LEGISLATIVE COUNCIL

Wednesday 16 October 1985

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

MINISTERIAL STATEMENT: OMBUDSMAN

The Hon. C.J. SUMNER: I seek leave to make a statement.

Leave granted.

The Hon. C.J. SUMNER: During the past 24 hours there have been media reports relating to the Ombudsman, Ms Mary Beasley, and certain allegations about free international air travel. The Government is aware of the general nature of those allegations: however, at this stage I am not aware of whether they are substantiated. The allegations involve Ms Beasley's position as a member of the Qantas board, and as such is at this stage one for the Federal Government to investigate.

I understand that the Federal Government is making inquiries into the allegations, but at this stage am unaware of any final conclusions. The Premier has sent a telex to the Minister of Aviation, Mr Peter Morris, requesting a report on the matter, and requesting full details of the allegations and the result of any inquiry.

Upon receipt of that information, the Government will examine what further action is necessary. I wish to emphasise that Ms Beasley is not a public servant, but as Ombudsman is responsible to the Parliament. If there has been any impropriety, then this would need to be dealt with by the Parliament. Because this involves the Parliament, the Government is prepared to brief fully the Opposition on the issues involved as soon as a report is available from the Federal Government.

QUESTIONS

OMBUDSMAN

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

Leave granted.

The Hon. M.B. CAMERON: The Opposition appreciates the offer made by the Attorney-General to brief members in relation to allegations made about the Ombudsman on various news media. However, a series of matters arise as a result of the allegations made, not the least of which is the question of whether, during the time of these allegations, the Ombusdman should consider standing down from her position using the provisions of section 9 of the Ombudsman Act.

The office of Ombudsman is a very important one. As the Attorney-General has said, she is an officer of the Parliament with a status similar to that of a judge. Legislation establishing this office was introduced by the present Chief Justice, then Attorney-General, in 1972. When explaining the status of this office, he said on 17 October 1972:

> It is an office, the holder of which must command the support and respect of Parliament generally, and of the community.

The Opposition fully supports this view and, in the interests of allaying any concern about the integrity of the position of Ombudsman, I believe that it is absolutely essential that this matter be cleaned up as soon as possible.

My questions to the Attorney-General are: has the Premier discussed any allegation about the Ombudsman's conduct with her? If so, who initiated that discussion, when did it take place, what was the nature of the allegation discussed, and what was the outcome of the discussion? Has the Premier received a briefing on an allegation of abuse of a position of privilege by the Ombudsman? If so, who gave that briefing, and when was it given? Will any details of that briefing be made available to the Opposition?

Has the Premier discussed any of those allegations with the federal Minister of Aviation, or is today's move the first step that will be made to discuss this matter with the Minister responsible at the federal level? As I understand it, these allegations have been around for some considerable period—up to a fortnight. Has the Premier discussed it with the Chairman or General Manager of Qantas or with any other member or officer of the Federal Government or with any other officer of Qantas? If so, what was the outcome of those discussions?

The Hon. C.J. SUMNER: The honourable member has asked a number of questions with respect to what action the Premier has taken. I am not in a position to respond directly to each particular one concerning the Premier. As the honourable member suggests, there have been rumours relating to the Ombudsman. However, my recollection is that the first press attention to this matter was in the *Advertiser* this morning, in which allegations were made about a senior public servant who was unnamed. Today in the *News*—and I understand on radio station 5DN—the person was named as Ms Beasley, the Ombudsman, who I emphasise again is not a senior public servant, but is an officer of the Parliament.

The Hon. K.T. Griffin: A senior public official.

The Hon. C.J. SUMNER: The honourable member interjects and says 'a senior public official'. That is surprising, coming from the Hon. Mr Griffin, because he was an Attorney-General. He knows full well that the Ombudsman is not a senior public servant.

The Hon. K.T. Griffin: I didn't say she was.

The Hon. C.J. SUMNER: I merely emphasise that, because it is important to have that information clear before the Parliament in determining what action may be taken in this case. However, I make the point quite clearly that at this stage certain allegations have been made. I am aware of the general nature of those allegations, but they do not involve the Ombudsman, as far as I know, in her responsibilities as the Ombudsman in this State: they involve actions that relate to her responsibilities as a member of the Qantas board.

As such, the initial inquiries into these allegations must be carried out by the Federal Government. I understand that the relevant Minister in the Federal Government is making such inquiries. When the matter became a matter on the public record last night on the *National* and this morning in the *Advertiser* the Premier sent a telex to the Minister of Aviation—the Minister responsible, Mr Peter Morris—requesting, as I said in the statement, a full report on the allegations.

Once that report has been received the Government and more particularly the Parliament will have to determine what action, if any, must be taken. I emphasise that at this stage there are allegations. One course of action that could be taken is that the Governor, under section 10 of the Ombudsman Act, may suspend the Ombudsman from office on the grounds of incompetence or misbehaviour but, if that occurs, upon such suspension a full statement of the reasons must be laid before both Houses of Parliament within seven days of the suspension if the Parliament is in session or, if not, within seven days of the next succeeding session of Parliament. It is then a matter for the Parliament

to decide whether or not the Ombudsman should be removed from office.

Alternatively, if the Governor does not suspend the Ombudsman and table material before the Parliament in that way, the Governor may remove the Ombudsman upon the presentation of an address from both Houses of Parliament. I emphasise that the Ombudsman is not a public servant and I also point out that, with respect to section 11 of the Ombudsman Act, which provides specifically that the Ombudsman shall not hold office under and subject to the Public Service Act, the Ombudsman is not a public servant and is not in any way under the control and direction of the Government. That, of course, is something that has been asserted in this Parliament on many occasions in the past, and it is something that is essential to the Ombudsman's office.

If there is any substance in the allegations that have been made (and I emphasise to the Council that at this stage I am not aware of the results of any inquiry, so I am not aware whether there is any substance in these allegations), in the ultimate analysis the matter must be dealt with by the Parliament in accordance with the Ombudsman Act. The Government does not employ the Ombudsman in any sense as a public servant: the Ombudsman is an officer of the Parliament.

The Hon. K.T. Griffin: You know where the numbers are though, and where the responsibility lies.

The Hon. C.J. SUMNER: The Government will not hide anything in this matter—I can assure the Parliament of that. The Government is not yet aware of the results of the Federal Government's inquiry into these allegations, and I emphasise that, when the results of those investigations are known to the Government in detail (apart from mere speculation and rumour), the Government will determine, at least from its point of view, whether this matter should be dealt with under the Ombudsman Act by way of a suspension initially or whether it should be dealt with by the Parliament. If the matter needs to be dealt with by the Parliament, it will be dealt with by the Parliament, because I repeat that the Hon. Mr Cameron has not made the allegations public in this Council and I assume that at this stage he does not consider that it is proper to make those allegations public—because they are no more than allegations.

However, the Government is quite clear in its resolve that it will obtain all the information about this matter from the Federal Government when the Federal Government's inquiries have been completed and, if there is a need for further action in relation to the matter, the Government will consider that in accordance with the Ombudsman Act, first with respect to whether or not a suspension for incompetence or misbehaviour is justified under the terms of section 10 (3) of the Ombudsman Act or whether the matter should be dealt with by the Parliament in another way.

At this stage I merely indicate that the Premier has sent a telex to the Minister for Aviation (Mr Morris) requesting a full report on the investigations. When that is forthcoming the Government will be in a position to decide what further action is necessary.

I point out to the Leader of the Opposition, and I am sure that he will accept this, that at this stage there are allegations and to my knowledge at this point in time they have not been substantiated. Further, I reiterate that because the matter involves Parliament and not the Government, the Government is prepared to fully brief the Opposition on the issues and allegations once it has firm information from the Federal Government (that information having been requested by the Premier today).

The Hon. K.T. GRIFFIN: I desire to ask a supplementary question. First, will the Attorney table the telex to the Minister for Aviation (Mr Peter Morris)? Secondly, when did the Premier first become aware of the rumours?

The Hon. C.J. SUMNER: It looks as though the Hon. Mr Griffin is taking over from his Leader. Of course, that is something we have come to expect. We know the Hon. Mr Griffin has very little faith in his Leader, and we know that he is urging as best he can to replace the Hon. Mr Cameron at the earliest possible moment. Obviously he does not believe that the Hon. Mr Cameron can do his job as Leader of the Opposition, and so the Hon. Mr Griffin bounces in with a supplementary question—not his Leader, the Hon. Mr Cameron—

Members interjecting:

The PRESIDENT: Order!

The Hon. C.J. SUMNER: —who is sitting calmly and quietly—

The Hon. Frank Blevins interjecting:

The Hon. C.J. SUMNER: The Hon. Mr Blevins points out that the Hon. Mr Cameron was rising to his feet when the former Attorney-General, who knows the Ombudsman Act as well as I do, leapt to his feet with his supplementary question: a very eager fellow, the Hon. Mr Griffin—

The Hon. Frank Blevins interjecting:

The Hon. C.J. SUMNER: —very rude, as the Hon. Mr Blevins says, and not prepared to give way to his Leader.

Members interjecting:

The PRESIDENT: Order!

The Hon. R.I. Lucas: What are you hiding?

The Hon. C.J. SUMNER: Nothing whatsoever. I have made the point—

The PRESIDENT: Order! The Attorney is not answering the supplementary question. I ask him to do so.

The Hon. C.J. SUMNER: If honourable members want me to repeat the action that has been taken, I will repeat it, but I made crystal clear to them what had happened. A telex has been sent to the Minister for Aviation—

The Hon. R.C. DeGaris: Will you table the telex?

The Hon. C.J. SUMNER: I do not see any difficulty with tabling the telex.

The Hon. K.T. Griffin interjecting:

The Hon. C.J. SUMNER: That is all right. I have now. It was a supplementary question that the Hon. Mr Cameron was getting to his feet to ask, not the eager Mr Griffin, the eager beaver who wants to be up there where he was some time ago. I have no problems with the telex—none whatever.

With respect to the questions relating to the Premier, as the Hon. Mr Cameron has pointed out, I do not have details of when the Premier became aware of rumours concerning this matter. I made crystal clear that the Government has absolutely no intention of acting on rumours. What the Government will do—if the allegations are substantiated—is take the appropriate action. If that involves the use of section 10 of the Ombudsman Act, the Government will use that provision. If it involves bringing the matter before the Parliament, the Government will bring it before the Parliament. At this stage I want to emphasise (I am not aware of any additional information at this time) that there are allegations—that is all.

I do not know whether they have been fully investigated by the Federal Government. They do not relate to the Ombudsman's duties in South Australia at this stage. As I understand it, they relate to her role on the Qantas Board. Therefore, as the Hon. Mr Griffin and the Hon. Mr Cameron would know, the correct place for those matters to be inquired into and investigated is at the Federal Government level and that, I understand, is what is happening. Once those inquiries have been carried out and once a report is

available, the Premier has made a request for that to be made available to the State Government to determine whether any further action is necessary. Surely honourable members opposite are not going to condemn a person on the basis of rumour or on the basis of allegations, but that is what the eagerness of the Hon. Mr Griffin is leading towards. The Government will act properly once it has the information that it has requested from the Federal Government.

I repeat that we will provide a briefing to the Opposition on the matter, because it is a matter that does not directly involve the Government but involves an officer of the Parliament. If there is anything to be resolved with respect to the Ombudsman, then it is something that will have to be resolved by the Parliament.

The Hon. M.B. CAMERON: I have a supplementary question.

The PRESIDENT: This is the last supplementary question.

The Hon. M.B. CAMERON: In view of the inevitable cloud over the office of Ombudsman that current media reports have raised, will the Government ask the Ombudsman to exercise her right under section 9 of the Ombudsman Act to delegate all her powers to another person pending an inquiry into the allegation that has already been published—that she abused her position as a board member of Qantas in arranging international air travel for a companion? The effect of this would be that the Ombudsman would stand aside while the matter is clarified, and I hope that that would be as soon as possible.

The Hon. C.J. SUMNER: It is interesting that honourable members opposite (and indeed most Parliamentarians) decide on most occasions that the Ombudsman is an officer of the Parliament and that the Government cannot interfere with the Ombudsman. However, as soon as honourable members opposite see that they can attempt to make some political mileage or capital out of an issue, then all of a sudden the principles about the Ombudsman being independent and an officer of the Parliament go out the window. In those circumstances, members opposite are not interested in principles. They then want the Government to invervene and take action with respect to the Ombudsman. They then want the Government to intervene and suggest to the Ombudsman that she delegate her powers under section 9. They want the Government to come into the matter and resolve it. That is something that the Government will examine when it has details of the allegations.

I have said that the Premier has requested a report from the federal Minister for Aviation. I do not believe that at this stage further action is required. It may be, and I make it crystal clear to the whole Parliament and to everyone in South Australia that, if there is any wrongdoing by the Ombudsman, the Government will take the appropriate action in accordance with the law and with the Ombudsman Act which created the position of Ombudsman as a position independent of Government and as an officer of the Parliament, and lays down in the legislation the means whereby the Ombudsman is to be dealt with if there is any suggestion of impropriety. It is a matter clearly for the Parliament in the ultimate analysis. That is the position. The Hon. Mr Cameron and the Hon. Mr Griffin know that to be the position, and I will continue to state that as the correct position. However, I make it clear again that, if there is any suggestion or any substance in the allegations of impropriety, then the Government will take whatever action it is able to take to bring the matter before the Parliament.

OFFER OF COMPANY SHARES

The Hon. J.C. BURDETT: I seek leave to make a brief explanation before asking the Minister of Health a question about the offer of shares to supply officers in public hospitals.

Leave granted.

The Hon. J.C. BURDETT: A report in yesterday's *Advertiser* stated:

> A local medical products manufacturer, soon to be listed on the Adelaide Stock Exchange, has offered shares on special terms to supply officers at South Australian public hospitals and medical institutions. Complaints have been made to the *Advertiser* by hospital employees, who receive a letter from the company, Disposable Products Australia Ltd. They fear a conflict of interest if the offer to buy shares is accepted.

There is expected to be strong demand for the shares and there is the likelihood that, if the shares were taken up on the terms set out in the letter sent to some supply officers, they might quickly increase in value so that the officers would receive a considerable benefit.

The fear as expressed to the *Advertiser* by some officers themselves was that, having made the profit, the officers might be influenced to discriminate in favour of that company's products. In today's *Advertiser* the Managing Director of Disposable Products commented on the report at some length. Among other things he said:

> From my understanding of the supply tendering system used by public hospitals and medical institutions in South Australia, I did not believe my letter or the offer would place these people in a position of conflict.

The report in today's *Advertiser* also says:

> An officer at one South Australian medical institution said yesterday he believed six people in his own organisation had received the letter and several had expressed concern about the offer.

My questions are as follows:

1. Is the Minister concerned about the possibility of supply officers in hospitals and medical institutions being made an offer which may lead to a conflict of interest?
2. If so, what steps is he taking to investigate the matter?
3. What action, if any, does he propose to take?

The Hon. J.R. CORNWALL: First, I do not want this matter to be seen out of proportion to the reality of the situation. Disposable Products Australia Ltd is a very successful South Australian firm. Over the years it has combined very effectively and very productively with the Institute of Medical and Veterinary Science. Preliminary inquiries that I have made with the Chairman of the South Australian Health Commission make it clear, on the information given to me, that the South Australian Health Commission Act does not have the same provision as the Public Service Act in respect to the clear conflict of interest provisions that are in the Public Service Act.

I believe that that is an oversight, and I have made it very clear to officers in the commission that, when the Act is revised (and there will be a major revision of the South Australian Health Commission Act next year, as I told the Estimates Committee), this is a provision that I believe very strongly should be put into the South Australian Health Commission Act. Having said that, I believe that the Managing Director was accurately reported in this morning's *Advertiser*. I had a copy of the letter that he sent to the *Advertiser*, which he forwarded to me as a courtesy. The letter was reported almost in full in this morning's *Advertiser*, and I believe that the Managing Director explained the situation well.

