LEGISLATIVE COUNCIL

Tuesday 14 December 1982

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

PUBLIC WORKS COMMITTEE REPORTS

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

Pinnaroo Area School Redevelopment,

South-East Community College—Stage III. (Timber Technology Facilities).

PAPERS TABLED

The following papers were laid on the table:

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

Pursuant to Statute—

Art Gallery of South Australia—Photographs forming part of the Annual Report.

Northern Regional Cultural Centre Trust; Eyre Peninsula Regional Cultural Centre Trust; South East Regional Cultural Centre Trust; Riverland Regional Cultural Centre Trust—Reports, 1981-82 and Report of the Auditor-General.

South Australian Superannuation Board—Report, 1981-82.

South Australian Museum—Report, 1981-82.

By the Minister of Agriculture (Hon. B. A. Chatterton)—

Pursuant to Statute—

Dried Fruits Board of South Australia—Report for year ended 28 February 1982.

Road Traffic Act, 1961-1981—Regulations—Defect Notices and Labels.

Marketing of Eggs by the South Australian Egg Board—Report of Auditor-General for year ended 3 July 1982.

South Australian Trotting Control Board—Report and Financial Statements for year ended 31 July 1982.

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

Pursuant to Statute—

Coast Protection Board—Report, 1980-81.

National Parks and Wildlife Service—Report, 1980-81.

QUESTIONS

WAGE FREEZE

The Hon. M. B. CAMERON: I seek leave to make a brief explanation before asking the Attorney-General a question about the wage freeze.

Leave granted.

The Hon. M. B. CAMERON: In today's *Advertiser* an article stated that the Commonwealth had approved funding of $100 000 000 for the construction of welfare housing to be distributed on a population basis between the States and Territories. This matter arose from the wage pause proposal put forward by the Commonwealth and is part of the $300 000 000 anticipated savings from the wage freeze. I understand that legislation for the wage freeze will be introduced into Federal Parliament today. As the Attorney-General pointed out in a Ministerial statement, this is also the direct result of Commonwealth proposals put to the Premiers' conference.

I will refer to that Ministerial statement. He said that the Commonwealth had a simple straightforward position; it made no proposals to the conference other than that there should be a 12-month freeze on wage increases, so that the so-called savings could be devoted to public works or employment programmes. This is the first evidence that we see of this proposal. In the article, Senator Chaney, Commonwealth Minister for Social Security, indicated that $8 790 000 would be allocated to South Australia. Senator Chaney said that the proposal was subject to the wage pause legislation being passed by the Federal Parliament. In the same article, the South Australian Housing Minister is quoted as saying that any money coming to South Australia 'would be gratefully received' and would give the Government a chance to develop sites for housing in Bowden, Brompton and other areas and to expand the trust's design and construction scheme.

It seems that the State Government is willing to accept money that will come as a direct result of a Federal public sector wage freeze being implemented for 12 months by legislation, whilst it opposes similar funding being made available by the same action at the State level. Whilst the State Government has said that it will oppose the 12-month freeze in the Conciliation and Arbitration Commission, it still wants the money that will come from the Federal Government's action. Do the State Housing Minister's comments, indicating grateful acceptance, reflect a change in the Government's attitude on the question of a wage freeze, and is the Government now prepared to support legislative action for a 12-month freeze by this State as well as the Commonwealth in order that it can take advantage of these valuable funds?

The Hon. C.J. SUMNER: I am not sure that it is clear that, if legislation is not passed by the State Parliament, the funds that the Federal Government is making available will not, in fact, be made available to South Australia. That does not seem to be the case. Quite clearly, Victoria and New South Wales are mentioned, and they certainly have not undertaken to implement legislatively the 12-month wage freeze.

The Hon. B.A. Chatterton: Nor has Queensland.

The Hon. C.J. SUMNER: I quoted last week in this Council information that was made available in our press from Queensland which seemed to indicate that the Queensland Government was attempting to put together some kind of consultative, co-operative package—a wages and prices policy or incomes and prices policy. Of course, I do not know at this stage to what extent those discussions have been concluded. The position, as I said, is that the Premier at this stage is still negotiating and having discussions with the trade union movement and employer groups. He has indicated the Government's opposition to a blanket 12-month wage freeze at the Federal level, which was to be imposed legislatively, for the sorts of reasons that I outlined to the Council last Thursday.

The fact is that it will be only public servants' salaries that will be affected by that wage freeze. There will be no attempt to develop any prices and incomes policy or any incomes policy, properly called, because there will be no attempt to legislate or deal with the incomes of self-employed persons such as doctors and lawyers. In other words, the Federal Government's so-called wage freeze is directed at public servants employed by the Commonwealth Government. As I said last week, if this system is to have any hope of success it will succeed only if it comes about as a result of consultation and co-operation between the parties that are operating in the field, particularly, that is, the Government, employers and employees. A wage freeze can have some quite anomalous results. I was talking with someone in the private sector who said, 'What are we going to do? We negotiated with our employees that they would not get a wage rise a few months ago. We promised them a specific figure for 1 January.' They were employees in a negotiated settlement who had said, 'No, we will not take a wage

increase at this stage.' That was during this year, but from 1 January next year the employers would pay a wage increase. That was the agreement. How does the Hon. Mr Cameron's proposal cope with that?

The Hon. B.A. Chatterton: It does not even try to deal with it.

The Hon. C.J. SUMNER: True, it does not even try. The blanket wage freeze proposal which the Federal Government is apparently set on implementing relates only to wages and not to other incomes, and does not take into account the sort of anomalies that I have mentioned. That is one example in the private sector. There is also an obvious example at the present time in the public sector in South Australia where, for example, there was agreement on judicial salaries. The Crown Solicitor and the Solicitor-General have a salary higher than the puisne judges. How does the Hon. Mr Cameron intend to cope with that situation? I am not sure what the Hon. Mr Cameron's solution would be to this situation, but it merely indicates the sort of anomalies that can occur with a blanket wage freeze proposition as proposed by the Federal Government. The State Government is continuing discussions. It does not support a blanket 12-month wage freeze in the public sector, as proposed by the Federal Government.

The Hon. M.B. CAMERON: I seek leave to make a brief explanation before asking the Attorney-General a further question about the wage freeze.

Leave granted.

The Hon. M.B. CAMERON: A number of statements were made in the Attorney-General's reply that clearly lead to other questions. The most important one is that the Attorney-General indicated that I was proposing or suggesting that it was necessary for South Australian legislation to be passed in order for the wage freeze to work (that is, the Federal Government's proposal). Such is not the case. I make it plain that, in the article dealing with the Federal wage freeze, the Minister for Social Security made it clear that the funds expected to result from the public sector wage freeze are subject to legislation being passed by Parliament. In other words, it will be necessary for legislation to be passed before those sums become available to this State. As I understand the situation based on this press report, it is clear that the State Government will be prepared to accept those funds although they result from a proposal the State Government does not support. It would be somewhat hypocritical if the State Government does not support the wage freeze but is willing to accept funds resulting from the wage freeze initiated by the Federal Government.

A poll shows that 70 per cent of people support a wage freeze: the public support it, employers support it, the Opposition supports it and will support the Government in any move it makes on a wage freeze. However, it appears that the Government does not know what it wants at this stage; its members are bickering amongst themselves. The unions are opposed to it, and that seems to be the key issue. Can the Attorney-General, as Leader of the Government in this Council, say when we are likely to have the position in South Australia resolved in regard to the wage freeze? Will it be this week while Parliament is still sitting, or is this an attempt by the Government to put the whole decision on this proposal off until after Parliament has stopped sitting so that the Opposition can make no further moves on this matter?

The Hon. C.J. SUMNER: No. Obviously, we welcome the Opposition's comments on these proposals. The Government is happy for Parliament to sit through Christmas and into the new year. It is only by the Hon. Mr Cameron's vigorous questioning that we can work out what is the Opposition's stand on this matter.

We certainly do not shirk from our responsibility to respond to propositions put by the Opposition. I do not know when the Premier will make a final statement about this matter. I indicated to the Council last week that discussions about this matter were continuing and will continue. I understand that there will be a meeting in the reasonably near future between employers and representatives of employees in this State. The honourable member will have to await the outcome of those discussions.

The Hon. M.B. CAMERON: Will the Leader of the Government allow full debate, before the end of these sittings, on the Bill of which I have given notice today so that we will be able to not only debate the whole issue but also reach a resolution of this Council on it?

The Hon. C.J. SUMNER: I think the Hon. Mr Cameron is suggesting that the Government allow time for this matter to be debated in this place and that it then be transmitted to the House of Assembly for consideration during this session. The honourable member has been in this Parliament for some few years, and I would have thought that he understood Parliamentary procedures a little better than he has indicated this afternoon. He only gave notice of his Bill today.

The Hon. M.B. Cameron: We've been waiting for you to do something.

The Hon. C.J. SUMNER: The honourable member has only given notice of his Bill today and, in the normal course of events, the second reading explanation would be given tomorrow and the debate would then continue. As you, Mr President, know, this is a private member's matter and, although I have no wish to impede the honourable member in his desire to have this matter aired, I do not believe that I can give him any undertaking at this stage that the matter will be dealt with before Parliament rises for the Christmas recess. In fact, it would be a quite extraordinary situation if that were to happen because, as I have already said, the honourable member has not yet introduced his Bill, and he has only three days within which he wants that Bill introduced, debated and, apparently, transmitted to, and debated in, the House of Assembly.

The Hon. M.B. Cameron: I will give the Attorney-General a copy of the Bill today.

The Hon. C.J. SUMNER: I will be pleased to study the Bill that the Hon. Mr Cameron intends to introduce. However, I do not think we will be able to accommodate the honourable member's desires in this matter. Even if we were able to do so in this Chamber, I doubt whether the Bill would get to the House of Assembly while time was still available for it to be debated there before the Christmas break.

ST JOHN AMBULANCE

The Hon. J.C. BURDETT: I seek leave to make a brief explanation before asking the Minister of Health a question about the St John Ambulance inquiry.

Leave granted.

The Hon. J.C. BURDETT: The Minister has announced that he will hold an inquiry into the St John Ambulance Brigade in South Australia and he has appointed Professor Opit to conduct the inquiry. On a recent presentation of *Nationwide*, the Minister stated that he had reason to believe that South Australia might well have the best St John Ambulance Brigade in Australia, or words to that effect.

The Hon. L.H. Davis: He said that: I heard him.

The Hon. J.C. BURDETT: Yes. Normally, an inquiry is conducted into an organisation that is not going well. It seems very strange, when the Minister has acknowledged that South Australia has perhaps the best brigade in Australia,

that he conducts an inquiry into that organisation. I might add that I strongly believe that the Minister was quite right: unquestionably, South Australia has the best St John Ambulance Brigade in Australia, and I find it hard to understand why, when something is going well, it is subjected to an inquiry. If an organisation is going badly it is usual to investigate it. However, we have been told that this inquiry will be held and therefore the public should know something about its nature and to what extent it will be a public inquiry.

The inquiry would be totally and utterly useless if the volunteers were unable to make an input. I understand that St John volunteers are subject to brigade regulations and are not normally able to express opinions in public or to make any kind of public statement, press release or anything of that nature. It is important to know to what extent volunteers will be able to make an input. I understand that the volunteers will receive instructions to enable them to co-operate in the inquiry and that they will be instructed to do so. I also understand that they will be empowered to express their opinions either personally, by written submission, or in groups.

It is terribly important to know to what extent the volunteers will be able to make an input into the inquiry. What are the terms of reference for Professor Opit in the conducting by him of an inquiry into the St John Ambulance Brigade in South Australia? Has Professor Opit commenced his inquiry and, if he has not, when is it expected that he will commence it?

Also, when is it expected that the inquiry will be completed? Will an advertisement be inserted in the press inviting evidence and submissions? Does Professor Opit intend to hold formal hearings, and will the public and press be admitted to such hearings? Will written submissions be invited? What steps will be taken to see that St John volunteers have a proper input into the inquiry? Finally, will Professor Opit's report be released to the press and public?

The Hon. J.R. CORNWALL: It never fails to distress me how the present Opposition tries to beat political mileage out of the St John Ambulance Service.

The Hon. M.B. Cameron: Do you have a copy of the questions so that you can answer them?

The Hon. J.R. CORNWALL: Yes. This goes back, as you, Mr President, will remember, to the most unfortunate incident when I had to protest vigorously on one occasion and when you, Sir, were forced to throw me out. That was the only blemish on my otherwise distinguished Parliamentary career. I do not want to refight those battles, and I hope that the Opposition will learn from its follies and will try to take a bipartisan approach to this matter.

Members interjecting:

The PRESIDENT: Order!

The Hon. J.R. CORNWALL: One of the principal reasons why the St John Ambulance inquiry is being held, as the Opposition spokesman and the entire Opposition know full well, is that the service has been plagued by industrial disputes for more than 10 years: it is an on-going and long-running story.

An honourable member: A pay-off.

The Hon. J.R. CORNWALL: It is in no way a pay-off at all. I have made very clear in discussions with Professor Opit and various other parties, including St John representatives, that I do not want to see coming out of this recommendations that put us into a winners and losers situation. Obviously, we will have to reach a formula that will, hopefully, resolve the industrial disputation.

The Hon. M.B. Cameron: What—with more volunteers?

The Hon. J.R. CORNWALL: That is not the only matter that needs to be resolved. I have indicated that that should be given a high priority.

My having set up the inquiry and asked Professor Opit, who of course is eminently well qualified to conduct it, it would be ridiculous for me to pre-empt any findings. As you, Sir, would know, Professor Opit is extremely well qualified to conduct this inquiry. He is one of South Australia's own, the son of a Yorke Peninsula general practitioner, a graduate of the Adelaide University Medical School and an old St Peters man, too—impeccable qualifications. Of course, he did his post-graduate training in Adelaide and, I believe, was at one stage Associate Professor of Surgery at the Queen Elizabeth Hospital.

As to the terms of reference, they were put out in a press release and disseminated in the public arena as widely as possible. I do not know whether the Hon. Mr Burdett would like me to read the terms of reference into *Hansard*. As the honourable member indicates that he would like me to do so, I will. Professor Opit was appointed to inquire into the St John Ambulance Service in South Australia with the following terms of reference:

- Review the organisation, business administration, industrial and operational management, and funding of the St John Ambulance Service, and make recommendations to the Minister of Health to ensure:
  the highest standards of ambulance service;
  resolution of the long-standing difficulties which exist between career and volunteer officers, having special regard to:
    - the establishment of satisfactory industrial relations;
    - an appropriate career structure for professional officers; and
    - maintenance of the morale and dedication of the volunteers.
- The inquiry should also:
  assess the current and proposed programmes for advanced casualty care ambulance services in both metropolitan and country areas.

With his extensive background as a surgeon, Professor Opit is extremely well qualified to report on those matters. The terms of reference continue:

> assess the air ambulance service and its inter-relationship with the Royal Flying Doctor Service, and
> consider any other matters it considers relevant to the efficiency of ambulance services in South Australia.

As to whether Professor Opit has commenced his inquiry, the answer is that he has, I understand, already had preliminary discussions with the ambulance employees association representatives and senior representatives of St John. Professor Opit will return to South Australia in January to conduct the more intensive part of his investigations. Professor Opit will then go to Geneva for six weeks, but he has indicated in a letter as recently as yesterday that he hopes to be able to bring in an interim report by April.

The interim report that I have asked Professor Opit to bring down will have specific reference to industrial problems. Although that is only one aspect of the wide-ranging inquiry, it is my personal view and that of the Government that it is a very important aspect. We are determined to find a formula where the morale and dedication of volunteers can be preserved and, on the other hand, the career structures for professional officers can be maintained in a manner that is satisfactory to all parties.

