unfortunately, further cases of food poisoning have been reported earlier this week in this State. It seems that they can be attributed to the eating of New South Wales oysters. However, there is still a small number of unidentified suppliers from whom the oysters seem to reach the market. Metropolitan County Board and Health Commission officers are continuing to seek out these suppliers and have their stocks from New South Wales withdrawn. In the meantime, no further stocks of New South Wales oysters will be imported into South Australia pending an assurance from the New South Wales Health Commission that they are not contaminated and that other measures to ensure control have been satisfied.

Meanwhile, I suggest that people who like oysters do not eat them unless they are aware of the oysters' origins. In putting in a plug for the South Australian oyster industry, I can assure honourable members that oysters from South Australian waters have never been incriminated in contamination scares. Therefore, if they wish to continue to eat oysters, they should patronise the home-grown variety.

The Hon C. M. Hill: How can one tell that?

The Hon. D. H. L. BANFIELD: Ask me!

The Hon. C. M. HILL: Can the Minister of Health say whether or not his departmental officers are calling at various houses in Adelaide suburbs and asking householders whether or not they have oysters? If they are, presumably those officers wish to confiscate the oysters. How many officers are involved in this exercise, and what is the estimated cost involved in such activity? I stress that I am not concerned with any calls on commercial establishments that may be importing oysters from New South Wales; I am concerned merely with the question applying to private houses.

The Hon. D. H. L. BANFIELD: I am not aware of such visits being made.

The Hon. R. A. GEDDES: I thank the Minister for his earlier reply and his praise of the South Australian oyster industry. Can he say whether or not the Health Department undertakes checks on South Australian oysters before they are made available for sale? It is known that in some parts of the State effluent from septic tanks and household waste runs into the sea near oyster beds. I do not suggest that there are any problems, but one of the criticisms in New South Wales has been that Sydney University has been warning the New South Wales Health Department for many years of this problem, yet no action has been taken. Has consideration been given to our department checking the safety of South Australian oysters?

The Hon. D. H. L. BANFIELD: Checks have been made on the South Australian product and, as I previously indicated, none have been contaminated.

MICROWAVE OVENS

The Hon. C. J. SUMNER: I seek leave to make a short statement prior to directing a question to the Minister of Health concerning microwave ovens.

Leave granted.

The Hon. C. J. SUMNER: On 8 March 1978 I asked a question of the Minister relating to the potential dangers of microwave ovens. The Minister replied to me by letter dated 17 May 1978, and I seek leave to have that letter inserted in *Hansard* without my reading it.

Leave granted.

LETTER OF 17 MAY 1977

I refer to your question in the Council on 8 March 1978 regarding microwave ovens. I have been informed that the term "electro-magnetic radiation" encompasses a spectrum of different radiation frequencies, including X-rays, ultra-violet, visible light, infra-red and radio waves in addition to microwaves. Microwaves comprise that portion of the spectrum with wavelengths from 1 mm to 1 m. Most microwave ovens operate at a frequency of 2 450 MHz (megahertz), corresponding to a wavelength of approximately 12 cm.

The effects of the radiation on health depend on the frequency and wavelength of the radiation. Electro-magnetic radiation can be considered as a form of energy, and its effects on health depend on the amount and distribution of energy deposited in body tissues. The absorption of microwaves produces heat which may be locally destructive. Their use in cooking is the result of this effect. Prolonged exposure to microwaves may be deleterious to health. Reports from overseas have suggested a wide range of conditions which may be associated with microwave exposure. There is little conclusive evidence on this subject however, and even the most well documented effect, cataract formation in the eye, is disputed by some experts. Extensive research on microwaves is being undertaken in many countries in order to further assess their hazards.

There is little danger from microwave ovens which are in good condition and used correctly and, in these circumstances, their use can be recommended. As with many

devices, they can be dangerous if misused. Excessive leakage of microwaves can occur from ovens which are damaged or misused. At a sufficiently high level, this may cause damage to the eye. In addition, there is evidence that, in some circumstances, microwaves can interfere with the action of artificial cardiac pacemakers and persons with these devices implanted should not go near microwave ovens while they are operating. The National Health and Medical Research Council has published precautions which should be taken by persons using microwave ovens (copy attached).

In January 1972 the then Director-General of Public Health in South Australia issued the following safety standards for emission of radiation from microwave ovens:

(a) The power density of the microwave radiation emerging from any microwave oven used in homes, restaurants, food catering establishments, buffets, kitchens, food dispensers and the like, shall not exceed, when the door is fully closed, 5 milli-watts per centimetre^2 at a distance of 5 centimetres or more from any point on the external surface of the oven.

(b) To determine compliance with the above requirement, measurements of the emerging microwave power density shall be made with the door of the oven fully closed and with the door fixed to any other position such that the oven is operative.

(c) The above requirements apply under any conditions of load of the oven, including no load condition, where such operation is permitted by the manufacturer of the oven.

(d) The X-ray emission of microwave ovens for use in homes, restaurants, food catering establishments, buffets, kitchens, food dispensers and the like, shall not exceed an exposure rate, averaged over an area of 10 square centimetres, of 0·5 milliroentgens per hour at a distance of 5 centimetres from any point on the external surface of the oven.

These standards were subsequently endorsed by the National Health and Medical Research Council and the Standards Association of Australia. The above standards and guidelines were distributed to all agents of appliances at that time to enable them to advise customers. Purchasers and users of microwave ovens should be given guidelines for their safe use, such as can be found in the National Health and Medical Research Council recommended "Guidelines for Safe Practices in the Use of Microwave Ovens in Heating Food". Copies of this document are available from the Occupational Health Branch of the South Australian Health Commission.

The Occupational Health Branch of the South Australian Health Commission undertakes tests of leakage radiation from microwave ovens on request. A check will be made of current retailers to ascertain the depth of advice given to purchasers of microwave ovens.

Issue No. 12. June, 1973

DEPARTMENT OF PUBLIC HEALTH
SOUTH AUSTRALIA
LIBRARY

GUIDELINES FOR SAFE PRACTICES IN THE USE OF MICROWAVE OVENS FOR HEATING FOOD
(As recommended by the National Health and Medical Research Council)

Introduction

Ovens that employ microwave radiation to heat food are commercially available in Australia. The advantage of using microwave radiation is that it penetrates the food and heats the centre as quickly as the outer layers. Heating is there fore more uniform and is it is possible to heat food quickly.

Harmful Effects

Microwave radiation can cause harmful effects because of its ability to produce heat in body tissue. The amount of heat produced in a given body tissue depends not only on the power and frequency of the radiation, and the duration of the exposure, but also on the water content of the tissue and its ability to dissipate heat. There is sufficient power produced inside some microwave ovens to cook body tissue in less than a minute. Leakage radiation at a sufficiently high level may damage the eye. However, the National Health and Medical Research Council at its 73rd Session in October 1971 laid down a standard of safety for leakage radiation.

Safety Features

Microwave radiation will not readily penetrate a metallic object but will be reflected by it. A microwave oven is basically a microwave generator enclosed in a metal box which has a large metal door in one side. The purpose of having all metal construction is to contain the microwaves. Gaps between the door and the oven may lead to some leakage of radiation which will become worse as the gaps become larger.

The door of a microwave oven is interlocked to the microwave generator to prevent the production of microwave radiation when the door is moved from its fully closed position. This can be achieved by using switches that are activated when the door is opened. Two switches are usually used, one acting as a back-up should the first fail. The leakage radiation between the door and the oven is usually prevented by provision of a special seal. This may be a metal seal or a special cavity filled with absorber.

All ovens have a metal grille in the door to allow adequate ventilation of the oven and to permit viewing of its contents. If the grille is covered by glass, ventilation is obtained by other means. The grille is designed to prevent the escape of microwave radiation.

Precautions in the Use of Microwave Ovens

A microwave oven should only be used if an inspection confirms all the following items:

(i) The grille is not damaged or broken.

(ii) The door fits squarely and securely and opens and closes smoothly.

(iii) The door hinges are in good condition.

(iv) The door does not open more than a small fraction of an inch (more than a few millimetres) without the user hearing the safety switches operate.

(v) The metal plates of a metal seal on the door are not buckled or deformed.

(vi) The door seals are not covered with food nor have large burn marks.

Microwave radiation from microwave ovens can cause harmful effects if the following precautions are not taken:

(i) Never tamper with or inactivate the interlocking devices on the door.

(ii) Never poke an object, particularly a metal object, through the grille or between the door and the oven while the oven is operating.

(iii) Never open the door while the oven is on.

(iv) Never place metal objects inside the oven. These include saucepans, trays or any other metal utensils or metal-rimmed or metal decorated utensils.

(v) Clean the oven cavity, the door and the seals with water and a mild detergent at regular intervals. Never use any form of abrasive cleaner that may scratch or scour surfaces around the door.

(vi) Never use the oven without the trays provided by the manufacturer.

(vii) Never operate the oven without a load (i.e. an absorbing material such as food or water) in the oven cavity unless specifically allowed in the manufacturer's literature.

(viii) Never rest heavy objects such as food containers on the door while it is open.

The Hon. C. J. SUMNER: Reference is made in that letter to the effect that microwave ovens can have on artificial cardiac pacemakers. One paragraph states:

> In addition, there is evidence that, in some circumstances, microwaves can interfere with the action of artificial cardiac pacemakers and persons with these devices implanted should not go near microwave ovens while they are operating.

The *News* of 31 July contains a report that a microwave cooker had halted a 73-year-old woman's pacemaker while she was in an Adelaide delicatessen. Apparently, her pacemaker was affected by the microwave oven, and shortly after she came out of the shop she became ill. The suggestion in that report was that a sign should be placed in shops and other public places where microwave ovens are used warning people of this danger. The suggestion was that this lady would take up the matter with the Health Commission or the Minister. Is the Minister aware of this report, and has any consideration been given to this suggestion? The Minister said in his letter to me that a check would be made of current retailers to ascertain the depth of advice given to purchasers of microwave ovens. Earlier in his letter, he outlined some of the problems that arise with these appliances. Has that check been carried out and, if so, what was the result?

The Hon. D. H. L. BANFIELD: The honourable member raises a very good point. Perhaps we should educate people who have pacemakers. They should be told of the dangers which exist, and perhaps the onus should be on the person with the pacemaker. I will consider this matter. I do not have the result of the check, but as soon as I have it I will supply it to the honourable member.

ENERGY CONSERVATION

The Hon. R. A. GEDDES: Has the Minister representing the Minister of Mines and Energy a reply to my question of 19 July relating to energy conservation?

The Hon. B. A. CHATTERTON: The Government is acutely aware of the problems posed by an impending shortage of indigenous petroleum. The Minister of Mines and Energy informs me that he will be discussing energy conservation in general and, in particular, a proposal for a publicity campaign when he meets with State and Commonwealth Ministers for Energy on 8 August. However, any commitment by this Government to a proposal to educate the community on energy conservation would have to be balanced responsibly with its other commitments and options. Inevitably, the financial stringency imposed by the Federal Government will make it very difficult to finance such a campaign from State sources. Furthermore such a campaign should be co-ordinated at the national level. As a consequence, there are strong grounds for arguing that the major portion of the cost should be met by the national Government.

BUSINESS COMPUTERS

The Hon. N. K. FOSTER: I direct a question to the Leader of the House in relation to technology.

Leave granted.

The Hon. N. K. FOSTER: I refer to page 23 of this morning's *Advertiser* which carries a full page advertisement on "The amazing Olivetti A5", as follows:

> An inexpensive desktop business system's computer that can increase efficiency and profits in any size business.

It goes on, "Control over your business . . . As you grow, it grows", and so on. It talks about this vicious piece of technology which has a habit of reducing staff. It has the capacity to do the work of about five typists. Part of the advertisement states:

> Inexpensive, small and easy to use. You can lease a typical A5 configuration from as little as $55 a week, tax deductible. And, in addition, you can take advantage of the 20 per cent investment allowance. At this price, this sort of performance must kill any doubts you may have had about utilising a computer in your business.

Does the Minister not consider that such advances in technology work against the best interests of employing people in this community? Should the Federal Government spend taxpayers' money, money raised from the workers of this country in providing an investment allowance of 20 per cent which will, in effect, ensure that they are rendered unemployed?

The Hon. D. H. L. BANFIELD: Right through the years advancing technology has been the means of fewer people working in various industries. I am not against that, so long as workers benefit as a result, whether it means shorter working hours—

The Hon. R. C. DeGaris: Like Flinders Medical Centre.

The Hon. D. H. L. BANFIELD: Make up your mind. Either you choose to go back to the pick and shovel days that you people were happy to stay with, or you choose to advance. Members opposite do not want workers to participate in benefits arising from increased technology. They should state their case, and say where they stand. I favour advances in technology, but I believe that the worker should not suffer as a result. If these advances result in fewer people employed, workers should generally benefit either by a shorter working week or in some other way.

The Hon. C. J. Sumner: Don't you think the Federal Government should have a manpower policy?

The Hon. D. H. L. BANFIELD: It has one!

Members interjecting:

The PRESIDENT: Order! Let the honourable Minister make his explanation. I remind honourable members that interjections, especially during Question Time, are out of order.

The Hon. D. H. L. BANFIELD: The question in relation to the Federal Government's manpower policy was answered some time ago in Tasmania when the Federal Government declared that there should be a 6 per cent to 7 per cent unemployment figure. It has just about achieved that now. Getting back to the question—

The PRESIDENT: I wish you would.

The Hon. D. H. L. BANFIELD: Your wish is granted. I believe that, whatever advances are made in technology, workers and the people generally should benefit as a result. There is no doubt that from time to time various advances are made in technology and a number of people are thrown out of work. This factor should be offset by benefits accruing in other areas.

TINNED SALMON

The Hon. J. R. CORNWALL: I seek leave to make a short statement before addressing a question to the Minister of Health regarding tinned salmon.

Leave granted.