I cannot say how many officers at any particular medical institution or hospital have received offers. Preliminary investigations tend to indicate that it was not a very high number. Nevertheless, my position on this is very clear: I

strongly believe that it is important for senior officers in public employment not only to do the right thing at all times in the discharge of their duties but also to be seen to be doing the right thing. If there is one thing that distinguishes public life in South Australia from that in the Eastern States—particularly some of the northernmost States in the east—it is the fact that politics and public life, by and large in this State, are squeaky clean.

In these circumstances, I believe that we have probably come to expect an even higher level of performance from our public officers and other senior people in public life than applies almost anywhere else in this country. As a matter of common sense, anyone in public employment in the health field should think carefully before accepting the offer. I do not at this stage intend to take any steps specifically except to have the Chairman of the Health Commission prepare a report for me based on his current inquiries. I repeat that, under the current provisions of the Health Commission Act as I am advised, there would be nothing illegal in officers taking up the offer of shares but, in all the circumstances, they should carefully consider their position. Further, if I were in that situation, I most certainly would not accept the offer.

MINISTER'S TRIP

The Hon. K.T. GRIFFIN: Did the Minister of Tourism travel to Perth on the recent holiday weekend? If she did, for how long was she there and who funded the trip?

The Hon. BARBARA WIESE: Yes, I travelled to Perth and I was there from Friday evening until Monday afternoon. The Parliamentary Travel Fund paid for my trip.

BOMB THREAT

The Hon. ANNE LEVY: I seek leave to make a brief explanation before directing a question to you, Mr President, on the matter of a bomb threat.

Leave granted.

The Hon. ANNE LEVY: An extraordinary notice has just been placed on my desk, over your signature, Mr President, informing us that there is a bomb threat and that members may leave if they wish to do so. I wonder whether if you, Sir, wish to leave the sittings of the House are suspended. If all other members leave the Chamber and there is no longer a quorum, does the Council continue to sit? There is no indication whether this is serious or merely a random nuisance which the security officers in the building are not taking seriously. Could you, Mr President, please advise members whether they should leave the building?

The PRESIDENT: The honourable member has asked several questions. As to whether I am leaving, I was going to send the honourable member a note asking her whether she would take the Chair. On a more serious note, we have received this round-about information and we have notified the police who are responsible for this type of security and investigation. However, I sent around the note so that those who wished to leave would not be my responsibility, anyway.

The Hon. Anne Levy: How seriously is this being taken by the security forces?

The PRESIDENT: Everything that can be done is being done. The staff are warned of this happening. It is a very difficult decision as to what to do. Those who wish to leave can, and if there is not a quorum present the sitting will then depend on whoever is in charge of the Council.

OMBUDSMAN

The Hon. K.L. MILNE: I am not rising in my seat to say 'Goodbye', Mr President! Will the Attorney-General undertake to brief the Australian Democrats—

Members interjecting:

The PRESIDENT: Order!

The Hon. K.L. MILNE: —in relation to the Ombudsman should it be necessary to brief the Opposition?

The Hon. C.J. SUMNER: Members opposite interject and ask, 'Which wing?' but from an exhibition earlier one really would not know whom to brief in the Opposition, either—whether it is the official Leader of the Opposition (Mr Cameron) or the former Leader of the Liberal Party in this Chamber (Mr Griffin), who was deposed unceremoniously after the last election.

The Hon. Frank Blevins: Two votes.

The Hon. C.J. SUMNER: Yes; the Hon. Mr Blevins obviously has better contacts in regard to voting in the Liberal Party than I have. If he is correct, the Hon. Mr Griffin had one supporter besides himself.

The Hon. Frank Blevins interjecting:

The Hon. C.J. SUMNER: There were three? I see, so—

The Hon. M.B. Cameron interjecting:

The Hon. C.J. SUMNER: Not at all. The Hon. Mr Cameron is obviously smarting over Mr Griffin's attempt to upstage him. I am merely pointing out that one has to work out whom to brief in the Opposition as well as whom to brief in the Australian Democrats, because I understand its members have different points of view, as have members opposite. For example, do I brief the Hon. Mr Cameron or do I brief the Hon. Mr Griffin?

The Hon. L.H. Davis: What about Norm Peterson and Martyn Evans?

The Hon. C.J. SUMNER: Everybody can be briefed: the Government does not mind who is briefed on this particular matter.

Members interjecting:

The Hon. C.J. SUMNER: The Hon. Mr DeGaris does not attend Party meetings because he does not get on with the Hon. Mr Cameron; we know all about that. If the matter is to be resolved at any stage by the Parliament, it will have all the information necessary to enable it to make a decision, if it gets to that. I repeat that certain allegations have been made and that the Government is making inquiries as to the nature of those allegations and the investigations that have been carried out. I have undertaken to provide a briefing to the Opposition, whichever person it decides to nominate (or, if more than one—the people it decides to nominate), and I have no objection to briefing the Australian Democrats as well.

AIDS

The Hon. R.I. LUCAS: I seek leave to make a brief explanation before asking the Attorney-General a question about mandatory AIDS blood tests.

Leave granted.

The Hon. R.I. LUCAS: In recent months there have been a number of examples of employers in the United States using the AIDS exposure blood test as a screening test for new employees. For example, the United States military has announced that it will test all new recruits (one report that I have seen indicates that that will involve 25 000 people a month) for exposure to the AIDS virus, and those who prove positive will be rejected.

In addition, the American Council of Life Insurers is now proposing to use the AIDS exposure blood test on all applicants for private medical insurance. As a result of these

moves, the Californian Parliament has passed a law that evidently prohibits the use of the AIDS exposure blood test as a condition of employment or insurability. Concern has been expressed in the United States that some private employers who wish to discriminate against homosexuals may follow the military's example in that country.

As with many other subjects, sometimes the Australian experience (perhaps, in particular, in this case with the AIDS virus) reflects the experience in the United States, possibly with some sort of time lag. My questions to the Attorney-General are as follows:

1. If employers in Australia, and in particular in South Australia, were to follow the United States experience would they be contravening the Equal Opportunity Act, which this Parliament passed recently and which prohibits discrimination against homosexuals in employment?

2. If not, would the Government support the use of mandatory AIDS exposure blood tests as a screen for employment by employers; and, if not, is the Government planning to do anything about preventing such use of tests by employers?

The Hon. C.J. SUMNER: I was not aware of the circumstances outlined by the honourable member until he mentioned them. I do not think that the Equal Opportunity Act passed by the Parliament but not yet proclaimed would have caused difficulties in relation to the situation that the honourable member has outlined. However, I will study the honourable member's question and let him have a response.

FLINDERS RANGES MINERAL EXPLORATION

The Hon. I. GILFILLAN: I seek leave to make a brief explanation before asking the Minister of Labour, representing the Minister of Mines and Energy, a question about mineral exploration in the Flinders Ranges National Park.

Leave granted.

The Hon. I. GILFILLAN: I have asked questions earlier in this place of the Minister of Mines and Energy relating to the intention and results of the department's work in preliminary testing and drilling in the Flinders Ranges, and I was not happy that there had been full and adequate disclosure of information available at this stage. I am prompted to ask this question today because the Flinders Ranges Action Committee advises me that it has tried on several occasions to obtain information from the Minister of Mines and Energy about the current status of mineral exploration in the Flinders Ranges National Park but has so far been completely unsuccessful.

The group says that there is an extraordinary delay between its correspondence and the Minister's answer, particularly in relation to its last letter. The Flinders Ranges Action Committee is concerned that the Government may intend delaying the release of any report until after the election. It is now two years since the Government announced its decision to explore for minerals inside the Flinders Ranges National Park. The original timetable indicated that a decision would be made by December 1983 regarding diamond drilling, but so far there has been no definite information from the Minister.

Will the Minister say what decisions have been made on the exploration for minerals in the Flinders Ranges National Park? If there has not yet been a decision, why not, and when will one be made? Further, will the Minister report on the current status of mineral exploration in the Flinders Ranges National Park; if so, when; and, if not, why not?

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

MILLIPEDES

The Hon. ANNE LEVY: I seek leave to make a brief explanation before asking the Minister of Labour a question about millipedes.

Leave granted.

The Hon. ANNE LEVY: I have heard from several friends who live in the Adelaide Hills that it seems as though the millipede population this year has declined compared to that of last year and that hills residents no longer seem to be quite as desperately besieged by carpets of millipedes as they have been in past years.

I have not noticed any reduction in the admittedly lower numbers occurring on the plains. Various people are putting forward suggestions regarding this matter—either that previous chemical treatment around houses in the Hills has had a long-term effect of reducing the population, or that the dry season has resulted in less favourable conditions for millipede multiplication. Has the department any information on whether or not there has been a decline in millipede numbers and, if so, does it have any scientifically based explanation for the apparent decline in numbers?

The Hon. FRANK BLEVINS: At the opening of Question Time today I was very disappointed that this was not the first question of the Opposition.

The Hon. C.M. Hill: You spent all morning working up a reply.

An honourable member: You had to give it to Anne Levy to ask.

The Hon. Anne Levy: I deny that completely.

The Hon. FRANK BLEVINS: As this was a front page story in the *Advertiser* today, I would have thought it natural for this Opposition to ask it as the lead question. After two years or so of sitting on this side of the Chamber I would have lost money that the first question would be on millipedes. When I saw all the press, TV cameras and journalists—the entire South Australian press corps appeared to be here—I thought, 'Frank, this is your big moment once again to inform the House of the extent of your knowledge of millipedes.'

I have done that many times, and I am happy to do it again for the Hon. Ms Levy. There was an unkind suggestion from the Opposition that perhaps this was a Dorothy Dixer; this is not the case. The Opposition would know that I as a Minister have never organised a Dorothy Dixer—never. You see, I do not have to because I can pick up the paper every morning and guarantee that 99 out of 100 times the Opposition will come in like the tide and ask the obvious question on some relatively minor issue. However, today members opposite got sidetracked on something or other and did not take up the important matters.

I am delighted that the Hon. Ms Levy is on the ball, as it were, and looking after the welfare of the people of this State. I was a little alarmed when I read the paper this morning to see the headline on the front page over an article by Barry Hailstone, 'You're on your own in fight against millipedes'. The article consisted basically of quotes from Dr Peter Bailey of the Entomology Department of the Department of Agriculture about some control measures that the department is considering.

I thought that if that was the position, perhaps we should withdraw funding that taxpayers are making available—indeed considerable amounts, hundreds of thousands of dollars—to the Department of Agriculture and Dr Peter Bailey. If people are on their own, I cannot understand why it is costing us hundreds of thousands of dollars a year for salaries. Leaving that point aside, it is not the case. The article this morning, whilst not totally incorrect, told only half the story. Of course, the other half of the story is very interesting and one that I wish to relate to members.

I recapitulate some statements I have made before and some information I have given to members: for about four years, Dr Geoff Baker of the CSIRO has been subsidised or financed by the Department of Agriculture to work here and overseas on the vexed question of millipedes. Dr Baker is now working full time with the CSIRO on other problems. However, the Department of Agriculture assumed responsibility from the end of last year for the whole question of millipede control and research in this State.

Essentially, the department's program is very extensive and very expensive. For example, $120 000 has been allocated for 1985-86, and that is only the first stage of a $276 000 program to be conducted over two years. That program is aimed at developing biological and integral controls against millipedes.

The Hon. L.H. Davis: Tell us about the European wasp.

The Hon. FRANK BLEVINS: Yes, ask me one on the European wasp in a minute. The Department of Agriculture entomologists believe that the only real way to control millipedes effectively is by biological control agents. I have said several times before that there is a parasitic fly in Portugal that keeps this pest under a significant degree of control.

We have made a couple of attempts to import the parasitic fly into South Australia under very careful security to do some tests both in the Department of Agriculture and also at the Waite Institute. However, to date those have proved unsuccessful. In the second stage of this program which, as I said, will cost $276 000 when fully operational in June next year, we intend to appoint a senior entomologist to be based in Portugal and two technical officers—one based in Adelaide and the other based in Portugal. All three will be engaged in that biological control research.

In addition, there will be an entomologist based in Adelaide engaged in research on integrated control because, whilst we believe that biological control of millipedes is the only way to go, there are things that householders can do to keep these annoying and, at times, quite disgusting pests out of their houses. We have produced additional leaflets and we are testing certain insecticides to enable the householder to have a great deal more control within his own locality.

However, there is some evidence around—and I do not put it any higher than that, because it is mainly anecdotal—that the problem this year appears to be diminishing. I have been advised by the Department of Agriculture that it may well be that some natural predators within South Australia are now beginning to assert their authority over millipedes. It may be that over the next couple of years we will get some firm evidence that the natural predators that are apparently around in South Australia are having some significant effect. If that is the case, obviously that would be the ideal solution rather than importing a parasitic fly to do the job for us.

Obviously, it is much safer not to disturb the balance of nature as much as possible. If natural predators are effective, that will obviously please us. However, we are not relying on that: we will still spend hundreds of thousands of dollars on our biological control program, whilst at the same time offering very practical advice to householders who are suffering in South Australia.

In 1985-86 the sum of $120 000 will be spent and from June next year up to $276 000 will be spent. Obviously, we are not doing it with one lab assistant and a Bunsen burner, as it is a very significant program. Two people are to be stationed in Portugal and another two are to be stationed in South Australia. We are not relying on natural predators, and we are hoping that the evidence to date is confirmed: that is, that natural predators are having an effect on the millipede population. At the same time we are spending hundreds of thousands of dollars in the hope of achieving biological control, which we feel will be effective or second best to natural control.

OMBUDSMAN

The Hon. C.J. SUMNER: Following a request by members opposite, I table a copy of the telex from the Premier to the Hon. P. Morris, MP, Minister for Aviation, Parliament House, Canberra, in relation to the Ombudsman. I am informed that it was sent at 1.5 today.

ACCESS HANDOVER SERVICE

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

Leave granted.

The Hon. DIANA LAIDLAW: The access handover service, operated by the Adelaide Central Mission, was forced to close at the end of June following the Federal Government's refusal to continue funding for the 12-month pilot project. To the time of closure the service had provided a safe environment for women at risk who had to hand over their children for access to violent husbands or former husbands. The closure incensed many people who had first-hand experience of violence in various circumstances, and prompted the Women's Information Switchboard to announce that henceforth it would advise women not to hand over their children in such circumstances.

I understand that the State Government also objected to the closure, and was prompted to forward a report to the federal Attorney-General, Mr Bowen, recommending funding of $45 000 a year based on 96 regular parent users and 180 children. Since the closure of the access handover service, has the Women's Information Switchboard pursued its stated intention advising women at risk not to hand over their children and, if so, what responsibilities—

The PRESIDENT: Order! It must be almost impossible if not impossible for the Attorney to hear the question.

The Hon. DIANA LAIDLAW: —has it accepted for recommending that women breach a condition of their family law access order? Has the Government received a response from the federal Attorney-General regarding the State Government's request for funding to re-establish the access handover service?

The Hon. C.J. SUMNER: I will attempt to obtain that information for the honourable member and bring back a reply.

GRAND PRIX

The Hon. L.H. DAVIS: I seek leave to make a brief explanation before asking the Minister of Tourism a question about the Grand Prix.

Leave granted.

The Hon. L.H. DAVIS: On 21 August I directed a question to the Minister of Tourism in relation to the Grand Prix, suggesting that consideration be given to car pooling to relieve the pressure of traffic on roads that will obviously be affected by the Grand Prix route. I mentioned that as from 12 October south bound traffic on Dequetteville Terrace will be prohibited, and I made the point that car pooling had been used to good effect in overseas countries either in response to particular crises such as the high cost of fuel, particularly during the Middle East oil crisis in the mid 1970s, and for other major events. The Minister of

Tourism promised to bring back a reply regarding car pooling, and she said that she would discuss the matter with the Grand Prix Board. As I am disappointed that there has been no response to my suggestion, is the Minister of Tourism able to respond?