The matter of advertising would, I should have thought, be exclusively the prerogative of the person conducting the inquiry. To the best of my knowledge, formal hearings will not be conducted. It would be highly undesirable, and the St John organisation itself requested many months ago in pre-election discussions on A.L.P. policy that the original undertaking for a public inquiry be modified so that one did not have to give the whole inquiry the status of a royal commission. Had we done that, it would quite rightly have been interpreted as possibly being some sort of witch-hunt. It was never intended that that should happen. So, to the best of my knowledge, there will not be formal hearings

unless Professor Opit comes to me with some very good reasons why there should be. Written submissions will certainly be made through the Policy and Project Division of the South Australian Health Commission.

Concerning volunteer input, I understand that there are 5 000 volunteers in St John. That may be a good reason for not advertising and asking all of them to appear before the inquiry, as it would take some time to reach firm decisions. Certainly, volunteers have not been backward in making submissions to me over many months, and I suspect that it will not stop them making written submissions to Professor Opit. I certainly hope, as he, I am sure, hopes, they will.

The Hon. Frank Blevins: Is this a Dorothy Dixer, John?

The Hon. J.R. CORNWALL: It is a subject close to my heart. As to whether Professor Opit's report (interim, final or any other) ought to be published or will be tabled, that is a matter which I will have to consider after reading the draft report. I have given an undertaking to the principal parties concerned that they will be given an opportunity to study both the interim and final draft reports. If there is any material in those reports which might tend to prejudice individuals or groups and which might tend to bring them into any sort of disrepute, I would have to exercise some judgment in the matter, and almost certainly I would ask my Cabinet colleagues to join me in exercising that judgment. Unless there are good and compelling reasons, it is certainly my intention at this time that any report forthcoming from Professor Opit be published.

The Hon. J.C. BURDETT: I have a supplementary question. Who are the principal parties concerned, who will be consulted before it is determined whether or not the report will be made public? Do they include St John volunteers—not just the St John Ambulance Brigade or its management?

The Hon. J.R. CORNWALL: The principal players in this exercise are the St John Ambulance Brigade, the St John Ambulance Council, the General Manager of St John, the Ambulance Employees Association (particularly, its Secretary, Mr Mick Doyle), and the Australian Government Workers Association. There are many others, of course. The volunteers, I suspect, can well represent themselves.

The Hon. R. J. Ritson: They are not allowed to.

The Hon. J.R. CORNWALL: May I say without any disrespect that, as I said a few minutes ago, that does not appear to have been any sort of constraint on them in the past 12 months.

The Hon. J.C. Burdett: Do you consider them to be one of the principal parties?

The Hon. J.R. CORNWALL: No. They may certainly make as many individual submissions as they like. I make that clear. Those submissions can be made through the Policy and Projects Division of the South Australian Health Commission, and, if the volunteers do not want to make individual submissions, I am sure that thousands will make them on their behalf.

An honourable member interjecting:

The Hon. J.R. CORNWALL: No, I have made it clear—the St John Ambulance Brigade, the St John Ambulance Council, the General Manager of the St John Ambulance Brigade. I wish to goodness that members opposite would show a little more responsibility, stop this puerile business and let us get on with the business of making sure that we continue to have the best ambulance service in Australia.

MINISTERIAL STATEMENT: ALLOFERIN

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

Leave granted.

The Hon. J.R. CORNWALL: Last Wednesday, in this place, the Hon. Dr Ritson raised the matter of a possible association between a certain drug and the death of a patient following anaesthesia in a private hospital in Adelaide. Regrettably, the manner in which the matter was raised has caused a wave of unnecessary anxiety throughout the community, particularly amongst persons due to undergo surgery. I should, therefore, like to advise the Council of the situation to date, in order to place the matter in context. The drug to which the honourable member referred was Alloferin. This is a muscle relaxant which is often administered during anaesthesia.

Following the honourable member's raising the matter, I sought reports from Health Commission officers as to their knowledge of the situation. I was advised that notification had been received of suspected adverse reactions associated with Alloferin. It had been reported that one patient had died and that another had developed complications following anaesthesia in private hospitals in Adelaide. Health Commission officers at that time were examining the information to assess the accuracy of the reports, what may have been the possible cause, and what action was indicated. This was being done in conjunction with local medical authorities, the Australian Drug Evaluation Committee, the Commonwealth Department of Health and the Drug Information Centre of the Royal Adelaide Hospital.

I should digress for a moment and explain that there is a well-established procedure for monitoring and notification of adverse drug reactions. At the Federal level, the Australian Drug Evaluation Committee and its Adverse Drug Reactions Advisory Committee monitor reported adverse reactions. If investigations reveal the need, a national recall system is activated and, depending on the nature of the incident, the Federal and State Health Ministers release a joint statement either clearing or implicating a drug. To a degree, this system was pre-empted by the manner in which the honourable member raised the matter.

In relation to the incidents in question, although the information available at the time suggested that the incidents were not necessarily batch-related, the manufacturer agreed to freeze supplies of batch number 165E pending the results of analysis by the National Biological Standards Laboratory. It was considered that there was insufficient evidence to order a general recall of the drug. As a precautionary measure, I instructed Health Commission officers to notify metropolitan and country hospitals to quarantine the use of batch 165E and, if using other batches, to be alert for adverse effects.

Detailed Commonwealth analytical testing is proceeding. In the meantime, Commonwealth authorities have decided to maintain their freeze on supplies of batch 165E at the wholesale level. I have recommended that the quarantine of batch 165E in South Australian hospitals be maintained until the investigations are completed. Further, as part of the programme aimed at assessing the status of this drug, a review of all anaesthetic deaths in South Australia over the past three months has been undertaken. There is no indication of abnormal occurrence or incidence of deaths from anaesthetic drugs in South Australia at the present time.

The death to which the honourable member referred has been reported to the Coroner, and investigations are proceeding in the normal manner. At this stage, there is no evidence implicating faulty manufacture of the drug in either this case or the case of the person who developed complications. Intensive investigation by Health Commission officers has revealed that rumours of other similar cases are unsubstantiated. It is known that Alloferin, along with other anaesthetic drugs, can cause idiosyncratic or allergic reactions in a small number of cases. If any patients are concerned

as to whether they are allergic to Alloferin, or require reassurance generally about undergoing anaesthesia, they are advised to consult their doctor. I believe that the public can be reassured that anaesthetic standards in South Australian hospitals continue to be of a high order.

In concluding, I return to the general matter of reporting adverse drug reactions. The national network procedure to which I referred earlier appears to be adequate. However, it can be successful only if doctors recognise the importance of active reporting. I intend to write to all registered medical practitioners reminding them of the importance of this matter.

GAS

The Hon. I. GILFILLAN: I seek leave to make a brief statement before asking the Attorney-General a question relating to gas prices.

Leave granted.

The Hon. I. GILFILLAN: On 12 October this year the previous Minister for Mines and Energy, Mr Goldsworthy, reached a gas price agreement with the Cooper Basin producers, which immediately increased the price 80 per cent from 61 cents to $1.10 a unit and granted further increases up to $1.62, which will apply in about two years time. The gas price increases, which are up to 260 per cent of the old price, will cost the consumers of this State, directly and indirectly, an additional $250 000 000 during the period concerned and, because gas is also used for production of electricity, will raise the cost of virtually all goods and services. The additional cost for each householding will be more than $500. These enormous price increases granted are inflationary and inappropriate when considering the severely depressed economic conditions and the increasing financial burdens being faced by our industry and the average householder, and by such disadvantaged groups as the unemployed and pensioners.

It is noted that, although the large price increase was justified ostensibly to finance increased exploration to establish additional gas reserves beyond 1987 for South Australia, only $55 000 000 of a total expected income from gas sales of approximately $800 000 000 from South Australia and New South Wales is legally committed to that exploration. Recently (on 3 December), a submission presented to the Premier claimed that the gas price agreement contravened the spirit, intent and purpose of the Cooper Basin (Ratification) Act, 1975, and was therefore illegal, and requested review of the agreement and renegotiation of a new price that would be reasonable and acceptable to consumers. The submission was submitted on behalf of the Consumers Association of South Australia, Public Service Association of South Australia, South Australian Institute of Teachers, Housewives Association, and Pensioners Association.

Will the Leader please inform the Council what the Government intends to do about the exorbitant rise in the price of gas, and what urgent steps it intends taking to review and renegotiate the gas price agreement in order to achieve a price which will be reasonable, can be justified, and is not highly inflationary, and is in the interests of the economy and the consumers?

The Hon. C.J. SUMNER: I cannot respond in detail at this stage. I will seek information from the Minister of Mines and Energy or the Treasurer as to the situation, and I will then be able to advise the honourable member of the Government's intentions. The honourable member may realise that the price eventually fixed was a price that was somewhat lower than the price that has been determined by arbitration under the relevant legislation. The argument in relation to gas prices, as I understand it, revolves around the incentives for further exploration of the Cooper Basin. As all honourable members realise, the situation there is that it has been said for many years that there are adequate natural gas supplies in the Cooper Basin— it is just a matter of finding them. There must be a balance between sufficient incentive to the producers to find more reserves and the rights of industry and consumers in South Australia to pay a fair and reasonable price.

That is only a very general statement that I can make, I will have to obtain more detailed information about the honourable member's question and I will bring down a reply as soon as I can. Probably the Council will not be sitting after this week until it resumes sometime in late February. Should the honourable member require a reply before then, if he has not received one, I shall be happy if he gets in touch with me and I will try to obtain a reply before Parliament resumes.

DISABLED PERSONS

The Hon. K.T. GRIFFIN: My questions to the Attorney-General are as follows:

1. Has the Government yet decided which Minister will have the specific responsibility for the disabled?
2. If the answer is 'Yes', who is it?
3. If the answer is 'No', when will the decision be made and which Minister is likely to have that responsibility?
4. Will the Government retain the Disability Advisory Council and the Inter-departmental Committee on Disability, each of which were in the course of being established by the previous Government?
5. Is the Government intending to maintain fully the previous Government's commitment to the establishment of the Information/Resource Centre for the Disabled?
6. Is the Government intending to maintain fully the Intellectually Disabled Services Council?

The Hon. C.J. SUMNER: The Government's policy at the last election was that services both (in terms of policy development and implementation of policies, programmes and services for the disabled) had become a hotch-potch. No-one quite knew who was responsible for matters relating to the disabled. In that light the Labor Party promised at the last election that there would be an adviser on disabled persons policies and programmes to the Premier. It is envisaged that that person will be responsible for liaison with the various voluntary groups in this area, and will be responsible for the development of policy within Government departments and ensuring that Government departments take account of policies relating to the disabled.

Obviously, that has not yet been put into effect, but the feeling definitely was that there was a need for a much greater degree of co-ordination in this area than there had been in the past. The proposal is that the adviser, or whatever he or she happens to be called, should be backed up by an interdepartmental committee (indeed, by a committee of Cabinet) to ensure that the policies developed are transmitted to the various Government departments. That is the situation as far as the Government sector is concerned.

In addition, that person will act as a focal point for liaison and point of contact with groups from the private sector. For the moment I am dealing with matters generally relating to the disabled, and certainly the Attorney-General will continue to be involved in matters relating to the disabled in connection with the enforcement of rights. Indeed, this was the emphasis established by the previous Labor Government through the Bright Committee set up by the former Attorney-General (Hon. Peter Duncan). That committee was recognised as being unique in Australia because of the

emphasis on the rights of the disabled, and the emphasis on establishing equality of opportunity for the disabled.

Certainly, whatever ultimate structure is established, the Attorney-General will continue to play an important role through the Handicapped Persons Equal Opportunity Act and the Commissioner for Equal Opportunity. The final governmental structure has not yet been decided upon. At present a review is being conducted within the Government on what administrative arrangements will be needed to give effect to the new Government's policies and, when that review is completed, some final decisions will be made.

The central thrust of the policy is to have one person or one office responsible for the policies relating to the disabled. In regard to the other matters raised by the honourable member, the Government also wishes to see an information resource centre, as was proposed by the previous Government, except that we do not believe that it should be located at the Julia Farr Centre, which was the previous Government's proposal and which was objected to strongly by many people involved in this area. In regard to the Disabled Persons Advisory Council, which the honourable member referred to, no final decision has been made about it. It had not been established at the time that the previous Government lost the election. The final question relates to the Intellectually Disabled Services Council. It will be maintained. In our policies prior to the last election, a number of commitments in that area were made.

GRAPE PRICES

The Hon. DIANA LAIDLAW: I seek leave to make a brief statement prior to asking the Minister of Consumer Affairs a question about payment for grapes from the 1983 harvest.

Leave granted.

The Hon. DIANA LAIDLAW: On 3 November Di Davidson, the vineyard Manager of Penfolds, wrote to growers who supply grapes to Penfolds and Kaiser Stuhl. The Attorney may be aware that the 1 000 growers who previously sold grapes to these two wineries have been granted (since the take-over of Kaiser Stuhl by Penfolds) five-year contracts based on the average of tonnages supplied during previous years. Di Davidson's letter states:

> Many grapegrowers and winemakers have expressed concern about the amount of fruit that was processed in 1982 under terms which were outside the ambit of the Prices Act. It is Penfolds company policy to support the Government legislated prices and payment terms, and we intend to follow this policy in 1983. However, if we find we are disadvantaged because of lack of enforcement of the Act by Government authorities, or its contravention by winemakers or private grapegrowers, then we may be forced to make alternative arrangements for payment.
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> Recent publicity has suggested that the signing of a large contract with a major wholesaler/retailer chain has secured the future of Barossa growers. It is our view that this contract should be regarded as a substitution for sales which would have been made by major wine companies such as Penfolds who complied with the terms of the Prices Act. Winery stocks designated for such markets must now remain in inventory for longer periods and may not be replaced at vintage. Hence the overall impact on the industry is unsatisfactory. We strongly suggest that grapegrowers meet their side of the bargain and insist that all members of their community sell grapes to winemakers only under the terms of the Prices Order. We repeat our view that, if major competitors of Penfolds obtain fruit in South Australia at less than Commissioners prices, then Penfolds will be forced to take alternative steps to ensure we are not disadvantaged.

This matter is of considerable concern to the growers who hold supply contracts with Penfolds and who are awaiting with interest the publication of prices by the Prices Division for the 1983 harvest, which I understand will be issued within the week. I understand, also, that Penfolds will crush over 50 000 tonnes of grapes at Nuriootpa this year. Will the Attorney-General take steps to ensure that wineries, other than co-operatives which are exempt, abide by the provisions of the Prices Act regarding payment, and if there is evidence of breaches take steps to prosecute the offenders?

The Hon. C.J. SUMNER: The simple answer is 'Yes'. Since returning to Government I have had discussions with the Grapegrowers Council, and the Minister of Agriculture and I have had discussions with the Wine and Brandy Producers Association. I think it is fair to say that both organisations are concerned about breaches of and attempts to avoid, the legislation relating to minimum grape prices. One of the problems is that there were breaches of the Act last year that went unprosecuted or uninvestigated. The Hon. Miss Laidlaw must remember that it was the previous Government which absolutely decimated the Prices Branch in this State.

The Hon. J.C. Burdett: That is not true.

The Hon. C.J. SUMNER: It is true and it is impossible to deny that, as there are only four officers in the Prices Branch at the moment.

The Hon. J.C. Burdett: The work load was reduced.

The Hon. C.J. SUMNER: For whatever reason the work load was reduced, they certainly do not have the resources in that department that they had in 1979, when there were 10 members of the Prices Branch. The Prices Branch, along with other divisions of the Department of Public and Consumer Affairs, was run down incredibly by the former Government.

The number of people employed in that department now is 50 smaller than it was in 1979—that is what happened under the previous Government. I only point this out to indicate to the honourable member that the Prices Branch has been run down and that, therefore, there are less resources to be given to price control activities. Having said that, I am prepared to indicate to the Chamber that, if there is evidence that the Prices Act is being breached in this area, the Government will take action. We have indicated this to both of the organisations that I have mentioned. We have said that a more formal statement will be made about this matter in the near future. I am merely indicating to the Hon. Miss Laidlaw that possibly one of the reasons why no action was taken last year was that there was hardly anyone left in the Prices Branch to take that action.