The Hon. J. R. CORNWALL: There are reports today of tinned salmon causing food poisoning in several instances in the United Kingdom. Since those early reports, I understand that a spokesman for the company concerned has stated that none of that batch has come to Australia. Is the Minister able to say what is the position in

South Australia? Has his department been able to verify that statement?

The Hon. D. H. L. BANFIELD: As the department was concerned about the report of food poisoning in Great Britain, it made investigations, and I can assure honourable members that none of this brand of salmon has been imported into Australia. I am happy to announce that I saw in the paper today that the Leader of the Opposition was 7 per cent ahead of the Prime Minister in a popularity poll.

POLICE REGULATION ACT AMENDMENT BILL

The Hon. C. M. HILL obtained leave and introduced a Bill for an Act to amend the Police Regulation Act, 1952-1973. Read a first time.

The Hon. C. M. HILL: I move:

That this Bill be now read a second time.

Its purpose is to give protection to the Commissioner of Police against his removal from office. Mr. Harold Salisbury, Commissioner of Police in South Australia, was dismissed from that office on Tuesday 17 January 1978. There was a great public outcry as a result. Strong public opinion was expressed, and South Australians who were incensed by the Government's action argued that the dismissal was not justifiable in the circumstances, that a Royal Commission should look into the matter, and that Parliament itself should have some say before the Commissioner was finally removed from office.

The intensity of public feeling on the issue was evidenced by the facts that a very large public protest rally occurred in Victoria Square on 25 January, petitions to Parliament on the issue contained 66 118 signatures, a great number of letters on the subject was sent to newspapers in this State, and the Premier's popularity plummetted from an all-time high to such an extent that his remaining supporters sought $50 000 from sympathisers for a public relations campaign to restore his credibility.

The Hon. N. K. Foster: Can you tell us what percentage he dropped from?

The PRESIDENT: Order! This is not a debate. The Hon. Mr. Hill can continue with his second reading explanation, and any member can participate in the debate to the best of his ability when that stage is reached.

The Hon. C. M. HILL: At the time, the Government finally yielded to one aspect of public opinion, and appointed a Royal Commission. That decision was taken after the Liberal Party members in this Council announced that they intended to appoint a Select Committee, which would have had comparable powers to a Royal Commission. Naturally, the Select Committee was not appointed.

Before the announcement of the Royal Commission, I announced publicly that I intended to introduce a private member's Bill, to give protection to a Commissioner of Police against arbitrary dismissal, in that Parliament would debate the issue before such removal from office. When the Royal Commission was announced, I did not proceed, and I held the matter over pending the Commission's report. The Royal Commission's report on this aspect (I refer to page 47, dealing with the third specific question before the Commission) was as follows:

> 3. Whether there is reason to modify the prerogative rights of the Crown to dismiss the Commissioner of Police. YES.
>
> The Police Regulation Act 1952-1973 should be amended to provide that the Commissioner of Police may be removed from office by the Governor for any of the causes to be specified in the amendment.

Later (on 2 June), the Premier announced in the press that the Government would legislate in this session to provide grounds on which a Police Commissioner may be removed from office, and that these grounds would include incompetence, mental instability, bankruptcy and misbehaviour. He went on to point out that these grounds would mean that any Commissioner dismissed in future would have the right of appeal to the courts on the grounds that he had been wrongfully dismissed. I have noted that, in the long list of proposed legislation for this session, as announced by His Excellency when opening this session, no mention was made of amending the Police Regulation Act. With respect, I disagree with the Royal Commission's finding in this matter, as I also disagree with one of the other two findings, namely, that Mr. Salisbury's dismissal was justifiable in the circumstances. Accordingly, I am proceeding with the Bill, which is in the same form as my original Bill.

Whereas under the present law dismissal from office is initiated and carried out by the Government (through the formal procedure of the Governor acting on the recommendation of Executive Council), the Bill requires either one of two procedures.

First, the Governor, in Executive Council, may dismiss the Commissioner upon the presentation of an address by both Houses of Parliament, or, secondly, the Government may suspend the Commissioner on the grounds of incompetence or misbehaviour, and then a full statement of the reason for suspension is laid before both Houses of Parliament. In this latter instance, if either House presents an address to the Governor, praying for the removal of the Commissioner from office, the Government may dismiss him. If neither House so acts, he must be restored to office. Appropriate time limits are specified for these procedures. Similar protection exists for the Public Service Commissioners, the Auditor-General, the Valuer-General, and to a greater extent the Ombudsman, the Electoral Commissioner, judges of the Supreme Court and judges of the Local Courts, and the Commissioner of Highways.

By a greater extent, I mean that such officers cannot be removed without addresses from both Houses of the South Australian Parliament, whereas in my Bill a petition need be passed only by one House, and this is the same procedure as in the case of the Public Service Commissioners, the Auditor-General and the Valuer-General.

I submit that the procedure in my Bill, which ensures Parliamentary discussion and debate on all matters relative to a Commissioner's suspension, is better than the Premier's announced intention of providing cause for dismissal and an appeal against wrongful dismissal to a court. Incidently, this latter machinery applies to the Solicitor-General, members of the State Planning Authority, the Credit Tribunal, and the S.A. Land Commission.

Early this year, when I first announced my intention to introduce this Bill, the Premier rejected the proposal, and was reported in the *News* of 25 January as saying that both the Auditor-General and the Ombudsman were, in the nature of things, Parliamentary officers, and that Supreme Court judges were part of an independent Judiciary. He said that the Government would not hand over the executive function of government to the Parliament, and "The Police Commissioner is part of the executive arm of government". I pose the question, "What about the Public Service Commissioners, who have exactly the same protection as I am trying to give the Police Commissioner?

Are not the Public Service Commissioners part of the executive arm of Government?"

What about the Valuer-General, who has the same protection as I am endeavouring to achieve for the Police Commissioner? Is he, the Valuer-General, not part of the executive arm of Government? Of course he is, as are the Public Service Commissioners, and as is the Highways Commissioner, who has the added protection of both Houses having to agree to his proposed removal. This added protection may be related to the fact that the Highways Commissioner administers his own Highways Fund. On the Premier's own admission on 25 January, the Police Commissioner is part of the Executive and therefore should be protected, as are other executive officers to whom some independence is essential.

A Police Commissioner might at some stage, for one of a number of reasons, be subjected to pressure by a Government. He must be entitled to some independence. I believe that a very large majority of South Australians accept that a degree of independence is an essential factor in the office of Police Commissioner: this applies to his Special Branch activities, as well as his traditional responsibility of law enforcement. I quote paragraph 53 under the heading "The duty to the law" of the Royal Commission's report:

> "Of course, the paramount duty of the Commissioner of Police is, as is that of every citizen, to the law. The fact that a Commissioner of Police 'is answerable to the law and to the law alone' was adverted to by Lord Denning, M.R., in *R. v. the Commissioner of Police of the Metropolis; ex parte Blackburn.* That was in the context of the discretion to prosecute or not to prosecute. No Government can properly direct any policeman to prosecute or not to prosecute any particular person or class of persons although it is not unknown for discussions between the executive and the police to lead to an increase in or abatement of prosecutions for certain types of offences. That is not to say that the Commissioner of Police is in any way bound to follow Governmental direction in relation to prosecutions. Nor should it be so. There are many other police functions in respect of which it would be unthinkable for the Government to interfere. It is easier to cite examples than to formulate a definition of the circumstances in which the Commissioner of Police alone should have responsibility for the operations of the Police Force."

If a question of suspension or dismissal arose, and the questions of political pressure or undue interference by a Government against a Commissioner are involved, I firmly believe that the people of this State would want all that dirty linen hung out here in Parliament, rather than in the courts.

If this Bill is passed, and those circumstances arose in future, then the suspended Commissioner's version and point of view would be disclosed and argued by the elected representatives of the people. The Government's view would also be submitted, no doubt supported by some members and critically questioned by others.

The Hon. C. J. Sumner: What about the question of an appeal?

The Hon. C. M. HILL: I am arguing that the procedure I am outlining is better. Surely that is the procedure which ought to occur in such circumstances. Let us make no mistake; the issue of the removal of a Police Commissioner affects the people with a depth of feeling, emotion and fear, as perhaps no other decision by a State Government can arouse. *Advertiser* journalist Stewart Cockburn's now famous headline "I start to feel a bit scared" was a true indication of the thinking of most South Australians when they opened their morning newspaper on 18 January this year. If that situation occurs again in this State, the Premier wants the dismissed Commissioner to have the new right and privilege to appeal to the court, and the best decision which could be handed down in favour of the Commissioner would be that he was wrongfully dismissed, and damages assessed against the Crown.

The Hon. M. B. Dawkins: He could not be reinstated.

The Hon. C. M. HILL: That is correct. Under this Bill, the best decision in favour of the Commissioner would be that neither House would agree that his suspension was warranted, and he would return to his desk. The Royal Commission argued that in such a case the relationship between the Government of the day and the Commissioner would be untenable. However, the Legislature has accepted the proposition that such a relationship would not be untenable in the case of the other executive officers whom I have mentioned.

If a situation arises in which a large number of citizens gather to protest against the dismissal by the Government of a highly respected and admired senior member of the executive (and the number who gathered in Mr. Salisbury's support in Victoria Square appeared to be about 10 000) then those citizens are entitled to the right to endeavour to influence the Government, and their respective Parliamentarians, to reverse the decision against which they are protesting. The same can be said of the 61 000 people who signed petitions. That demand by protesters and petitioners would be echoed within Parliament if this Bill is passed. If the Premier's proposed change occurs, all he can then say to those who protest and petition is that the Government has washed its hands of the matter; the dismissed person can appeal to the courts and perhaps obtain damages. That procedure is by no means as democratic as one in which the subject matter is brought to Parliament.

The reference of the suspension of the Commissioner to Parliament is in the nature of an appeal: the suspended Commissioner would undoubtedly make out his whole case and a member or members of Parliament supporting his point of view would submit that case on the floor of both Houses of Parliament. The Commissioner could be brought to the Bar, if members approved of such procedure.

It is of some interest that, in the relatively modern history of Australia, the only other public upheaval against a Government for dismissal of a Police Commissioner occurred in New South Wales. In 1935, the Police Regulation Act of that State was amended to include the procedure that suspension of the Police Commissioner had to be reported to Parliament, and both Houses had to concur, or else the New South Wales Commissioner was restored to office. The reason for the amendment was the charge that the previous Government, the Lang Government, had sacked a Commissioner for political reasons.

I reject accusations which will be made by some who will claim that the introduction of this Bill is motivated by Party-political consideration. In all probability, all this Bill would have achieved had the Salisbury issue been brought to Parliament (and if the law then had been in accordance with this Bill) would have been that after considerable debate one House would have approved and the other House disapproved the suspension of Mr. Salisbury, and he would still have been dismissed. I make that assessment because one House has a majority of members from one major Party, and the other House has a majority of members from the other major Party. However, each House would have been a proper forum for debate, and those debates would have provided the people of this State with an opportunity to be heard through their elected

representatives, an opportunity to judge those representatives on the particular issue, and an opportunity for the individual so deeply involved (namely, Mr. Salisbury) to have his viewpoint submitted and discussed publicly.

There is also, of course, a probability that in such a case, the Commissioner would never have been suspended, anyway: the problems between the Government and the Commissioner might have been resolved by discussion and compromise, if the Government knew that the whole issue had to be referred to Parliament.

I have not previously stated publicly any personal views regarding the Salisbury affair. I say quite unequivocally that this honourable, respected and dedicated former police officer did nothing whatsoever to deserve having his life and career shattered as it has been by the Dunstan Government.

The Hon. C. J. Sumner: Are you saying he was entitled to do what he did?

The Hon. C. M. HILL: What I am saying is that, by compromise and discussion, a solution could have been found before the question of dismissal arose. As shadow Chief Secretary in this Parliament, I say it would never have happened under a Liberal Government, which would have negotiated and erased inevitable misunderstandings and conflicts as they arose, so that a proper balance between necessary security and civil liberty would have been established. The manner of his dismissal has shamed South Australia, but I am sure that the vast majority of citizens hope that both he and his wife gain some recompense from the undoubted admiration and respect which so many hold, or have expressed, towards them.

Clause 1 of my Bill is formal. Clause 2 amends section 6 of the principal Act by the insertion of two new subsections. The first gives the power to the Government to remove the Commissioner upon presentation of an address from both Houses of Parliament praying for his removal. The second provides for the possibility of suspension of the Commissioner, as explained earlier, and the subsequent action of either removal from, or restoration to, his office.

The attention of honourable members is drawn to the fact that the Government's full statement of reasons for suspension must be laid before Parliament within three sitting days of suspension, or three sitting days of the commencement of a new session, if Parliament is not sitting on the date of suspension. Either House has 12 sitting days in which to move for removal, after the Government's full statement of reasons has been tabled. These periods vary slightly from comparable periods in the other Acts to which I have referred. I commend the Bill to this Council.

The Hon. C. J. SUMNER secured the adjournment of the debate.

CLASSIFICATION OF PUBLICATIONS BILL

The Hon. J. C. BURDETT obtained leave and introduced a Bill for an Act to provide for the classification of publications; to repeal the Classification of Publications Act, 1973-1977; to amend the Police Offences Act, 1953-1978; and for other purposes. Read a first time.

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

That this Bill be now read a second time.

Its first purpose is to repeal the Classification of Publications Act. Many of the existing provisions have been retained but the changes I propose are substantial and are scattered throughout the frame-work of the existing Act. It was therefore not practicable to proceed by way of amendment to the existing Act. The second main purpose of the Bill is to repeal section 33 of the Police Offences Act and to re-enact it, with some alterations, in the Act proposed by this Bill in order that the proposed Act should provide a complete code in regard to indecent publications.