The Hon. BARBARA WIESE: Unfortunately, I am not in a position to respond to the honourable member's question, but I will take up the matter again with the Grand Prix office to see whether I can extract a reply as soon as possible.

OMBUDSMAN

The Hon. R.I. LUCAS: I ask the following questions of the Attorney-General:

1. Did the Premier give the Ombudsman approval (as required under section 7 of the Ombudsman Act) to continue in her position as a Director of Qantas after her appointment as Ombudsman?

2. If the answer is 'Yes' were any terms and conditions attached to that approval?

The Hon. C.J. SUMNER: On 28 March 1985 the Commissioner of the Public Service Board, Ms Beasley, wrote to the Premier in the following terms:

I would like to take this opportunity to indicate to you how pleased I am to have been appointed Ombudsman. In accordance with the terms and conditions of my appointment, I will take up the duties of the position on 30 March 1985.

Following discussions with the Director, Department of the Premier and Cabinet, Mr B. Guerin, it was agreed I should provide the following details of the boards and committees to which I am presently appointed, and the possibility of conflict arising through my appointment as Ombudsman.

1. Director, Qantas Board.
2. Chairperson, Advisory Committee on Post-Secondary Education of Women and Girls (set up under the Tertiary Education Authority of South Australia).
3. Board of Governors, Adelaide Festival of Arts.
4. Part-time Commissioner, South Australian Health Commission.

I have carefully considered my role on each of the above, and am of the opinion that there is potential for conflict in my capacity as part-time Commissioner, South Australian Health Commission. I have therefore advised the commission in writing of my intention to resign as from 29 March 1985.

My continued membership on the other boards and committees has also been the subject of discussions with fellow members. There is general consensus that my appointment as Ombudsman should not preclude me from continuing to fulfil my responsibilities as a member.

On 6 May 1985 the Premier replied:

I refer to your letter of 28 March 1985 in which you provided details of boards and committees on which you have retained membership on assuming the position of Ombudsman. I hereby formally give you my consent to continue as a director of the Board of Qantas. Your two other positions, as Chairperson, Advisory Committee on Post-Secondary Education of Women and Girls, and as a member of the Board of Governors, Adelaide Festival of Arts, do not involve any remuneration and do not as such require my consent under the Ombudsman Act 1972-1974.

However, having received advice from the Crown Solicitor, it is my view that the possibility of a conflict of interest is so slight that no obstacle should be placed in the path of your continuing membership of the bodies concerned. I am confident that you will be alert to any potential conflict of interest, and will take immediate action to resolve it if the situation so requires.

In answer to the honourable member's question, I point out that the formal authority from the Premier was given to the Ombudsman to continue as a Director on the Board of Qantas.

The Hon. R.I. Lucas: With no terms or conditions attached to that approval?

The Hon. C.J. SUMNER: No.

DENTISTS ACT REGULATIONS

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

That the general regulations under the Dentists Act 1984, made on 22 August 1985 and laid on the table of this Council on 27 August 1985, be disallowed.

There are a number of these regulations that the Australian Dental Association, South Australian Branch, considers unsatisfactory and it has mounted a very reasonable argument in support of its claim. At the outset, I say that there has been consultation in the sense that the Australian Dental Association viewed the draft regulations and raised its present complaints at that time. However, on these points at any rate its requests were not acceded to. Doctors P.J.W. Vercoe, President, Australian Dental Association, South Australian Branch, Dr P.W. Martin, past President of the South Australian Branch and an executive officer of the Australian body, and Mr W.A. Stewart, Executive Officer, South Australian Branch, gave evidence to the Joint Committee on Subordinate Legislation on 11 September 1985. Their evidence has been tabled in the Council.

After they referred to a number of regulations with which they disagreed, I pointed out that Parliament could not amend regulations but could only disallow them or take no action. Dr Vercoe responded (as recorded in the minutes of evidence) as follows:

Yes, I would strongly recommend that the regulations be disallowed *in toto*.

I do not intend to refer to all the regulations objected to; I will refer only to enough of them to indicate that in my view—it is a view that I now put to the Council—there are sufficient objections to the regulations that they should be disallowed by the Council and reintroduced in a modified form. The ADA prepared a lucid submission that it tabled before the committee and that, too, has also been tabled in this Council. That submission sets out its objections to all the regulations disagreed to and a draft of what the ADA believes should be substituted for those regulations objected to.

Of the major points that I intend to address, the first one raised by the ADA—the points were raised not in order of priority but in order of the regulations as they stood—concerned clinical dental technicians, that is, dental technicians who can provide dentures directly to the public without referral from a registered dentist. A select committee inquired into this issue some time ago and the general thrust of its recommendations was to enable technicians to take appropriate courses to qualify. The intention was to accommodate technicians who could demonstrate their competence and who previously had been practising illegally.

If the practice of registering clinical dental technicians is to continue, the dentists are saying, there should be some real courses through which technicians have to match a standard. I might say that it was contemplated by the Government and by members of the select committee that there would be initially only two courses to accommodate people who were then practising, but there is nothing in the Act saying that and the regulations of course address the provisions in the Act.

The questions I asked in the committee elicited the fact that no further courses would be undertaken at the moment, but the regulations could extend to a position where further courses could be run. There is nothing to prevent that from being done. As I understand it, there is to be a review some time in the near future. If this is the case, if any future courses are to be run, the ADA requests that there should be provision for proper educational standards and assessment, and this is not provided for in the regulations. Dr Vercoe told the committee (as reported in the evidence):

We recommend a regulation which says:

For the purpose of section 41 (1) *(a)* of the Act the prescribed qualifications are a diploma in clinical dental technology awarded by the South Australian Institute of Technology.

If you are seeking consumer protection in this area, this seems to be reasonable.

The next question raised was in regard to dental hygienists. I believe that at present South Australia has the distinction of being the only State training dental hygienists, and I think people come from interstate for this course. It is an excellent course and dental hygienists have a real place in the dental field.

The instruction given to them and the practice during the course are limited to particular areas of expertise and it really is fundamental to the concept of dental hygienists that they operate under the direct supervision of a dentist. The regulations provide that a dental hygienist should operate under the direct supervision of a dentist, except in regard to the Julia Farr Centre. It seems rather strange that there should be an exception, especially such an exception.

In regard to the Julia Farr Centre, the only requirement is that there should be a medical practitioner or a chief nurse on call—whatever that means. This seems to be inappropriate because, as I have said, these people essentially are designed to operate in conjunction with a dentist and their training, whilst it is excellent as far as it goes, is in a limited area.

Regarding the practice of dentistry, the hygienist probably would have more knowledge of dentistry than would the medical practitioner or the nurse. It seems to me to be a very sensible request of the dentists that this be changed and that, as with all other hygienists, the hygienists who practise in the Julia Farr Centre should be under the supervision of a registered dentist, and possibly some registered dentists should be provided there on a sessional basis to enable this to happen.

Doctor Blaikie, of the Dental Board, who gave evidence, had considerable sympathy for this point of view and suggested that the Minister may be amenable to this. However, I suggest that Ministers are more likely to oblige if the regulations are disallowed and the Minister has to start again.

The Hon. J.R. Cornwall interjecting:

The Hon. J.C. BURDETT: Yes, but I do not think they are right. I refer to regulation 19, which provides:

For the purposes of section 80 of the Act the prescribed information is as follows:

(a) full details of the alleged negligence;

(b) the nature of the treatment or procedure which is alleged to have been carried out negligently;

(c) the address of the premises at which the alleged negligence took place;

(d) the time and date of the alleged negligence;

(e) full details of any judgment of the court or settlement out of court in respect of the claim including the amount of damages or compensation either awarded by the court or agreed to in settlement of the claim;

and

(f) full details of the injury incurred or allegedly incurred by the claimant as a result of the alleged negligence including death or permanent or other incapacity.

This was pursuant to section 80 of the Act, which states:

Where a person has claimed damages or other compensation from a registered person for alleged negligence committed in the course of dental practice, the registered person concerned shall within thirty days after—

(a) he is ordered by a court to pay damages or other compensation in respect of that claim;

or

(b) he agrees to pay a sum of money in settlement of that claim (whether with or without a denial of liability),

provide the board with prescribed information relating to the claim.

Of course, at this stage one cannot complain about the section in the Act; I do not complain about it, nor does the ADA, but they say that, when all that has happened is that a claim has been made against a dentist for alleged negligence and he is not proven to be guilty or shown to be guilty of negligence of any kind, in those circumstances the details which are prescribed and which he is required to provide under the regulations are unreasonable. It does not matter what other regulations in relation to other professions this may apply to: if it is unreasonable then it should not be there.

They say—I think with some justice—that this is a denial of natural justice, particularly in these more litigious days when people are sued, sometimes for very good reason of course and sometimes for little or no reason; simply because a dentist has been sued, it is oppressive to require him to have to provide full details of the alleged negligence, and so on, particularly as the settlement details that he is obliged to provide may not even be provided to the courts. It commonly occurs that a settlement is reached on undisclosed terms. A settlement may be entirely in favour of the dentist who is sued, or it may be on the terms that each party pays their own costs, or something of that kind. It seems to me that this regulation is oppressive in calling upon a dentist, simply because he is sued, to provide to the board a whole number of details which he ought not be called on to provide. I acknowledge that, under section 80, he has to provide something, but I suggest that it is not necessary to go so far as and to provide all of these details in these circumstances.

The submission was put to the Subordinate Legislation Committee, and it is the property of the Council and of the Minister, and he may accept the submissions or some of them. Indeed, as I have said, Dr Blaikie was quite amenable to some of the submissions which have been made. Regarding some of those submissions, Dr Blaikie claimed that they had been told by counsel that there were drafting problems. I do not accept that there were drafting problems if anyone wanted to put those submissions into effect. These submissions in substance have been made before and have not been acceded to. While I hope that the Minister will be amenable to the submissions, we cannot take his acceptance on trust. I suggest that we should exercise the power given to the Council by the Constitution Act and that we should reject the regulations. Satisfactory regulations can then be introduced.

As I indicated previously, there are a number of other regulations to which the ADA objects, and I think on reasonable grounds, but I do not propose to canvass them all at the present time. I have given the Council adequate reasons why the regulations should be rejected and reintroduced in a more acceptable form.

The Hon. ANNE LEVY secured the adjournment of the debate.

NATURAL GAS PRICES

Adjourned debate on motion of Hon. K.L. Milne:

1. That a select committee be appointed to inquire into and report upon—

(a) the current contractual agreements for the pricing of Cooper Basin gas sold to South Australia and New South Wales;

(b) the desirability of establishing a single price formula giving rise to the same wellhead price for gas sold ex Moomba to South Australia and New South Wales;

(c) the role for Government action in the event of large price increases which are relevant to economic stability and growth in the State;

(d) the determination of a price formula that adequately protects the Electricity Trust of South Australia, the

South Australian Gas Company and other major gas consuming industries, present and future;

(e) the Cooper Basin (Ratification) Act 1975, which covers the endorsement of the rights of the producers to enter into sales contracts and to report on the continuing obligations of the Government to preserve the agreements for the sale of natural gas endorsed by the Act;

(f) the impact of Commonwealth powers over gas supplies and sales, natural gas being a petroleum product;

(g) alternative sources of energy and methods of conserving energy; and

(h) any other related matters.

2. That, in the event of a select committee being appointed, it consist of six members and that the quorum of members necessary to be present at all meetings of the committee be fixed at four members and that Standing Order 389 be so far suspended as to enable the Chairman of the select committee to have a deliberative vote only.

3. That this Council permits the select committee to authorise the disclosure or publication, as it thinks fit, of any evidence presented to the committee prior to such evidence being reported to the Council.

(Continued from 18 September. Page 996.)

The Hon. DIANA LAIDLAW: While I appreciate the concern that has prompted the Hon. Mr Milne to move this motion, I am unable to support the appointment of a select committee of this Council to inquire into the supply and price of natural gas from the Cooper Basin and related matters. Before proceeding to outline my opposition, I state that I may be thought to have a pecuniary interest in this subject as I hold shares in Adelaide Brighton Cement Holdings Limited both in my own right and indirectly, as a member of a family company. Adelaide Brighton Cement is the third largest purchaser of natural gas from the Pipelines Authority of South Australia after ETSA and SAGASCO and currently is calling tenders for fuel to fire its kilns whether by natural gas, coal or oil.

The Hon. Mr Milne proposes that a select committee be formed to inquire into the current contractual arrangements for the pricing of natural gas sold to South Australia and New South Wales and to report on whether a single price formula should apply in both States; to what extent the Government should intervene to ensure that large price rises do not cause economic instability; and whether the Government should continue to be bound by the provisions of the Cooper Basin (Ratification) Act 1975. These are issues of great public concern and they must remain the focus of community interest and pressure. However, to establish a select committee at this late stage in negotiations between the Government and the Cooper Basin producers would be counterproductive, in my view: indeed, a waste of time.

The issues were recently examined in some detail by the Stewart committee of inquiry into future electricity generation options. While many in this Parliament and elsewhere may question that committee's limited terms of reference and/or disagree with its findings and recommendations, the report itself provides a foundation for the issues to be addressed and debated; indeed, negotiations are in progress. In these circumstances I do not believe that the taxpayers of this State, the producers or the industrial or domestic consumers should be required to pay for and give the time necessary to present further evidence to a parliamentary committee inquiring into essentially the same subject investigated some 18 months ago by the Stewart committee.

The Hon. Frank Blevins, representing the Minister of Mines and Energy, in replying to a question on this subject from the Hon. Mr Milne on 12 September, also questioned whether members of the Council acting as a select committee would have the technical competence to tackle the comprehensive concerns raised by the Hon. Mr Milne. The Minister may well be right, but I suspect that his assessment of the capacity of members of this Chamber is possibly based on the competence of Government members and not members on this side of the Council. I have no doubt that in truth the members of this Parliament would have the competence to investigate this matter. More relevant, however, is the fact that a parliamentary committee would take at least two years, I suggest, to fully pursue and report on the terms of reference, by which time the producers and the South Australian consumers have a right to expect that the government of the day would have finalised its negotiations on all the matters that the select committee itself was in the throes of addressing.

Therefore, the only value of the report would be as a further dust collecting item on members' shelves. In responding to the motion, the Hon. Anne Levy poured considerable scorn on the Deputy Leader of the Opposition in another place (Hon. E.R. Goldsworthy). The Hon. Anne Levy claimed that the agreement that the Hon. Mr Goldsworthy had reached with the Cooper Basin producers in 1982 paved the way for substantial increases in natural gas prices in South Australia from $1.10 per gigajoule in 1982 to $1.62 ex-wellhead today—

The Hon. Anne Levy: Are you denying that?

The Hon. DIANA LAIDLAW: I am not denying that—while the Australian Gas Light Company in New South Wales managed to extract a price of $1.01 per gigajoule ex-wellhead. However, I believe that this comparison is not fair, even though the figures are correct. I believe that a more realistic basis for comparison would be what the industrial user pays in the Adelaide or Sydney metropolitan areas. The distance—and, therefore, the cost—of piping natural gas to Adelaide is much less. The Pipelines Authority of South Australia (PASA) charges about 28c per gigajoule to pipe gas from the Cooper Basin to Adelaide, so a large industrial consumer in Adelaide pays about $1.90. By contrast, I am informed that the cost of piping gas from the Cooper Basin to Sydney is 60c per gigajoule.