The Hon. J.C. Burdett: That is not true.

The Hon. C.J. SUMNER: It is true. There are only four people employed in the Prices Branch at the moment. The Government will do what it can to ensure that the Act is upheld in this area. That commitment has been given to the organisations I have mentioned and if there are breaches of the Act brought to our attention they will be investigated and, if there is sufficient evidence, prosecutions will be launched.

ETHNIC AFFAIRS COMMISSION

The Hon. C.M. HILL: Has the Minister of Ethnic Affairs made any changes to the staff of the Ethnic Affairs Commission since coming to Government? If not, is he contemplating making any changes to that staff in the relatively near future?

The Hon. C.J. SUMNER: No, I have not made any changes to the staff of the Ethnic Affairs Commission. I do not consider that I should behave as the former Minister did. His behaviour in this area was quite disgraceful when he illegally sacked five members of the Ethnic Affairs Commission staff.

What is more, the former Minister continued to discriminate against those Public Service officers for the next three

years: when those people were recommended for jobs by properly constituted selection panels within the Public Service—

The Hon. C.M. Hill: Who?

The Hon. C.J. SUMNER: I will name them later. I can establish what I am saying to the satisfaction of the Council. Those people were recommended by Public Service selection panels for jobs, but the positions were vetoed by the Government during the past three years. One person was nominated for a permanent appointment in the Public Service, which he had not had for three years, but the matter was deferred for four months prior to the election. The matter was referred to the former Minister of Industrial Affairs and sat on his desk for four months.

The actions of the former Government in this area were absolutely despicable. The Government discriminated against those people: first, in the dismissals and, secondly, by hounding those people through the Public Service over the past three years. If the Hon. Mr Hill is proud of that record, he ought to be ashamed of himself. Quite frankly, I was sickened when I found out what had happened to those people: they were recommended for appointments by the Public Service Board and selection panels, but they did not gain appointments because of Ministerial veto. They were recommended for permanent appointments, but the appointments were deferred. That was the action that the previous Government took during the past three years. It was straight-out victimisation—there can be no doubt about that.

In answer to the honourable member's question, no movements have been made in the Ethnic Affairs Commission as yet. The Labor Party, when in opposition, undertook to carry out a review of the Ethnic Affairs Commission and it may be that, as a result of that review, in the future some changes will be necessary. However, I have not taken the sort of discriminatory action that the previous Minister took against certain people.

MINISTERIAL STATEMENT: FINANCIAL SITUATION

The Hon. C.J. SUMNER (Attorney-General): I seek leave to make a statement which was prepared by the Premier on the Budget review and the financial situation.

Leave granted.

The Hon. C.J. SUMNER: At the time of the last election I made clear that one of the firsts acts of a Labor Government would be to carry out a complete review of the Budget for the 1982-83 financial year. Obviously, as a new Government we needed an accurate assessment of the financial situation so that we could determine the ways and the pace at which our election commitments would be put into effect.

Treasury has now carried out the review of the 1982-83 finances as I requested. I intend to table the document, which has been prepared by the Under Treasurer and, as I have already made clear, the Government is anxious that the statement I am now making, and the review itself, should be debated by the House. In August, the previous Government brought down a Budget which it claimed aimed at a balance on the Consolidated Account. Admittedly, this balance was to be achieved after an expected $42 000 000 deficit on recurrent operations was compensated for by diverting an equal sum from capital works funds, a pattern of financial juggling with which we have become all too familiar.

However, the Treasury review now indicates that this forecast is hopelessly inaccurate, particularly as regards recurrent expenditure. Indeed, I must say that the picture is far worse than I had ever contemplated. My Government now finds that the deficit on recurrent operations will exceed the estimate made by the former Treasurer in August by a minimum of $30 000 000: that is, without any additional calls on Government expenditures, without taking into account the commitments of the new Government, and assuming no increases in costs for the remainder of the financial year, the deficit on recurrent operations will be approximately $72 000 000.

Any additional costs, either from price rises or increased wages and salaries, will of course add to this deficit. Unfortunately, the former Government seriously miscalculated the timing and the impact of movements in wages and salaries, and as a consequence the round sum allowance set aside for such increases was inadequate. It has already been fully committed and indeed it will require an additional $5 000 000 to cover the rises already awarded by the courts. Consequently, the blow-out of the deficit on recurrent expenditure could be as high as $55 000 000 to give a recurrent deficit for 1982-83 of some $97 000 000.

Unfortunately, Treasury can give no indication that this deficit is likely to diminish during the next few years. Indeed, on the basis of certain assumptions, which are spelt out in the document, and without implementing any new policies, it estimates that the recurrent deficit will be about $100 000 000 in both 1983-84 and 1984-85, and will probably increase in 1985-86 following the loss of the benefits of the hospital cost sharing agreement.

I can only assume that the former Government was fully aware of the seriousness of this situation, which has obviously been developing over the past few years. It is a matter of record that it inherited an accumulated surplus from the Corcoran Government, so it is reasonable to suggest that the deterioration in our finances began with the previous Government's coming to office.

It would have been improper to ask the Under Treasurer to comment on events which took place before the election—and, indeed, I have not done so. But in light of the deficit which his review reveals, there must be considerable doubt cast on many of the financial statements of the former Government. For example, in 1979-80 it claimed a surplus of $37 400 000 and in 1981-82 a further surplus of $15 000 000. I said at the time that these surpluses were cosmetic and contrived. It is now obvious that this was the case.

Needless to say, the information now available also calls into question the claims made often in this House by the former Treasurer that he was pursuing a course of responsible financial management. Honourable members are entitled to ask how this critical situation was allowed to develop. Members of the former Government will have an opportunity to explain that as best they can and I urge them to do so.

However, the review does make clear the cause of the immediate problems which have made this year's Budget so inaccurate. With the exception of the additional interest on the public debt due to earlier loan raisings by the Commonwealth, they stem mainly from either overruns due to the inability of Ministers to control the spending of their departments; extra commitments made by the then Government during the election campaign; or from direct costs for which no provision was made in the Budget.

This latter category is most disturbing. In 1982-83, the South Australian Government will have to find $9 000 000 for drought relief, yet no allocation was made in the Budget for such expenditure. However, the former Minister of Agriculture has made clear that this oversight was of no consequence to him. As he is quoted as saying in the *News* of 19 November:

. . . 'the money was there—I had Cabinet approval' he said. 'The former Premier, Mr Tonkin, gave me an open cheque book.'

I am not in any way suggesting that persons affected by the drought should not get relief; however, given the predictions of a poor season this year, any responsible Government should have made some specific provision for drought relief. However, the former Government chose not to do so. Also, as the Under Treasurer has now reported, the money was not as easily found as the Minister's 'open cheque book' attitude would indicate.

More scandalous is the question of extra costs of pumping water brought about by the dry conditions. On 10 August, the former Minister of Water Resources told Parliament that the cost of additional water pumping would be up to $4 000 000 in excess of the pumping costs of 1981-82. Yet, when the Budget was brought down two weeks later, less was actually provided to cover the costs of pumping than in the previous year. This is despite the fact that in earlier dry periods during the 1970s extra provision had been allowed for.

I have also mentioned extra commitments made by the former Government during the election campaign. Members will see from the Budget review that Treasury estimates the cost of the remission of finance fees payable by Sagasco will be $4 000 000. It is worth noting that the decision to remit the fee was announced by the former Deputy Premier on 19 October and at that time he said publicly that it would cost $2 600 000. Without canvassing the merits of the decision, I simply point out that it has resulted in a further discrepancy of $1 400 000. I leave it to the House to judge whether these items were among those left out of the calculations in an attempt to contrive a balanced Budget for the coming election.

As to the future. The Government has taken steps to bring into immediate effect four of its major election commitments. These are concessions to pensioners for electricity bills, a concession which has now been extended to service pensioners, an immediate increase in the exemption level for pay-roll tax in advance of the implementation of our promise to substantially alter the Pay-roll Tax Act, an increase in exemption from stamp duty in respect of the purchase of a first home and the retention of a number of teaching positions rather than allowing them to reduce in line with declining enrolments.

Members will see from the Treasury document that the cost of these commitments in 1982-83 is estimated at about $7 000 000. There will, however, be a slight increase in this figure due to the further extensions of the electricity concessions for Service pensioners. However, I stress again that the grave situation which this document reveals relates to the position of the State's finances as this Government found them and is in no way a result of any expenditure commitments that it has made.

As members will be aware, over the past few years the former Government has financed the deficit on recurrent expenditure by diverting capital works funds. In Opposition, we consistently warned that this course of action was putting at risk the State's ability to finance capital works projects and other infrastructure needed for development.

The review by the Under Treasurer now makes it clear that the cost of projects either under way, or which have been planned for commitment, makes it unlikely that any more than about $10 000 000 would be available in 1983-84 to support recurrent expenditure.

Furthermore, it is suggested that in 1984-85 and 1985-86 it will be difficult to hold back any capital funds at all. Consequently, the option of financing large recurrent deficits through capital funds, which was the hallmark of financial administration under the previous Government, is simply no longer available. Finally, the Under Treasurer has put forward a number of options for dealing with the problems which the review has identified.

Clearly, South Australia is faced with some very stark choices. Treasury cash can be run down, but the implications of this should be obvious to all members. Capital funds can be held back, but only at the cost of essential projects necessary for the State's development. Government services can be reduced, but this would also impose a burden on the community or, possibly, only add to unemployment at a time when, because of the state of the economy, more and more people are losing their jobs.

The Under Treasurer has also put forward the option of increasing the State's revenue collections. He is aware, as would be all members, that in Opposition and on coming to Government, I made it clear that we did not wish to introduce new taxes or raise the rate of existing taxes.

However, I point out to the House that the Under Treasurer has advised that this may be the least objectionable of the choices which face us. I have made no decision on any of the options put forward, nor will I until the Government has had the opportunity of examining the full details of the Budget. I have, however, taken steps to ensure that the inquiry into the State's revenue base, which I announced during the election, is established as a matter of priority.

The financial position of the State is extremely grave. We came into office just four months after the financial year had commenced and less than three months after the Budget was actually brought down to find that the predicted outcome was already hopelessly inaccurate. The Budget presented to this House in August was both incomplete and dishonest. It was clearly a document designed for an election—not so much in what it handed out, but in what it attempted to keep hidden.

The Tonkin Government's mismanagement of the State's finances has made our task extremely difficult. The problems have been compounded by the employment crisis in manufacturing and the impact of the drought. However, I assure the House that steps to overcome these difficulties will be given the highest priority by my Government.

LICENSING ACT AMENDMENT BILL (No. 3)

The Hon. C.J. SUMNER (Attorney-General) obtained leave and introduced a Bill for an Act to amend the Licensing Act, 1967-1982. Read a first time.

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

That this Bill be now read a second time.

Section 22 of the Licensing Act presently permits the Licensing Court to authorise the holder of a retail storekeeper's licence to keep his premises open for business until 9 p.m. on one night in each week. Such an authorisation must relate to an evening on which other retail premises in the same locality are open for late trading. Under the Shop Trading Hours Act, late trading has been authorised on two nights in the week immediately preceding Christmas and on a further two nights in the week immediately preceding the new year. As section 22 is currently framed, it is not possible for the Licensing Court to authorise bottle shops to be open on both nights, notwithstanding that such an authorisation would clearly be desirable in the public interest. The present Bill is designed to enable the Licensing Court to authorise late opening of bottle shops on much the same basis as late trading is permitted under the Shop Trading Hours Act. I seek leave to have the explanation of the clauses inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Clauses

Clause 1 is formal. Clause 2 strikes out the provision that

currently deals with late trading by bottle shops and substitutes new provisions. New subsection (5) provides that the Licensing Court may, on the application of an applicant for or the holder of a retail storekeeper's licence, extend trading hours to 9 p.m. on the days fixed by or under subsection (6). This latter subsection declares that the extension shall operate, in the case of licensed premises situated in a shopping district, on the days on which late trading is permitted in the shopping district and, in the case of premises situated outside shopping districts, on a particular day in each week fixed by the court. New subsection (7) contains definitions required for the purposes of the new provisions.

The Hon. J.C. BURDETT: I support the second reading of this Bill. The Attorney-General was gracious enough to let me have advance notice of it. The Bill only does those things which the Attorney said, enabling bottle shops to open late on the four late shopping nights before Christmas and the new year. I have no additions to the Bill and support it.

For some time I have said that there should be a complete inquiry into the Licensing Act. There may be questions as to what form the inquiry should take, but I believe that such an inquiry should be undertaken. It was Liberal Party policy before the election that such an inquiry should be undertaken. I believe that no major amendment to the Licensing Act should be undertaken until such an inquiry is held. If the Government brings forward any major amendment to the Licensing Act without there first being such an inquiry, I will be raising the point that first there should be such an inquiry.

In the liquor industry there are many different interests: hotels, licensed clubs, restaurateurs, bottle shops, wholesalers, and a whole host of others, in particular, the public and patrons. The interests of these groups do not always coincide. For those reasons it makes sense that there should not be any major amendment to the Act, which has been hacked around and amended by previous Labor Governments and, to a limited extent, by the previous Liberal Government, until there has been such an inquiry. The amendment in the Bill before us now is only minor and I have no hesitation in supporting it.

The Hon. C.J. SUMNER (Attorney-General): I thank the honourable member for his indication of support. Everyone in the liquor industry recognises that it is only fair that this situation be corrected or, at least, that an opportunity for it to be corrected be given to the owners of bottle shops. This Bill will enable bottle shops to apply to the courts to be open on more than one night in the weeks preceding Christmas and the new year.

The Hon. Mr Burdett made more general comments about the Licensing Act. I agree that some review of the Act is necessary. The extent of that review and how it should be conducted is presently under consideration by me and an announcement will be made some time in the new year as to how the inquiry should proceed.

I cannot at this stage be any more specific, but it is generally agreed in the community that some review is needed. The Government would like to see a review before there are any wholesale amendments to the Act, and it is a review that I would like to see carried out in the reasonable future. I thank honourable members.

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

EXECUTORS COMPANY'S ACT AMENDMENT BILL

The Hon. C.J. SUMNER (Attorney-General) obtained leave and introduced a Bill for an Act to amend the Executors Company's Act, 1885-1980. Read a first time.

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

That this Bill be now read a second time.

In 1978 an amendment was made to the Executors Company's Act limiting the number of votes that could be exercised by any individual shareholder or group of associated shareholders to a maximum of 1.67 per cent of the total number of A and B class shares issued by the company. Subsequently, the company amended its articles of association to impose a corresponding limitation on the number of such shares that could be held by a shareholder or over which he could exercise control. In 1980 the principal Act was further amended to give statutory force to this limitation on the size of shareholdings. Under the provisions of this later amendment, if a shareholder fails to comply with the requirements of a notice issued by the company under section 31 (requiring him to divest himself of any shares in excess of the statutory maximum), the shares of that shareholder are forfeited to the Crown. Such shares are to be sold by the Corporate Affairs Commission and the proceeds paid to the shareholder after deduction of the costs of forfeiture and sale.

A group of companies associated with Mr Ron Brierley appears to have been in persistent breach of the provisions limiting the maximum shareholding in the company. The company has, accordingly, acted under section 31 of the principal Act to require divestiture of shares in excess of the prescribed maximum. Unfortunately, some doubt exists as to the validity of the notices issued by the company. This doubt arises because it is not entirely clear that the companies to which the notices were directed are all members of a single group of associated companies. An important provision of the Bill—proposed new section 29a—will, in effect, compel Mr Brierley to litigate this issue so that the matter may be determined finally and conclusively by the courts.