At the present time the control of indecent publications is not effective. Publications depicting acts of bestiality and the so-called "bondage" publications are classified and are readily available. Publications, at the very least bordering on child pornography, are being classified. I have no wish to ban matter which is genuinely educational, artistic, or even funny, but much of the material which is being classified is merely pornographic. It has nothing to commend it. To allow some of the material which is being classified today to be readily available in the community is to corrupt society. Much of the material sold is completely degrading to women and is certainly sexist. Very few of the publications available degrade men (apart from those designed for the homosexual market) but there is grave discrimination against women.

Some time ago I asked the Government for an inquiry into the incidence and causes of rape, including the effect, if any, of pornography on sexual offences. This has not been done and there are no statistics available. But the grave increase in the crime of rape has certainly happened at the same time as the great increase of pornography. Much of the bondage material virtually instructs people of that turn of mind how to subject women to the grave indignities which are depicted in classified material.

There are several elements in controlling pornography. One is the legislation. I consider that the present legislation is defective. I said that when it was first introduced in 1973: I have said it consistently ever since, and I still say it.

The second element is administration. Some few months ago, I examined the operation of the control of pornographic material in Western Australia. It was very apparent that there are no legal, legislative or administrative problems. If the Government wants to control indecent material, it can easily do so. The present Government clearly does not want to control indecent material but it would appear, as I have said elsewhere, that the very purpose of the Classification of Publications Act was to allow indecent and obscene material to be sold with comparative impunity.

I cannot make this Government want to control indecent material but I can, at least, attempt to strengthen the legislation so that there is some likelihood that the flood of hard-core pornography which we are enduring in South Australia, certainly more so than in any other Australian State, is stemmed.

Vital, of course, to the administration of any legislation of this kind are the personnel appointed to the board. This Government has scrupulously appointed personnel who are likely to follow the permissive line which the Government itself wants to adopt. The ideal, of course, would be that the Government, when making its appointments, observed a balance between moral conservatives, moral radicals, and moderates, but this has not been done.

It seems to be too difficult to spell out the bodies who should have the right to nominate members of the board. Therefore, the only amendment I propose in this area is to include on the board a representative of the National Council of Women, in accordance with an amendment I moved in 1973 and the one moved by the member for Coles in another place, and subsequently by me in this Council earlier this year.

However, as the Government is in fact in control of the situation through its appointments to the board, it must

accept this responsibility. The present Act is a travesty of the principle of responsible Government. The Government should be responsible to the Parliament and therefore ultimately to the people for the important matter of controlling the dissemination of hard-core pornography. The present Act is a complete denial of that principle. The board makes the classifications. The Government has no control over the board and can completely wash its hands of what the board does. It has completely abdicated its responsibility.

This Bill seeks to place the responsibility with the Government. This field is one for the Executive Government. If the Government does its job well it should get the kudos and if it does it badly it should get the brickbats. The Bill gives the task of classification to the Minister after considering the recommendations of the board.

One of the most distressing aspects of hard-core pornography is the likelihood of its getting into the hands of minors. I am not talking about blue cartoons. I am talking about photography of near naked girls lovingly placing the anus of a hen on a male's penis, a woman bound and having introduced into her vagina, mice and other objects, naked (and apparently young) boys in clearly homosexual positions, and so on. All of these have been classified. It is not enough to consider the point of first sale. Much of this material finishes up, by accident or design, in the hands of children. This matter must be considered in regard to legislation and administration in this area.

On the matter of child pornography, honourable members know that I have three times introduced a Bill to amend the Criminal Law Consolidation Act to make the photographing of children in pornographic situations a specific offence. It also provided severe penalties for the sale or distribution of such material. The only serious argument which the Government advanced against the Bill was that it was claimed that this matter was already covered by the Criminal Law Consolidation Act. I claimed that this was not clear and that, in any event, when dealing with a specific and prevalent problem, such as child pornography, the matter should be specifically dealt with.

Let us look at what bodies other than the South Australian Government have said about this issue. Before the last occasion when I introduced this Bill the Mitchell committee had reported on this matter but the Government, for some inexplicable reason, decided not to release the report until my Bill had been defeated by Government members in the House of Assembly. The Committee reported that the offence of photographing children in pornographic situations was probably covered by the Criminal Law Consolidation Act but recommended, as I did, that to put the matter beyond doubt suitable legislation should be introduced. On the first day of this session the Premier, who had previously said that such action was unnecessary, said that the Government would introduce the requisite legislation.

In America, the United States itself and the State of California have passed legislation to prevent the manufacture and sale of child pornography. A Bill introduced in the Parliament of the United Kingdom to do the same thing and with much more severe penalties than I had proposed passed the House of Commons by an overwhelming majority and is at present before the House of Lords.

Most notable of all perhaps is that, while my Bill was still being debated, the Labor Government in Tasmania took a similar step. I have reintroduced the substance of my previous Bill into this present Bill and trust that the Government will no longer oppose it.

I note that in the Governor's Speech no mention was made of amendment to either the Classification of Publications Act or the Police Offences Act, yet on the very day of the opening of Parliament the Premier said that the Police Offences Act would be amended so that the definition of indecency would include acts of explicit sadism. The Premier said this after I had instructed Parliamentary Counsel to draw this Bill, but I certainly would have no objection to a proper amendment of this Bill to cover this matter.

For many years, and prior to the present Classification of Publications Act even being introduced, one of the main problems with section 33 of the Police Offences Act has been that it requires the certificate of the Attorney-General before a prosecution is instituted. This had not been forthcoming. This Bill repeals section 33 of the Police Offences Act and re-enacts it, with some alterations, as clause 19. One major alteration is to remove the requirement for an Attorney's certificate. I certainly believe, as I have said, in Ministerial responsibility in the matter of classification, but where the police consider that they have evidence to justify a prosecution, in a matter to be dealt with summarily, they should be able so to proceed in this case, as in any other case, without requiring an Attorney-General's certificate.

In 1953 when the Police Offences Act was first enacted, when there was not much pornographic material readily available commercially and when it was no doubt feared that there might otherwise be oppressive prosecutions this may have been reasonable. In the present context this requirement has made it difficult for the police to prosecute because the certificates are not given and there is now no reason to distinguish this from any other offence punishable summarily.

An important concept which the Bill introduces is that of a prohibited publication. At the present time no publications, however much they offend against the guidelines laid down by the Act, are prohibited. The most severe action which the board can take is to refuse to classify. This means that the unclassified publication must take its chances under section 33 of the Police Offences Act. That is all! And of course at the present time when the Attorney-General rarely gives his agreement, and is known rarely to give his agreement, the chances are very good indeed. If it is intended to make it possible for the board virtually to prohibit publications which it considers completely unacceptable on the guidelines laid down, this should be simply and honestly done and that is what this Bill does. I do not think that many people perusing the publications which the board has refused to classify would have any objection to taking the simpler more honest, more direct and less tedious course of prohibiting these publications.

Clauses 1 and 2 are formal. Clause 3 sets out the necessary definitions. Clause 4 repeals the present Act and makes transitional provisions. Clause 5 sets out the constitution of the Board and differs from the present Act in including a nominee of the National Council of Women. Clause 6 provides the terms and conditions of office. It differs from the present Act in providing for a fixed term. Clause 7 fixes the quorum. Clause 8 validates the acts of the board notwithstanding a vacancy.

Clause 9 provides for allowances and expenses. Clause 10 sets out the powers of the board. Clause 11 provides for a Registrar. Clause 12 provides for classification by the Minister and stipulates that before classifying he must consider the recommendation from the board. Clause 13 sets out the criteria to be applied by the Minister. Clause 14 provides the basis for classification as prohibited, restricted or unrestricted classifications. Clause 15 lists the

restrictions which may be imposed by the Minister. Clause 16 enables the Minister to review any classification assigned either of his own motion or upon request. Clause 17 requires that classifications and conditions be notified in the *Gazette*.

Clause 18 prohibits the making or distribution of child pornography on penalty of imprisonment not exceeding three years or a fine of $2 000 or both. Clause 19 sets out the offences and the penalties of selling, delivering or exhibiting indecent publications, and prohibited publications and for selling, delivering or exhibiting publications in contravention of a condition. Clause 20 gives the power to seize where an offence is suspected. Clause 21 sets up certain defences to charges laid under the proposed Act. Clause 22 provides for summary disposal of proceedings for offences except proceedings for a breach of Clause 18 which establishes a misdemeanour. Clause 23 is the regulation making power, and Clause 24 provides for the repeal of section 33 of the Police Offences Act.

The Hon. C. J. SUMNER secured the adjournment of the debate.

PROSTITUTION

Adjourned debate on motion of the **Hon. J. C. Burdett:**

That in the opinion of this Council a Joint Select Committee be immediately appointed to inquire into—

1. The activities of masssage parlours in this State and in particular the following matters:
   (a) To what extent are massage parlours in fact brothels;
   (b) Whether a licensing system to operate health studios should be set up:
      (i) to ensure that proper standards of competence in massage and in hygiene are observed; and
      (ii) to prevent massage parlours from operating as brothels;
   (c) To determine the extent of criminal involvement in the operation of massage parlours;
   (d) All facets of the operation of massage parlours in South Australia;
   (e) The location, owners and occupiers of all premises used as massage parlours;
   (f) Whether a definition apt to the activities can be established so that criteria for the registration of premises and persons can be defined;
   (g) Whether the State Planning Act and regulations and Local Government Act and regulations and any other Act are satisfactory for the control of such parlours;
   (h) Any other matters pertaining to the procurement, earnings, soliciting and employment of persons associated with massage parlours;
2. That all hearings of the Joint Select Committee be open to the public and media and where deemed necessary the committee may at its discretion protect the identity of witnesses; and
3. That the Select Committee recommend necessary legislative action.

That a message be sent to the House of Assembly transmitting the foregoing resolution and requesting its concurrence thereto.

(Continued from 19 July. Page 78.)

The Hon. ANNE LEVY: I wish to oppose the motion which was moved by the Hon. Mr. Burdett on 19 July, and I do so primarily as a result of an announcement which was made by the Premier on that day, as a result of which this motion becomes quite unnecessary and superfluous. The Premier has indicated that a Select Committee of the House of Assembly will be set up with three terms of reference.

1. the extent of prostitution in this State and including the ownership and operation thereof and receipt of profit therefrom;
2. whether the law relating to prostitution should be altered in any way; and
3. whether it is advisable to introduce a licensing or registration system for massage services for reward by other than registered physiotherapists, legally qualified medical practitioners, or chiropractors, where the massage is not connected with prostitution.

As stated by the Premier, the Select Committee will be from the House of Assembly only. The Premier indicated in a press conference that the joint Select Committee, as suggested by the Hon. Mr. Burdett, was a matter of the Liberals in the Legislative Council using their numbers to alter the normal position of a majority Government membership on Select Committees.

The Hon. R. C. DeGaris: That's normal, is it?

The Hon. ANNE LEVY: That is certainly the normal situation in the House of Assembly. There have been a few exceptions with Select Committees from this place where there has been equality in numbers, but in my experience they have hardly been concerned with matters of such great importance or of such public interest and concern as this matter.

I do not think the members opposite should object to this procedure. According to members opposite, this is a House of Review. I do not agree with the definition that they have given to this place, but they have indicated *ad nauseum* their opinion of the function of this place. According to them, we are here to review legislation when it is passed in the Assembly, not to form policy. Honourable members opposite will be able to review quite satisfactorily any legislation which results from the inquiry of the Select Committee, and they should not be perturbed that they will not be part of a Select Committee, which, according to its terms of reference, is to recommend policy to the Government. According to them, it is not the function of members of this place to undertake such activity. We are here as a House of Review only.

My second objection to the motion is that the terms of reference in it can be described as narrow, punitive and judgmental. My opinion is reinforced by the comments of the Hon. Mr. Burdett when introducing the motion. What he obviously wants is a witch-hunt on massage parlours, and not an inquiry into prostitution. If we really do want a broad inquiry into prostitution, we must have terms of reference which are neutral, flexible and non-judgmental.

Furthermore, such terms of reference must cover all aspects of prostitution, including home services and street and private services, as well as massage parlours. However, the Hon. Mr. Burdett's motion deals with only one facet of prostitution—massage parlours. The broad terms are certainly achieved by the Premier's announced terms of reference for a Select Committee. I have maintained that neutrality in the terms of reference and a comprehensive cover are necesary if we are to expect co-operation from witnesses.

I have spoken to a few people who are involved as workers in this industry, and they assure me that they are prepared to co-operate and give evidence on two conditions. First, the terms of reference must not be those proposed by the Hon. Mr. Burdett. The terms of reference should be broad and neutral enough to allow a possible recommendation for legal changes that would decriminalise prostitution, and all the activities associated with it that

are currently illegal. By this I do not of course mean that these people wish to condone or permit violence, coercion or intimidation, but they feel that, if the Select Committee can be persuaded that what occurs between two consenting adults in private is not the business of any other person, the Select Committee should be free to recommend decriminalisation of prostitution.

At this stage, I am not necessarily taking any position on this argument. I will wait happily to see what evidence is presented to the Select Committee and what recommendations come from it before deciding. We can be sure that the Premier's proposed terms of reference will encompass a broad and impartial inquiry, and on this score at least many people involved in the industry will be prepared to co-operate by coming forward and giving evidence, which, I repeat, they are not prepared to give if the terms of reference are those in the Hon. Mr. Burdett's motion.

There are, of course, other possible outcomes from the inquiry, in terms of recommendations from the Select Committee. Evidence will undoubtedly be presented to the committee on alternative approaches. One is that which has been suggested by Mr. Millhouse many times; that is, of licensing massage parlours. Although I can see numerous objections to such a system, and abuses that may flow from it, the committee may consider that the advantages outweigh the disadvantages.

It was interesting to see in yesterday's *Advertiser* the results of a poll conducted in South Australia; 76 per cent of a small sample of 802 people were in favour of licensed and Government-controlled massage parlours. The full implications of licensing may not have been realised by those responding to the poll, particularly as the question was worded in the way that it was. The results might have been different if the respondents had realised that a *de facto* legalisation of prostitution was being proposed to them. However, as I said, the response is certainly interesting and will doubtless be considered by the Select Committee. The terms of reference proposed by the Hon. Mr. Burdett would hardly permit such a poll to be considered as evidence.