To this cost the Australian Gas Light Company adds commission, because it has a monopoly over the sale of Cooper Basin gas in the Sydney area. Therefore, the price for Sydney industrial users is about $1.70. While this price is somewhat lower than the $1.90 applying in Adelaide, it is nothing like the ex-wellhead variance of $1.01 to $1.62 a gigajoule that the Hon. Anne Levy used to compare the circumstances of industrial users in South Australia and New South Wales.

The Hon. K.L. Milne interjecting:

The Hon. DIANA LAIDLAW: Not for industrial users; it is not the price they receive.

The Hon. K.L. Milne: The price at the wellhead should be the same.

The Hon. DIANA LAIDLAW: That is another argument. We are talking about the price for industrial users. In relation to the New South Wales pricing structure, I believe it is important to highlight the fact that there is an abundance of good quality black coal in the Hunter Valley and Wollongong areas. Therefore, unlike the situation in Adelaide, industrial users have not only an alternative source of fuel near at hand but one which is being offered at very competitive prices because coal producers in New South Wales are searching far and wide for buyers. For this reason I believe it is probably unrealistic to expect that the ex-wellhead price for gas sold to PASA and the Australian Gas Light Company should be identical.

The Hon. Miss Levy spoke at some length about the alleged damage caused by the so-called Goldsworthy agreement in 1982. It is a pity that she did not cast her mind back to 1975 and admit that the Cooper Basin (Ratification) Bill introduced by the then Labor Government and the Hon. Hugh Hudson did a great deal more damage to the long-term interests of South Australian consumers. Before I deal with that Bill, I refer back to 1967, when the Natural

Gas Pipelines Authority of South Australia was formed to raise finance to construct and operate a pipeline from Moomba to Adelaide. The authority did not own the pipeline or the gas. Consumers entered into contracts with the Cooper Basin producers, who supplied the gas to users, and a transport charge was passed on to the authority.

To justify construction of the pipeline at that time it was deemed necessary to find some large consumers who would enter into long-term contracts. The Adelaide Brighton Cement Company was the first to do so, I understand, followed by SAGASCO and ETSA. The average delivered price paid by cement companies in 1969 was 32.5c a gigajoule. Under the contract, the price was to escalate by a little over 1c per gigajoule every five years. Therefore, if the original 1969 contracts had been adhered to, the price of delivered gas today would be 37.5c a gigajoule—not $1.90. In 1973 the Middle East oil producers joined forces to form a group which was the forerunner to OPEC and the first of several dramatic price increases for oil occurred. Gas prices on the world market also rose and the Cooper Basin producers in turn complained to the Labor Government of the day that they faced financial ruin and could not afford to explore for gas or oil.

By 1975 the Dunstan Labor Government decided to intervene. It established the Pipelines Authority of South Australia which took over ownership of the pipeline and the right to purchase gas at the wellhead at Moomba. Henceforth, PASA rather than the Cooper Basin producers sold gas to the large users in Adelaide and some smaller users as well. To realise these new arrangements the Labor Government leant upon ETSA, SAGASCO, Adelaide Brighton Cement and others to agree to waive their existing long-term contracts with the Cooper Basin producers and enter into new contracts with PASA. The price of gas rose initially and immediately from 34c to 44c—an increase of 35 per cent. However, for the industrial consumers of this State some of the ancillary conditions of the contracts, inspired by the new Labor Government, were even more onerous and their impact is being felt today.

First, the contracts provided for an annual price review by arbitration where the buyer would not meet the demands of the Cooper Basin producers. Secondly, each year the new arbitrated price would operate from 1 January and would hold true even if the price had not been agreed to in this forum. In most years, because of disagreement, it was found necessary to call in an arbitrator, who regularly would not reach a decision until months later. Meanwhile, the users were not aware of their future production costs—a diabolical situation in a world where efficiency, productivity, employment creation and, indeed, survival demand long-term detailed and accurate planning.

In an atmosphere where the price of gas may fluctuate wildly because of yearly arbitration, how can ETSA, SAGASCO or Adelaide Brighton Cement, for instance, make commitments based upon the use of natural gas as raw feed, realising that a power station or a cement plant takes years to plan and construct? Certainly, I am aware that this situation has become increasingly intolerable for Adelaide Brighton Cement, as over this period the company has been striving to establish and expand markets in other States and overseas. Nor do I doubt that this situation has been equally difficult for ETSA and SAGASCO.

Thirdly, the new contracts provided for the 'take and pay' level to increase from 50 per cent under the 1969 contracts to 80 per cent. The impact of this measure has been great. For each year the industrial user has been required to commit itself for the projected quantity of gas needed in the following couple of years. Traditionally, these forecasts have been pitched at a fairly high level because the producers have not been obliged to supply more than the forecast amount even if the demand for the user's products (for example, cement) expands beyond the user's original expectations. The increase in the 'take and pay' level, however, has required the user, in circumstances where its market has declined below 80 per cent of its forecast quantity or needs, to still pay full tote odds to the producers.

Since 1975, Santos, Delhi and other members of the Cooper Basin producers have prospered. Today, Santos has a market capitalisation of over $1 billion, is one of the 12 largest Australian companies in terms of market capitalisation, and this year expects to make a profit after tax of well over $100 million. In the meantime, Delhi, its early partner, was sold some years ago to CSR for about $600 million. Much credit for these outcomes must be attributed to good management and initiative, but by no means all the credit, because to a large degree their success stems from the pressures applied by the Dunstan Labor Government in 1975 to force ETSA, SAGASCO, Adelaide Brighton Cement and others to relinquish long-term contracts that were freely entered into in 1969.

In assessing the success of Santos and the other Cooper Basin partners over the past decade, it is important also to keep in perspective the extra price paid for gas by South Australian users since 1976, above what would have applied had the 1969 price prevailed. In the case of Adelaide Brighton Cement, the extra is a staggering $26 million, while the cost to ETSA and SAGASCO would be many millions more. In each instance, these extra charges have been passed on and ultimately borne by all South Australians in the form of higher costs for electricity, gas and cement.

To add to this saga, the State Government acquired from the Federal Government (indeed, from the Australian Industries Development Corporation, to be precise) a share in the Cooper Basin. The South Australian Oil and Gas Corporation, a statutory authority, was formed to manage this share and to participate in drilling for oil and gas. In order to provide SAOG with the funds to explore, the Labor Government of the day chose to impose, through PASA, a levy of 5 per cent on the price paid by the users. This levy, applied from 1979 to 1982, was abolished at the time of the so-called Goldsworthy agreement.

In retrospect, rather than interfere with the 1969 long-term contracts, I question whether it would not have been more sensible for the Hon. Hugh Hudson and the Labor Government in 1975 to impose an exploration levy that could be passed on to the Cooper Basin producers. Such a levy could have been kept in force until Santos and its partners found sufficient gas for the long-term needs of South Australia. This option, however, was not adopted. Instead, the Bill introduced by the Labor Government with its provision for annual arbitration hearings and related matters has caused enormous dissatisfaction among industrial users and, in turn, domestic consumers. In this highly charged atmosphere, the Hon. Roger Goldsworthy managed in 1982 to have prices set for three years in advance. Today, however, even though the present Labor Government has been in office for three years, uncertainty both as to price and as to supply remains rife in the minds of producers, users and consumers alike.

The resolution of the twin issues of price and supply is crucial to both our short-term and long-term development and quality of life. The Government must stop procrastinating: it must act promptly to fix gas prices now for some years hence. I trust that the Government, in so doing, will assess the merits of recreating an exploration fund to which producers and users alike can contribute. It must also act promptly to secure a reliable supply of gas in order to maintain present needs and meet projected needs. The commitment of the Cooper Basin producers to supply gas to PASA and, through PASA, to various users in South Aus-

tralia expires in 1987—only two years hence. In these important negotiations, I trust that the Government will keep in mind the timely advice offered by Mr Buce Dinham (former General Manager of ETSA) in an open letter to parliamentarians: that the special arrangements put in place by the Labor Government in 1975 to rescue the producers, especially Santos, are not sacrosanct because the circumstances, which they were intended to meet, apply no longer. Above all, in its negotiations both on price and on supply, the Government has the chance to act in the knowledge that there is an abundance of alternative fuels available throughout the world at competitive prices. Today, it is a buyer's market and, incidentally, that situation did not prevail in 1982 when the Hon. Roger Goldsworthy sought to achieve some price certainty beyond the chaos caused by year after year of arbitration.

As I indicated earlier, the twin issues of gas price and supply are crucial to the future wellbeing of this State. Negotiations on both issues are delicate and, in both instances, should be well advanced. For this reason, I believe that the Government cannot, and should not, wait while this Council, by a proposed select committee, conducts a prolonged inquiry such as that recently undertaken by the Stewart committee. Further, as the negotiations on both price and supply are most delicate and as both should be well advanced toward conclusion, I do not believe that such issues are appropriate subjects for assessment by a select committee at this time.

In conclusion, in speaking to this motion, I have considered it necessary to refer at some length to the original 1967 contracts and to the 1975 Cooper Basin (Ratification) Bill. I was dismayed by the recent remarks of the Hon. Frank Blevins and the Hon. Anne Levy who, both in this debate and in response to related questions, have tried to heap all the blame for the current unsatisfactory situation on the Hon. Roger Goldsworthy. In truth, however, he inherited a mess and was required to operate in a seller's market. Those honourable members both entered this Council in 1975 and it is a pity that, in addressing the subject of natural gas prices and supply, they could not cast their memories back that far.

The Hon. PETER DUNN secured the adjournment of the debate.

BUILDERS LICENSING BILL

The Hon. C.J. SUMNER (Attorney-General) obtained leave and introduced a Bill for an Act to provide for the licensing and control of builders; to repeal the Builders Licensing Act 1967 and the Building Contracts (Deposits) Act 1953; and for other purposes. Read a first time.

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

That this Bill be now read a second time.

Its purpose is to repeal the Builders Licensing Act 1967 and replace it with a new Act. The Builders Licensing Act 1967 was introduced with the principal aims of improving the quality and standards of building work and providing protection to home builders and the building industry from exploitation by unqualified persons. The Department of Public and Consumer Affairs has received numerous submissions from interested persons concerning the effectiveness of the Act. A review of these submissions and a critical assessment of the legislative and administrative effectiveness of the Act have culminated in the development of a new Builders Licensing Act. The Bill seeks to:

- rationalise the licensing administration and procedures;
- ensure that building work is performed by a licensee in a proper and competent manner;
- provide a speedy and effective method of resolution of building work disputes;
- extend the degree and measure of disciplinary control over persons engaged in the building industry; and
- protect home buyers and building owners from inequitable and unfair contractual terms of building contracts.

The first major step to achieve these objectives is the restructuring of the licensing and administrative framework. At present the licensing system is administered by two statutory authorities: the Builders Licensing Board and the Builders Appellate and Disciplinary Tribunal. The Builders Licensing Board acts as the licensing authority and has a general supervisory role over the work of licensed builders. It has power to examine whether building work has been carried out in a proper manner and power to make an order against a licensed builder to carry out remedial work. The Builders Appellate and Disciplinary Tribunal, as the name implies, acts as an appellate tribunal for decisions of the board and, where the board lays a complaint, conducts inquiries into the conduct of a licensed builder for the purposes of taking disciplinary action.

The present licensing and disciplinary provisions have some significant limitations. For example, although when granting a licence the board must be satisfied as to the applicant's financial resources, the tribunal has no power to conduct an inquiry into the adequacy of those resources once the licence has been granted. There is little that the tribunal can do, therefore, if it suspects that a builder is about to become insolvent unless the builder's work is negligently or incompetently performed.

Furthermore, the tribunal can conduct an inquiry only on the complaint of the board. The result is that there must first be a preliminary inquiry by the board to ascertain whether the facts justify the making of such a complaint and then, if the complaint is made, the tribunal must conduct a more formal inquiry to consider whether there is proper cause for disciplinary action. The involvement of two separate statutory authorities, both of which are constituted by part-time members, often results in considerable delays between the conduct or event in question and the finalisation of disciplinary proceedings.

The new administrative structure vests the Commissioner for Consumer Affairs with the general administration of the Act (as is the case with the Consumer Credit Act, the Second-hand Motor Vehicles Act and other similar legislation) and he will have responsibility for:

- the investigation of all complaints regarding building work, whether they relate to workmanship, contract, price or a combination of these factors;
- conciliation of disputes between builders and consumers with a view to negotiating a resolution of the dispute in a manner that is fair and equitable to both parties;
- assisting consumers to make application to the Commercial Tribunal and providing reports or evidence to the tribunal for this purpose; and
- enforcing the provisions of the Act by initiating disciplinary proceedings or prosecutions in appropriate cases.

The Commercial Tribunal, which was created in 1982 to be the main occupational licensing authority in this State, will be responsible for:

- the licensing of builders and classified tradesmen, the determination of all applications for licences, the examination of annual returns on the adoption of the continuous licensing system and referring to the Commissioner any matters arising out of applications and annual returns for investigation and report;

dealing with applications for resolution of disputes about breaches of statutory warranties and also the resolution of certain ancillary contractual disputes; and

taking disciplinary action (including the suspension or cancellation of licences in appropriate cases) where the tribunal is satisfied, following consideration of an application by the Commissioner or any other person, that there is proper cause for taking such action.

It is recognised that technological advancements within the building industry have had a significant impact on the basic level of competence required in order to carry out certain types of building work, in particular, 'high-rise' building work. However the existing Act provides that a person who holds a general builder's licence is able to undertake any kind of building work. One aim of the Bill is to give recognition to the varying degrees of skill and competence required to carry out different types of building work and emphasis will be placed in the future on the need to obtain higher skills and educational requirements necessary to carry out complex building work.

Thus there will be three categories of licence which will cover the whole range of building work. A category 1 licence will enable the holder to carry out building work of any kind; a category 2 licence will cover a more limited range of building work; a category 3 licence will specify a particular classified trade in which the licensee will be permitted to operate. The exact scope of the work covered by category 2 and 3 licences will be prescribed by the regulations.

The Bill also places stronger emphasis on the need to have building work supervised by an appropriately qualified person. This person will be required to be registered as a building work supervisor. There will be three categories of registration which will correspond to the three categories of licences. The skill and educational requirements required by an applicant for registration for each of the categories will be specified in the regulations. In addition, every licensee will have to have a registered building work supervisor approved by the tribunal to supervise the work carried out under the licence. In the case of a sole trader, the registered supervisor will usually be the licensee himself. In the case of a company, the registered building work supervisor may be either a director or an employee of the company.

An applicant for a particular licence will have to satisfy the Commercial Tribunal that he is a fit and proper person, over the age of 18 and has sufficient financial resources to carry on business in a proper manner. The licensee will not necessarily have to meet any particular education and skill requirements. However, the licensee's registered building work supervisor must have the necessary qualifications to supervise the building work for which the licensee is licensed.

The provisions relating to the licensing of builders have been revised in accordance with recent developments in occupational licensing policy. Licences and registration will be continuous, rather than subject to renewal every three years, but each licensee and registered building work supervisor will have to lodge an annual return and pay an annual fee. Where the return is not lodged or the fee not paid a default fee will be payable and the licence or registration may be suspended and ultimately cancelled if the default is not remedied.

The current licensing framework also distinguishes between an applicant for a licence who is either an individual, partnership or body corporate. Several difficulties have arisen because of this distinction. For example, because a new partnership is created whenever there is a change in the composition of the partnership, a new licence must be obtained by the surviving and/or new partners. The requirement for a separate partnership licence is now deleted.

Considerable concern has been expressed about the apparent ease with which some persons who have previously been bankrupt or who have been associated with insolvent companies have been able to continue to be directly involved in the building industry. Accordingly, the Bill provides that such a person will have to establish special reasons why he should be granted a licence. The same requirement will apply when an application for a licence is made by a company which is related to another company that has been placed in liquidation or receivership.