The Bill also deals with another stratagem that has been adopted with the apparent intention of circumventing the limitation upon maximum shareholdings. The principal Act presently provides that the directors may, before registering a transfer of shares, administer interrogatories to the proposed transferee in order to ascertain whether the transfer is consistent with the limitations imposed by the Act. These interrogatories have been generally ignored by companies associated with Mr Brierley. This means that the transfers are not registered, but the non-registration of the transfers has not deterred the acquisition of further shares. The apparent purpose is to build up such a large volume of unregistered transfers that ultimately they will have to be registered in order to maintain some reasonable correspondence between the company's share register and the actual position in regard to ownership of the company's shares. The Bill attempts to deal with this problem by providing that all 'defaulting shareholders'—that is, shareholders who have failed to answer questions put to them by the directors—together constitute a group of associated shareholders. This will enable the company to proceed directly against this group with a view to divesting them of their shareholdings.

The Bill also provides for automatic cancellation of share certificates in respect of forfeited shares. This provision is inserted out of an abundance of caution and partly because the matter has been raised by Mr Brierley himself in his published statements on the matter. However, it should be noted that in an analogous situation—the forfeiture of shares in a no-liability company upon non-payment of a call—forfeiture of shares takes place without surrender of share certificates and without express statutory provision for their cancellation. I seek leave to have the explanation of the clauses inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Clauses

Clause 1 is formal. Clause 2 makes an amendment to section 25 of the principal Act by inserting a new paragraph *(c)*. New paragraph *(c)* provides that all defaulting shareholders together constitute a group of associated shareholders. New subsection (2) defines 'defaulting shareholder' as a shareholder who has failed to furnish a declaration required under sections 27 or 28 and is therefore in default under either of those sections. Clause 3 enacts new section 29a. New section 29a is as follows:

Subsection (1) provides that a declaration by the directors that specified shareholders constitute a group of associated shareholders or that a specified person who is not the registered shareholder has a relevant interest in shares shall be accepted as conclusive proof of the matters to which the declaration relates in legal proceedings or proceedings of the company.

Subsection (2) deals with service of a declaration under the new section. Subsection (3) applies the provisions of subsection (1) to a declaration made before the commencement of the new Act as if the new section had been in force when the declaration was made. Under subsection (4), a shareholder to whom a declaration under the new section relates may apply to the Supreme Court for an order excluding him from the operation of the declaration. The Supreme Court may make such an order if it is satisfied that proper grounds for the declaration did not exist in so far as it related to that shareholder. Under subsection (5), such an order of the Supreme Court does not affect the validity of the declaration in relation to other shareholders. Subsection (6) provides that an application under subsection (4) must be made within 45 days of service of the declaration on the applicant or within 45 days of the commencement of the new Act, whichever is later. The period of limitation is not to be extended. Under subsection (7) the company and the Corporate Affairs Commission are to be the respondents to an application to the Supreme Court. Subsection (8) excludes any challenge to a declaration under the new section except as provided in subsection (4), and subsection (9) excludes from the application of the new section an examination under section 29.

Clause 4 amends section 31 of the principal Act by inserting a new subsection (2a). The new subsection deals with procedural matters in the event of a forfeiture of shares under the section. Under paragraph *(a)*, the company is required to register the Corporate Affairs Commission as the shareholder of the forfeited shares. Paragraph *(b)* provides that any certificate previously issued in relation to the forfeited shares is deemed to have been cancelled from the date of forfeiture. The company is required to issue new certificates in the name of the Corporate Affairs Commission. Paragraph *(c)* provides that the commission holds the shares, until sold in accordance with the section, solely for and on behalf of the Crown.

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

PAY-ROLL TAX ACT AMENDMENT BILL (No. 2)

Received from the House of Assembly and read a first time.

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

That this Bill be now read a second time.

It is designed to give immediate relief to companies paying pay-roll tax, in advance of the implementation of the Government's commitment to substantially alter the Pay-roll Tax Act. Changes to the pay-roll tax exemption level are normally brought down in the Budget and apply from 1 January, that is, the beginning of the calendar year. The exemption level, however, was not changed in the last Budget. The Government is aware that increased wage and salary costs have both added to the pay-roll tax commitments of many small businesses and made others liable for pay-roll tax for the first time. The Government is also concerned that South Australia's exemption level is lower than that of Victoria, which is normally regarded by businesses in this State as their main competitor.

The measures proposed increase the maximum exemption level to $139 992 per annum from 1 January 1983, and will provide relief to those employers who, through the impact of increased wage levels in the second half of 1982, could have become liable for pay-roll tax during the balance of the 1982-83 financial year. The effect of the change will be that the level at which wages are exempt from tax will increase from $124 992 to $139 992 per annum. For pay-rolls higher than $139 992, the amount deducted from the wages paid will decrease by $2 for every $3 that the wages exceed $139 992 and the deduction will reduce to a flat $37 800 when the taxable wages are $293 280 and above.

There are advantages in identifying in advance the changes in exemption level that will be made in successive financial years, and in reviewing the current Budget situation the Government will consider the desirability of legislating to provide such specific exemptions operative from 1 July in each of the next three years.

The maximum exemption level provided in this Bill raises the South Australian exemption to that of Victoria and to a higher level than that in New South Wales and Western Australia. The increase therefore restores the relativities with our adjacent States which this Government has sought. The increased level of exemption will provide additional concessions amounting to approximately $2 000 000 in a full year. I seek leave to have the explanation of the clauses inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Clauses

Clause 1 is formal. Clause 2 provides for the commencement of the Bill. Clause 3 amends the definition of 'prescribed amount' in section 11a of the principal Act by replacing subparagraph (vii) of paragraph *(a)* with two new subparagraphs. The effect of this amendment is to increase the maximum monthly exemption from 1 January 1983 to an annual level of about $140 000.

Clause 4 amends section 13a of the principal Act by increasing the value of 'B' in the formula set out in subsection (2)*(a)*. Although this is expressed in new subparagraph (vii) of paragraph *(g)* of subsection (2) to apply for the whole financial year commencing on 1 July 1982, in fact, it only affects the calculation in relation to wages paid in the second half of the year because of the definition of 'Y' by which 'B' is multiplied in the formula.

Clause 5 increases the minimum level of weekly wages above which an employer must apply for registration. Clause 6 makes amendments to section 18k of the principal Act in relation to group employers. These amendments correspond to the amendments made by clause 4.

The Hon. M.B. CAMERON secured the adjournment of the debate.

STAMP DUTIES ACT AMENDMENT BILL (No. 3)

Received from the House of Assembly and read a first time.

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

That this Bill be now read a second time.

It provides for the implementation of the Government's undertaking to increase the stamp duty concession on the purchase of a first home, and for a number of other amendments to:

give greater flexibility in the determination of the threshold rate for credit and rental duty;

foster the development of a secondary market in semi-government securities;

reduce the opportunities for tax avoidance in two areas; and

improve the administration of the Act and correct certain anomalies.

The Government has undertaken to raise from $30 000 to $40 000 the exemption level from stamp duty for first home buyers, and the Bill provides that this concession operate in respect of contracts entered into on or after 1 December 1982. The higher exemption level will mean that the maximum stamp duty benefit for eligible purchasers will be increased from $580 to $880.

The threshold interest rate above which loans become liable for stamp duty has had to be raised on four occasions in recent years and further adjustments are likely as interest rates tend to fluctuate. It has been proposed previously that the Stamp Duties Act be amended to allow the threshold rate to be fixed by regulation. The Government should also have the power to set different rates for different classes of transaction, as experience has shown that not all interest rates have moved uniformly. The adoption of different rates will ensure that those transactions that currently attract duty will continue to do so (for example, Bankcard) but other transactions including those undertaken by pastoral companies will continue to be free of duty.

The provisions relating to transfers of semi-government securities will provide an exemption from stamp duty on a more comprehensive range of securities issued by Government authorities throughout Australia, and will give effect to a decision of the Loan Council designed to promote a secondary market in semi-government securities. As a precautionary measure against an unintentionally broad interpretation of this exemption, provision has been made for particular bodies to be excluded from the exemption.

A tax avoidance scheme has become increasingly prevalent whereby the documentation surrounding transactions that are sales is drawn up and structured as a voluntary conveyance to take advantage of the lower duty assessable where a voluntary conveyance is drawn subject to a mortgage. The provisions in this Bill close the loophole by providing that the duty on conveyances is based on the value of the property, irrespective of whether the basis of the transfer is a sale or otherwise. A number of consequential amendments are necessary to implement the revised basis of assessment.

Historically, an exemption from *ad valorem* conveyance duty has been given where a property has been partitioned as opposed to it being sold or gifted. The partitioning exemption from *ad valorem* duty is being increasingly considered for use as a device to avoid duty that would normally be paid on sale or gift, and it is therefore necessary to restrict the application of this provision. It is intended that the provision will continue to apply only to family groups, and this will reduce the tax avoidance potential of this provision.

Measures are proposed in the Bill to allow payment of stamp duty on interstate cheques to be made by return. Current legislation provides that this must be done by adhesive stamps, and under present business practices this places an unnecessary administrative load on banks. Situations arise where because of an error by the taxpayer mortgage documents are stamped incorrectly. The Bill permits a transfer of stamp duty between instruments executed by the same mortgagor.

Under current legislation, transfers by the legal representative of a deceased person do not attract *ad valorem* duty if they are sales. Prior to the 1980 amendment to the Stamp Duties Act, such transfers also had to be in accordance with a will or the laws of intestacy. This extension of the exemption was not foreseen and, in its present form, presents scope for tax avoidance. The tightening of the exemption will restore the pre-1980 position. The 1980 amendments which tax transfers involving trusts were intended to charge *ad valorem* duty on the maximum amount a potential beneficiary could receive in certain cases. This intention has not been fully realised and the amendment modifies the present subsection. I seek leave to have the explanation of the clauses inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Clauses

Clause 1 is formal. Clause 2 provides that the measure is to come into operation on a day to be fixed by proclamation. Under the clause, different provisions of the measure may be brought into operation at different times. Clause 3 amends section 31b of the principal Act which sets out definitions of terms used in the part of the Act dealing with duty in respect of credit and rental business. Under the clause, 'prescribed rate' is now defined as being the rate for the time being fixed by regulation, or, where different rates are fixed by regulation for different classes of transactions, the rate for the time being fixed for the class of transactions to which the credit arrangement, discount transaction or loan belongs. The clause also empowers the making of regulations fixing a rate of not less than 9 per cent as the prescribed rate, or different rates of not less than 9 per cent as the prescribed rates for different classes of transactions. The effect of this amendment will be to authorise the fixing of different rates as the rates of interest that must be payable on different transactions before duty under the credit and rental business head of duty is payable on such transactions.

Clause 4 amends section 48a of the principal Act which provides for duty on cheques to be paid by banks on a return basis at the initial stage when the bank issues its printed cheque forms. Under the clause, this return system for payment of duty will be extended so that it applies to cheque forms issued outside South Australia where it is known that they will subsequently attract South Australian stamp duty. In addition, under the clause a bank will be able to pay duty by a return where cheques are drawn outside South Australia but paid in South Australia.

Clause 5 substitutes for the present section 60a a new section providing a definition of the value of property conveyed for the purposes of the part of the principal Act dealing with duty on conveyances. Under the clause, the value of property conveyed or transferred is defined as being, in relation to a conveyance on sale of property, the unencumbered market value of the property at the date of the sale, or, in relation to a voluntary conveyance, the unencumbered market value of the property at the date of the conveyance. Subclause (2) provides that the Commissioner of Stamps may treat the consideration for a conveyance on sale as being the value of the property conveyed or transferred unless it appears to him that the consideration may be less than the value of the property. Under subclause (3), the Commissioner may cause a valuation to be made by a person appointed by him if he has been furnished with no evidence or unsatisfactory evidence of the value of property conveyed or transferred or comprising or forming part of the consideration for a conveyance. Subclause (4) provides that all or part of the cost of such a valuation may, if the Commissioner thinks it appropriate, be recovered from the person liable to pay duty. Under subclause (5), an encum-

brance prescribed or of a kind prescribed by regulation may continue to be taken into account in determining the market value of property conveyed or transferred. Present section 60a which is repealed by this clause provides for conveyances in contemplation of a sale and was designed to prevent a stamp duty avoidance scheme that is now covered by section 71.

Clauses 6 to 11 (inclusive), clause 13 and paragraphs *(a), (b), (c), (d), (e)* and *(f)* of clause 17 all make amendments that are consequential on the changes proposed by clause 5, that is, to relate the duty on a conveyance to the unencumbered value of the property conveyed instead of, as at present, the consideration for the sale in the case of conveyances on sale. Clause 12 amends section 71 of the principal Act which deals with duty on conveyances operating as voluntary dispositions *inter vivos*. The clause amends paragraph *(h)* of subsection (5) which exempts from *ad valorem* duty a transfer by a person in his capacity as the personal representative of a deceased person or the trustee of the estate of a deceased person. The clause narrows this exemption so that it only applies to such a transfer if it is made in pursuance of the provisions of the will of the deceased person or the laws of intestacy. The clause also amends subsection (8), which provides that a transfer of a potential beneficial interest in property subject to a discretionary trust is to be subject to stamp duty as if it transferred the full beneficial interest that the transferor would have if the discretion under the trust were so exercised as to confer upon him the greatest benefit in relation to the property that could be conferred upon him under the trust. The clause amends this subsection so that it relates the stamp duty to the beneficial interest that the transferee (not the transferor) would have if the discretion were so exercised as to confer upon him the greatest benefit in relation to the property that could be conferred upon him under the trust.

Clause 13, in addition to making amendments consequential upon clause 5, narrows the scope of the provision so that only conveyances for the partition or division of property between members of a family group attract the lesser duty provided for by section 71b. Clause 14 increases from $30 000 to $40 000 the component of the price paid for the purchase of a first home on which the concessional rate of duty under section 71c is based, with effect in relation to contracts entered into on or after 1 December 1982.

Clause 15 amends section 80 by striking out the proviso to that section. The proviso presently has the effect of basing the duty on an encumbrance to secure periodical payments for an indefinite period not terminable with life, or during a life or lives, on the value of the property. This is done by making reference to subsections (2) and (3) of section 66 which are struck out by clause 9. By striking out the proviso, duty on such an encumbrance will be fixed upon the same basis as other securities for the payment of unlimited amounts under present section 79 (2). This will be to the benefit of the taxpayer in the few cases affected by the provision.

Clause 16 inserts a new section 81c, which will enable duty paid as a result of an error on the part of the taxpayer on one mortgage instead of a different mortgage to be transferred to the other mortgage. Under the new section this will only be possible where the same persons are parties to each of the mortgages, mortgagees that are related corporations in terms of the Companies (South Australia) Code being regarded as one and the same person. Paragraph *(g)* of clause 17 extends the present exemption for conveyances of securities issued by a South Australian statutory authority to any securities issued by a statutory body constituted under a law of the Commonwealth or of this State or any other State or Territory, not being a prescribed statutory body or a statutory body of a prescribed class.

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

SAVINGS BANK OF SOUTH AUSTRALIA ACT AMENDMENT BILL

Received from the House of Assembly and read a first time.

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

That this Bill be now read a second time.

It has been introduced to facilitate the Savings Bank of South Australia's investments in the new merchant bank Credit Commercial de France Australia Limited, in which the Savings Bank holds a 26 per cent equity. It brings into the Act matters that are now covered by an agreement between the bank and the former Treasurer.

At the time of the election in 1979, the Labor Government led by the Hon. J.D. Corcoran was considering a number of proposals for the establishment of a South Australian based merchant bank. These proposals were linked to plans to save the Bank of Adelaide from collapse and later from take-over. With the change of Government, support for these proposals ended. However, the demise of the Bank of Adelaide led to a widespread feeling in the Adelaide business community that it no longer had effective access to decision making in the banking industry. This resulted in new representations to the previous Government for the establishment of a South Australian based merchant bank.

The early discussions contemplated an exclusively South Australian venture with, possibly, a substantial shareholding by an agency of the Government. An examination of this proposal indicated that the establishment of a full service merchant bank (that is to say, providing both money market and corporate services) would require a partnership with a large financial institution with merchant banking experience.