Another item in the press that caught my eye comes from last Monday's *Advertiser*. I will now quote a small paragraph which appeared on page 2 and which involved an item from New York, as follows:

> Clients of prostitutes will soon be punished as much as the prostitutes under anti-vice laws to come into effect in New York State. Men found buying services from prostitutes will be fingerprinted and charged with a misdemeanour.

Of course, this is not a new suggestion. Indeed, it has been discussed publicly several times. However, I was not aware that it had been implemented anywhere other than in Cuba. Apparently, New York State has decided that, if prostitution is to remain illegal, the client is as guilty as the provider of the service. This at least has an element of logic to it, that is, if it is to be a criminal act to receive money in a brothel (as it currently is), it should equally be a criminal act to offer money in a brothel for sexual services.

Those who consider that receiving payment for sexual services provided by one consenting adult to another consenting adult should not be a matter for the criminal law may doubtless feel that offering payment should likewise not be a matter for the criminal law. Those with this view might argue that, to add another injustice to the existing one, is not a remedy for the first injustice. But, it is an interesting idea, which I hope the Select Committee will consider.

This idea is at least consistent with the notion that the woman should not be the only one picked on and made a scapegoat for society, and that degradation, if it occurs, is not limited to one sex. In this regard I should like to quote from a letter that was sent to the *Advertiser* by the recently formed group calling itself "The Scarlet Alliance", as follows:

> While women have for centuries been regarded as second-class citizens, prostitutes have been damned as the lowest kind of women, and it is the discrimination perpetuated by this attitude that has made necessary the formation of such an alliance.

Later, the writer continued:

> We are women, we are citizens of this State, and we refuse to accept any longer the victimisation and discrimination practised against us.

I said earlier that two conditions were mentioned to me by workers in the industry, conditions that would have to be met if co-operation from them was to be expected. I have discussed one, namely, the terms of reference. The second is the question of complete anonymity and protection. For this reason, I totally reject that part of the Hon. Mr. Burdett's motion that calls for open hearings of the Select Committee.

Select Committees have always heard their evidence in confidence, and on such a sensitive issue as this such confidentiality is surely supremely necessary. How the Hon. Mr. Burdett can expect co-operation from women who have, in their own words, been victimised and discriminated against, when every word they say may be blazed across the headlines of the next day's press to titillate the public, I cannot really imagine.

The Government can, moreover, provide immunity and protection for witnesses, as it has done with the Royal Commission on the Non-medical Use of Drugs, and the Premier has intimated that this will be done. Such protection and anonymity is not offered in the motion before us, and on its own this would be reason enough to reject the motion.

I trust that the Premier's reassurances on this matter will inspire confidence in those who are most involved in this industry, and that for the first time in South Australia their side of the story can be presented and listened to in a rational and non-judgmental manner. I am sure that they will have an interesting case and many supporting details to present that may surprise the committee. I trust that they will be viewed and respected as people, and listened to as courteously as would any other witnesses that appear before the Select Committee. Certainly, without their evidence all sides to this matter cannot be aired and proper judgments arrived at. It is therefore vital to ensure their co-operation.

As I understand it such co-operation will not be forthcoming if the Select Committee proposed by the Hon. Mr. Burdett is established, and this would thus render it futile and worthless, whereas the Select Committee proposed by the Premier should reassure people sufficiently to achieve the necessary co-operation. I most certainly hope so.

I feel that we should all keep open minds on this sensitive topic until the Select Committee has reported. However, approaching such a delicate issue with an open mind is vitally important for members of the Select Committee, too. With the Premier's terms of reference, this can occur and be seen to occur. With the motion before us, that would be impossible, and no good could come from the Select Committee proposed by the Hon. Mr. Burdett. I oppose the motion.

The Hon. R. C. DeGARIS (Leader of the Opposition): I support the motion. I am surprised at some of the material that the Hon. Miss Levy has placed before the Council. However, I tend to agree with her that it does not make

much difference whether or not this motion passes, because the Premier has decided that there will not be a Joint House Select Committee. The Select Committee being established in another place will be the loser for not having this subject referred to a Select Committee of both Houses.

I should like to reply to some of the things that the Hon. Miss Levy has said. She talked about the preservation of anonymity, and suggested that if the motion as it stands is passed that anonymity will not be preserved. I have heard the Hon. Mr. Burdett speak on this matter of Select Committees and what he considers should be done with them. I believe that at present the Standing Orders provide that a Select Committee may conduct its hearings in public.

As I understand it, what the Hon. Mr. Burdett is saying is that Select Committee meetings should be in public, but the committee may decide at any stage to hold meetings in camera. This is taking the emphasis the other way. There is sometimes a need for evidence to be heard in camera before Select Committees; no-one denies that.

The Hon. D. H. L. Banfield: Before he volunteers to appear before the committee, a witness doesn't know whether that will happen.

The Hon. R. C. DeGARIS: The witness can say, "I would like to give evidence in camera." If the committee rejects the request, the witness does not have to give evidence. What the Hon. Miss Levy has said cannot be justified. I am not arguing the question that the Minister is putting. The Hon. Miss Levy said that, if the motion is carried, confidentiality will not be preserved, and that statement is incorrect.

The Hon. Anne Levy: It will not be guaranteed.

The Hon. R. C. DeGARIS: Of course it will be guaranteed, because we are governed by the Standing Orders that cover Select Committees. If there is a Joint Select Committee and if it decides to sit in camera, it will be in camera. So, what the Hon. Miss Levy says cannot be justified. She has also said that the terms of reference are narrow and judgmental. The motion deals particularly with massage parlours and, in that context, the terms of reference are much wider than those proposed by the Premier. If the Government was serious, it could amend the terms of reference that have been suggested by the Hon. Mr. Burdett. I am sure that the honourable member would agree to widening the terms of reference. Actually, it is not the question of the motion that worries the Government: the question that worries the Government is that it wants control of the inquiry.

The Hon. D. H. L. Banfield: You want to control it. Is that what you are saying?

The Hon. R. C. DeGARIS: No. There is no question of control.

The Hon. D. H. L. Banfield: You raised the question.

The Hon. R. C. DeGARIS: The reason why the Government opposes this motion is that the Government will not allow a free and open inquiry. It wants to control the inquiry by using the numbers that it has in the other place.

The Hon. D. H. L. Banfield: You want to control the inquiry by using the numbers you have in this place.

The Hon. R. C. DeGARIS: The Government's viewpoint has never been one of co-operation with this Council. We saw this clearly not long ago when, after denials that there would be an inquiry into the Salisbury affair, this Council decided to appoint a Select Committee. Suddenly the whole picture changed, and we had a Royal Commission. The Government was not willing to allow a Select Committee, and once again we saw the same philosophy: it does not matter what this Council wants to do, the Government opposes it.

The Hon. D. H. L. Banfield: They tell me that you were disappointed with the result of the Royal Commission.

The Hon. R. C. DeGARIS: I do not know who told the Minister that. He can get correct information by contacting me. He should not listen to stupid rumours. No matter what we do in this Council, one thing is certain: the Government will not take any notice of the defeat or the passing of a motion. On a question such as this, we seek to maintain the viewpoint of this Council, and I therefore have much pleasure in supporting the motion.

The Hon. J. C. BURDETT: I thank honourable members for their contributions to the debate, and I ask them to support the motion. The Hon. Miss Levy suggested that this motion has become superfluous, but I am sure that the Premier's suggestion was made entirely because this motion was moved. The Hon. Miss Levy suggested that it is inappropriate for honourable members of this Council to take part in a Joint Select Committee on this subject. She referred to the fact that this Council is a House of Review.

The Hon. Anne Levy: I said that that was what you said.

The Hon. J. C. BURDETT: The honourable member says that we claim that this House is a House of Review. We claim that it is a House of Review, among other things. We have never said that this House is merely a House of Review.

Members interjecting:

The PRESIDENT: Order! Honourable members should listen to what the Hon. Mr. Burdett is saying.

The Hon. J. C. BURDETT: Last year the Hon. Mr. Hill pointed out that this Council had an important initiating role. Houses of Review have traditionally operated through Select Committees. The Senate is famous for its Select Committee work. Select Committees of the Senate inquire into matters to enable appropriate policies to be formed. Honourable members of this Council should be involved in a Select Committee on this subject. We are legislators just as much as are members of the House of Assembly. We have equality except in connection with money Bills. This inquiry is important and I believe it would be enhanced by the contribution members of this Council could make in addition to the ability of members of the other place.

My motion refers specifically to massage parlours, not to all prostitution, because the matter of massage parlours is the specific issue now before the public. In many ways the terms of reference suggested by the Premier are narrower than those contained in my motion because the motion details all the aspects being inquired into. It is likely to ensure a much more thorough inquiry. For example (and I do not want to read it again), it specifies an inquiry to determine the extent of criminal involvement in the operation of massage parlors, which is a most important matter.

Further, it specifies that there shall be an inquiry into whether or not the State Planning Act and regulations, the Local Government Act and regulations and any other Act and regulations, are satisfactory regarding the control of such parlours. I suggest that, under the broad sweeping terms of the Premier's suggested terms of reference, it is unlikely that these things will be inquired into.

I understood the Hon. Miss Levy to suggest that the evidence of a poll could not be given to such an inquiry as I had foreseen. Certainly, I do not know why the evidence of a poll, if properly presented, would not be admissible before a Joint Select Committee. Indeed, I am sure that it would be admissible.

This motion obviously pre-empted the Premier's motion and, if it had not been moved, the Premier would never have instituted any inquiry. I do not know why the original motion, that is, this motion and a similar motion moved by the member for Hanson in another place—

The Hon. D. H. L. Banfield: It has not been moved—

The Hon. J. C. BURDETT: I did not say—

The Hon. D. H. L. Banfield: You said, "A similar motion" moved by an honourable member. It was not moved: notice was given that it would be moved.

The Hon. J. C. BURDETT: All right, notice was given of the intention. I am happy to stand corrected.

The Hon. D. H. L. Banfield: You are not: you don't like being told that you are making mistake after mistake.

The Hon. J. C. BURDETT: We all make mistakes. Notice was given by the member for Hanson in another place. Certainly, if I had not moved this motion, and if the member for Hanson had not given notice of his intention to move such a motion, there is no doubt whatever that we would not be having an inquiry whatever. I do not see why we should bow to an inquiry of a weaker kind that has been suggested afterwards. I suggest that it would be stronger and more sensible to follow the original motion and establish a broader inquiry comprising members of both Houses of Parliament, instead of members from only one House as is suggested in the other motion. Therefore, I ask the Council to support the motion.

The Council divided on the motion:

Ayes (8)—The Hons. J. C. Burdett (teller), M. B. Cameron, J. A. Carnie, R. C. DeGaris, R. A. Geddes, K. T. Griffin, C. M. Hill, and D. H. Laidlaw.

Noes (8)—The Hons. D. H. L. Banfield (teller), F. T. Blevins, B. A. Chatterton, J. R. Cornwall, C. W. Creedon, N. K. Foster, Anne Levy, and C. J. sumner.

Pairs—Ayes—The Hons. Jessie Cooper and M. B. Dawkins. Noes—The Hons. T. M. Casey and J. E. Dunford.

The PRESIDENT: There are eight Ayes and eight Noes. There being an equality of votes, I give my casting vote for the Ayes.

Motion carried.

MINORS (CONSENT TO MEDICAL AND DENTAL TREATMENT) BILL

Third reading.

The Hon. ANNE LEVY: I move:

That this Bill be now read a third time.

I do not wish to take up the time of the Council in debate at this stage. The Bill has been extensively canvassed in the general community and in Parliament for many months. Two weeks ago we agreed to amendments that had been unanimously proposed by members of the Select Committee, and I trust that the Council will now support the third reading.

The Hon. R. C. DeGARIS (Leader of the Opposition): I also support the third reading. I would like to point out one thing which is not generally appreciated and which has not been mentioned so far in the debate. Some people think that this Bill reduces the age of consent for medical and dental treatment. They are under the impression that the present age of consent is 18 years, but under the common law there is no age of consent for medical treatment. This Bill, for the first time, defines in Statute Law an age when consent can be given by a person for medical and dental treatment. I emphasise that point.

Bill read a third time and passed.

SEEDS BILL

The Hon. B. A. CHATTERTON (Minister of Agriculture) obtained leave and introduced a Bill for an Act to regulate the sale of seeds; to repeal the Agricultural Seeds Act, 1938-1975; and for other purposes. Read a first time.

The Hon. B. A. CHATTERTON: I move:

That this Bill be now read a second time.

It is designed to ensure that transactions involving the sale of seed will take place on a fair and informed basis. The Bill replaces the Agricultural Seeds Act, which dates from 1938. Since that time a far wider range of seeds has come into common use and the production of seed has developed into a specialist industry. The lack of adequate descriptive requirements in the marketing of seed has permitted a certain volume of trade in sub-standard seed, which, in some cases, would be regarded as unmarketable in other States which have more rigid controls. In addition to these factors, it has been found that the terms of the present Act make it difficult in practice to detect and prosecute persons who sell sub-standard seed. This is partly due to the fact that the present legislation permits vendors to declare sub-standard features of seed in any one of three ways; namely, on an invoice relating to the transaction, on a tag attached to a parcel, or on the parcel itself. Such a practice readily leads to confusion and uncertainty. Moreover, as the law stands, it is difficult for inspectors to determine whether a particular sample of seed in, say, a warehouse, is in fact intended for sale, or, indeed, whether it is owned by the person who owns the warehouse. Furthermore, the present requirements to declare sub-standard characteristics do not apply to transactions between seed growers and merchants. All of these factors have resulted in a situation where little has been, or can be done, to enforce the provisions of an Act, which is, in any event, out of touch with modern developments in the seed producing industry.