Similarly, the tribunal will have power to suspend or cancel the licence of a person who is a director of a company that has been placed in liquidation or receivership, or the licence of a related company. The scope of sanctions which can be imposed on licensees, former licensees or on any person who has carried on or been engaged in the business of a builder is considerably wider under the new Act. If the tribunal finds that there are proper grounds for disciplinary action, then it may:

reprimand the respondent;

fine the respondent;

cancel or suspend his licence or registration;

place conditions on his licence;

disqualify the respondent from being licensed or registered.

In the last case the disqualified person cannot be employed or otherwise engaged in the business of a licensed builder unless the tribunal has granted approval. Unlike the present situation where only the board can lodge a complaint, any person may lodge a complaint with the tribunal with a view to disciplinary action being taken against a builder or supervisor. As far as the arbitration of building disputes is concerned, the powers of the board are currently limited to workmanship and licensing matters.

The board has no jurisdiction concerning contractual matters and therefore is often not in a position to achieve a complete resolution of a dispute. While the board can decide on whether particular work was carried out in a 'proper and workmanlike manner' it cannot decide, for example, the question of whether the consumer is obliged under the building contract to pay for particular work as an 'extra' to the contract. It cannot therefore resolve disputes of a contractual nature, it cannot make orders for the payment of money and it cannot prevent the commencement of parallel proceedings in a court of competent jurisdiction.

With the proposed transfer of jurisdiction to the Commercial Tribunal it is possible to introduce new measures which confer on the Commercial Tribunal civil jurisdiction to deal with all aspects of a building dispute which arise where there is an alleged breach of an implied statutory warranty. Certain warranties will be implied in every domestic building work contract, in particular a warranty that building work will be performed in a proper manner and that the Building Act and other legislative requirements will be complied with.

The Commercial Tribunal will be empowered to order rectification work to be carried out by the licensed builder or that some other suitable person be employed to carry out the remedial work. In addition the tribunal will be empowered to award damages if the licensee defaults in carrying out any remedial work. In order to avoid the situation under which there may be proceedings before the tribunal and also proceedings before a court regarding the same dispute, the court will be empowered to transfer its proceedings to the tribunal so that the whole dispute is dealt with in the same forum.

The Department of Public and Consumer Affairs has consistently received consumer complaints regarding various aspects of building contracts. As a result of the resurgence of the domestic building industry, the number of

complaints has increased. Many building contracts in South Australia use the standard form contract recommended by the Housing Industry Association. The Commissioner for Consumer Affairs has been critical of that form and in his 1983 annual report stated that some clauses in the context 'give an unfair advantage to the builder, or have the potential to mislead or put pressure on the consumer'.

During 1985, the department conducted an investigation into the problems experienced by prospective home owners with building contracts in South Australia. A report entitled 'Proposals Paper for the Reform of Home Building Contracts' was released by this Government to the industry and the public for discussion purposes. Although the Housing Industry Association is now revising its form of contract to take into account some of the concerns that have been expressed, the Government believes that it is necessary to legislate specifically to impose some controls over domestic building work contracts. This will ensure that all builders, whether they have previously used the Housing Industry Association contract or not, must comply with certain requirements of basic fairness.

Limited protection against unfair contractual practices is offered by the existing Act and the Building Contracts (Deposits) Act 1953. However, the provisions contained in these Acts fall well short of the statutory contractual requirements which have been developed for other forms of transactions, in particular consumer credit transactions. This Bill offers building owners a number of safeguards. A domestic building work contract must now comply with certain formal requirements. The contract must be in writing which is legible; set out in full all the contractual terms; must comply with any requirements as to the content of such a contract which is prescribed by regulation; and must be signed by the builder and building owner.

The Bill also provides that:

any price in the contract which is an estimate or which is subject to variation must be followed by the words 'estimate only' or 'subject to variation', as the case may be;

prime cost items must be listed together in the contract;

an estimate must be 'fair and reasonable';

progress payments cannot be claimed unless the builder makes a written demand; and

houses built under contract must be of the same standard as exhibition houses built by the same builder.

A cooling-off period will also be applicable to major domestic building work contracts which will give the building owner the right to terminate the contract within a specified time or, if certain prescribed contractual requirements are not complied with, up until the date of completion of the building work. The building owner will also be given a prescribed information document containing information on the contract he proposes to sign. The prescribed information document will explain:

'rise and fall' provision;

the difficulties which may be encountered with pre-title sales;

the cooling-off period; and

other rights and liabilities of the building owner and the builder.

The explanation of any 'rise and fall' provision will be required to include an estimate of the amount by which the contract price would be varied if the applicable formula were to be applied during the construction period, based on the assumption that variations in cost continued during that period at the same rate as during the preceding six months. Any attempt to exclude, modify, or limit a right, contractual condition or implied warranty will be void.

The Commercial Tribunal will also be empowered to examine a term or condition of a domestic building work contract to determine whether such a term is harsh or unconscionable. The building owner may be granted relief under this provision and the tribunal may order that a term of the contract be avoided, varied or modified as it thinks fit. It may also order that there be a repayment of any amount paid by a building owner in pursuance of a term or condition that has been avoided or modified. The Bill further provides for a code of conduct to be prescribed for licensed builders. The code will be developed in conjunction with trade and consumer organisations and it will deal with such issues as cancellation rights, quotations and estimates and standards to protect consumers from unsound and improper practices engaged in by builders. I seek leave to have the detailed explanation of 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 measure and, where necessary, for the suspension of operation of specified provisions of the measure.

Clause 3 provides for the repeal of the Builders Licensing Act 1967, and the Building Contracts (Deposits) Act 1953. The clause contains appropriate transitional provisions which will be explained in the subsequent clause notes relating to the granting of licences and registration.

Clause 4 provides definitions of expressions used in the measure. 'Builder' is defined as meaning—

(a) a person who carries on the business of performing building work on behalf of others;

or

(b) a person who carries on the business of performing building work with a view to the sale or letting of land or buildings improved as a result of the building work.

The term does not include a person referred to in paragraph *(a)* who performs building work only on behalf of persons licensed to perform such building work (that is, a person who is purely a 'sub-contractor'); or a person referred to in paragraph *(b)* if the person uses licensed builders to perform all the building work (that is, a person who is purely a 'developer' and not a builder as such).

Clause 5 empowers the Governor to grant conditional or unconditional exemptions by regulation. The clause also makes it clear that the measure is not to apply to a registered architect acting in the ordinary course of that profession.

Clause 6 provides that the provisions of the measure are in addition to and do not derogate from the provisions of any other Act.

Clause 7 commits the administration of the measure to the Commissioner for Consumer Affairs subject to the control and direction of the Minister.

Part II (comprising clauses 8 to 13) deals with the licensing of builders.

Clause 8 establishes three categories of builders licences. A category 1 licence is to authorise the performance of building work of any kind. A category 2 licence is to authorise the performance of any building work other than building work of a class to be prescribed by regulation. A category 3 licence is to authorise the performance of building work within a trade classified by the regulations. Under the transitional provisions contained in clause 3, a person holding a general builder's licence under the present Act will be deemed to have been granted a category 1 licence; a person holding a provisional general builder's licence will be deemed to have been granted a category 2 licence; and a person holding a restricted builder's licence within a particular trade will be deemed to have been granted a category 3 licence for that trade.

Clause 9 provides that it is to be an offence for a person to claim or purport to be a builder authorised to perform building work, or to carry on business as a builder performing building work, unless the person holds a licence authorising the performance of such building work. The clause fixes a maximum penalty of $5 000 for such an offence.

Clause 10 provides for applications for licences. Applications are to be made to the Commercial Tribunal and are to be subject to objection by the Commissioner of Consumer Affairs or any other person. Under the clause, the tribunal is to grant such a licence if the applicant is a natural person over 18 years of age and a fit and proper person to hold the licence, or, in the case of a corporation, if the directors of the corporation are fit and proper persons. An applicant must also satisfy the tribunal that the applicant has sufficient financial resources to carry on in a proper manner the business authorised by the licence. Under the clause, the tribunal is not to grant a licence unless special reasons are established by the applicant where the applicant—

(a) has been declared bankrupt within 10 years before the application or has within that period entered into a composition or deed or scheme of arrangement with or for the benefit of creditors;

(b) is, or has within that period been, a director of a corporation placed in liquidation or receivership; or

(c) is a corporation that is, or has during that period been, related (within the meaning of the Companies (South Australia) Code) to a corporation placed in liquidation or receivership.

Clause 11 provides that the tribunal may, on granting a licence, impose conditions upon the licence limiting the building work that may be performed in pursuance of the licence. Any such condition may be subsequently varied or revoked upon the application of the licensee.

Clause 12 provides that a licence is to continue in force (unless cancelled or suspended) until the licence is surrendered or the licensee dies or, in the case of a corporation, is dissolved. A licensee is to pay an annual fee and lodge an annual return with the Registrar of the Commercial Tribunal.

Clause 13 provides that, where a licensee dies, the business of the licensee may be carried on for a period of 28 days and thereafter for such period and subject to such conditions as the tribunal may approve.

Part III (comprising clauses 14 to 18) deals with the supervision of building work.

Clause 14 provides that there are to be three categories of registration as a building work supervisor:

(a) category 1 registration which is to authorise the person so registered to supervise the performance of building work of any kind (that is, any building work of a category 1 licence holder);

(b) category 2 registration which is to authorise the person so registered to supervise the performance of any building work other than building work of a class to be prescribed by regulation (that is, any building work of a category 2 licence holder); and

(c) category 3 registration which is to authorise the person so registered to supervise building work within a classified trade (that is, any building work of a person holding a category 3 licence for that trade). Under the transitional provisions contained in clause 3, any natural person holding a general builder's licence under the present Act will be deemed to have been granted category 1 registration as a building work supervisor; a natural person holding a provisional general builder's licence will be deemed to have been granted category 2 registration as a building work supervisor; and a natural person holding a restricted builder's licence within a particular trade will be deemed to have been granted category 3 registration as a building work supervisor for that trade.

Clause 15 provides that a licensee must ensure that there is a registered building work supervisor approved by the tribunal as a building work supervisor in relation to the licensee's business at all times during the currency of the licence and that all building work performed by the licensee is properly supervised by such a registered building work supervisor. Where a licensee fails to comply with those requirements for a period exceeding 28 days, the licence is suspended until the licensee complies. However, under the clause, a licensee may obtain an exemption from the requirements if the tribunal is satisfied that the work will be supervised by some competent person.

Clause 16 provides for applications for registration as a building work supervisor. Applications are to be made to the Commercial Tribunal and are to be subject to objection by the Commissioner for Consumer Affairs or any other person. Under the clause, the tribunal is to grant registration to an applicant if satisfied that the applicant is of or above the age of 18 years, is a fit and proper person and has the qualifications and experience required under the regulations in relation to the kind of building work that the applicant would be authorised to supervise if granted the registration.

Clause 17 provides that registration as a building work supervisor is to continue in force (except for any period for which it is suspended) until the supervisor dies or the registration is surrendered or cancelled. A registered person is to pay an annual fee and lodge an annual return with the Registrar of the Commercial Tribunal.

Clause 18 provides that the tribunal may, on application by a licensee, approve a person as a building work supervisor in relation to the licensee's business. Subclause (2) of the clause ensures that a natural person who is a licensee and a registered building work supervisor is automatically treated as an approved building work supervisor in relation to the person's own business. In other cases, approval is to be given only if the proposed supervisor is a director of a corporate licensee or an employee of the licensee (whether corporate or not). Subclauses (6), (7) and (8) require a licensee to give notice to the Registrar where—

(a) a director who is an approved supervisor for the licensee's business ceases to be a director of the licensee;

(b) the licensee carries on business in partnership but the composition of the partnership changes or the partnership is dissolved;

(c) where a person employed by the licensee to act as a building work supervisor ceases to be so employed.

Under the clause, the Registrar of the tribunal may cancel someone's approval as a building work supervisor for a licensee's business if the Registrar is satisfied (whether by reason of the receipt of a notice under subclause (6), (7) or (8) or otherwise) that the person is no longer eligible to be so approved.

Part IV (comprising clauses 19, 20 and 21) deals with the disciplining of licensed builders or registered building work supervisors or persons carrying on or engaged in the business of a builder.

Clause 19 provides that the Commercial Tribunal may hold an inquiry for the purpose of determining whether there is proper cause to discipline a person who is licensed or registered or who has carried on or been engaged in the business of a builder. An inquiry is only to be held under

the clause if it follows upon the lodging of a complaint by the Commissioner for Consumer Affairs or some other person. The Registrar of the tribunal may where appropriate request the Commissioner to carry out an investigation into matters raised by a complaint. Where the tribunal is satisfied that proper cause exists to do so, it may reprimand the person the subject of an inquiry; impose a fine not exceeding $5 000; impose conditions upon the person's licence or registration or reduce the person's licence or registration to that of a more limited category; suspend or cancel the person's licence or registration; or disqualify the person from obtaining a licence or registration. There is to be proper cause for disciplinary action against a person where—

(a) the person has been guilty of conduct constituting an offence against the measure;

(b) the person has, in the course of carrying on, or being employed or otherwise engaged in the business of a builder, committed a breach of any other Act or law or acted negligently, fraudulently or unfairly;

(c) being a licensed person—

(i) has obtained the licence improperly;

(ii) has ceased to be a fit and proper person or, in the case of a corporation, has a director who is not or has ceased to be a fit and proper person to be a director of a corporate licensee;

(iii) is a director of a corporation placed in liquidation or receivership or, in the case of a corporation, is a related corporation of a corporation placed in liquidation or receivership;

(iv) has failed to comply with an order of the tribunal;

(v) has insufficient financial resources to carry on business in a proper manner; or

(vi) has failed to ensure that building work is properly supervised; or

(d) being a registered building work supervisor—

(i) has obtained the registration improperly;

(ii) has ceased to be a fit and proper person to be so registered; or

(iii) has failed to exercise proper care in the supervision of building work.

Clause 20 makes it an offence if a person disqualified from being licensed or registered is employed or otherwise engaged in the business of a licensed builder except with the prior approval of the tribunal. The clause provides for giving of approvals by the tribunal subject to conditions determined by the tribunal.

Clause 21 requires the Registrar of the tribunal to keep a record of disciplinary action and to notify the Commissioner for Consumer Affairs of the name of any person disciplined and the disciplinary action taken against the person.

Part V (comprising clauses 22 to 34) makes various provisions with respect to domestic building work.

Clause 22 sets out definitions used in this Part. 'Domestic building work' is defined to mean, in effect, building work in relation to a house or other work of a prescribed class. 'House' is defined as a building intended for occupation as a place of residence but not being—

(a) a building intended for occupation partly as a residence and partly for industrial or commercial purposes;

(b) a building divided into a number of separate places of residence that are intended only for rental; or

(c) a building of a prescribed class.

'Minor domestic building work' is domestic building work below a value to be fixed by regulation.

Division II of this Part (comprising clauses 23 to 27) provides for certain requirements in relation to domestic building work contracts.

Clause 23 provides that the Division is not to apply in relation to contracts for the performance of minor domestic building work.

Clause 24 provides that the following requirements shall be complied with in relation to any domestic building work contract:

(a) the contract must be in writing;

(b) the contract must set out in full all the contractual terms;

(c) the contract must set out the name in which the builder carries on business under the builder's licence, the builder's licence number and the licence numbers of any other persons with whom the builder carries on business as a builder in partnership;

(d) the contract must comply with any requirements of the regulations as to the contents of domestic building work contracts;

(e) the contents of the contract and the notice must (apart from signatures or initials) be readily legible;

(f) the building owner must be given a notice in the prescribed form and containing the prescribed information at or immediately before the making of the contract;

and

(g) the contract must be signed by the builder and the building owner personally or through an agent authorised to act on behalf of the builder or building owner.

Where any of these requirements is not complied with the builder under the contract is to be guilty of an offence and liable to a penalty not exceeding $2 000.