At about this time, Credit Commercial de France, a nationalised French bank, was looking for partners in an Australian operation. Credit Commercial de France is among the largest underwriters of Eurocurrency loans and, for example, acts for some of the Canadian Provinces. It has carried out business in Australia for some years and has raised multi-million dollar loans for firms such as Western Mining and B.H.P. and the State Electricity Commission of Victoria.

Credit Commercial de France was faced with two problems:

(a) under Australia's foreign investment policy it was required that there be Australian partners who could provide 50 per cent equity; and

(b) the bank needed partners with the appropriate skills in merchant banking.

Credit Commercial de France finally established that a small Sydney-based merchant bank, Solomons and Coulter, was a likely prospect as a partner. Subsequently, the parties met with the then Premier in January 1982, and it was agreed that an approach be made to the Foreign Investment Review Board seeking approval of an Adelaide-based joint venture with the support of the South Australian Government.

By May 1982, it was clear that no proposal would be approved unless a State Government instrumentality held at least 25 per cent of the equity. In June of this year the former Government agreed to either the State Bank, the Savings Bank of South Australia or the State Government Insurance Commission acting in a caretaker capacity by holding 20 per cent equity in Credit Commercial de France Australia Limited, the proposed new merchant bank. The

Savings Bank of South Australia greeted the proposal with some enthusiasm, as it was seen as a much needed opportunity to diversify the Savings Bank's financial base.

Subsequent negotiations led to an agreement with Credit Commercial de France and Solomons and Coulter for the following shareholding:

	per cent
Credit Commercial de France	50
Savings Bank of South Australia	26
Solomons and Coulter	24

This was approved by the Federal Treasurer and an agreement was signed on 25 October 1982. The Savings Bank's agreement to participate was subject to appropriate amendments being effected to the Savings Bank of South Australia Act. Draft legislation was prepared and approved for introduction in time for the signing of documents in October. However, the calling of the election prevented the introduction of the Bill. It was apparent that this could have thwarted the whole deal so an agreement by deed was entered into between the Savings Bank and the Treasurer to give effect to some of the matters covered in the Bill.

These arrangements provide several benefits to the Savings Bank, both immediate and longer term. In the short term, the benefits include:

- a greater ability to help small business borrowers, in that the Savings Bank will have a connection to whom it can refer a higher risk or more complex borrowing proposition.
- a greater opportunity to become involved in major financing operations.
- greater fund-raising potential. The Savings Bank and Credit Commercial de France Australia Limited should be able to work together to raise funds for special purposes.
- the association of the Savings Bank and its staff with a business such as Credit Commercial de France Australia Limited should protect and enhance its market image and reputation and improve its ability to generate general banking business. In this way the Savings Bank will be able to continue to contribute to the well-being of South Australia through the provision of a larger range of financial services and facilities.
- an opportunity to enhance staff training. The parties have agreed that there may be exchanges of staff between Credit Commercial de France and the Savings Bank of South Australia and Credit Commercial de France Australia Limited which will help the Savings Bank to obtain further skills to enhance its banking role.

Longer-term potential benefits include:

- the possibility of more effective use of the Savings Bank's computer system through the sale of time to Credit Commercial de France Australia Limited.
- the potential opportunity to use the connection with Credit Commercial de France to broaden involvement in international business.

During the last election, it was made clear that my Party placed a high priority on the establishment of a merchant bank linked to one of the State's own financial institutions. Consequently, we support this proposal and fully acknowledge the role played by the former Government, in particular the former Minister of Industrial Affairs, in concluding the arrangement between the Savings Bank and Credit Commercial de France. Finally, the Bill provides for some other minor amendments which may be appropriately included at this time. I seek leave to have the detailed explanation of the clauses inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Clauses

Clause 1 is formal. Clause 2 amends section 5, which sets out definitions of expressions used in the principal Act. The clause revamps the present definition of 'general manager' in order to accord with the present practice of the bank. Clause 3 amends section 8, which deals with the removal of trustees of the bank. Under the present section, the office of a trustee becomes vacated if the trustee becomes a director of any other banking organisation in the State. The clause provides that the office will only be vacated if the trustee acts without the consent of the Governor. Clause 4 amends section 32, which deals with the various securities in which the funds of the bank may be invested. The amendment widens the range of securities, by providing that the bank can invest in securities of a body corporate that is directly involved in the business of banking.

Clause 5 inserts a new section 34a, which provides that the Treasurer may guarantee a liability of the bank. The terms and conditions of a guarantee shall be as determined by the Treasurer after consultation with the bank. A liability of the Treasurer arising by virtue of a guarantee given under this section is to be satisfied out of general revenue, which is to be appropriated to the necessary extent. Clause 6 amends section 42 which sets out the general business of the bank. The bank is to be able to carry on the general business of banking (the provision presently provides that the bank is to function as a savings bank), and is to have additional powers to enter into contracts of guarantee and indemnity, and to grant letters of credit. Clause 7 provides a consequential amendment to section 43, which presently looks to limit the types of bodies corporate which may deposit with the bank. Clause 8 provides for the repeal of section 46.

Clause 9 amends section 65, which provides for the disposal of the surplus of the income of the bank over its expenditure. The clause amends this section so that the Treasurer may direct the bank that part of its surplus need not be brought into account when the finances of the bank are being dealt with under the section.

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

DOG FENCE ACT AMENDMENT BILL

Received from the House of Assembly and read a first time.

The Hon. B.A. CHATTERTON (Minister of Agriculture): I move:

That this Bill be now read a second time.

The objectives of this Bill are:

1. To recognise the change in name of 'Stockowners Association of South Australia' to 'United Farmers and Stockowners of South Australia Incorporated'. The organisation nominates two members for appointment to the Dog Fence Board.

2. To repeal section 8, which refers to retirement procedures applicable to the first members of the Dog Fence Board, constituted in 1946. The section no longer applies to board appointments which are for a set term of four years.

3. To increase the frequency of inspection patrols by fence owners. Section 22 (1) *(b)* requires that the fence be inspected at 'proper intervals'. The proposed amendment is more specific in stating inspections must be made at 'intervals of not more than 14 days'.

4. To clarify the responsibilities of fence owners regarding the destruction of wild dogs in the vicinity of the dog fence.

Section 22 (1) *(c)* states the owner of any part of the dog fence shall take all reasonable steps to destroy all wild dogs in the vicinity of the dog fence. The proposed amendment provides that the owner shall destroy dogs 'by shooting or trapping the dogs, or by laying poisoned baits for them'.

5. To increase the maximum amount of maintenance subsidy payable by the board from the present $45 per kilometre to $225 per kilometre. The proposed amendment is related to the amendment of section 25 (3) increasing the maximum rate from 20 cents per square kilometre to one dollar per square kilometre. The rates collected when added to the Government subsidy represent the board's income, and some 85 per cent of these moneys are paid directly to fence owners as a maintenance subsidy.

6. Section 25 (2) empowers the board to declare a rate upon ratable land without reference to an approval by the Minister. Section 31 *(a)* provides for a Government subsidy equivalent to a rate of $1 for every $1 of the rates declared by the board for that financial year. The amendment to section 25 will serve to have the Minister approve the rate set by the board, and hence exert control of the funds to be provided by Government subsidy.

7. To increase the maximum rate the board may declare with the approval of the Minister from the present 20 cents per square kilometre to $1 per square kilometre.

Currently the board is declaring the maximum rate of 20 cents per square kilometre, returning approximately $45 000 per annum from landholders. This rate income attracts a $1 for $1 subsidy from Government, making the total approximately $90 000 per annum. Payments to fence owners currently paid is $35 per kilometre of fence owned absorbing approximately $77 000 of the total funds.

The board has foreshadowed an increase in rates from 20 cents to 55 cents per square kilometre, returning approximately $132 750 from rates, a corresponding contribution from Government subsidy would produce an income of $265 500. On that basis, subsidy to fence owners would increase to approximately $100 per kilometre of fence owned.

8. To increase from 65 hectares to 100 hectares the minimum area ratable by a Local Dog Fence Board. Many areas between 65 hectares and 100 hectares are not used to depasture sheep. The rate paid by small landholders does not cover the cost of administration.

9. To increase the maximum rate a Local Dog Fence Board may declare from $1.50 to $3 per square kilometre. The amendment recognises the need for local boards to increase their incomes to maintain their fence in sound dog proof conditions. Rates presently declared by local boards range from 60 cents per square kilometre to $1.50 per square kilometre. I seek leave to have the detailed explanation of the clauses inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Clauses

Clauses 1 and 2 are formal. Clause 3 amends section 6 of the principal Act. The amendment made by paragraph *(a)* is necessary because of the change in name of the Stock-owners Association of South Australia since the original enactment of the principal Act. Paragraph *(b)* removes a passage from section 6 (2) which had transitional importance at the commencement of the principal Act but is no longer relevant. Clause 4 repeals section 8 of the principal Act. Once again this provision is transitional in its effect and is now of no relevance. Clause 5 amends section 22 of the principal Act. Paragraph *(a)* makes clear that inspections of the dog fence must take place at least every 14 days. Paragraph *(b)* amends subsection (1) *(c)* so that it is clear what methods must be used to destroy dogs.

Clause 6 makes an amendment to section 24 (1) of the principal Act which will enable the Dog Fence Board to pay different amounts to different owners of sections of the fence to reflect differences in time and money that must be expended by each in the maintenance of the fence. Additional payments are required in cases of serious damage to the fence by fire or flood. The amendment also increases the maximum sum that may be paid to a realistic level. Clause 7 amends secion 25 of the principal Act. Paragraph *(a)* replaces subsection (2) so that the approval of the Minister will, in the future, be required before a rate is declared. Paragraph *(b)* increases the maximum amount of the rate that may be levied. Clause 8 makes amendments to section 26 of the principal Act which increases the minimum size of separate holdings for the purpose of the declaration of a special rate. The maximum rate per square kilometre is increased to $3. Clause 9 amends section 42 of the principal Act by increasing penalties prescribed by that section to more realistic levels.

The Hon. M.B. CAMERON secured the adjournment of the debate.

ADDRESS IN REPLY

Adjourned debate on motion for adoption.
(Continued from 9 December. Page 51.)

The Hon. FRANK BLEVINS: Previously, I welcomed new members to the Council and I commented about former members who have left us since the election. One or two moves that have been made in relation to the Opposition are worthy of comment. I particularly wish to congratulate the Hon. Mr Cameron on his obtaining the leadership of the Liberal Party in this Council. He will have an extremely difficult job over the next three years, particularly with the Hon. Mr Griffin and the Hon. Mr DeGaris indicating quite clearly that they do not support him as Leader.

Members interjecting:

The Hon. FRANK BLEVINS: Members opposite interject. When the Hon. Mr DeGaris contributes to this debate, I look forward to his stating quite clearly that he supports the Hon. Mr Cameron, and when the Hon. Mr Griffin gets up and swears his allegiance to the Queen, as is his wont during the course of these debates, he may also make some reference to his allegiance to the Leader. I suspect that both honourable members will be relatively honest on this issue at least and will certainly make no favourable reference to Mr Cameron, the Leader. Therefore, while congratulating the Hon. Mr Cameron, all members on this side (who are part of a very strong and united team) commiserate with the problems that he will face in regard to some members on his side.

The Hon. Mr Cameron is another of the members of the Council who reside in the country. He is a country member, and as such he will pay the penalty that all country members pay for representing people in Parliament—less home life, disruption to private life, and more travelling than city members. However, the honourable member will be used to that. Another interesting thing about the Hon. Mr Cameron is that he was one of the leading lights in the Liberal Movement. I do not know how many people remember the Liberal Movement. That was a time of great disturbance and disruption in the Liberal Party. When one thinks back on those days and considers the people concerned, one sees that they have all done really very well, much better than have those who were loyal right through to the Liberal Party or the L.C.L. Mr Cameron has really kicked on well, has he not? He has done very well.

I also congratulate the Deputy Leader (the Hon. Mr Burdett) on his election. He is another country member, with all that that involves. When one considers the country representation in the higher echelons of the Parliamentary Liberal Party, one sees that to some extent it has come full circle from the 1960s and the trauma of the 1970s, when the country representatives completely dominated the Liberal Party and caused trouble at that time. Then, quite properly in my view, the Liberal Party became a city dominated Party, representing the people, the majority of whom live in cities. That is desirable.

Now we have come full circle. The Leader and the Deputy Leader in the Council and the Leader in the other place are all from the country. While I support a fair degree of country representation in Parliament, I am very surprised to see that the Liberal Party has regressed and is now completely dominated by the country influence. I am sure that this will cause a great deal of strain within the Liberal Party, and it will certainly make things very interesting in years to come. This is already evident from statements by the member for Davenport in another place, who stated that the Liberal Party must be a city based Party. Of course, that member was rolled in the Party room. The Hon. Mr Griffin was steamrolled in his Party room: he was absolutely annihilated, and I shed no tears over that.

The Liberal Party has turned full circle and is once again a country based Party. I congratulate the Hon. Mr Griffin and the Hon. Mr Hill for hanging on to a shadow portfolio—but only just. I wish them well for the next three years. Congratulations are also in order to you, Mr President, for your resisting strongly the advice given to you from various quarters to relinquish the very difficult post that you hold and to take up an easy life on the back bench. You have resisted that very well. What interested me in that regard was that the Hon. Mr DeGaris was apparently the main instigator of an attempt to have you, Mr President, remove yourself from your position.

I have asked myself why the Hon. Mr DeGaris wants to do that. He stated that the Liberal Party should have 11 members on the floor of the Council: I am not sure whether that was before or after he stated that he would not sit in the Liberal Party room with or take any notice of the Hon. Mr Cameron and his views. I cannot remember. But certainly, the Hon. Mr DeGaris believes that there should be 11 Liberal members on the floor of the Council, whether or not there are 11 Liberal members in the Party room. Why does he say that? Does he want to get back to the old days of the Opposition (particularly the Liberal Opposition) having the numbers in this Council and using those numbers to frustrate the will of the elected Government? That can be the only explanation.

The Hon. Mr DeGaris waxes and wanes on this matter. I suspect that his attitude wavers in different debates between saying that this is a House of Review and that it should not be Party political and (as in the example I have just given of your position, Mr President) saying, as he stated in 1975, or implying, as he implies in this case, that this should be a Party House and that the 11 members of the Liberal Party should be on the floor, apparently to frustrate the will of the elected Government. I do not believe that that is the correct way to approach the Council, and I am not surprised that the Hon. Mr DeGaris has altered his attitude to this Council and apparently now wants the council to be dominated by the Liberal Party, acting *en bloc* as a Government in exile.

In this debate I wish to congratulate the people of South Australia on their good sense in electing an A.L.P. Government. This election, contrasted to the last election, was relatively clean. The issues were, in the main, the highlight of the election. It did not, to any significant degree, except during the last week, degenerate into the type of mud-slinging match we saw during the previous State election. Whoever was responsible for keeping some kind of control over the more hairbrained element in the Liberal Party and for keeping those so-called third party adverts to a minimum, should be congratulated.

As members know, the decision was close, but decisive. The Government has a clear majority in the House of Assembly and has the right to govern as the people of South Australia decided. The Governor's Speech gave the realistic position of the state of the economy of South Australia: one which the Labor Government inherited and had absolutely nothing to do with bringing about. The state of the economy will make things difficult in the next three years and I hope that this Council, including members of the Opposition, the Australian Democrats and the Hon. Mr DeGaris in his individual capacity, will do everything to assist the Government in trying to improve, if at all possible, the conditions for the people of this State and economy of the State as a whole.

Apart from the economic position that the Labor Party inherited concerning the State Budget, as was explained today, there are two further things to contend with, neither of which can be blamed on the previous Government. Those matters are the collapse of the manufacturing industry and the drought. I came to Australia from Manchester in England, which has the reputation of being one of the wettest places on earth. Prior to arriving in Whyalla I had no real concept of what a drought meant. Over the past 15 years or so I have come to have an appreciation of what it means. This is particularly so over the past 7½ years that I have been a member of Parliament, in moving around the northern areas of the State and, more particularly, Eyre Peninsula.