Under the proposed legislation, any person who sells or offers or exposes for sale any prescribed seeds in the course of business will be obliged to furnish the purchaser with a statement setting out the species of the plant from which the seeds have been obtained, the proportion of those seeds which have been found to germinate under a prescribed test, the mass of the seeds contained in any parcel, the proportion by mass of any extraneous matter mixed with the seeds, and details of any treatment to which the seeds have been subjected. The new Act will also make it an offence to sell seeds of pest plants or other prescribed noxious seeds or seeds contaminated by noxious material. The legislation will further stipulate that any information offered voluntarily must be truthfully labelled.

To ensure the effective enforcement of the Act, officers of the Agriculture and Fisheries Department will be empowered to enter premises where seeds are kept for sale and take samples of seeds for analysis. I seek leave to have the explanation of the clauses of the Bill inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Clauses

Clauses 1 and 2 are formal. Clause 3 repeals the Agricultural Seeds Act, 1938-1975. Clause 4 defines certain expressions used in the Bill. Clause 5 makes it an offence for any person to sell noxious or contaminated seeds, and clause 6 empowers the Minister to order the destruction of such seeds.

Clause 7 sets out the particulars relating to seeds which must be furnished to purchasers, and provides that it shall

be an offence for a seller not to comply with the requirements of the clause unless the seeds are sold for purposes other than germination or the propagation of plants and have not, in fact, been used for that purpose.

Clause 8 empowers authorised officers to enter premises where seeds are kept for sale and to remove samples for analysis on tender of the market price. Any person who hinders an authorised officer in the exercise of these powers commits an offence. Clause 9 provides that in any proceedings for an offence against the proposed Act, a certificate relating to the analysis of seeds under the hand of a person with prescribed qualifications shall be accepted, in the absence of proof to the contrary, as proof of any statement contained therein relating to the identity of the seeds and the result of the analysis. Clause 10 provides that any proceedings under the Act may be disposed of summarily, and clause 11 empowers the Governor to make regulations for the purposes of the Act.

The Hon. R. C. DeGARIS secured the adjournment of the debate.

ADDRESS IN REPLY

Adjourned debate on motion for adoption.
(Continued from 1 August. Page 166.)

The Hon. C. W. CREEDON: I rise to support the motion moved by my colleagues and with them express satisfaction at the way the affairs of this State are being handled. The Governor's Speech points out that this State, and no doubt the other States, are being deprived of financial resources sufficient to run their States. This niggardly approach cannot benefit Australia or Australians. Those that are suffering because they are not allowed to have a job are those that we mainly criticise. They are the people called dole bludgers by Mr. Fraser, yet by his very approach in financial matters he is determined to have more and more Australians unemployed.

Certainly, the crime rate is increasing. Is this what Mr. Fraser wants? Is it what the Liberal Party wants? Unemployed people with insufficient funds seek some other means of raising them. Only in the past few days we have heard in the news that the crime rate has increased and that the rate of robbery has increased threefold in South Australia over the past few months. Examine the daily newspapers on any day and look at the court cases. Very often those charged with crime are listed as unemployed. Take another look at the newspapers, examine the Bankruptcy Court proceedings, and find out how many in the building industry, for instance, are going bankrupt. The major part of the blame for this increased crime and the bankruptcies can be laid squarely at the door of the Liberal Party. The Liberal Party's record over the past year or two, however, reveals scant recognition of the human degradation, social damage, and economic waste of mass unemployment.

The Federal Government was elected in December 1975 on a platform promising to restore prosperity, defeat inflation, and provide jobs for all. Prosperity may have been restored for some of the companies, but not for most wage earners, whose living standards have been deliberately depressed, or for the rural community, where most incomes have sunk deeper. Mr. Fraser declared to a gathering of young Liberals his Government's "sensitivity and concern" for the unemployed. Such sensitivity and concern that his Government has shown has been relatively recent, and probably was largely in response to the election last December. His sensitivity was because of the expectation that unemployment would get worse during 1978, although he did tell the electors that it would gradually diminish during the year. The inflation rate was declining, but this was due largely to a slump in consumer demand, which induced companies to hold down prices and to cut costs by sacking workers.

Jobs for all were promised by the Liberal Party. The trend has been to deepening recession and worsening unemployment. Since December 1975 employment in the private section has fallen by well over 200 000. The Federal Liberal Government deserves severe censure for its attitude to unemployment, its miserable attitude to the unemployed, its incessant search for scapegoats, and its misguided and inadequate policies.

The early pretended concern for the jobless gave way to the pretence that unemployment was not as serious as it seemed, hence the campaign to denigrate the out-of-work young people as work-shy dole bludgers, despite the overwhelming evidence that there were not nearly enough jobs for those who wanted to work.

Hence, the efforts to alter the basis of unemployment statistics, as though the jobless were simply politically inconvenient figures to be juggled rather than desperate people to be helped. Behind this propaganda and manipulation was the tacit acceptance of high unemployment as a means of moderating trade union militancy and aggressive wage demands.

More recently, as the Government began to realise that unemployment was rising relentlessly, the approach changed. In fact, the Social Security Department, under instruction from its Minister, went out of its way to harass these unfortunate people further. It had inspectors knocking on doors checking up on them, and now it seems that any applicant for unemployment benefits must wait some weeks before receiving his first cheque: a matter of starve and be damned.

In the Federal Budget last August the Government opted instead for tax concessions. Most benefits went to the relatively wealthy, at least those most able to afford to pay. At least the promises managed to deceive the people until the election was won. The people became aware of how meagre the tax deductions were for the average person when the promised concessions operated from the January pay packet. The promise of tax deductions stimulated the greedy and benefited very few. That money would have been better used creating Australian jobs for Australia's unemployed.

Government spokesmen have busily blamed everyone and everything: the Whitlam Government, the unions, the Arbitration Commission, I.A.C. and the Prices Justification Tribunal. There was a rise in employment under the Labor Government, but unemployment rose more steeply in all O.E.C.D. countries in 1973-75 than in any other time. Since 1973, the average O.E.C.D. unemployment has risen from 5·1 per cent to 5·5 per cent, while Australia's unemployment rate has risen much more steeply from 4·3 per cent to 5·5 per cent. Most O.E.C.D. countries responded to the 1974-75 recession with vigorous programmes for job creation, part-time employment, subsidised employment, training schemes, and other ways to mitigate the impact of the slump of production of jobs. Without these policies, according to the O.E.C.D. Director of Social Affairs, Manpower Education, Mr. J. A. Catt, unemployment in all O.E.C.D. countries would have been 35 000 000 instead of the actual total of 17 000 000 in 1976.

All that the Liberal Government has done in this direction is try to contrive some limited training in job support schemes that will have little or no impact on the

enormity of the problem. O.E.C.D. countries realised the importance of maintaining a reasonable level of Government spending to counter the fall in private employment. The Australian Government created more unemployment by slashing Government spending in real terms. Obsessed with the fallacy that only private enterprise was productive, the Government heaped more protection in the form of higher tariffs and import quotas on the most inefficient and uneconomic manufacturing industries. The result of this inflationary misdirection of resources has been not to boost production and safeguard jobs (which have continued to decline) but simply to boost the profits of highly protected companies.

Then, there was the November 1976 devaluation which, apart from allowing speculators to reap windfall profits with their tax concessions, was ostensibly intended to boost domestic demand, production and employment. The consequent blow to business and public confidence had the opposite effect. Demand slumped and so did employment in the private sector. So much for the Government's "sensitivity and concern" for the unemployed, let alone its awareness of the need for long-term policies both economically rational and socially just. Australia's legion of unemployed ask no more than a right to earn their daily bread. All the Fraser Government has given is a great list of promises that it has broken.

It is obvious, of course, that the State Opposition agrees with the attitudes of its Federal colleagues. Mr. Tonkin on a number of occasions has said private enterprise should provide jobs for those wishing to work. The State Government has had a work scheme going in the past couple of years that has been of great benefit to many of the unemployed, and many who have proved their competency have managed to get full-time jobs, but Mr. Tonkin disagrees with the Government approach. He knows that private enterprise is sacking people daily, so he knows they cannot supply jobs, yet he maintains that the Government should not do so. It is not therefore hard to figure what he would do for the unemployed if he was in Government. Perhaps we would see a return to the 1930 depression era. At that time, the Government had single unemployed people camped at the Exhibition Ground, and they held protest meetings and demonstrations because they could not get work. So, the Unemployment Relief Council was instructed by the Government to set up isolated work camps in country areas, where the unemployed could be sent. Soon, a notice was erected within the exhibition camp to the effect that every man must apply for work at Mount Crawford. Those who did not register had their meal tickets stopped and were debarred from further relief. Within a month the Exhibition Building and camp were closed to ensure that those who went to the country work camps did not return to the city. The Government made clear that they would not be entitled to rations in the city. Later, the Government developed a scheme of co-operation with farmers, whereby many of the remaining single men in the city were told they must accept country work on farms for 10 shillings a week or lose their relief. In December 1934 more than 900 men were engaged in this scheme.

These camps actually provided work for only a minority of the unemployed. The four camps that were operating in 1932 provided accommodation for a total of 400 men. In terms of the total number of single unemployed men in Adelaide, the impact of these camps was minimal.

Not all Liberals are as bloody-minded as Mr. Fraser and Mr. Tonkin. A report in the 29 July edition of the *Advertiser,* headed "Job bids by Government urged", states:

> Government workforces should compete with private contractors for nearly all Government projects, the Speaker of the House of Representatives, Sir Billy Snedden, said last night. He told the annual dinner of the Australian Federation of Construction Contractors that Government day-labour forces should be retained for essential services and work in remote and possibly restricted and secure areas.
>
> All other work should go to the "best equipped, cheapest and most productive workforces". Sir Billy said he would welcome open competition between Government day-labour forces and private contractors.

However, we are able to find local business leaders who apparently think as Mr. Tonkin does. In this respect, I refer to the 23 July edition of the *Sunday Mail.* Under the heading "Let's get business back on its feet", the following report appeared:

> This past week, Adelaide business leaders and the State's top union men were asked what they thought was really necessary to revive the private sector and the Australian economy—in other words how to put business back on its feet. Significantly, the Housing Industry Association of South Australia was one of the few managerial organisations to forward new ideas for its own industry's stimulus. While other industry leaders expressed a need for increased consumer demand and confidence, there was an absence of any practical suggestions how extra money could be put in the pockets of potential purchasers. They did, however, stress the need for wage rises to be kept to a minimum.

Mr. W. A. Dawson, President of the South Australian Retail Traders Association, stated in the same report:

> Real skill will need to be demonstrated by private enterprise, particularly at retail level, to induce consumers to open their purse. We need a positive attitude to progress—not constant reference to the parlous state of the nation. Let us talk about the 95 per cent of the workforce employed and not the 5 per cent unemployed.

Mr. Dawson wants us to sweep the unemployed from sight. He seems to think that, if we open our purses in his store and cease thinking about those who cannot get a job, and never mention them in the media, they will eventually disappear. A newspaper article states:

> In the car industry, the executive director of the South Australian Automobile Chamber of Commerce, Mr. Roger Bennett, says confidence on the part of the small businessman is needed to put private enterprise back on its feet.
>
> Mr. Bennett's association believes potential consumers have the money to spend, but lack confidence in the economic future and the real value of goods available. All the retail motor industry needed to "get into top gear" was confidence from the consumer and confidence in the Government economic programmes, he added.

How can the consumer have confidence in a Federal Government that has not earned that confidence? Another newspaper article states:

> President of the South Australian Trades and Labor Council, Mr. Allan Begg, said if the Federal Government continued to create unemployment by curtailing Government spending and reducing services, it might curb inflation temporarily, but this must be offset by loss of Government revenue and loss of production.
>
> Any effective measures had to start with increased Government capital expenditure for low-cost housing construction, job creation programmes, reduction in interest rates, and a reduction in taxation—direct and indirect —which would tend to offset wages claims, he said. Tariff also had to be watched to protect Australia's industries.
>
> The Federal Government should also be looking at supporting secondary industries, rather than "exporting all of our raw materials to be manufactured out of the country", he added.

The Hon. C. M. Hill: Have you a quote from Max Harris?

The Hon. C. W. CREEDON: Max Harris's way-out ideas are usually a bit too far to the right for those interested in the Labor Party. I turn now to the housing problem. There is a slump in the building industry at present. Who wants to commit himself to large weekly long-term repayments with high interest rates? Consumers cannot be sure that the interest will not rise. In view of the current situation, they cannot be sure for how long they will have their jobs. In the past few days we have had instances where factories have closed, resulting in people losing their jobs.

The Hon. R. C. DeGaris: Do you believe that interest rates and inflation are linked?

The Hon. C. W. CREEDON: It must be Mr. Fraser's idea not to worry about interest rates; he is concerned about cutting out the employment of people. A newspaper article, giving the views of Mr. Kirkby-Jones, National Executive Director of the Housing Industry Association, states:

> Mr. Kirkby-Jones said two key factors stood out as having a dampening effect on the industry.
>
> These were: A marked lack of consumer confidence regarding the continuity of employment; and interest rates which effectively restrain the ability of would-be home purchasers to overcome the deposit gap.
>
> Mr. Kirkby-Jones said: "The South Australian building industry was over-building to a considerable degree in the early part of 1976-77. By the end of the year as stocks of unsold 'spec' homes began to rise alarmingly, the rate of building fell off. Despite intensive forms of marketing by individual builders, some of which may not necessarily have been to the industry's overall advantage, there remains an acute problem of unsold 'spec' homes, particularly in the outer dwelling sector."

Of course, it was said that home grants might be cut out. This speculation frightens people off. The problems referred to by Mr. Kirkby-Jones do not seem to be the only problems connected with the building industry. I have a list of people and companies that have gone into receivership. No doubt many people have suffered because they were unfortunate enough to have contracts with such builders. I am led to believe that home buyers in this position must get another builder, and often they are liable for extra payments adding one-third on to the original contract.