Clause 25 makes certain provision with respect to price in domestic building work contracts. Under the clause, a domestic building work contract must stipulate a specific price for the work, but it can if it specifies the period within which the work must be completed, include a rise-and-fall clause. Where there is a rise-and-fall clause, the clause can only operate after the completion date if the contract provides for an extension of the time for completion, if the delay is due to some cause beyond the control of the builder that was not reasonably foreseeable, if the builder notifies the owner by writing of the extension and the cause of delay as soon as reasonably practicable after becoming aware that the completion of the work may be delayed and the work is completed as soon as reasonably practicable. In addition, a domestic building work contract may include a provision for the builder to charge cost plus an amount not exceeding 10 per cent or such other percentage as is fixed by regulation for specified goods, materials, or work, or to charge other unliquidated amounts of a kind stipulated by the regulations.

Subclause (6) provides that where a contract includes such a provision or a rise-and-fall clause and the price specified in the contract for work, labour, goods or materials is an estimate only or subject to variation, the contract must contain the statement 'Estimate Only' or 'Subject to Variation' set out immediately alongside or below the price to which it relates. Subclause (7) requires that all prices that are estimates or subject to variation must be listed together in the contract. Subclause (8) requires that any estimate in a contract must be a fair and reasonable estimate. Subclause (9) provides that if any of the requirements of the clause is not complied with, the builder is to be guilty of an offence and liable to a penalty not exceeding $2 000.

Clause 26 makes it an offence (with a maximum fine of $2 000) to demand or require from the building owner under a domestic building work contract any payment under that contract or a related contract unless the payment constitutes a genuine progress payment for work already performed or is authorised under the regulations. This provision would not prevent a pre-payment that is merely requested by a builder or volunteered by a building owner. Under subclause (3), a progress payment is not payable unless requested in writing.

Clause 27 provides that where a house constructed by a builder is made available for inspection by the public with a view to inducing persons to enter into contracts for the construction of similar houses, the builder must ensure that copies of the plans and specifications of the house are kept prominently displayed in the house at all times at which it is open for inspection. In addition, any contract entered into with the builder by a person who to the knowledge of the builder inspected the exhibition house and is as a result seeking the construction of a similar house is, under the clause, to be deemed to include a provision that the house be constructed according to the same plans and specifications and standard of work and quality of materials as those of the exhibition house unless the contract specifically provides otherwise.

Division III (comprising clause 28) provides for certain statutory warranties to be implied in every domestic building work contract (including contracts for minor domestic building work). This clause corresponds to section 19o of the present Act. The clause provides for the following warranties:

(a) a warranty that the building work will be performed in a proper manner;

(b) a warranty that good and proper materials will be used in performing the building work;

(c) a warranty that the building work will be performed in accordance with the Building Act, 1970, and all other statutory requirements;

(d) where the contract does not stipulate a period within which the building work must be completed—a warranty that the work will be performed with reasonable diligence;

(e) where the building work consists of the construction of a house—a warranty that the house will be reasonably fit for human habitation;

and

(f) where the builder owner expressly makes known to the builder, or a servant or agent of the builder, the particular purpose for which the building work is required, or the result that the building owner desires the building work to achieve, so as to show that the building owner relies on the builder's skill and judgment—a warranty that the building work and any materials used in performing the building work will be reasonably fit for that purpose or of such a nature and quality that they might reasonably be expected to achieve that result.

It should be noted that the warranty under paragraphs *(c)* and *(d)* are not included in the present Act. Under the clause, a person who purchases or otherwise acquires a house is to succeed to the rights of the person's predecessor in title in respect of statutory warranties. Where a person purchases a house from a builder who has performed domestic building work in relation to the house, the purchaser is also to have the benefit of the statutory warranties. Proceedings for breach of a statutory warranty must be commenced within five years after completion of the building work and that period is not to be extended. It is to be a defence in proceedings for breach of a statutory warranty if the deficiencies arise from instructions insisted upon by the building owner contrary to the advice in writing of the builder. Proceedings for breach of a statutory warranty are not to be commenced against a person unless the person has been given reasonable notice of the complaint and a reasonable opportunity to inspect the building work and make good any deficiencies in that work.

Division IV (comprising clauses 29, 30 and 31) provides for indemnity insurance to be taken out by builders performing certain domestic building work. These provisions also correspond to provisions in the present Act (sections 19p, 19q and 19r).

Under clause 29, the Division is only to apply to work performed by the holders of category 1 or category 2 licences and for which Building Act approval is required. It is not to apply to minor domestic building work or work of a class prescribed by regulation.

Clause 30 makes it an offence (with a maximum fine of $2 000) if a builder performs such work and the required insurance policy is not in force in relation to the work.

Clause 31 requires such a policy—

(a) to insure each person entitled to the statutory warranties in respect of the work against the risk of being unable to enforce or recover under the warranties by reason of the insolvency, death or disappearance of the builder;

(b) to insure the building owner against the risk of loss resulting from non-completion of the building work by reason of the insolvency, death or disappearance of the builder;

and

(c) to comply with the regulations.

Division V (comprising clause 32) authorises a building owner under a domestic building work contract to terminate the contract during a cooling-off period of five clear business days or, where there has been a failure to comply with any of the requirements of Division II or IV (contents of contracts and indemnity insurance), to terminate the contract before the completion of the building work. Under subclause (2), where a domestic building work contract is terminated, a court of competent jurisdiction may, on application by the building owner or builder, order the repayment to the owner of any amount or part of any amount paid to the builder under or in relation to the contract, or order payment to the builder in respect of work done or goods or materials supplied under or in relation to the contract. This right of termination does not apply in relation to contracts for the performance of minor domestic building work.

Division VI (comprising clause 33) sets out the powers of the Commercial Tribunal in relation to statutory warranties for domestic building work. Under the clause, the tribunal may hear and determine proceedings in respect of breach of a statutory warranty under Division III upon the application of any person entitled to the benefit of such warranty. Where the tribunal finds that there has been a breach of statutory warranty, the tribunal may, to the extent to which it is satisfied that the breach may be remedied by the performance of building work, order that remedial work be carried out by the respondent builder or some other builder employed by the respondent or order the payment of compensation. If a builder ordered to perform remedial work fails to do so properly or at all, the builder is to be guilty of an offence and the tribunal may, upon further application, order the builder to pay compensation. In proceedings for a breach of statutory warranty, the tribunal may hear any claim by the builder against the building owner under the domestic building work contract or against a subcontractor. The clause provides that proceedings commenced by the builder against the building owner in any court may, if the court thinks fit, be removed to the tribunal.

Division VII (comprising clause 34) deals with harsh and unconscionable terms in domestic building work contracts. The provision follows closely section 46 of the Consumer Credit Act which deals with harsh and unconscionable terms in credit contracts. Under the clause, the Commercial Tribunal or any court hearing proceedings in respect of a domestic building work contract may grant relief where a provision of such a contract is harsh or unconscionable or such that a court of equity would give relief. The tribunal or court may give relief by avoiding *ab initio* any term or condition of the contract, by modifying the terms or conditions of the contract and by ordering repayment to the building owner. Proceedings for such relief must be brought before or within six months after the discharge of the contract. Part VI (comprising clauses 35 to 52) deals with miscellaneous matters.

Clause 35 provides that any purported exclusion, limitation, modification or waiver of a right conferred, or contractual condition or warranty implied, by the measure is to be void.

Clause 36 provides that a licensee is not to carry on business in pursuance of the licence except in the name appearing in the licence or in a business name registered by the builder in accordance with the provisions of the Business Names Act 1963. The clause fixes a maximum penalty of $1 000 for an offence against the provision.

Clause 37 provides that a licensee is not to publish, or cause to be published, any advertisement relating to the business carried on in pursuance of the licence (other than an advertisement relating solely to the recruiting of staff) unless the advertisement specifies the name of the builder appearing in the licence and the builder's licence number. The clause fixes a maximum penalty of $1 000 for an offence against the provision.

Clause 38 requires a licensee to install or erect in a prominent position on the site of any building work performed by the licensee or on the outside of the place where the building work is being performed a sign showing in clearly legible characters the name of the licensee appearing in the licence and the licensee's licence number. A maximum penalty of $1 000 is provided by the clause. Under the clause, where a licensee is performing building work on a site on behalf of some other licensee performing work on that site, it is to be sufficient compliance if a sign is erected on the site only by that other licensee.

Clause 39 provides that an unlicensed person who performs building work in circumstances in which a licence is required is not to be entitled to recover any fee or other consideration in respect of the building work.

Clause 40 is an evidentiary provision providing that, where it is proved that a person performed building work on behalf of another for fee or reward, the person is to be deemed, unless the contrary is proved, to have been carrying on business as a builder.

Clause 41 provides that an act or omission of a person employed by a builder (whether under a contract of service or otherwise) is to be deemed to be an act or omission of the builder unless the builder proves that the person was not acting in the course of the employment.

Clause 42 provides that the Commissioner for Consumer Affairs shall, at the request of the Registrar of the tribunal, cause officers to investigate and report upon any matter relevant to the determination of—

(a) any application or other matter before the tribunal; or

(b) any matter that might constitute proper cause for disciplinary action under the measure.

Clause 43 confers appropriate powers of inspection upon an authorised officer under the Prices Act 1948, or any person authorised by the Commissioner by instrument in writing, for the purpose of an investigation requested by the Registrar or for the purpose of determining whether the provisions of the measure are being complied with.

Clause 44 empowers the tribunal to refer any matter before it to the Commissioner in order for an attempt to be made to resolve the matter by conciliation.

Clause 45 provides for the preparation and tabling before Parliament of an annual report on the administration of the measure.

Clause 46 provides for the service of documents.

Clause 47 creates an offence of providing information for the purposes of the measure that includes any statement that is false or misleading in a material particular.

Clause 48 provides for the return of a licence or certificate of registration that is suspended or cancelled or that is to be made subject to any condition.

Clause 49 provides that a member of the governing body of a body corporate convicted of an offence is also to be guilty of an offence unless it is proved that the member could not by the exercise of reasonable diligence have prevented the commission of the offence.

Clause 50 provides for continuing offences.

Clause 51 provides that proceedings for offences against the measure are to be disposed of summarily and must be commenced within 12 months and only by the Commissioner for Consumer Affairs, an authorised officer under the Prices Act, or a person acting with the consent of the Minister.

Clause 52 provides for the making of regulations.

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

APPROPRIATION BILL

Adjourned debate on second reading.

(Continued from 15 October. Page 1308.)

The Hon. K.T. GRIFFIN: This Bill comes to the Parliament in an election environment. Consequently, it is dressed up for the purposes of public consumption, concealing a number of issues which are very important to the community at large, particularly the taxpayers of South Australia. Many of those issues have been identified by my colleagues in the other place, but some need to be highlighted in the course of the debate in this Council. As the Leader of the Opposition in the other place said, this is a bankcard budget; it is spend now and pay later.

It is the third budget of the ALP Government and is based upon an era of broken promises—promises which were made at the 1982 State election—particularly that there would be no tax increases. However, instead of honouring that promise the ALP Government has brought in budgets and administered the affairs of this State, such that there have been record rises in State taxes and charges and a new tax—the first in 10 years—financial institutions duty has been introduced during the life of this Government.

As a result of its taxing policy, there has been an increase of 55 per cent in State taxes during the time that this Government has been in office. In addition to introducing the new tax—financial institutions duty—it has increased tobacco and petrol tax, liquor licensing fees, stamp duty on insurance, drivers licences and motor registration fees, and has reintroduced the levy on gas which the Liberal Government repealed. As a result, we now have a very high tax base in South Australia which prejudices the operation of business and the whole community in its endeavours. We see from the budget papers that the Premier is financing his big spending not from further tax increases this year

(although there will be a considerable increase in the level of tax revenue received), but from borrowings.

Borrowings from statutory authorities increased from $125.6 million to $195.6 million, an increase of $70 million. In the life of this Government the public debt has increased by $1 billion, and to this stage the debt servicing fees payable by the community amount to $373 million in this year. That involves debt servicing charges from which no member of the community receives benefit but which have to be met before there is any expenditure for the provision of Government services and facilities to the wider community. The Government's outlays under the past three budgets have reached an annual average of $394 million.

Unemployment figures released in the past week indicated that South Australia has the highest unemployment rate in mainland Australia; our inflation level is the highest in Australia; and our public sector employment has increased over three years by about 7 000 people. That means that an additional $102 million for the pay-roll has had to be financed over and above the amount of the pay-roll for the 1982 public sector figures. So the picture that this budget paints, if one delves behind the gloss, is dismal. Obviously, the Government is storing up obligations that will have to be met by the taxpayers in South Australia in the years ahead: they will be deferred until after the imminent State election. That record should be compared with the record of the previous Liberal Government. At the end of its term of office, South Australia was the lowest taxed State in Australia per head of population. We had abolished death duties, gift duties, and land tax on the—

The Hon. C.J. Sumner: And left us with a massive deficit.

The Hon. K.T. GRIFFIN: No, there was not a massive deficit. The Leader of the Opposition in the other place indicated soon after the election what the deficit would have been taking into account natural disasters, that is, the bushfire and floods. There was not a massive deficit. At the next election this Government is the one that will leave a massive deficit that will have to be financed in the years ahead. Since the budget has been introduced $200 million has been expended by the Government, most of which has not been provided in the budget. Moneys have either been expended or promised.

The Hon. C.J. Sumner: No, that is rubbish.

The Hon. K.T. GRIFFIN: It is not. The Attorney can reply later.

The Hon. C.J. Sumner: You are living in fairyland.

The Hon. K.T. GRIFFIN: No, the Attorney is living in fairyland, because he believes that the public of South Australia will accept the con job that he is perpetrating, but that is something that the public will not accept when they look at this budget carefully.

The Hon. C.J. Sumner: What about the north-south corridor?

The Hon. K.T. GRIFFIN: The north-south corridor is a con job by the Government: the Government is seeking to deprive the people who live in the south of the metropolitan area of adequate access to the city. It is all very well for the Minister to interject and refer to the north-south corridor, but I bet that he has not travelled along South Road or any other southern access road to the city in peak hour traffic. If he had, he would know that frequently there is a delay of up to one hour to get past some points on South Road and, in fact, people who live in the southern areas of the metropolitan area are frequently frustrated because they cannot get adequate transport access to the city of Adelaide. That is the problem.

The Hon. C.M. Hill: They are frightened to say where they will put the corridor.

The Hon. K.T. GRIFFIN: Well, three options have come out, but the Government is not sure how it will juggle them, because in one way or another they affect some of the marginal seats in the election. Instead of coming clean, the Government is hiding that fact and is saying that it will remove any reference to the north-south corridor. Too bad about the people who live at Morphett Vale, Reynella and other southern suburbs in their attempts to get to the city, particularly in peak hours!

The Hon. C.J. Sumner: No.

The Hon. K.T. GRIFFIN: That is what the Government is doing. I refer once again to the performance of the Liberal Government. We honoured our promises to abolish death duties and gift duties. We promised to abolish land tax on the principal place of residence, and we honoured that promise. We promised a stamp duty concession on the first home purchased, and we honoured that promise. We gave generous pay-roll tax exemptions.

The Hon. J.R. Cornwall interjecting:

The Hon. K.T. GRIFFIN: It was not. We gave commitments to reduce the taxation levels that South Australians would have to bear, and we achieved that.

The Hon. J.R. Cornwall: And sent the State bankrupt.

The Hon. K.T. GRIFFIN: No. We reduced the public sector work force by about 4 500. But what has this Government done? It has increased the public sector work force by about 7 000. As I said, that represents an additional $102 million in this financial year that the taxpayers of South Australia are required to finance over and above the cost of the pay-roll at the time of the 1982 election. There was growth in the private sector as a result of the Liberal Government's transferring work to the private sector and reducing the burden on the taxpayers of South Australia.