Words cannot express the tragedy of a drought to people who have not experienced or seen it for themselves. There is a perception in metropolitan areas particularly that, if it does not rain for a few weeks or months, the cockies are moaning unnecessarily; in fact, that they are just a bunch of whingeing cockies who have their hand out into the public purse. I reject that totally. I hope that in some way we can get through to people living in the metropolitan area not only how the drought affects people in the country areas, but how it has an impact on the standard of living of people in metropolitan areas. The rural and metropolitan areas are, without a doubt, completely interrelated. If one has a very severe depression, as there is at the moment in rural areas, it will have a severe impact on the standard of living of people in metropolitan areas.

Apart from the direct poverty and misery caused by a drought in rural areas, the lack of purchasing power of people living in those areas means that goods produced by people in industries are not bought. So, a member of the Vehicle Builders Union on the assembly line at General Motors-Holden's at Elizabeth has a direct interest in seeing that, as far as possible, the purchasing power of the rural sector is maintained, even in adverse conditions. If the rural sector cannot buy the Holden or agricultural machinery, then that person's job on the assembly line at G.M.H. will disappear. Without that purchasing power there will be a reduction in manufacturing activity. So, the drought affects both the city and rural people alike.

I know that this Government will react to the drought with a great deal of sympathy and with as much assistance as can possibly be given. I am a believer in drought assistance. I know that some people say that that is part of the nature of primary industry in Australia: that primary industry should make some provision for drought in the good times. That is rather a harsh view and, in the main, totally impracticable. One cannot predict with any degree of accuracy

when these droughts will occur and budget for them. This is virtually impossible for small rural producers.

The other great disaster that has fallen on this State is the collapse of the manufacturing industry. I think that this State, more than any other State, has a higher level of its workforce engaged in the manufacturing industry. It is precisely those industries that this State depends on. The whitegoods industry and heavy industries such as steel and lead smelting are the areas that have been hardest hit in this recession. This State, having a high percentage of our workforce and population involved in those areas, will obviously feel the effect of the recession harder than will other States.

That is one of the reasons why this State has the highest level of unemployment of any mainland State. It will not be easy to deal with. My understanding of what is still occurring in the manufacturing industry is that we have not heard the last of the retrenchments. My belief is that after the Christmas shutdown a large number of firms will not reopen and, if they do, it will be on a much reduced scale of activity. So, I believe the recession has only just started to hit this State.

It is very easy to point out the problems that South Australia is having, but much more difficult to point out the solution. One of the first things that have to be done in an attempt to get the whole nation back into some kind of economic shape is to get rid of the Federal Liberal Government. There is no doubt that over the past seven years the Federal Liberal Government has been a total disaster for the majority of people in this country. It has not come to appreciate that; nevertheless, it is a fact. The Federal Liberal Government was elected in 1975 on the basis of fighting inflation and obtaining a job for every person who wanted one. What is the record after seven years? Inflation is virtually the same—slightly higher than when the Federal Liberal Government came to office.

In Australia there is no movement at all in inflation when, throughout the rest of the Western world, inflation has been reduced considerably. Some of our competitors—in America, for instance, and the United Kingdom—with similar types of policies to those that have been put forward by the Federal Liberal Government have brought about some reduction in inflation. So, to that extent, there has been some progress overseas, but in Australia there has been none. The inflation position is the same. The unemployment level in this country has approximately doubled in that seven years, so the programme on which the Federal Liberal Government was elected has proved to be a dismal failure. If we listen to Mr Fraser or Mr Howard, we are told that they will maintain their policies. So, what can we expect? Inflation about twice as high as that experienced by the rest of our competitors in the O.E.C.D. countries and unemployment doubling over seven years is the best that we can expect. It is important that Australia wakes up to this Federal Government and gets rid of it at the first opportunity.

Another thing that we can do—and this will certainly come about with a change of Federal Government—is take action on tariffs and imports. I pay a tribute to Sir Robert Menzies (Mr Menzies, as he was then) and to Sir Thomas Playford because they decided 30 years ago that this country and this State would have a strong manufacturing base. They decided, for a variety of reasons, that this country needed a much larger population and that that population would not be absorbed into the rural industry. Rural industry is not a very high employer of labour, so they started a manufacturing industry in a significant way in this country. They maintained that manufacturing industry by having high tariff barriers and other forms of protection. I support that method of operating a manufacturing industry. It is very necessary if we are going to have one. I feel very sad that the heirs of Sir Robert Menzies and of Sir Thomas Playford have apparently changed their minds and said, 'No, we no longer need a manufacturing industry and we will do away with tariff barriers and with manufacturing industry.' That attitude is about 30 years too late. The industries are already here. Certainly, if those tariff barriers are reduced, those industries will go to the wall—some already have—and hundreds and thousands of Australians will be put out of work.

Whether in 1982 I would support the establishment of a manufacturing industry in Australia is a different question; whether, given hindsight, it was advisable to have a car industry in Australia or five separate car manufacturers in Australia is a question we would have to look at very closely before we started up a manufacturing industry, but those industries are here. Those people are here and, in the main, those jobs are here. Unless one starts a migration programme overseas, exporting one's unemployment, there is an obligation on Australia to keep those industries. It is not just because of the question of employment, although that is extremely important; also, to have a broad based economy those particular industries are necessary. It is a cost to the community—there is no doubt about that and I do not deny it. The community should be prepared to bear that cost because of the alternatives. The alternatives are a scale of unemployment which we can hardly imagine in the not too distant future—the next 12 months or two years—and, along with that, social problems which are already quite horrible and which will become absolutely horrendous.

If people think that they can close down, for example, a steel industry, a car manufacturing industry, and other secondary industries of that type and not have some repercussions, financially and socially, they are kidding themselves. The simplistic line taken by various commentators really annoys me. They would just let the market decide, and that would be the end of it. Not to spell out the consequences of that is to mislead completely the Australian people. The consequences of going down that road are horrendous. In addition, the cost of doing that is claimed, with some justification, to be a burden on our export industry. Again, I do not deny that. The primary industry and the mining industry pay, by a circuitous means, the cost of the protection of secondary industry. However, there is another side to that point: in times like this, when primary industry is in some real difficulty and requires the rest of the community to support it, that requires taxpayers' money. I support completely the taxpayers paying that money but, if all the taxpayers are unemployed, no tax is being paid and no assistance can be given to the other side. There is a community of interest within Australia between primary and secondary industry: we should not forget it. It is not a question of whingeing cockies having their hands in the till or of manufacturing industry leaving them high and dry.

I want to speak briefly about the steel industry because, living in Whyalla, I have been associated with a city that has been dependent on the steel industry for 17 years. I want to say something in defence of the steel industry and of B.H.P. I hope that people here who are able to read *Hansard* of previous sessions will agree with the statement that I will make. In the 7½ years in which I have been in the Parliament, I have never attacked B.H.P. Nor, as a trade unionist in the years in which I lived in Whyalla before coming into this Parliament, did I attack B.H.P. other than for its attitude on industrial matters, because B.H.P. has never really been a highly protected industry. It has been an industry that has had some natural advantages with having control over its own raw materials here, so it has been able to produce steel of a very high quality reasonably cheaply without asking the Government for a great deal of protection. The degree of protection being asked for by B.H.P. at the moment is not very high. I have never seen

B.H.P. as a greedy conglomerate, sucking the blood out of Australia. That is not the case. It is very large and has a number of inefficiencies built into it, as all large organisations have, whether they are political Parties or industries such as B.H.P.

Again, I would like to point out that people who kick the Public Service as being inefficient have obviously never worked in a large organisation such as B.H.P. or any other large company. Somehow inherent in the sheer size of such an organisation inefficiencies tend to creep in, and the real question is how they are managed.

At the moment B.H.P. is having to compete with other steel producing companies with far higher levels of protection than B.H.P. in Australia. If there was a fair or free market I would back B.H.P. to compete readily with these other companies, but that is not the case at the moment. Japanese and Korean steel industries are highly protected, not necessarily only by tariff barriers, because there are other forms of assistance to such industries which result in those industries being subsidised by the respective Governments involved.

I am not really knocking that either, because the steel industry is a basic industry and one which every country should try to keep. Certainly, I do not blame the Koreans for attempting to build up their steel industry and ensure that it remains viable. Again, the steel industry in Australia is entitled to a degree of protection sufficient to keep it as a going concern in the interests not so much of B.H.P. shareholders (that aspect does not bother me a great deal) but in the interests of Australia as a whole and in the interests of Australia's economic well-being.

Commentators who say that we should abandon manufacturing industry never set out an alternative or suggest what workers in those industries will do. Perhaps one of the most colourful commentators in recent years has been Bert Kelly, who was a colourful speaker in Parliament and who now writes an entertaining column in the *Bulletin*. The problem with Bert Kelly is that, after one has smiled at his jokes (he tells them well), he never sets out the alternatives.

What does one tell steel workers at Whyalla or smelter operators at Port Pirie if we are to do away with protection of those industries so that they go to the wall? It can hardly be suggested that either Whyalla or Port Pirie is a tourist attraction. I love Whyalla dearly. I have lived there for 17 years and hope to live there for many more years, but even someone who views Whyalla through rose-coloured glasses such as myself cannot kid the rest of Australia and the world that such cities are major tourist attractions.

Further, how will the unemployed steel workers be employed? Bert Kelly never tells us. He says that the leisure industries will go ahead, and places importance on service industries. He claims that we must tell steel workers living in Whyalla that they can all become shop assistants and sell to other shop assistants imported electronic junk that we are importing these days in enormous quantities. That whole aspect is unrealistic. There are no jobs to replace the jobs lost in the manufacturing industries, and the sooner people realise that the better. They should stop talking about possibly expanding the tourist industry or service industries, because that situation will not occur.

The tourist and service industries rely on supplying services to people who work for wages and, if the bulk of Australia's work force is not going to get any wages, they cannot buy services from service industries. Australia has an integrated economy that it must keep. Certainly, that is not to say that I believe in tariff barriers for their sake alone. However, I do not believe that we should give billions of dollars to B.H.P. and expect nothing in return: I believe that we should get much in return for the protection that we provide to B.H.P. I am strongly in favour of interfering in companies to the degree necessary to ensure that the public interest is safeguarded in return for the very large amount of capital and taxpayers' money that is injected into manufacturing industries.

For the steel industry I believe that the time has come when discussions should take place between B.H.P. and the Federal Government—whether it is a Labor Government or a Liberal Government does not matter to me—over the possible nationalisation of the steel industry. If it is not possible for a private company to operate a steel industry in order to give an adequate return to its shareholders, obviously the industry will collapse, and there will be no further investment in that industry. That economic law cannot be denied.

Certainly, a basic industry such as that is central to the economic well-being of Australia, and the sooner B.H.P. and the Federal Government start discussing what form of State intervention will take place, the better it will be for the nation. Certainly, I cannot see how B.H.P. can continue to invest funds in the steel industry when the returns are so low. I am sure that somewhere along the line there is some obligation on the directors of B.H.P.—

The Hon. L.H. Davis: You did not say that a few years ago—and neither did Bob Hawke.

The Hon. FRANK BLEVINS: I am not sure what the honourable member means.

The Hon. L.H. Davis: Then you said that B.H.P. was ripping off the people.

The Hon. FRANK BLEVINS: The Hon. Mr Davis has returned after 15 minutes absence from the Chamber to make one of his typical, childish irrelevant, puerile and inane interjections. In his years in this Council he has yet to grow up and even know what is going on in this Council, let alone in this State. I would be pleased if he would return his attention to the cricket and let the Council get on with its business.

There is no way that any company with an obligation to its shareholders will put investment money into a product such as steel that cannot give a satisfactory return on that investment. Yet, the industry is so important to Australia that, as I said (for the benefit of the childish Hon. Mr Davis), the sooner the national Government takes some form of control over this industry, the better it will be for the nation.

The only answer to this crisis from the Liberal Government nationally and the Liberal Party in South Australia is to cry about a wage freeze. That is a topic on which I did intend to expand at great length today, but my feeling is that we will hear much more of it in the next couple of days, if not the next few months, so I will save the bulk of my remarks for that debate when it is dealt with in this Council either in a Bill or as the basis of a motion.

However, I would like to state to honourable members opposite that, when they are debating the question of a wage freeze, they should look at what has happened to wages over the past seven years and how real wage costs in Australia have declined over the past seven years. I draw the attention of the Opposition to the Budget papers for 1982-83 where that is stated clearly. Those papers are available to those honourable members who can take themselves away from the cricket and who want to undertake a little research. I will be supplying those figures to the Chamber when there is a substantive motion before it.

I will now deal with the question of the voting system used for Legislative Council elections. During the debate on 24 February 1981 on a Bill introduced by the then

Liberal Government to retain the list system of voting for the Legislative Council elections but to make some modifications to it, the Hon. Mr DeGaris said the following in relation to the informal vote:

If one looks at the question of informal voting, one finds that in New South Wales, in the voting for the Senate, the informal vote is approximately 10 per cent. In the Legislative Council voting system in New South Wales, it is 4 per cent. In South Australia, with a list system, it is 4.4 per cent, and in Tasmania the informal vote is 3.8 per cent. If the comments made by the Hon. Mr Sumner are valid and if he wants a reduction in informal voting, he must support the New South Wales system or the Tasmanian system, because the number of informal votes in both those systems is lower than in South Australia. If either of those is adopted here, one can predict a decline in informal voting in this State.

All members of the Labor Party stated that the Hon. Mr DeGaris's predictions would prove to be incorrect and that there would be a large increase in the number of informal votes. Of course, that occurred. The informal vote increased from 4.4 per cent to over 10 per cent, an increase of over 100 per cent. That, I think, is an absolute disgrace, which was caused by that piece of legislation coming out of this Council.

In my opinion, the intention of that legislation was to deliberately increase the informal vote. The theory is (and I think it is now a fact rather than a theory) that a large informal vote is to the detriment of the Labor Party. That fact has been demonstrated time and time again. The Labor Party preferred the list system of voting and we make no bones about that—nor do we apologise for that. It was a much simpler method of voting and a method that is in operation in some overseas countries, particulary in Europe. I do not think that anybody can say that that system is not democratic in those countries. In my opinion it would be extremely difficult to return to a list system of voting. Given that Australia does not have a tradition of list system voting, I am not sure whether there is any benefit in pursuing that particular course.

What we have to do is come to some system of voting which retains the present features of the Legislative Council system and which enables electors to choose between candidates on an individual basis while embracing the other just as important principle that people who are presently disadvantaged by that system are assisted as much as possible. There is no doubt that the aged, migrants and people with a poor command of the English language are disadvantaged by that system, as are people whose eyesight is not good. I believe that it is possible to have a combination of the two systems. I believe that it is possible to produce a ballot-paper and an Electoral Act which will permit electors to choose from among the various candidates on an individual basis and also simplify the allocation of preferences. This could be done in a number of ways, but I do not have my mind fixed on any particular method of doing so. However, I point out to members opposite that two of their Federal colleagues, Mr O'Halloran Giles (and I am sorry that the Hon. Mr Lucas is laughing at the mention of Mr O'Halloran Giles, but I have never met the gentleman; maybe he is a funny chap), who has written a paper on this matter which is available in the Parliamentary Library, and Mr Ian Wilson, the member for Sturt and a Minister in the present Federal Liberal Government, have addressed themselves to this problem. I congratulate both of them on the manner in which they have approached this proposition. I support this proposition, but am open to other proposals which might solve the problem of informal voting.