I refer now to Farrant Holdings Proprietary Limited and to Mr. Agostino DeAngelis, a Director. Bankruptcy occurred in June 1976, the sum of $226 168 being involved. No dividend has been paid. Halifax Constructions immediately became operative with the same Director.

I refer also to A. R. Mack Proprietary Limited and to Mr. Addison, a Director. The firm went bankrupt about 15 months ago for about $100 000. He immediately commenced operations as Addison Building Company, which in turn went bankrupt a month ago. So, there were two bankruptcies within 18 months.

W. E. Stumpfich Proprietary Limited went broke in 1970, and there has never been a distribution of funds. Mr. W. E. Stumpfich commenced operations as Montana Constructions Proprietary Limited, and he has just gone into bankruptcy again.

Antrim Constructions Proprietary Limited went into bankruptcy on 21 November 1977 for $209 184. The directors of this firm started operations within a week as Calderwood Homes.

Palyaris Constructions Proprietary Limited of Jacobson Crescent, Holden Hill, went into bankruptcy in December 1976 for $1 800 000. No dividends have been paid. The person involved then set up in business as Jacobson Industries Proprietary Limited in the building previously occupied by Palyaris Constructions Proprietary Limited. Jacobson Industries Proprietary Limited went broke a month ago.

The list I have just dealt with is relatively small, because the matter came to my attention only a few days ago. I am sure that, if I had had more time, I could have made the list longer. I do not seek to blame the managements of these firms. The Federal Government should accept all the blame. What I am concerned about is that people, such as directors and managers, associated with bankrupt companies can manage, sometimes within a few days, to commence operations as another building company and then to go broke a second time. I am led to believe that one firm was not able to pay its wages bill, resulting in a small contractor being forced into receivership. In this connection the tax laws need re-examination. A wage earner or a small contractor has earned his money, while the Taxation Commissioner would not miss the money owing to him. Consequently, I believe that, in the distribution of the assets of a bankrupt firm, the small contractor and the wage earner should have priority over the Taxation Commissioner. It is time that Governments considered a bonding system for building firms to ensure that houses, once commenced, are finished under the original contract.

Licensing of builders is another matter that should be investigated. Perhaps there is a case for a licence being suspended until it is proved that an attempt has been made to meet the debts involved in a bankruptcy. There is also a moral issue in this matter, since sometimes finance companies accelerate bankruptcy by their greedy requests for instant payment, as in the case of Palyaris Constructions. That company had a completed building worth $450 000 and the finance company's involvement was only $220 000. The finance company was interested only in its interest and sold that property to meet the interest payment. That left Palyaris Constructions almost $250 000 down the drain. If finance companies have not got the moral fibre and understanding—

The Hon. R. C. DeGaris: Who made the $450 000 valuation?

The Hon. C. W. CREEDON: If you doubt what I have said, you can make inquiries.

The Hon. R. C. DeGaris: Do you know who made the valuation?

The Hon. C. W. CREEDON: I do, but I am not dealing with that at the moment. If insurance companies do not have the moral understanding to see the rights and wrongs of such an argument, the law should be reinforced to ensure that they understand and that they have an obligation to the community. I support the motion.

The Hon. JESSIE COOPER: I thank His Excellency the Governor for opening this session of Parliament. First, I refer to the lamented death of our former colleague and President of this Chamber, Frank Potter. It was tragic that one who worked for so many years in public life should have died so comparatively young and have been unable to enjoy his retirement with his family, who were devoted to him. I express my sympathy to his wife and his family.

I take this opportunity, I think my first, to congratulate you, Mr. President, on your elevation to your high office, and I wish you the greatest success.

I was happy to see that the Speech given by the Governor on this occasion did at least set out the ambitions of the Government for legislation during this session. For that guidance we can be thankful. Apart from

the recognition in the Speech of the South Australian Government's previously recorded programme (even if the Federal Government is accorded the blame for the Dunstan Government's failure to fulfil promises in paragraph after paragraph), this Speech, unlike previous Opening Speeches, did not give any noticeable resume of the events that have transpired in South Australia in the period between sessions. Nor, as I recollect, did that record short Speech opening the last session forecast the events that would transpire.

There was a sort of hiatus or a lost weekend feeling about that. There seems to have been a case of divine intervention guiding the hand of the Speech writer in concealing some of the State's recent history. Indeed, we may be fortunate some times when the future is not forecast. In paragraph 4 of his Speech, the Governor states:

> In reviewing the general position of the State, my Government continues to express its concern and disappointment at the depressed level of activity in the national economy, which is being reflected in our own State. The unacceptably high levels of unemployment which have been caused by this recession in the national economy continue to be a major concern of my Government.

I should like to take up the point raised in those two sentences. The boot is entirely on the other foot. The figures to which I will refer show that it is South Australia's appalling performance that is helping to drag down the national economy and produce unemployment.

The Federal Government cannot be justly blamed for poor navigation when that part of the ship which is South Australia is being run as it is. It must be pointed out that there is no way to juggle figures nationally or juggle the figures in the States that can alter the facts of poor production, poor market activity and wasteful spending on non-productive employment.

There is no need to remind honourable members that the size of the population determines sales, business growth and commercial activity. South Australia is plagued by having a small average annual increase in population of just over 1¼ per cent a year. There is little we can do about this until we can make South Australia more attractive for business undertakings and as a place in which people choose to live. We should not go on flattering ourselves that we appeal to outsiders as a highly desirable place in which they can establish themselves.

I refer to figures recently published by the Australian Bureau of Statistics that bear on the economic side of our State's development. These figures merit close study and attention. First, I refer to the average weekly earnings for males in this State. The first thing I discovered from the figures available for the past two quarters to the end of March 1978 is that South Australia has the lowest average weekly earnings of any State in Australia. It goes without saying that the highest average weekly earnings occur in the Australian Capital Territory, the rate being $255·10. In South Australia in the March quarter the comparable figure was $190·20, no less than $15 a week less than the Australian average, and even $4 a week less than the Tasmanian figure. This may be attributable not to lower wage rates but to less work being available, this reduction showing up mainly in less overtime.

Sometimes I cannot understand why the workers in South Australia tolerate the present State Government. Other interesting figures are provided in relation to production. Manufacturers in South Australia are struggling to maintain sales and constant output, finding little chance to expand production, and this is most unfortunate. South Australian manufacturers may well say with the Queen in *Alice Through the Looking Glass:*

> . . . now here you see, it takes all the running you can do to keep in the same place. If you want to get somewhere else, you must run at least twice as fast as that.

As an indication of the commercial welfare of the community, I refer to the extent of new building, especially in housing. In 1976-77, the production of ready-mixed concrete totalled 1 033 963 cubic metres, yet in the latest available figures for the year ended May 1978 we used only 980 519 cubic metres, a reduction of over 5 per cent. We cannot blame that reduction on the rest of Australia.

Turning to the number of new houses constructed, I am afraid that the picture looks even more gloomy than I expected. In the year ended March 1977, 12 125 new houses were completed, yet in the year ended March 1978 the number had dropped to 9 930, a reduction of 18 per cent in just one year.

The Hon. R. A. Geddes: And worse is to come.

The Hon. JESSIE COOPER: True. For the year ended March 1977, the number of houses commenced was 12 125, precisely the same as that for the number completed. That is a strange coincidence for a statistician's figures. But for the 12 months ended this March, the number of houses commenced was only 8 276, a drop in commencements on the previous year of 31·7 per cent, so we are not at the nadir of our discontent yet. The poor sales and the poor output of South Australian industry are apparently due to the poor work availability and poor remuneration during the regime of our present Government. It is interesting to discover what has happened in the work force of South Australian industry.

The Government Statistician, who I will remind honourable members is notoriously non-political and unbiased, has produced the basic figures for the following summary and, so that I will not be accused of taking figures out of a short or abnormal period, I have taken the following from as near to a full four-year period as I could obtain from figures so far published, that is, from June 1974 to the end of April 1978. In June 1974, the manufacturing industries of this State employed 96 600 males and 30 500 females. In April 1978, the manufacturing industries of this State employed 81 400 males and 23 600 females. The figures for males went from 96 600 to 81 400 and for women from 30 500 to 23 600, a fall in total employment over approximately four years of 22 100; that is a fall of 17·38 per cent in the manufacturing work force. How can the working people of South Australia be happy with this State Government? Obviously South Australian manufacturing and employment have not been expanding for a long time.

There has been a further interesting drift in employment in the period under review; the Government Statistician shows that in 1974 there were 83 800 males and 39 100 females in Government employment, but in April this year there were 93 700 males and 58 400 females in Government employment, so that in those four years there was an enormous increase in Government employment of 9 900 males and 19 300 females, an overall increase of 23·7 per cent. So it can be seen that the South Australian work force is being slowly transferred from the production of valuable goods to unproductive administration. Can you wonder that there is a growing tax revolt?

Mr. President, all over the world people are finding that experiments in socialism and the practices of socialism entail heavier and heavier taxation. This taxation is required for the innumerable collection of planners, controllers, analysers and directors, and their ancillary staffs, myriads of them, who produce nothing but directives, reports and other forms of frustration and hindrance to that side of the community that produces

usable and saleable goods.

It does no good saying, as the South Australian Government does, "We do not make the taxes." This State Government, more than any other, has been demanding more and more money via the Federal Treasury for each year of its rule. How many demands have we heard for more money to run and promote this State? Look at this Governor's Speech. Every second paragraph is bleating that there is not enough money for the people from the Federal Treasury, not enough money to run socialism, not enough money to run the departments of a State that is manufacturing less and less tangible and saleable goods.

South Australians are fed up with the Dunstan Government's hungry demands on their money, via the Federal taxation system, for the purpose of promoting its own image, or for grandiose developmental schemes that never come off. Like people of many other countries, including Britain and France, South Australians are beginning to realise the enormous weight of taxation that they are bearing in order to promote one socialisation scheme after another. The complaints are growing louder and more frequent. Do not the Government's advisers ever read what is happening elsewhere in the world?

In California on 6 June this year the people voted in a referendum for an enormous reduction of land tax. The overall effect was to reduce by almost 60 per cent the total property tax in California; there was nothing indecisive about that vote. President Carter, no doubt reeling from the shock and supported by various Government experts, then spoke out attributing this vote to the factors peculiar to California, namely, rapid increases in property taxes, repeated high assessments, and also the fact that California has a large State surplus. President Carter said:

> Those factors would be unlikely to prevail in other States of the nation at this time.

So the *New York Times* and the Columbia Broadcasting System News conducted a poll from 19 to 23 June last to see if the President's prognostications were correct. The result of the poll was published on 28 June and proves very interesting reading. I quote from the *New York Times* of that date, as follows:

> Contrary to the belief of President Carter and some Government specialists that California's vote to slash property taxes reflected special local conditions, the rest of the country is at least as eager for such cuts as California.

In fact, the results showed that 78 per cent of those polled felt that the Government wasted money. That was slightly higher than the Californian vote, a few weeks earlier, of 76 per cent. This shows a dramatic increase in public awareness about waste, over a previous figure taken in 1958 on the same issue, when public awareness of the same issue showed only 42 per cent.

Again, in Switzerland, in May this year, five questions were put to the people in a referendum. I was in both countries during this period. The five questions were as follows: the introduction of summer time; the rise in the price of bread; legalised abortion; 12 motorless Sundays (that is a new one); and increased aid to tertiary education and research. Of these, only one proposition was carried—the increase in the price of bread. The most dramatic result came with the refusal of 21 of the 25 cantons to accept the proposition of ever-increasing Government aid to tertiary education and research. So there was public awareness again.

Likewise, in France and Britain there is at present, in public statements and press articles everywhere, a tremendous groundswell of opposition to the current high taxation demanded by the enormous structure of non-productive people engaged in socialism and socialisation experiments that have proved to be such a disaster for Britain and, to a lesser degree, other European countries.

We must take heed of these warnings and ensure that in Australia as much money as possible is left in the spheres of primary and secondary production, which are the only two areas of activity that can produce real prosperity and enhanced standards of living for our people.

Although this Government, with all its committees, has failed completely to improve the environment for business in this State, all is not lost. We do not yet need to anticipate South Australia's bankruptcy. With a benign Providence blessing of a bountiful season, and the hard work of our primary producers, more money will soon be flowing into the State. We have but to wait for our Ministerial spokesmen to tell us how they arranged all this, although undoubtedly the Federal Government would be blamed for any small failure in our crops here and there. I support the motion.

The Hon. D. H. LAIDLAW: I join my colleagues in expressing appreciation to His Excellency the Governor, Mr. Seaman, for the Speech he delivered when opening Parliament.

I wish also to express my condolences to the family of the late Hon. Frank Potter because of his untimely death.

His Excellency referred to the recent international conference on industrial democracy and said that the Government wishes to facilitate the voluntary introduction of schemes for industrial democracy within the public and private sectors in South Australia. It will not legislate to make such schemes mandatory, but it will introduce amendments to various Statutes, the Public Service Act in particular, to remove barriers that may impede the voluntary adoption of these schemes.

This emphasis on giving people a choice is far removed from the dogmatic statement on industrial democracy adopted by the Labor Party at its State Convention in 1975 which remains A.L.P. official policy. It said *inter alia* that, unlike in Yugoslavia where the Communist Party is able to dominate economic organisations politically in the community interest, under present Australian conditions it will be essential to provide these elements in economic management of undertakings.

The A.L.P. policy stressed, first, that investors should continue to be represented on the boards of companies because within our constitutional and social framework, Australia will have to continue to rely both in the public and private sectors upon raising money from investors and paying a return on it. Secondly, workers in an organisation should have board representatives equal to those of shareholders. Thirdly, the Government should train and appoint public officers to boards, who will have equal representation to that of shareholders, and they will have the duty of maintaining community interest and of reporting to the Treasury, the Companies Office, and the public.