The Hon. J.R. Cornwall interjecting:

The PRESIDENT: Order! The Minister will have an opportunity to speak later.

The Hon. J.R. Cornwall: I am sorry; I got a bit carried away, Mr President. I couldn't bear what he was saying.

The PRESIDENT: Order! I could not bear the Minister's interjection.

The Hon. K.T. GRIFFIN: The Minister of Health and all his colleagues have embarked on a gigantic public relations exercise with this budget. They are spending large amounts of taxpayers' money to cover up the real position. Over the past 12 months, in particular, the Premier has been trying to get himself on to every television show relating to every project that might be opened or in which there might be a bit of television news coverage. It is quite obvious that he has also been spending a significant amount of Government money (taxpayers' money) on promoting his own image and that of the Government.

The South Australian Financing Authority is an example. Members may recall the magpie that would not sit on the Premier's shoulder. The authority was merely an agency of the Treasury designed to marshall the resources of the statutory authorities and Government departments with a view to achieving the best return for the investment of moneys in the private sector as well as the best deal in borrowing money from private sector borrowing agencies. But what do we find? We find that the South Australian Financing Authority spends a substantial amount of taxpayers' money promoting the Premier when, in fact, that was never proposed as its task.

We see the work cover advertisements that are promoting this facade of agreement between some employers and some employees with respect to workers compensation, a scheme that will not see the light of day before the election because, although the Premier has said 'We have agreement' and he went to press with advertisements paid for with taxpayers' money to promote what he said was an agreement, the Minister of Labour in this Council has said 'It is only a

discussion paper anyway. We are receiving submissions on it and we will assess the result of the submissions.'

It is quite clear that it was a gigantic public relations exercise. Members of the United Trades and Labor Council do not support the so-called work cover agreement. It was a gigantic con job. It was never intended to be introduced before the State election: it was designed to try to show that the Government had some sort of relationship with employers and employees, a relationship that has been shattered as a result of the activities of the United Trades and Labor Council in setting out its 22 objections to the so-called work cover package.

The Hon. Frank Blevins: Do you want a small wager?

The Hon. K.T. GRIFFIN: No. The Minister of Labour suggests that I should place a small wager with him. I would not place any wager with him because, regardless of whether or not he brings in legislation, it is not something that is going to go through Parliament. I am saying that there is not widespread agreement for the Government's workcover proposition, and a facade that it attempted to demonstrate has been shattered. It was a gigantic public relations exercise by the Government. That is what it was—and nothing more.

The Hon. Frank Blevins: What about the Chamber of Commerce and Industry?

The Hon. K.T. GRIFFIN: The Chamber of Commerce and Industry believed it had a deal with the TLC, but the deal has not come off, because the TLC has 22 demands in respect of the deal.

The Hon. Frank Blevins: That's not true.

The Hon. K.T. GRIFFIN: The Minister can answer later. Certainly, that is all the information that has been disclosed in the Council and the public media. The fact is that the facade has shattered, and it is shattered in relation to a number of other activities as well. Only last week the YES program was demonstrated in another place to have cost a substantial amount of taxpayers' money, I think over $300 000, and there had been only about 300 telephone calls to the relevant agency inquiring about the YES program—$1 000 a call. This was another expensive public relations exercise using taxpayers' money.

They are but three areas where the Government has been seeking to use taxpayers' money to gloss over its own activities and to particularly demonstrate something that is just not subject to close scrutiny, that is, that it is a competent Government, but the budget will demonstrate, and a close examination of the budget demonstrates, that there are illusions created and a gigantic cover-up. The public will not buy the gloss—the gloss has worn off.

The Hon. Frank Blevins: Has the university been conned?

The Hon. K.T. GRIFFIN: The ALP Opposition in 1982 made promises it dishonoured. The public bought them then, but they will not buy them now. The people of South Australia are not stupid—they know when they have been conned. They can see the gloss but they cannot see any substance below it. That will be the real issue at the next State election, whenever it is held (whether it is held this year or next year).

The Hon. Frank Blevins: Tell us about the university!

The ACTING PRESIDENT (Hon. Peter Dunn): Order! As the Minister will have his chance to present his case later, I suggest that he allow the Hon. Mr Griffin to present his case now.

The Hon. K.T. GRIFFIN: We have seen in the past few weeks the Federal ALP Government announcing a capital gains tax. In some sectors of the community which support the Government it has been suggested that it is a mild capital gains tax. Whether it is mild or serious the fact is that it is a tax on capital. What have we seen? We have seen Mr Bannon supporting a capital gains tax, but three days later he backed off and opposed it. There is no doubt at all that the capital gains tax, which has been supported by the Government in this State along with its Federal Government colleague, will stifle investment and enterprise. The capital gains tax will impact particularly on small business.

It will discourage incentive and penalise people who have worked hard, who have been thrifty and careful, and who have saved for the future and for their retirement. This capital gains tax will penalise them. The penalty will be imposed for the blood, sweat, and tears in building up an asset. That move is to be condemned, because it gives an incentive to people who do not want to be careful or thrifty to spend now and worry about the future later, and to rely upon the Government to look after them in their retirement.

The people who are to be penalised are those who want to do for themselves, who want to look after themselves, and who want to get some reward for their efforts. The fact is that a capital gains tax, when it is introduced, will impinge upon all those people in South Australia who want to be responsible with their lives and who want to be able to take initiatives and benefit from incentives as they arise.

The other area of concern is the fringe benefits tax, because that also impinges upon many South Australians. It will impinge on the restaurants, and we have seen reports on the restaurant industry of about a 60 per cent drop in trade as a result of a so-called fringe benefits tax, which has still not been presented to federal Parliament but which is to apply immediately. Also, we have seen that the fringe benefits tax will affect, if not this year's Grand Prix, certainly next year's Grand Prix, in terms of corporate boxes and other promotional activity. It will affect the wine industry and the car industry.

We have seen only this week Adsteam indicating that it will not maintain a fleet of cars in future, and other companies are indicating that they, too, are examining their position with respect to the so-called fringe benefits tax. There is a prediction by reliable sources within the motor vehicle industry that about 15 000 jobs will be lost in that industry alone as a result of the fringe benefits tax. What do we see Mr Bannon and his Government doing? They make some mild comments about wanting to have some discussions with the Commonwealth—instead of fighting tooth and nail to ensure that the tax is not imposed and that the prejudice that it promises for South Australia does not occur.

My position is that there is already adequate provision in the Income Tax Assessment Act to deal with so-called fringe benefits. There is a provision that allows expenses necessarily incurred in gaining or producing assessable income to be deductible and, if they are not regarded as legitimate expenses, they can be disallowed by the Taxation Commissioner. The matter can ultimately go through the objection process to the board of review and even to the Federal Court of Australia.

There is adequate authority for the Taxation Commissioner to get at what the Federal ALP Government suggests is an improper practice, whereas, in fact, under the Act as it is now structured and as it has existed for well over 40 years there is adequate mechanism for allowing legitimate deductions for business. What we see is that Mr Bannon is not really willing to take on the Federal ALP Government in Canberra. He sits back and mouths some proposals such as, 'I will have to have some discussions,' but that is where it rests. Those two matters will impinge significantly on legitimate activity, and on business and other enterprise activity in South Australia. I believe that the present South Australian Government ought to be taking a much higher profile on those two issues that are of such concern to our economy.

I turn now to several specific matters in the budget and to make some observations about them. One relates to equal opportunity. The Attorney-General, in answers to questions and during the Estimates Committee, said that he expected the new equal opportunity legislation to be in operation by the end of this financial year. However, an examination of the budget papers does not indicate that there has been any provision in the budget for the increased staff which I understand will be necessary for that implementation before the end of this financial year. There is no provision in the budget papers or the program budget papers for the establishment of the Equal Opportunity Tribunal.

So, although there has been an indication by the Attorney-General that that Act will come into operation in this financial year, there is no provision for the additional staffing or for the tribunal in the current year's budget. The Government did push the Bill through, and it was finally assented to in December 1984. It is nearly 12 months since that occurred and we have seen no indication yet that it is to be in fact implemented in the foreseeable future.

Let me make it clear that I think the Bill has in it a number of provisions which are of advantage to the community. Likewise, there are several areas, such as the support for homosexuality which I spoke about and spoke against at the time the Bill was before us, to which I continue to object in that legislation. What I want to do is point out that, notwithstanding the grandstanding on this piece of legislation, it is still not yet coming into effect.

I also want to refer to the area of domestic violence. A few weeks ago we saw that a Government working group reported on domestic violence. It made a number of recommendations, some of which seemed to be quite good and probably could be implemented without very much, if any, additional cost. However, all that the Premier has done is to say that he is going to establish a Domestic Violence Council in place of the Domestic Violence Committee in the Womens Advisers Office in the Department of the Premier and Cabinet, and $48 000 has been provided in the budget for the Domestic Violence Council. All that that council is going to do is to consider the report and to make recommendations within 12 months on it. I suggest that the Government ought to take some decisions now and not defer consideration of the recommendations made by that working party report. Again, they really appear to be setting up a facade that some action is taking place but deferring the real action. Domestic violence is a matter of major concern in the community, and some positive action ought to be taken now to deal with it.

The Opposition has been pleased to support the implementation of the Justice Information System. We in government established a committee to progress towards its implementation. We took an in principle decision to go ahead with it and, although it was costly, the information which we had (and which is confirmed by this year's budget papers) indicated that the benefits are significant, not only in relation to savings in labour and other costs, but also in the availability of information to those involved in the administration of justice in this State. It may be that if we had had a Justice Information System, we would have had an answer to a question that I asked on notice of the Minister of Correctional Services as to how many persons have been released since December 1983. It seems to me to be incredible that even manually that information is not available in the department.

The Hon. Frank Blevins: I will give it to you tomorrow.

The Hon. K.T. GRIFFIN: Very well. But if we had had the Justice Information System, maybe we would have had that information much more quickly than it has been able to be provided to us at the present time. There is no doubt that the Justice Information System will eliminate much of the duplication which occurs in the recording of the particulars relating to offenders as they progress through the Justice Information System. I raise one matter which causes concern, and that is in relation to the involvement of the courts. During the course of the Estimates Committee, the Attorney-General indicated that, because of the position of the Chief Justice, there were extra costs of some $3 million to $3.5 million associated with the implementation of the Justice Information System, because the Chief Justice has indicated that the courts should not be part of the Justice Information System and should in fact have their own separate computing facility.

While there were to be some restrictions, even under the original proposal, on access to information in the courts section of the Justice Information System, it seems to me to be quite unreasonable for an additional cost to the taxpayers of some $3 million to $3.5 million to be incurred by a current proposal that the courts have their own separate facility. That is a matter of concern. I do not believe that the reason for that referred to by the Attorney-General in the Estimates Committee is adequate. He said at page 165 of the Estimates Committee B report:

> The honourable member must understand that, even under the integrated JIS, information was not going to pass freely from the courts. Even under the originally proposed integrated system the courts would still have had control over the information transmitted from the courts to the other agencies. The fact that at that stage the courts were part of an integrated system was seen by the Chief Justice as unacceptable from the point of view of the independence of the Judiciary—not because the courts did not have control over the information that they were able to transmit to other agencies, but because the Chief Justice thought that it was incompatible to have the courts involved in what was basically a system run by the executive arm of government.
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> The proposal under the original system was for an exchange of information but that that information would be under the control of the courts. The information given under the new proposal will still be under the control of the courts, but so will the development and operation of the computer facilities for the courts (whatever they may turn out to be). Information will still be transmitted from the courts to the other agencies, and that information will be as determined by the courts. Presumably, the courts will determine that certain of its orders can be transmitted to the police, to correctional services and perhaps to community welfare, depending on the needs.

It is quite clear from that answer that really the separateness of the courts in so far as the JIS is concerned is very much more clearly defined than it was under the original proposal.

I have a concern about it because, after all, what the JIS is seeking to do is to provide a service to all agencies which participate in it. There is no reason at all why the courts should not retain ultimate control over it but it seems to me that, if it is to be effective, it should in fact be integrated with the rest of the Justice Information System. If necessary, certain security procedures can be developed which will ensure limited, if any, access to the system. There are adequate systems of coding available to ensure limited access and to ensure that only certain information might be available. It seems to me to be somewhat farcical if we have an independent computing system being organised within the courts where there does not appear to be any integrated relationship between that system and other aspects of the Justice Information System.

With respect to the Chief Justice, I do not believe that, because the JIS would incorporate the Courts Department and provide a service to the courts as well as information to other areas of government, that will in fact compromise the independence of the Judiciary. It is not going to create any problems in the public perception, in my view, as to the relationship of the courts to the executive arm of government. I think there are a lot of things which have to be done in the courts area to upgrade facilities there and to provide better listing and other services not only to the

courts themselves but to the public, litigants, witnesses, lawyers and others.

I think that the Justice Information System promised a better facility and an upgraded facility for the courts than has ever been available in the past; and it would have facilitated a number of changes which would be to the advantage of the administration of justice and would not have prejudiced the independence of the Judiciary.

I turn now to legal aid. The Estimates Committee indicated that the 1984-85 total Commonwealth and State expenditure on legal aid was $7.404 million and that in the current financial year, although the Commonwealth contribution has not been finalised, the State contributions including interest from the combined solicitors trust account and other income, would have totalled $1 million. Of course, there has been a proposal by the Commonwealth to hand all legal aid services back to the States, presumably with some funding being incorporated in the general funding grants to the States so that the States carried the final responsibility for the granting of legal aid and its financing.

The difficulty with that system is that the Commonwealth is then in the box seat, because in my view there is no doubt that the absorption of specific purpose grants into general revenue grants—whether for legal aid or for other purposes—would be to the detriment of the States and ultimately we would see the Commonwealth not accepting its own responsibilities with respect to either legal aid or other areas which are the subject of specific purpose grants. In relation to specific purpose grants, there ought not to be the close administrative control which the Commonwealth exercises over many of them, although in the area of legal aid there is not necessarily the level of Commonwealth involvement in the provision of legal aid by the Legal Services Commission.

There are a number of concerns about the Legal Services Commission. The first is that, from the replies given to the Estimates Committee by the Attorney-General, it appears that only $9 178 was received from those who sought legal aid from the commission. That is a matter of concern. I think that, although there are criteria for making legal aid available, there ought to be some obligation on those who receive legal aid (wherever that is possible) to make some contribution towards that legal aid.

Another area of concern is the extent to which protracted criminal cases are financed. I know that a number of criminal cases have cost tens of thousands of dollars. In the past there has not been very much involvement by the Legal Services Commission in the monitoring of the conduct of those cases and, as a result, the cost has risen astronomically. I have raised the Perry case—an extradition battle as to whether Mrs Perry should be extradited from South Australia to a sister jurisdiction in Victoria. That is a quite incredible saga financed by legal aid, on her admission—not on anyone else's admission. That sort of exercise causes me very grave concern, because it means that legal aid is no longer available to other persons who may deserve it.

The Hon. C.J. Sumner: Isn't it done in-house?

The Hon. K.T. GRIFFIN: It does not matter whether it is done in-house or by private legal practitioners. I think there ought to be a greater willingness for the Legal Services Commission to monitor more closely the way in which cases are conducted. The Perry case is an example where the whole thing seems to be completely out of proportion.

The Hon. C.J. Sumner: You appointed the Chairman.

The Hon. K.T. GRIFFIN: I did not.

The Hon. C.J. Sumner: The last one.

The Hon. K.T. GRIFFIN: That is all right; I am not reflecting on individual members. I am saying that as a matter of practice the Legal Services Commission spends taxpayers' money and in this current year it is likely to spend about $8 million or $9 million, and it has a public responsibility. I would want to see the commission exercise responsibility in relation to the way in which legal aid is granted and in the conduct of cases. That is the principle. If the Legal Services Commission has procedures for doing that, I am pleased. I have received an invitation in the past few days from the Legal Services Commission to attend a briefing about its affairs. I am pleased about that, and I intend to take it up.