I will pick out some of the more salient points put forward in a paper written by Mr O'Halloran Giles during the period between 1972 and 1975 when the Federal Liberal Party was in opposition. Therefore, when there is reference to the Opposition in this paper we know that the writer is speaking about the Liberal Party. Mr O'Halloran Giles said the following when addressing his own Party:

1. The Opposition's response to the Government's general views on limited preferential voting is not only illogical but refuses to take into account the very real problem of voters, who find the present method of expressing preferential votes unduly complex.
2. The real difficulty concerns the Senate voting—

I interpose that the Legislative Council has the same system of voting—

and more specifically the type of situation that arose in the Prime Minister's seat of Werriwa during the May elections.

3. The emphasis of the Party's thinking should therefore concentrate on this problem.
4. The need is clearly to remedy if possible that situation, and if possible to simplify voting procedures in Senate elections.
5. The disproportionate number of seats won by the Labor Party in the recent U.K. elections (51 per cent of the seats for 36 per cent of the vote) would in my view not attract the intelligent Australian voter, the press, academics, etc., to encourage 'first past the post' voting in Australia. I consider that we can forget any such possibility within the next decade or two, as our system much more accurately conveys proportions of Party votes into the same proportion of seats.

I agree with Mr O'Halloran Giles that the possibility of 'first past the post' elections occurring in Australia is very remote. I think that anybody pursuing that line will be waiting for a long time. Mr O'Halloran Giles continued:

6. Following on, I suggest that the Party should consider the following as only one of many different approaches that could be made to simplify voting procedures.
7. You will note that I have not termed this proposal a Limited Preferential System but a Simplified Preferential System, because preferences are taken as read, and are not left as unregistered.
8. It does not attempt to overcome the problem of 'locked up' preferences.
9. It does not allow for those voters who do not wish to record a vote for a series of people, or teams, they find obnoxious, although I will deal further with this problem later.
10. I gather the Party would not wish for such a limitation on the casting of preferences.

Mr O'Halloran Giles, in regard to a simplified preferential voting system, further stated:

1. A mandatory provision must exist for all Senate Parties, and individuals in the case of independents, to lodge their official preference card with the Chief Electoral Officer in each State seven days before polling day.
2. Voters on entering the booth would then adopt one of the following two procedures:
   (a) First, they could fill in the card as at present necessary, which would give them the proper right of expressing preference in any individual fashion.
   (b) Secondly, if they wished, they could merely write the figure 1 opposite any Leader of a Senate group. In the counting of votes where this occurs the polling clerk would take as read the completed list of preferences from the preference card already lodged (by law).

Mr O'Halloran Giles listed other points to be considered and stated:

Fewer informal votes. Quicker turn-around through the booths. Conforms with what will eventually happen, and already does in South Australia at State elections, whereby 'How to Vote' cards are pinned inside the polling booth.

In discussion with my own electoral officer, his opinion was that counting time could be consequentially lessened, and the process of random sampling would not suffer. It would be expected that the majority of votes would be cast in this way.

The final comment was as follows:

In my view the quickest way to sicken people of a desirable preferential voting system is to make the process too complex.

I agree with that. He further stated:

I do not see this scheme as leading towards an eventual first past the post system, nor do I agree with the statement issued in a press release by the Leader of the Opposition, No. 76-160 of 19 September 1974, in which he states that there are really only two sytems of voting—full preferential or first past the post, although I suppose it is possible to define the above scheme as being fully preferential as by implication all preferences are in fact cast.

A separate possible suggestion to allow for those voters who actively dislike a candidate, sitting or otherwise, would be to bring into the conditions applying to a Senate election the same conditions that apply to the House of Representatives, whereby there is no need to complete the last name when voting for Representatives candidates. To make this idea more equitable, the same principle should apply in a Senate election, but to an entire team rather than an individual.

N.B. Communist No. 1 in last Senate election in S.A.

Therefore, Geoffrey O'Halloran Giles is saying that we could still have a preferential system but it could be modified enormously to reduce the number of informal votes. I know that the Government will give its attention to this matter at some time in the next three years. I would hope that members opposite, if they are genuine in their desire to provide as many alternatives as possible to electors, will give the system sensible consideration. I know that all members of the Liberal Party want to benefit directly and substantially by having as many informal votes as possible. The likes of the young Mr Davis would welcome that benefit. The honourable member is that type of person: members on this side accept that that is the case.

I would hope that some members opposite quite genuinely want to widen the alternatives available to electors, and simplifying the preferential voting system would do that. It would take away nothing that electors do not have at present: it would merely provide another option. One very desirable effect of providing that other option would be a decrease in the number of informal votes.

Quite clearly, the object of the Hon. Mr DeGaris in turning over the list system of voting was to reduce the number of informal votes. He stated that quite clearly in his address to the Council on that Bill. However, that did not occur. Honourable members opposite were warned that it would not occur and, of course, members on this side were proved correct. I cannot think of any equitable argument, other than a political argument, or one that would disadvantage the Labor Party, to oppose the proposition put forward at this stage to the Council, and I hope that something of that nature will be put forward by the Government during the next three years.

It has been a pleasure to address the Council in this debate. I believe that the next three years will be very interesting for all of us. There is no doubt that the economy is in one hell of a mess. I hope that the Council can act in a bipartisan manner, wherever possible, in an attempt not only to remedy some of the problems but also where possible to make some advances for the well-being of the people of this State.

The Hon. J.C. BURDETT: I support the motion. I thank His Excellency for the Speech with which he opened Parliament. I join in the condolences to the members of the families of deceased members, and I take this opportunity to reaffirm my allegiance to Her Majesty the Queen.

I wish to examine briefly some aspects of the Labor Party's health policy. My first comment is that it is a vituperative document, a good deal of which is taken up with attacking the former Government and its Minister of Health. A policy ought to be simply a statement of intention, as were the Liberal policies, but many of the Labor policies are vindictive and are propaganda documents.

The policy is also very repetitive, a great deal of what is said in the first part of the policy being repeated in the second. I concede that it clearly was the pattern of the Labor Party policies (and it is not necessarily a bad pattern) to make the first part of the policy fairly general and in the second part to take up in detail some of the matters raised in the first. This obviously produces a certain amount of repetition. In the case of the health policy, however, the repetition is carried to absurd lengths.

The health policy gives every indication of having been hastily written without very much consultation and in at least one important area, which I shall mention in a moment, the Minister, while in Opposition, under pressure from people in the hospital field, had to depart significantly from his policy even before the election.

I refer first to the undertaking in the policy to 'abolish sectorisation and establish regional offices of the commission using its existing staff'. During the time of the previous Government, the Health Commission developed the system of sectorisation providing three geographic sectors and a corporate sector. Each of the three geographic sectors includes a major teaching hospital and a portion of the metropolitan area and a portion of the rural area of the State. This organisation has proved most appropriate to South Australia's geographic and demographic features. The Labor policy advocates regionalisation which would presumably involve a greater number of regions than the three sectors, and would involve some purely metropolitan and some purely rural regions. Regionalisation has worked well in the welfare field, for example, but with the health field, where there is a need to rely on massive resources which must necessarily be centralised, regionalisation is not an attractive alternative. In New South Wales, where the case for regionalisation was much greater, it was implemented with disastrous results. The New South Wales Government is now trying to reverse that situation.

The Hon. R.J. Ritson: It is trying to reverse other situations.

The Hon. J.C. BURDETT: Yes. Yet the Labor policy emphatically says that Labor will abolish sectorisation and implement regionalisation. The people who work in the health system acknowledge the benefits of sectorisation as developed during the time of the previous Administration. These people informed the present Minister, in fairly cogent terms, of the error of his ways before the election, and this is one of the few election policies of which I know and which had to be modified even before the election took place.

Before the election the present Minister changed his tune and gave a positive assurance that sectorisation would not be abolished within the South Australian Health Commission, even though the policy said that it would be. What a turn-about that was. Yet, the promise that sectorisation would be abolished still appears in the glossy presentation of the Labor Party's health policy released before the election.

When the present Minister, before the election, undertook not to abolish sectorisation and not to introduce regionalisation in the sense in which most people in the hospital system understood it, he said that instead he would make some modifications to sectorisation and would introduce what is, in fact, a severely emasculated form of regionalisation. The Labor policy, as stated by the Minister, said:

Under the Liberals the Health Commission has become centralised, bureaucratic and top heavy. It is impossible for the commission to provide an integrated, effective and accessible service within its present organisation and structure. It will remain inefficient while it is cloistered in the square mile of Adelaide. The present sector managers are primarily bureaucratic flak catchers.

This latter phrase is cast in the colourful language that is a hallmark of the Minister's speeches. However, it turned out not to be true. This kind of statement falls a bit flat when the policy of which it forms part has to be reversed and the maker of the statement has to eat his words.

The Fourth Annual Report of the South Australian Health Commission for the year ended 30 June 1981, which was tabled by the Minister on the opening day of this session, fully sets out the case for sectorisation, as established under

the previous Government, as opposed to regionalisation, as originally proposed by the Labor Party. Page 13 and page 14 of the report state:

These considerations are important in establishing an effective organisation in South Australia. My experience as a Regional Director in New South Wales has had a considerable impact on the proposals for appropriate organisation in South Australia. I believe that regionalisation proved reasonably effective in New South Wales until the pressure of residual, bureaucratic control intervened. This resulted in another tier of administration being established in the commission and introduced rules and regulations which reduced the capacity for effective decision making at the periphery.

These issues are now being addressed in New South Wales, but the mistakes should be avoided in South Australia, especially in view of the unique demographic and geographical nature of the State. It became very clear to me during my discussions that country areas in South Australia relate to Adelaide rather than defined country sectors. I believe that the regionalisation of health services flies in the face of the historic relationship between Adelaide and the country. For these reasons, I did not believe that regionalisation of health services was appropriate or would be effective.

The organisational structure approved by the commission to become effective from 1 July 1981 overcomes the problems experienced in other States with full regionalisation, yet facilitates communication and decision making associated with regionalisation. It has been called 'sectorisation', and it proposes the separation of the State into three sectors, western, central and southern, each with a country and metropolitan component. The development of three sector offices is proposed to administer geographical sectors from within the central office of the commission. Sector office staff will, however, spend the majority of their time in the sectors dealing directly with the health units. The sector directors have been given a wide delegation by the commission to ensure effective decision making.

Sector directors provide the focus and access which has been missing in South Australia (that is, the public office or person with whom to communicate), and who are responsible for making the decisions. Previous bureaucratic models allowed no such identification or access to these processes other than perhaps through the Chairman, who may not always be aware of all the issues involved. Sector directors and their staff will be totally involved in major committees within the commission. Location of the sectors and their total involvement in the commission activities will prevent a development of another tier of administration and a 'them and us' syndrome which has become a fact of life in many regionalised organisations. The remaining corporate functions have been organised to ensure against duplication from sector activities.

My second main area of criticism of the report relates to the appointment of specialist senior staff and commissioners, all of whom report directly to the Minister of Health. These positions are, first, the Executive Adviser on Hospital Services. I know that the Minister always prides himself on his vocabulary, but it seems to me that the title 'Executive Adviser' is a contradiction in terms. His specific roles are, first, a state-wide plan for integration and co-ordination of hospital services; secondly, the implementation of computer programmes; and, thirdly, efficiency and cost containment.

All these functions are presently undertaken by the commission and would duplicate those functions. The Executive Adviser would either require his own staff or have to use the resources already available in the commission. This would take away from the responsibility of the Chairman and senior officers of the commission and conflict with the role of the sector managers (or regional managers if the Labor Party's original policy were implemented), by drastically reducing their ability to make decisions at the local level. The term 'to make decisions at the local level' is taken from the Labor Party policy.

Also, part of the role of the Executive Adviser is to 'review the service and quality of care delivered and the needs of all units within South Australia's major teaching hospitals'. Surely this must detract from the autonomy of the boards of management of those hospitals. On the other hand, it would appear that the Executive Adviser cannot have a complete overview of the whole question of hospital care and needs, as he is not empowered to consider the needs of other public and community hospitals.

The second position is the Executive Co-ordinator of Voluntary Health Services. The third position is the Senior Women's Health Adviser. There is more to participation of women than paying lip service to advising positions. The relevant thing to look at is the composition of the commission. The fourth position is the Independent Commissioner of Mental Health Services. The fifth position is the Commissioner for Aged Care and Services. I point out that the functions of the commissioner are almost identical to those which the previous Government developed for the Extended Care Council.

I take issue with the appointment of officers of this kind with direct access to the Minister and predict that it will spell disaster for the efficient working of the commission and the health system as a whole. The role of the South Australian Health Commission is overlapped and duplicated by the introduction of these senior positions. There will be confusion and conflict. The relationship between these officers and the commission is unclear, as is their relationship with each other. Their roles overlap in various areas. The overall planning capacity of the commission will be diminished. Nobody will know who is doing what. The Minister will be in the position of an umpire between the commission and those officers who report directly and, sometimes, between various officers themselves. His position will be quite untenable. Oh well, it could not happen to a nicer guy.

This pattern of appointing officers to by-pass a department or commission and report direct to the Minister appears to be a feature of the policies of the Labor Party. There are several instances of it in the community welfare policy, also. I am not saying that there is never a case for such a procedure, but the proliferation of this procedure in the Labor Party's health and other policies will not make for efficient and effective operation and will not benefit the whole health system.

An honourable member: Will it show a lack of faith in the Public Service?

The Hon. J.C. BURDETT: I am sure that it does. I personally have great faith in the Public Service.

The Hon. C.J. Sumner: You didn't show very much of it.

The Hon. J.C. BURDETT: I did. Generally speaking, existing patterns work well. When it is felt necessary to have people who operate to by-pass the Public Service (the Health Commission in this case) and report directly to a Minister, I am sure that chaos will be the result.

I next turn to the statement in the policy that the Executive Adviser will work in close liaison with the Chairman of the Health Commission and hospital boards to, *inter alia*, 'delineate the roles of community and private hospitals in consultation with their boards of management'. Whilst this task is to be carried out 'in consultation', it does mean that the Government will become involved in determining the range services that can be provided in private hospitals. This will inevitably mean a reduction in choice of patients.

Many parts of the policy are good, but most of them can hardly be called policy in the proper sense of the word, because they had already been put into effect by the previous Government or were in the pipeline at the time when it went out of office. The policy in relation to public health is largely based on the report of the Advisory Committee on Boards of Health, 1980, and many aspects of this report were in process of implementation when the previous Government went out of office. Some aspects of the public health policy will involve duplication with existing services. For example, the proposed 'health visitors' will duplicate identical services already undertaken by volunteers and by

paid professionals in the domiciliary care services. The policy on the intellectually retarded is derived largely from the recommendations of the Intellectually Retarded Persons Project set up by the previous Government and in process of implementation at the time of the election. The various aspects in the important area of services to the aged were currently being undertaken by the previous Government. In regard to medical ethics and patients rights, the then Government was in the process of implementing steps which, whilst not identical with the Labor Party's policy, addressed the same issues. Again, in the area of environmental, preventive and occupational health, the previous Government's activities adequately covered the Labor Party's policies.

On the question of funding, I would say only that, certainly, the Labor Party before the election led the public to believe that there would not be substantial increases in patients fees for some time, whereas in fact there was a very substantial increase within weeks of the election. The Liberal Party's health policy, on the other hand, was a careful and balanced document setting out a policy which would work, which would have the confidence of the whole health community, and which went on from the good administration under the previous Government. I support the motion.

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

GOVERNMENT FINANCING AUTHORITY BILL

Received from the House of Assembly and read a first time.

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

That this Bill be now read a second time.

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

Leave granted.

Explanation of Bill

With three qualifications which I shall outline shortly, this Bill is identical to one of the same title introduced by the previous Government towards the end of the last Parliament. That Bill had been passed by the House of Assembly and was in Committee stage in the Legislative Council when Parliament was prorogued. The purpose of the Bill is to create a central borrowing authority to be known as the 'South Australian Government Financing Authority'—'SAGFA' for short. The Labor Party supported this legislation when it was previously before the Parliament. We are reintroducing it at this early stage of the new Parliament and shall be seeking its passage in the current sittings so that SAGFA might commence operations as soon as possible.