The policy statement stressed that the Government should in the three-year period from 1975 to 1978 use its influence to obtain in a number of selected organisations the necessary amendments to the memoranda and articles of association and to introduce the one-third, one-third, one-third concept in such organisations. From the experience gained, the Government should then be able to frame legislation of general application in the following Parliament; that is, from 1978 onwards.

Earlier this year the Premier stated that the Government would not legislate to impose the one-third, one-third, one-third representation on boards of companies in the private sector even though this was contrary to the A.L.P. platform. The Premier did not make clear,

however, whether he was merely abandoning the ratios or abandoning his aim to have worker and community directors placed on boards of companies. I suspect that he was referring only to ratios.

I was one of the two Liberal Parliamentarians who presented papers at the industrial democracy conference. The other was the Hon. Ian McPhee, the Federal Minister for Productivity. I spoke against the appointment of community directors. Irrespective of what may be regarded as desirable for the United Kingdom and other Western European countries, conditions in Australia are different, and in my opinion it would be unnecessary and even disastrous for the Government to try even by voluntary persuasion to have community directors appointed to boards of local companies.

In this Address in Reply speech I intend to restate three reasons for opposing the introduction of community directors in this State but, before doing so, wish to refer briefly to the Bullock inquiry, which, as honourable members know, is the name commonly given (because of its Chairman, Lord Bullock) to the Committee of Inquiry on Industrial Democracy in the United Kingdom. There were majority and minority reports, and these were published early last year.

The majority report recommended that the boards of companies with more than 2 000 employees should be required by law to reform their boards into three groups of directors. There would be an equal number of directors representing shareholders and those representing employees whose selection would be controlled by recognised trade unions. A third, and smaller, independent group of directors would be co-opted by agreement of the other two groups. In the event of disagreement, the selection of the co-opted directors would be made by an industrial commission to be established by the Government. The majority report stressed that co-option of additional directors would enable people with a broader view of the affairs of a company to take seats on the board, and I suggest that their function would be similar to that of a director appointed to represent the community.

The minority in the Bullock inquiry objected to disrupting existing boards and said that, if employee directors were necessary, there should be, in companies with more than 2 000 employees, a two-tier system such as exists in West Germany, with an upper or supervisory board. This would consist of one-third elected by the shareholders, one-third elected by employees, and one-third independent members. The independents would be chosen by the other two groups of directors and should be individuals who have an experience that would enable them to take a constructive interest in the affairs of the company and who have no direct association with the other two groups. The role of these independents, like the co-opted members, would be similar to that of a community director.

The Bullock reports, and the majority one in particular, were condemned as being too radical by employees, management and many unions in England. Finally, the Labour Government, through the Queen at the opening of Parliament in November last, admitted as much. The Queen said that further consultations would be held on industrial democracy with a view to producing proposals that should command general support. The Prime Minister recently tabled in a White Paper a modified plan for industrial democracy, which will be introduced after the next election if the Labour Party is returned to power in England. This provides *inter alia* for a two-tier board structure which will be mandatory for companies with more than 2 000 employees. Employees will be entitled to one-third of the members of the supervisory or policy board, but the White Paper suggested that it would be too complicated to add independent or co-opted directors as well at this stage.

It is of interest to note that the Labour Party in the United Kingdom has omitted community directors from its most recent plan to restructure company boards because of the complexity in selecting them. My reasons for opposing their introduction are based on Australian conditions. I have three reasons for this.

First, most Australian companies are comparatively young, and Dr. McMichael, the head of the School of Business and Public Administration at the New South Wales Institute of Technology, in a survey of 409 public companies, discovered that, in more than 25 per cent of these, the founder is still a director of the company. Our companies are still striving to establish an identity and a reputation for consistent profit earnings in order to gain the confidence of financial institutions and so be able to attract the funds needed for expansion.

There are undoubted opportunities for Australian companies, particularly in mining, but these developments require large funds, and much of these must still come from overseas sources because not enough is available locally. Other companies find that existing activities have become unprofitable because of the dramatic escalation in wages in recent years and that they must diversify to remain viable. Once again, they depend upon financial institutions for funds to carry out this reconstruction.

I believe that, if new community directors are placed on boards, they may adopt views on many crucial issues which are at variance with those of the existing shareholder directors. I refer, for example, to closing factories as part of a policy of rationalisation which could be regarded as beneficial to Australia but could deprive certain communities of employment. These differences could inhibit decision-making at a time when chief executives and their staff need full support at board level. Financial institutions would be alert to these potential conflicts and in my opinion would defer investment until a sustained profit record had been established under the new regime. Such a delay could be disastrous.

My second reason for opposing community directors is that the composition of boards of Australian companies in general differs markedly from that in the United Kingdom. In this country non-executive directors predominate, whereas in the United Kingdom executives provide the majority of many boards.

Directors are expected to act in the best interests of the company; that is, for the shareholders, employees, customers and members of the public who may be affected by their actions. I believe, having served on the boards of several public companies, that outside directors generally do take a broader and longer view than the executives whose prime task is to maintain an acceptable level of profits and who may not look far beyond the end of the financial year, especially during times of economic recession.

The South Australian Labor Convention stated that the duty of a community director would be to report to the Treasury, the Companies Office, and the public, and he is in effect expected to take a broader view of company affairs, as is envisaged in the Bullock Report. Because such a large percentage of board members in Australia are already outsiders, I suggest that this role is already filled and there is no need for an additional group of community directors.

The Hon. Anne Levy: Is a long-term view taken? Are reports made?

The Hon. D. H. LAIDLAW: I suggest that it is unnecessary to have on company boards the kind of

person suggested by the Labor Convention, because there are already on company boards people who take a broad view. Having suggested that the composition of Australian boards differs markedly from that in the United Kingdom, I have prepared a schedule which I shall seek to have incorporated in *Hansard* without reading same. It summarises findings from a survey carried out by the *Times* in 1975-76 of 982 companies in the United Kingdom each employing from fewer than 1 000 to more than 50 000 persons. It also gives details of surveys of 125 leading Australian companies in terms of share market capitalisation and of the 40 main South Australian based companies, both of which I examined myself. The object in each survey was to determine the size of boards and the ratio of executive to outside directors. Mr. President, I seek leave to have details of the surveys inserted in *Hansard* without my reading them.

Leave granted.

Size of boards and percentage of non-executive or outside directors on United Kingdom and Australian companies.

A. Survey by *The Times* in 1975-76 of 982 companies in the United Kingdom employing from less than 1 000 to over 50 000 persons:

	Number of directors					No. of non-executive directors		
Total	2-5	6-10	11-15	16-20	Over 20	None	1-2	3-5	Over 5
982	160	595	181	29	17	243	382	261	96
Per cent	16·4	60·6	18·4	2·9	1·7	24·7	38·9	26·6	9·8

B. Survey of the 125 leading Australian public companies excluding South Australian, in terms of share market capitalisation:

	Number of directors					No. of non-executive directors		
Total	2-5	6-10	11-15	16-20	Over 20	None	1-2	3-5	Over 5
125	13	93	19	—	—	—	3	38	84
Per cent	10·4	74·4	15·2	—	—	—	2·4	30·4	67·2

C. Survey of the 40 main South Australian based public companies:

	Number of directors					No. of non-executive directors		
Total	2-5	6-10	11-15	16-20	Over 20	None	1-2	3-5	Over 5
40	6	34	—	—	—	—	4	20	16
Per cent	15	85	—	—	—	—	10	50	40

The basis for the United Kingdom survey is not strictly comparable to that of Australia and South Australia. In the U.K. list some private or branch companies of foreign organisations would have been included. In the Australian and South Australian figures only listed public companies are included. Private companies and subsidiaries of foreign companies which are not listed on the Stock Exchange are excluded. I suggest that this anomaly would in no way overcome the striking difference between the composition of boards in the United Kingdom and Australia.

The Hon. D. H. LAIDLAW: In view of the emphasis placed on outside directors on Australian boards, I see no reason to supplement their ranks by adding community directors who, like outside directors, may be expected to adopt a broader and more independent attitude.

If any readjustment is necessary, the Institute of Management should perhaps rise up on behalf of senior executives and seek more representation for them on the boards of Australian companies. I include also appointment to statutory authorities in this regard. For example, the authorising Act of the Electricity Trust of South Australia excludes the Chief Executive from becoming a director because he is an employee. I believe that Act should be amended, and I have already said so in this Chamber.

My third reason for opposing community directors is because Australia is constituted under a Federal system. The interests of various communities differ markedly, and Mr. Tallboys, the Deputy Prime Minister of New Zealand, said after his recent visit that he was surprised to find that Australia consisted of six different countries. That is unfortunate but true. The concept of community directors would need to be sponsored federally and endorsed by each of the States to have a chance of success, and I cannot imagine that happening for a long time to come, especially while Mr. Bjelke-Petersen is where he is.

The Bullock report wished the concept to apply only to companies with more than 2 000 employees, and I presume that the advocates of community directors in this country would want them to be appointed to the larger companies. These almost invariably have spread their activities around Australia in order to achieve economy of scale. The large South Australian based companies, in the main, do most of their business outside the State, and it is known that more than over 80 per cent of the production of this State is sent to interstate or overseas markets. If the concept of community directors is introduced only by South Australia, how can the directors so appointed be expected to represent adequately the Federal, State and local district communities in a company with an Australia-wide operation?

Imagine the predicament of one community director who has been appointed to the board of a large maker of car parts in Adelaide which is faced with an offer to merge with a maker of similar parts in Melbourne and operate in future on a larger scale in one plant only. It may be in the

interest of the federal community to push through this merger. However, the South Australian and local district community could support such a proposal only if operations were to continue in Adelaide and probably would oppose vehemently a transfer *in toto* to Melbourne. Furthermore, in a situation where both makers are based in South Australia but in separate localities, the Federal and State communities might approve but the local communities would oppose for fear of closure of their plant and loss of employment.

In conclusion, I repeat that the concept of community directors as endorsed by the South Australian Labor Convention would be unnecessary and even disastrous for Australian companies. First, it could deter financial institutions from providing funds for future expansion. Secondly, it is unnecessary because of the preponderance of outside directors on the boards of local companies in contrast to the situation in the United Kingdom. Thirdly, because of our Federal system, the concept would need to be endorsed nationally, so that several directors could represent different community interests. Since overall acceptance is most unlikely, the concept is in my opinion impractical.

Community interest as it affects companies can be promoted more actively than hitherto by the creation of *ad hoc* committees within local district councils, not by adding to boards of companies which are in the main working hard and effectively and are already more than adequately represented by outside directors. I support the motion.

The Hon. J. R. CORNWALL: Recently, it was my good fortune to study health care delivery systems in seven countries in the Northern hemisphere. During my trip I visited the United States, Britain, France, Germany, Sweden, Yugoslavia and the Union of Soviet Socialist Republics.

I do not intend to take up the time of the Council today describing all their systems in detail or in comparitive sequence. That is the subject of a report that I am writing for presentation to Parliament in the near future. However, many of my findings are important and I believe that, without undue modesty, I should make them available for public discussion immediately. In doing so, I appeal yet again, as I have done so often in the past, for rational debate without the trivialisation and divisiveness so unfortunately characteristic of Australian politics.

Two things should be made clear at the outset. First, health care in developed countries is now considered to cover not only medical and hospital costs for the sick and injured but also such fields as environmental health, including physical and psychological factors, social welfare and security and social planning. It covers preventive medicine and includes sickness, retirement and invalidity insurance, unemployment insurance and benefits, and adequate social welfare. Consequently, any informed comment must of necessity include these fields.

The second major point is that the explosion of medical costs is certainly not confined to Australia. It is one of the greatest moral and financial dilemmas confronting the world today. Yet with typical conservative myopia we seem to think it is something uniquely Australian. It is not. The matter will have to be resolved soon. There is a tremendous moral dilemma in deciding how many kidney dialysis machines should be available to support a limited number of patients, *vis-a-vis* a scheme that may enable hundreds of people to live longer.

Developed countries currently spend between 6 and 10 per cent of their gross national product on basic health care delivery, yet the value which they get for their money varies a great deal. True, there is no such thing as free health care, but the distribution of costs on an equitable basis throughout a concerned and civilised society should be of primary importance. Hence the United States spends approximately 9·5 per cent of its vast gross national product on health care but delivers extremely variable, although technically excellent, levels of care to its citizens. Sweden, for a comparable percentage of her gross national product, delivers medical hospital and a high percentage of dental care to all the population.

Britain, with her unique system, delivers good quality medical and dental care to all of her people regardless of their income. France and West Germany, on the other hand, spend considerably more delivering medical care of comparable quality but at considerably greater cost to the consumer. It may be an oversimplification to blame all of these differences on a so-called liberal, commercially oriented medical profession in the United States, France and Germany. However, there is no doubt that they have had an extremely powerful political influence on the organisation of health care delivery in those countries and must carry most of the blame for the deficiencies.

Efficient administration with devolution of power for decision making is also of great importance. The U.S.S.R. and Yugoslavia, in theory at least, share basically similar ideologies, yet the delivery, rationalisation, regionalisation and I suspect quality of care varies greatly between the two countries. The basic reason is the concept of self-management in Yugoslavia, which devolves administrative and taxing powers to the republics and regions with minimal central guidance. In the U.S.S.R., on the other hand, a vast inflexible bureaucracy has created an administrative monster.

I should like to digress slightly at this stage to say something about the British National Health Scheme and Britain in general. Contrary to the picture regularly painted in the overseas press and perpetuated by people like the Hon. Mrs. Cooper, Great Britain seems to be neither poor nor socialist. Certainly, Britain has been plagued by constant balance of payments problems ever since the Second World War.

Certainly, she does not enjoy the per capita income of France or West Germany. However, there is an overall picture of relative affluence and a very considerable industrial capacity. There is still a large number of Britons with plenty of private capital invested at home and abroad.