As explained in some detail by my predecessor, when introducing the previous Bill, the central borrowing authority concept will enable semi-government borrowings to be made in a more flexible but, at the same time, highly co-ordinated manner. Similar bodies have already been established in Queensland and Western Australia and are operating highly successfully. Other States are actively exploring similar ideas. The concept is keenly supported by lenders and financial intermediaries. It has been accepted by Loan Council, which approved arrangements proposed by the previous Government in this State to facilitate the operation of central borrowing authorities. The Government believes that this measure will fit in well with its overall financial planning and will usefully complement other initiatives which we have in mind. The financial powers of the authority are drawn in broad terms, and quite deliberately so. It is important that the authority have flexibility to react speedily to developments in capital markets, which have undergone rapid change in recent times and are likely to continue doing so.

As I have mentioned, this Bill differs from that introduced by the previous Government in three respects. First, there is a new and additional provision in subclause 16 (2). This provides that powers given to the Treasurer in subclause 16 (1) to direct individual semi-government authorities to borrow from, or lend to, SAGFA may be exercised only if so authorised by a regulation. The reason for this addition is that the powers of direction in the original Bill were too sweeping. They would, for example, have enabled the Treasurer, in theory at least, to require the two Government banks to place very large amounts of funds with SAGFA without further reference to Parliament and against the wishes of the banks. This would clearly be inappropriate in terms of the proper degree of operational dependence of the banks. It was not surprising that concern was expressed by some statutory bodies and in the debate in Parliament. The previous Government had foreshadowed moving an amendment to the original Bill that would have removed these powers of direction altogether. In our view, this would be going too far in the opposite direction. As the Hon. Mr DeGaris pointed out in debate in the Council, there are some authorities, especially those which rely directly on the Government for funding, in respect of which it may be perfectly appropriate for the Treasurer to give directions to ensure that public funds are being used to best advantage.

We have, therefore, adopted a middle course. Under the revised Bill, directions may be given, but only as authorised by a regulation. This will enable Parliament to have the final say, which is surely as it should be. This procedure is a flexible one. It would, for example, enable a regulation to be made giving a qualified power of direction to the Treasurer in respect of a particular authority. The qualification could, for instance, be in terms of a money figure or in terms of a particular category of funds. In summary, this course will give flexibility, but within a framework of ultimate Parliamentary control.

The second change is to be found in subclause 18 (3), which is, again, new and additional. The basic purpose of subclause 18 as a whole is to enable the debt of individual authorities to be taken over by SAGFA and for that debt to be consolidated and rationalised in the process. It was pointed out in debate that, theoretically, this particular provision could be used to translate a grant into a loan and, if not offset in some way, this could have a substantial and unexpected detrimental effect on the finances of an authority. Of course, this would not be contemplated by my Government, and I accept fully that it was not intended by the previous Government. However, to remove any concerns which there may be on the matter, the new subclause 18 (3) provides that the Treasurer can only take action under subclause 1 *(c)* if it is part of an overall arrangement which is not to the financial disadvantage of an authority. This will mean that the provision could be used as part of a scheme to rationalise or simplify the funding arrangement for an authority—so that, for example, the nature of any subsidies being provided by the Government is made clearer—but this could be done only as part of a package that left the authority no worse off in net terms.

The third change is, again, an additional provision, forming clause 21 in this Bill. It gives the Treasurer power to require individual authorities to provide relevant information to SAGFA to facilitate its work. Whilst we have no reason to anticipate any particular problems in the absence of this provision, we believe it appropriate to make the formal position quite clear in order to guard against any possible hiccup.

The Government regards this Bill as a bipartisan measure. Of the three changes in the Bill, two have been carefully designed to meet specific concerns expressed by statutory bodies and in Parliament, while the third is of a formal nature. I would seek the co-operation of honourable members in dealing with the measure speedily. Clause 1 is formal. Clause 2 provides that the measure is to come into operation on a date to be fixed by proclamation. Clause 3 sets out the arrangement of the measure. Clause 4 sets out definitions of terms used in the measure. Attention is drawn to the definition of a semi-government authority under which the provisions of the measure will apply to a body corporate of the kind described in the definition only if the body is declared to be a semi-government authority by proclamation.

Clause 5 provides for the establishment of a 'South Australian Government Financing Authority'. This authority is to be a body corporate with the usual corporate capacities. Clause 6 provides that the authority is to be comprised of three or four members, as the Governor determines. The Under Treasurer is to be the chairman of the authority and the remaining members are to be persons nominated by the Treasurer. Clause 7 provides for the terms and conditions of office as a member of the authority. Clause 8 regulates the manner in which business is conducted at meetings of the authority. Clause 9 provides for the validity of acts of the authority and immunity of its members from personal liability. Clause 10 requires members of the authority to disclose any conflict of interest.

Clause 11 sets out the general powers and functions of the authority. The principal function of the authority will be to develop and implement borrowings and investment programmes for the benefit of the corporations that are declared to be semi-government authorities for the purposes of the measure. The authority may also engage in such other activities relating to the finances of the Government of the State or semi-government authorities as are contemplated by the other provisions of the measure or approved by the Treasurer. Under the clause, the authority is empowered to borrow moneys within or outside Australia. It may lend moneys to semi-government authorities. It may accept moneys on loan or deposit from the Treasurer or a semi-government authority and may invest moneys. The authority is empowered to issue, buy and sell and otherwise deal in or with securities. It may open and maintain accounts with banks and appoint underwriters, managers, trustees or agents. Finally, the authority may provide guarantees, deal with property, enter into any other arrangements or acquire or incur any other rights or liabilities. The exercise of any of these powers is to be subject to the approval of the Treasurer.

Clause 12 provides that the authority is to act in accordance with proper principles of financial management and with a view to avoiding a loss. Under the clause, any surplus of funds remaining after the authority has met its costs in any financial year must be paid into the general revenue or be otherwise dealt with as the Treasurer may determine. Clause 13 provides that the authority is to be subject to the control and direction of the Treasurer. Clause 14 provides that moneys provided by the Treasurer to the authority are to be regarded as having been provided upon such terms and conditions as the Treasury may from time to time determine. Clause 15 provides that liabilities of the authority are guaranteed by the Treasurer.

Clause 16 empowers semi-government authorities to borrow from or lend to or deposit moneys with the authority. Under the clause, the Treasurer may direct that a semi-government authority borrow from the authority rather than from any other lender and may direct that any surplus funds of an semi-government authority are to be deposited with or lent to the authority. However, such a direction may not be given except as authorised by regulations under the measure. The terms and conditions of a transaction under the clause are to be as determined by the Treasurer after consultation with the Minister responsible for the semi-government authority. Clause 17 provides that the Treasurer may deposit with or lend to the authority any moneys under the control of the Treasurer. The Treasurer may determine the terms and conditions on which such moneys are placed with the authority.

Clause 18 makes provision for the Treasurer to rearrange existing financial relations of a semi-government authority. Under the clause, this may take place only after the Treasurer has consulted with the Minister responsible for the particular semi-government authority in question. Under the clause, the liabilities under any existing loan obtained by a semi-government authority from a private source may be taken over by the authority and a new debt relationship created between the semi-government authority and the authority. Alternatively, where a semi-government authority has an existing debt relationship with the Treasury, this may be converted into a debt relationship between it and the central authority. Where a semi-government authority has received any grant from the Treasury for capital purposes, that funding may be consolidated with other funding by the central authority and an appropriate total financial relationship struck between the semi-government authority and the central authority. Under the clause, the new financial relationship must not be to the disadvantage of the semi-government authority. In general terms, the clause is designed to enable existing borrowing arrangements of a semi-government authority to be put on the same footing as it is proposed will be instituted for the future through the agency of the authority. Attention is drawn to subclause (9), which is designed to enable such a rearrangement to take place in relation to liabilities of the South Australian Meat Corporation, the former Monarto Development Commission and the former South Australian Development Corporation, which have already been taken over by the Crown or Ministers of the Crown in their respective corporate capacities.

Clause 19 provides for delegation by the authority. Clause 20 provides for the staffing of the authority. Clause 21 requires a semi-government authority, if so required by the Treasurer, to furnish information to the central authority relating to the financial affairs of the semi-government authority. Clause 22 authorises the Treasurer and the authority to charge fees for services provided under the measure. Clause 23 provides that the authority and instruments to which it is a party are not to be exempt from State taxes or duties except to the extent provided by proclamation. Clause 24 is an evidentiary provision.

Clause 25 provides for the accounts and auditing of the accounts of the authority. Clause 26 requires the authority to prepare an annual report and provides for the report and the audited statement of accounts of the authority to be tabled in Parliament. Clause 27 provides that proceedings for offences are to be disposed of summarily. Clause 28 empowers the Governor to make regulations for the purposes of the measure.

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

SOUTH AUSTRALIA JUBILEE 150 BOARD BILL

Received from the House of Assembly and read a first time.

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

That this Bill be now read a second time.

As it is identical to the one introduced by the previous Government in the last Parliament, I seek leave to have

the second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Bill

This Bill is identical to one of the same title introduced by the previous Government in the last Parliament. That Bill did not proceed past the second reading speech but, if it had, it would have received the support of the Labor Party. The purpose of this Bill is to incorporate the South Australia Jubilee 150 Board, a board already informally established to organise and involve as many people as possible in celebrations marking the State's 150th birthday, in 1986. The Government is reintroducing the Bill at this stage in order to enable the board to commence its full operations as a body corporate as quickly as is possible.

As has been previously stated, Mr Kym Bonython has been appointed as Chairman of the board, and it is proposed that he will continue as Chairman of the incorporated board. In addition to formalising the structure of the board, it is necessary to protect the name 'Jubilee 150' and the use of the symbol for its celebration. The Bill is designed to ensure that there will not be any confusion between official and unofficial bodies and activities, and it is obvious that the name of the board and the symbol should be protected from being associated with undesirable activities. It is envisaged that the board will authorise some persons to use the symbol for a fee or other consideration, and will protect such persons from unauthorised competition. The Government intends to maintain the same framework for the operation of the board, as was previously proposed. It is pointed out that a sunset clause for the Bill to cease on 31 December 1987 is included; any outstanding assets and liabilities will then vest in the Minister. This Bill clearly assists the board in organising and promoting programmes, functions and celebrations for the 1986 anniversary, and its passage through this Parliament should be of interest to all South Australians. I commend the Bill to honourable members.

Clause 1 is formal. Clause 2 provides that the measure is to come into operation on a day to be fixed by proclamation. Clause 3 sets out the arrangement of the measure. Clause 4 sets out definitions of terms used in the measure. Clause 5 provides for the establishment of a board to be known as the 'South Australian Jubilee 150 Board'. The board is to be a body corporate with the usual corporate capacities.

Clause 6 provides that the board is to consist of not more than 14 members appointed by the Governor. Under the clause, the Governor may appoint from amongst the members of the board a chairman and a deputy chairman. Clause 7 sets out the conditions of membership of the board. Clause 8 requires members of the board to disclose any conflict of interest. Clause 9 regulates the procedure at meetings of the board. Clause 10 provides for the validity of acts of the board and protects its members from personal liability for certain acts or omissions.

Clause 11 provides for the establishment of an executive committee of the board, which is to be comprised of the chairman, the deputy chairman and such other persons as may be appointed by the board. Under the clause, the board may delegate any of its powers or functions to the executive committee. Clause 12 sets out the functions and powers of the board. Under the clause, the principal functions of the board are to initiate and, where appropriate, conduct programmes, activities, functions and celebrations during the one hundred and fiftieth anniversary of the founding of the colony of South Australia; to encourage, promote, facilitate and co-ordinate activities to mark the occasion of the anniversary; to encourage participation in anniversary celebrations; and to create, foster and promote interest, both within the State and elsewhere, in the anniversary.

Clause 13 provides that the board is to be subject to the general control and direction of the Minister. Clause 14 provides for the appointment of staff for the board. Clause 15 provides that the board may make use of the services of officers of the Public Service. Clause 16 regulates the manner in which the board is to deal with its moneys and limits expenditure by the board to expenditure authorised by a budget approved by the Treasurer. Clause 17 empowers the board to borrow and provides the usual guarantee by the Treasurer. Clause 18 provides for the keeping of accounts by the board and the auditing of such accounts. Clause 19 requires the board to prepare an annual report, which is to contain the audited statement of accounts for the preceding financial year and be tabled before each House of Parliament. Clause 20 vests the offical title and the official symbol in the board. The official title is defined by clause 4 as the expression 'South Australian Jubilee 150' The general design of the official symbol is set out in the schedule to the Bill and is depicted in a specially prepared graphic standards manual.

Clause 21 requires the consent in writng of the board before any use may be made of the official title or symbol for commercial or other organised purposes. Under clause 12, the board is empowered to make charges for the right to use the official title or the official symbol. Clause 21 provides that it is to be an offence to make unauthorised use of the official title or symbol and provides for compensation to the board for any such unauthorised use. Clause 22 provides for the seizure and forfeiture of goods in relation to which unauthorised use has been made of the official title or symbol.

Clause 23 provides that the other provisions of the measure are not to affect the use of an expression or symbol by a person who, before the commencement of the measure, was lawfully entitled to control the use of such expression or symbol. Clause 24 provides for the service of documents. Clause 25 provides that a person convicted of an offence under the Act shall be liable in respect of a continuing offence to a daily penalty, both before and, where appropriate, after initial conviction. Clause 26 regulates proceedings for offences against the measure. Clause 27 provides that the measure is to expire on the thirty-first day of December 1987 and provides for the vesting in the Crown of all property, rights and liabilities of the board existing at the time of expiry.

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

PLANNING ACT AMENDMENT BILL

Received from the House of Assembly and read a first time.

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

That this Bill be now read a second time.

This short Bill to amend the Planning Act is in substantially the same form as a Bill which was introduced by the previous Government but which lapsed upon prorogation of Parliament. It deals with two comparatively minor matters. The first amendment deals with a problem that has arisen because of the proclamation of the new Act in stages rather than as an integrated whole. Certain parts of the Act were brought into operation in May in order to enable administrative preparation to be made for the new planning system proposed by the new Act. However, references in the new Act to the date of its commencement need to be read as references to the date on which the new planning system was introduced rather than to the date on which these ancillary provisions

come into effect. Thus, a new provision providing that a reference to the commencement of the new Act is to be construed as a reference to the date of the repeal of the Planning and Development Act (that is, the date on which the new Act supersedes the previous Act) is included in the Bill.

Section 40 of the principal Act provides for the compilation of the new development plan on the basis of certain existing plans and documents. This compilation is, as honourable members are aware, now complete. It is thought advisable now to remove the provision as it could conceivably lead to challenges to the validity of the development plan based upon discrepancies between the plan and the documents on which it is based. I seek leave to have the explanation of the clauses inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Clauses

Clause 1 is formal. Clause 2 provides that the amendments are to be retrospective to the date on which parts of the new Planning Act were first brought into operation (that is, 20 May 1982). Clause 3 provides that a reference in the new Act to the date of its commencement shall be construed as a reference to the date of repeal of the Planning and Development Act (that is, 4 November 1982).

Clause 4 amends the transitional provisions in two respects. Under section 5 (2) *(f)*, a recommendation for the making of planning regulations in respect of which notice had been given under the repealed Act not more than 12 months before the commencement of the new Act is treated as a supplementary development plan in respect of which submissions have been invited under the new Act. This period of 12 months is extended by the amendment to 18 months. Secondly, a new subsection (5) is inserted. This new subsection states that, notwithstanding the retrospective operation of the amending Act, nothing contained in that Act invalidates action taken under the principal Act before 9 December 1982, and any declaration of interim development control made under section 43 before that date is specifically validated. Clause 5 provides that the document approved by Parliament as the development plan is, subject to amendment under the new Act, to constitute the development plan.

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

ADJOURNMENT

At 5.30 p.m. the Council adjourned until Wednesday 15 December at 2.15 p.m.