That country enjoys a comprehensive social welfare system. In addition to basic pension and support schemes , there are also family income supplements for low-income earners and special benefits to boost base rates for unemployed families. There are also employer-employee contributions to a national insurance scheme which provides retirement pensions, sickness benefits, industrial injury payments and compensation, unemployment benefits and a widows benefit. In practice there is a social welfare net placed under the whole community.

However, it is certainly not a socialist country in any generally accepted sense of the word. Private banks and insurance companies are large and apparently prosperous. While nationalisation of several major enterprises is still a firm policy of the British Labour Party, the present Government has been very pragmatic in its approach. British Leyland and Rolls Royce were taken over by the Government because they had become insolvent, not because of any ideological commitment. Ford (U.K.), on the other hand, made a profit of £256 000 000 last year, despite world-wide problems in the motor vehicle industry. There has been far more socialist and anti-socialist rhetoric than action.

Historically the basis for the British National Health Scheme was laid as early as 1912, when the National Health Insurance Scheme came into operation. The idea

of a full-health and medical service for the population was the subject of many reports before the Second World War. In February 1943 the National Government led by Prime Minister Churchill announced its acceptance of the principle that a comprehensive health service for all purposes and for all peoples should be established.

The plan for a comprehensive National Health Service was embodied in the National Health Service Act of 1946, introduced by the Attlee Labour Government. This came into operation in 1948. Neither political Party since that time has seriously considered changing the basic concept of the service.

There are two major misconceptions about the national health scheme often spread by medical and professional politicians, with a little help from their friends. The first is that it is some monolithic creation of the British Labour Party. The truth is that it has always been a matter of bi-partisan policy. It grew historically as a logical development of health care delivery in an advanced society of caring people. The second misconception is that it lurches from crisis to crisis, in immediate danger of breaking down at any moment. In fact it is a well organised service which delivers overall good quality medical, dental and hospital care to all of the population for a portion of the gross national product which is considerably less than the percentage spent by the United States or Australia. With modifications and some fine tuning there is little doubt that it will continue to do so.

No topic has been more controversial or more widely discussed in Australian domestic politics for the past decade than health care delivery. Despite this, we still have a health care system which by world standards delivers poor value for money, is administratively clumsy and inefficient, and has extremely poor mechanisms for monitoring cost-benefit ratios. Australia is currently spending almost 8 per cent of G.N.P. on treating the sick, without any comprehensive plans for the future, either regarding priorities or effective cost control.

None of this is meant to criticise the standard of medicine practised in Australia. It is in world class. The opinions of medical personnel around the world who have first-hand knowledge of Australian medical practice confirm this.

However, there is no doubt that the debate over medical and hospital insurance in the past decade has obscured many major problems. These include the absence of efficient medical and surgical audits, and lack of adequate peer review, so essential in a fee-for-service system. Physicians and surgeons, even in America, fall about laughing at the idea of the Federal Government giving its Australian colleagues blank cheques with virtually no monitoring of their activities, except for outright fraud. The lack of comprehensive child-care services, the grossly inadequate cover for dental services and the appalling lack of adequate geriatric care and accommodation are but three other casualties.

There is little doubt that the retention of a so-called "liberal" medical profession has resulted in the profession largely dictating its terms to both major political Parties. Despite the medical profession's virulent opposition to universal health insurance under Medibank Mark I, it did, as I said before, give the doctors an open cheque book by underwriting all medical care on a fee-for-service basis. Medibank Mark II enshrines this system with two particularly obnoxious variations. First, it firmly re-establishes a two-tier system of hospital care. It is not only financially advantageous but increasingly mandatory for middle and upper income earners to insure privately with optional extras available through that insurance. Secondly, the recent fiddling with deductibles makes it more difficult for lower income earners to seek primary medical care. However, they are still relatively small enough to provide no disadvantage to higher income earners. Now we have the dreadful suggestion from Federal Health Minister Hunt that the Canberra gurus are considering the introduction of large deductibles—up to $200—American style. Anyone who has had experience with the "American way" in health care should be absolutely appalled by this idea. It would represent the greatest leap backwards in health care that this country has ever witnessed.

There is a basic moral question involved in charging deductibles on medical care. Furthermore, a good *prima facie* case can be made out which proves that on pure economic grounds it is ultimately more expensive to defer medical or surgical treatment. Experience in overseas countries, even with comprehensive care, also shows quite clearly that the lower educated and lower socio-economic groups seek primary care later than the more affluent better educated citizens. Hence any deductibles are highly discriminatory.

What then should be the directions of future comprehensive health care in Australia, an affluent country with the ability to match the efforts in countries of similar resources? Overseas experience shows that the best value for money and the best overall quality is delivered by a salaried medical service. I have no doubt that in the long term this will be the way Australia will move. Our grandchildren will one day compare our medical system to the education system of the early nineteenth century.

However, changes can be made only in the context of the history, culture and political attitudes of a nation. For that reason there is little doubt that the more radical changes will be evolutionary in this country. The most important changes in the short to medium term will therefore occur with a system based on fee-for-service private practice.

What, then, should be the immediate priorities of Governments, both State and Federal? First, there is the creation of State social insurance boards. These could be established with Federal-State co-operation by changing the present States reimbursement formulae. They could then be financed by employer and employee pay-roll tax deductions on, for example, a two-to-one basis. At present, the employer pays approximately 10 per cent for each employee's salary as pay-roll tax and workers' compensation contributions, so any changes in costs at least initially would be minimal and would have minimal impact on the economy. In addition, employees currently pay 2·5 per cent to 4 per cent of gross wages for health insurance, so contributions of that magnitude would not affect disposable incomes.

For these contributions we could have State sickness and unemployment insurance at a meaningful percentage of the wage payable in the month before employment ceased and a State workers' compensation scheme, which would significantly remove the adversary position now made almost mandatory by private insurers. The present scheme of private insurance for workers' compensaiton makes ogres of employers and malingerers of workers. Very few advanced or caring countries tolerate it any longer.

In addition, the social insurance contributions would fund a universal health insurance scheme. Such a scheme must, in my view, abolish deductibles as they are not only morally repugnant but economically counter-productive.

As the economy permits, these boards could be expanded to provide superannuation cover for all workers and no-fault general compensation. I can accept that now might not be a propitious time to expand the scheme to

include these additional benefits. However, many countries which do not have Australia's natural resources have had such benefits for many years. Again, pay-roll tax deductions could be used by negotiating a British-style social contract between Governments, employers and employees. Such schemes could be administered by a Federal social insurance board, but overseas experience suggests that power devolved, provided it is kept in reasonably large units, means administrative costs saved. For this reason I have strongly suggested that the States should do the job.

One thing is very clear. Private insurers have no place at all in social insurance of any kind. And what would we have to ask of the medical profession in return for underwriting their fees in this way? First, a two-year freeze on all fees. The Australian medical profession, with their colleagues in the United States and West Germany, are beyond doubt the highest paid professionals in the world. I have never doubted that any person should be paid on the basis of his or her ability. However, there comes a point beyond which any additional rise becomes exploitation. I suggest that with annual net incomes between $60 000 and $250 000 the medical profession has reached that point in Australia. I am sure that no responsible member of the profession would disagree with me.

In addition, the retention of a fee-for-service basis of payment would necessarily involve reasonable peer review on utilisation of medical tests, surgery and hospital beds. As malpractice suits are still fortunately very rare in this country there is no basis for Australian doctors to practise defensive medicine, as their American counterparts are often forced to do. Hence a usual, common and reasonable or UCR profile could be devised for diagnostic and differential diagnostic tests by general practitioners. Such a scheme would not deny G.Ps. access to a useful range of diagnostic aids but would ensure the prudent use of them. Any more refractory or difficult cases could be referred to consultants, as they already should be in the present system. The use of central computer technology would facilitate such a scheme by rejecting claims outside UCR guidelines.

The UCR concept could also be applied for average hospital bed-days. Such a profile could have some flexibility and would not be impossible to devise. Overseas experience shows that an abundance of hospital beds creates a self-fulfilling prophesy.

This is particularly so in the Soviet Union. They are very strong on building lots of large hospitals and providing many beds, but it also seems to be the experience that they are very keen to get people into those beds and keep them there on occasions for quite inordinately long periods.

The Hon. R. A. Geddes: Is that part of their policy?

The Hon. J. R. CORNWALL: It is part of their bureaucracy. I could talk about that for hours. I think it is just part of the administrative system breaking down, because there is not devolution of power. I talked about that earlier. That is why I see that as being extremely important.

The Hon. R. A. Geddes: It is not just to get some of their citizens out of the road.

The Hon. J. R. CORNWALL: I was told when I was in the Soviet Union and when I inquired about psychiatric care that they had large psychiatric hospitals in the country; I was not sure of the significance of this.

A further check could be instituted by building computer profiles of doctors' work loads and incomes. Relatively serious infringement of the schedules which were proven to the satisfaction of a medical board of review could result in the witholding of some fees. This concept of penalties is used for proven abuse of the item-of-service dental charges in the U.K. and is not only accepted but acclaimed by ethical dentists throughout the country.

An additional and highly effective method of cost control would be the allocation of a fixed budget to the appropriate body for the ensuing financial year. Such a figure would be arrived at following the annual report and submission from the health insurance commission or board to the Treasurer. This could have some degree of flexibility between capital and recurrent costs, so that within any year no-one would be denied treatment on the basis of cost. However, some restraint would be placed on the present infinite movement into high technology.

These restrictions would no doubt be opposed by the conservative hierarchy of the Australian Medical Association. However, the combination of exploding costs and payment of fees from the public purse means that we simply cannot tolerate an *ad hoc, laissez faire* approach any longer. As a *quid pro quo,* development of an extensive system of salaried doctors should not proceed. Most senior medical administrators to whom I have spoken agree that, with the exception of salaried hospital doctors, a tandem system causes a duplication of effort and causes unnecessary friction.

All hospitals should become the responsibility of the State Health Commission. The present two-tier system is, in effect, a two-class system. It is both inefficient and unjust. Rationalisation and regionalisation of the hospital system is imperative. Hence, district or regional hospitals should be retained to treat general medical cases, with a central hospital for specialist diagnostic, medical and surgical services. The duplication of very expensive hardware, such as head and body scanners, should not occur. Certainly, they should never be privately owned for commercial purposes.

With the real or imagined excess output of medical graduates, the Federal Government has a very useful role to play by establishing a medical manpower committee. Our predictions for future requirements of graduates need to be based on far more accurate evidence and research. It is also imperative that graduates be directed into areas of greatest need. This should be achieved on a voluntary basis.

A similar committee should also be established for reallocation of priorities. Again, the Federal Government would have a useful role to play. Since initially at least considerable Federal funding would be required, Canberra could take a co-ordinating role if necessary using a carrot and stick approach. At 8 per cent of the GNP, Australia's spending on health care needs careful scrutiny, although it is still at a level where modest expansion can occur. Combined with cost control programmes already outlined, it should then be possible to establish a national dental scheme, based on item of service payments.

Other areas that are in urgent need of expansion and funding are preventive medicine, geriatric care, occupational medicine, and domiciliary care (which, unfortunately, I heard only today is to be chopped by the present peculiar people in Canberra), as well as the concept of health visitors.

With the rest of the world, we face an explosion in the size of our geriatric population. In many respects, especially the provision of cottage and supervised accommodation, as well as of adequate nursing for chronic long-term patients, we are in a very bad position. This is an area in which we will have to change our priorities.

Also, our child care programmes are appalling by comparison with those in some other countries, while preventive medicine and mass screening programmes for conditions such as hypertension are virtually non-existent.

The use of health visitors is another thing that needs urgent examination in Australia. The idea of a health visitor with a relatively small number of families to visit is a widespread practice in some other countries. It seems to be very successful indeed. The family is free to accept or reject such a service, but in many cases the health visitor becomes the point of first contact for families who can find no other shoulder on which to lean. Employed by local government and working in conjunction with social workers similarly employed and the local general practitioners, these people would have an extremely valuable role to play.

At present, there is no really effective preventive programme in this area. The first contact with a social worker occurs most often as a result of a court order. It is no longer good enough to say, as we in this country have tended to say for so long, that we cannot afford these sorts of things. I submit that in the changing society in which we live we cannot afford not to implement them. I support the motion.

The Hon. J. A. CARNIE secured the adjournment of the debate.

MINISTERIAL STATEMENT: TINNED SALMON

The Hon. D. H. L. BANFIELD (Minister of Health): I seek leave to make a statement.

Leave granted.

The Hon. D. H. L. BANFIELD: This afternoon, in response to a question asked by the Hon. Mr. Cornwall regarding the importation of salmon and the fact that some food poisoning had occurred in London, I indicated that there had been no importation of that salmon into Australia. However, within the past half hour I have received a telex and information from Canberra, as follows:

> Consumption of canned salmon from North America has been implicated in four cases of botulism reported from the United Kingdom. The salmon is believed to have come from a cannery in Alaska, but the precise source of the salmon has not yet been identified. In the light of information currently to hand, it appears extremely unlikely that there is any contaminated salmon currently in Australia. However, the Australian Department of Health has recommended that, as a precautionary measure, Australian consumers should not eat canned North American salmon until the matter is resolved.

I want to make this statement this afternoon because of the following information contained in the telex:

> An Alaskan cannery is probable source, but name of cannery not yet released. Product marketed under labels other than John West in the United Kingdom. D.H.S.S. have advised that for the time being no canned salmon of any trade name or label from North America should be consumed.

They will advise me of any further information. I have sought leave to make this statement now, because there may be a report in the press saying that no salmon has been imported. I can now give the warning to Australian consumers that they should not eat canned North American salmon until the matter is resolved. I thank the Council for allowing me to make this statement.

ADJOURNMENT

At 5.43 p.m. the Council adjourned until Thursday 3 August at 2.15 p.m.