The Hon. C.J. Sumner: It might stop you making some of these more ridiculous accusations.

The Hon. K.T. GRIFFIN: I am not making ridiculous accusations about anything; I am saying that certain principles ought to be adhered to. I welcome the invitation from the Legal Services Commission to have discussions on these issues and its general operation. The only other matter to which I draw some attention without doing so in very much detail is the area of court reporting, which seems to be a continuing saga within the Courts Department. As a result of last year's Estimates Committee, the Attorney-General made available to me a 1983 report dealing with court reporting and identifying the costings of both the Government service and the private tape service.

For the whole of 1982, manual court reporters undertook 48.3 per cent of the work within the courts and tribunals; the Government transcription service, 9.6 per cent; and the private tape service, 42.1 per cent. A reply from the Minister which I received over the recess (and which has now been incorporated in *Hansard*) provides information for the 1984-85 financial year as follows: court reporters undertook 46 per cent of the work, the Government transcription service 17.5 per cent, and the private contractor 36.5 per cent. Therefore, there has been quite a substantial reduction in the volume of work being undertaken by the private contractor and, as I understand it, there is a proposal at least for the work undertaken by the private contractor to be reduced even further.

In the 1983 report the cost for 1982 was shown as $203.41 per hour for manual court reporters, $127.33 per hour for the Government transcription service, and $89.75 for the private tape service. The rate per page for manual court reporters was $12.44, for the Government transcription service $7.36, and for the private tape service $5.97. There was an indication that, if court reporters and the Government transcription service were used more efficiently, the cost of those two areas would have been reduced quite significantly.

The conclusion by the team which prepared the report was that, while the private tape service was then the least expensive, it was quite probable that both departmental services could improve their productivity and become more competitive; and it also indicated that even at that stage the manual court reporters had adopted a number of measures aimed at improving their efficiency. At that time that was having a noticeable effect on the output of the private tape service.

The difficulty with the comparisons concerning the private tape service, the Government transcription service, and the court reporting service is that, although a particular base may be taken to calculate comparative costs, it does not take into account the relative base loads for which each service is responsible. I am told that the private contractor is presently offering an average cost per page of $6.04, which compares with the Government transcription service tape cost of $7.22.

The conclusions that could be reached are that, if the private contractor took over the whole tape service, there would be a saving to Government of $124 570 and that, if it took over the whole of the transcription service, there could be a saving to Government of almost $1 million.

There should be a reasonable mix of manual court reporters, Government transcription service and private tape service, but clearly efficiencies are to be obtained not only through increased productivity by the Government services but also by ensuring that there is a reasonable base load for the private contracting service. If the private contracting service were to find that, because it was used only to top up in emergencies and to deal with overflow work, it could not maintain an adequate service in South Australia and if it pulled out of South Australia for that reason, an additional cost to the Government over and above its present cost would be $147 500. No-one is suggesting that the private contractor proposes to do that, but it suggests that there should be a careful and independent assessment of the court reporting service to ensure that there is a reasonable mix and that the private contractor's competitive tender or offer is adopted with consequent savings to the Government in this State. Those then are a few matters to which I wish to draw special attention when considering the 1985-86 budget. I support the second reading.

The Hon. C.M. HILL: I support the remarks of the Hon. Mr Griffin and also those of previous speakers on this side in their condemnation of the budget and of the Government for its financial measures in the administration of this State. I will not repeat all the points of criticism because such repetition would take up much time, but the plain facts of the matter are that this is a bankcard budget that we are debating and that the dishonoured promises of the Government, dating back to 1982, hang like an albatross around its neck. A Government that comes to office with promises that taxation will not be increased and then proceeds to increase it by 55 per cent over the next three years is a Government that is not worthy of the confidence of the majority of the people in this State. A Government that says that it will not introduce new taxes (and, indeed, makes that statement just prior to the people going to the polls) and then introduces new taxes such as the financial institutions duty tax is a Government that deserves to be put out of office at the earliest possible opportunity.

The Government is still hellbent on supporting financial measures that the people of this State do not want. In this regard, I refer to the capital gains tax. I do not care what the Premier says from time to time or however he may twist and turn on this issue: he stands firmly behind Mr Hawke in supporting a capital gains tax in this State. That is something that the majority of people do not want. In touching on those matters, I speak in general terms.

I now wish to deal with a specific issue in some detail: the Department for the Arts, the Minister for the Arts, and the appropriation for that department. Within that appropriation, I refer specifically to the money which the Government has allocated this financial year to community arts. By community arts, I mean all arts activity at the grass roots level, such as street theatre and community theatre. The allocation for this funding made this year is a reduced sum on last year, and there is grave concern in the community among people who are involved in this stream of arts activity because of the Government's decision. This criticism was voiced in the *Advertiser* of 10 October, under the heading 'Outcry as arts funds slashed'. The article states:

> The State Government has slashed its funding of community arts groups in South Australia by 50 per cent—and is heading for an embarrassing pre-election confrontation with angry artists. Signatures of people representing virtually every established community-based theatre and art group in South Australia have been attached to a letter to the Premier and Minister for the Arts, Mr Bannon, seeking an urgent meeting to discuss the funding cuts.
>
> The signatories are upset at the cuts, at long delays in the payment of funds already allocated, and by what they describe as 'the poor standard generally' of arts administration in South Australia. The letter to Mr Bannon points out that delays in the payment of grants have left many organisations 'having to seek overdrafts, or not being able to pay workers or outstanding accounts'. Last night Mr Bannon denied there had been any cuts in the arts area. He said that where funds had been withdrawn from one area they had been channelled into others.

That reply is naive indeed. It is just not good enough for the Premier to reply in that fashion. The article continues:

> Funding levels overall were up and people who thought otherwise were 'confused'. The head of the Government's Department for the Arts, Mr Len Amadio, in a statement at odds with the Premier's, said all Government departments had suffered funding cuts and the arts community could not expect to be unaffected.
>
> 'I'm very concerned about a small minority of people who are making a fuss, who are the ones we've been desperately trying to help and look after,' he said. 'Quite frankly, I'm getting tired of it.' Earlier, Mr Amadio, who has just returned from an overseas trip, had been unaware that funds for the second half of the year had been cancelled.

In voicing my criticism, I am not concerned with attacking Mr Amadio in any way. The article continues:

> Many community arts groups themselves were not aware of the cuts until they made routine applications in accordance with previous practice. The arts organisations and, more particularly, individual artists and writers, rely heavily on two 'funding periods' each year, in which the department disperses funds as grants. This year the amount ear-marked for community art was about $300 000, which should have been paid out in roughly equal amounts in July and October.
>
> The July grants, totalling about $150 000, have been allocated (although many have still not been paid) but sources within the department say the October funding has been cancelled.
>
> The executive officer of the Community Arts Network, Ms Lisa Russell, has written to Mr Bannon on behalf of artists asking for 'an urgent meeting with you to discuss the difficult situation in which many arts organisations in South Australia find themselves.'
>
> The letter says in part; 'There is also general concern that, even though the ALP arts platform has a very strong commitment to community-based arts activity, funding in this area has not reflected this commitment.'
>
> Sources in the arts community said a significant number of small theatre groups and individuals would be affected by the cuts, but because applications for funding were confidential it would be very difficult to say who would be hit hardest.

The article continues, but I will read no further. It is sufficient, surely, to highlight the point that the Government has slashed allocations for community based arts groups. They, quite understandably are very upset about this and seek a further explanation from the Premier as to what might be done to help them. I certainly support their call for every possible endeavour to be made for them to get back and be treated more fairly. That was not the end of the press rebukes concerning this matter. In the *Australian* of Saturday 12 October Mr Peter Ward wrote an article on South Australia headed 'Theatre rebuke—so Bannon plays tough' which states in part:

> . . . it was not a happy Premier who arrived at his office on Wednesday to find a petition signed by virtually every established community-based theatre and art group attacking him and seeking a meeting to discuss funding cuts.
>
> The alleged cut in funding is 50 per cent in one particular line of the budget, providing $150 000 for special projects instead of $300 000 last year.
>
> And it is true that there has been a reduction of sorts. No new initiatives are being funded and one instead of two application periods will occur in the current cycle.
>
> But few if any groups or individuals have suffered from the budgetary changes and funds have, in fact, gone into other areas, notably film making.
>
> Indeed, for the Premier, perhaps the most unkind cut was that the petition allegedly emerged in the wake of a Labor Party arts policy committee meeting.
>
> The meeting apparently discussed the party's platform commitment to 'community-based arts activity' and expressed concern that Mr Bannon's policies have not reflected that commitment in blue-collar arts activities.

The article continues, but I will not read further. I have read sufficient of the article, written by a very responsible and senior journalist, Mr Peter Ward, a man I have always

found quite supportive of Governments of the day, yet he states quite clearly that there is grave concern in the field among people affected by the Government's policy and its reduction in grants to such people.

The need to assist these people in the areas of community arts and community theatre, people at the grass roots of arts activity, is very real. At that level we find the very seeds of artistic endeavour. This section of the arts is closely associated with the Focus Fringe. I think that there is danger for the Focus Fringe unless Mr Bannon, as Minister for the Arts, reallocates money and finds more funds for this particular level. The Focus Fringe is now a wide and responsible movement. It is well organised; it has a small but efficient secretariat and is an essential part of the festival. Not only is it an essential part of the festival but it also provides essential entertainment and other exhibitions and performances for the people between festivals. It provides an opportunity for those practitioners who are not in the formal stream of the arts to express themselves: also, the public have the opportunity to attend such functions and exhibitions.

A large number of people within the arts area are involved.They simply want to express their feelings in some artistic endeavour: they are creative individuals. They want to exercise their choice and freedom of expression. They are not necessarily striving for excellence, but have found an outlet for their beliefs, feelings and aspirations through the fringe movement.

I think that the Government would be surprised if it sat down and thought this question through as to the number of people in South Australia who are in this particular group. Some of them are unemployed. Some are on low incomes. Quite frankly, they seldom get a fair go from the bureaucracy, from the elite within the arts, or from those in the mainstream of arts activity. They deserve special consideration. That really applies to the actual practitioners.

There are also large numbers of people who make up the audiences for such activities. They find that the low cost entertainment in many cases is all that they can afford. We must acknowledge that mainstream arts activities are moving into the high price field. The informality of the Festival Fringe activities is what suits them as well. They find that their casual lifestyle is most suitable to Festival Fringe activity. They accept and support the fringe. The fringe is in danger if community arts and community theatre suffer cuts. I plead with the Premier to take that into account when he deliberates further with regard to this matter.

One of the important ways of attracting attention to the arts from those who have not been previously interested is the work of the community arts officers in the community. They are out in the field and have a very important role. They interest people who have not given their time or not shown previous involvement in arts activities. For example, a community arts officer in a local government area arranges a small carnival in the local council park and nearby residents come along on a Saturday afternoon and become involved in the activity, showing some interest, and then seek further involvement in the arts by going to more formal functions.

It is a process of education. It is a very important process. We must realise, of course, that there is only a small percentage of people who participate actively in the arts. Research indicates that this figure varies from 3 per cent to 5 per cent of the overall community, so if we take the 5 per cent figure it means that 95 per cent of the population does not involve itself in art activity. Every encouragement should be given to such people to do that. One factor to encourage them is the establishment of community arts officers in the field, possibly under the direction of local government or with associations that have common interests, and so forth.

During the past five years there has been a gradual increase in the number of officers and in the amount of work involved in this area. However, if the Government now cuts its allocation by half, it will be a matter of turning the clock back, and that is a bad thing from the point of view of not only the practitioners but also those members of the public whom all Governments should endeavour to encourage to take an interest in the arts.

It is important to realise that community arts activity involves experimental theatre. Of course, at this level much experimentation, trial and error should take place. However, reducing the allocation to community arts and taking away the opportunity for people to experiment will tend to kill initiative and dampen imagination, which is so important in the arts.

If one removes the excitement and magic from the arts, a static form of arts presentation is left to evolve, with no real life in it. The Premier should take into account these very important issues when looking at this unexpected cutting of the arts grants by half. I cannot stress too much the large number of people who are involved in community arts work throughout the length and breadth of the State. Their establishment has now spread into country areas, and local councils, usually with some subsidy from the Department for the Arts, have been employing such people. Also, a large number of people want to become involved in this area—those who have passed through tertiary education under the umbrella of fine arts in the CAEs, many of whom cannot get jobs at the moment, although they are qualified and have passed through college. Many of these people have sought and obtained work in this general area at the grass roots level of the arts.

By cutting off funds from that area one prevents those seeking that kind of work from satisfying their needs. It is rough and unfair treatment from a Government that purports to assist this type of person. At least it did purport to do so: now the Government is more interested in professional theatre—the higher level of arts administration. It seems that it has forgotten those people at the bottom of the pyramid, so to speak.

The Hon. L.H. Davis: Who are very professional, nevertheless.

The Hon. C.M. HILL: They are, given the opportunity. It is through the ranks of community artists, and so on, that some emerge into the higher streams. Those with ambition and exceptional talent move up the ladder and finish in top professional theatre and the visual arts. However, unless one gives those people a chance to start at the community arts level, they do not have the opportunity to emerge. Not only do we want to see them emerge, but we want to see South Australians go into top professional theatre. The more one looks at this question and the more deeply one probes, the more one sees that a shameful situation has developed.

I want to say emphatically that we on this side of the Council support the community arts. I will quote from the Liberal Party arts policy released only a month or so ago at what one might call the home of the community arts—the Living Arts Centre. In this policy one can see many examples of our support for this level of activity. At page 2, which deals with our record, there is a paragraph about our history, in which we say:

> We expanded community arts at the local level, increased support for alternative theatre, and introduced funding for community radio and regional museums; and the 1979-82 Liberal Government was the first in Australia to pledge funds for the Australian Children's Television Foundation.

Under the heading 'New initiatives', in paragraph 3, we recognise—

the need to ensure strong preference towards South Australian artists and crafts people in all fields of cultural activity.

This follows a heading that states that we as a Government gave intensive support for cultural activity in this State and that the need is apparent for four major initiatives, of which this is the third:

This will apply across the whole State from amateur groups to top professionals. It will result in more sure and regular employment. South Australians will have greater opportunities to practise their artistic skills in a wider community based environment with subsequent opportunities to emerge, if they so wish, through the ranks and enjoy ultimately full professional status. Stronger public support will be encouraged by public awareness programs. These plans—

I stress this sentence—

will entail some readjustments in funding and spreading grants more evenly across the South Australian oriented programs.

Further, at page 5, we say:

The Focus Fringe is acknowledged to be a significant partner in the overall success of the Festival.

Later on that page, under the heading of the 'Various priorities', we say:

Support will be provided for community and alternative theatre, and theatre rental subsidies will be a preferred means of assistance at the community level.

The Hon. C.J. Sumner: This is your current policy?

The Hon. C.M. HILL: This is our new policy, which is being acknowledged as excellent. I am still awaiting the Government's policy on the arts. Indeed, it seems from those press clippings from which I quoted that its committee had a meeting and, instead of preparing a policy, it prepared a petition attacking the Premier. The Minister for the Arts himself was addressed in a petition of complaint and censure because of this action in reducing the grant—

The Hon. C.J. Sumner: Hasn't the arts funding gone up substantially in this budget?

The Hon. C.M. HILL: It has, overall: that is acknowledged. That is the excuse the Premier uses. He says it has gone up in other areas and in total. I acknowledge that, but he has forgotten the little people in the arts. He started at the top of the pyramid, went into the elite and got among the professionals. He increased their funding, but by the time he got to the bottom of the pyramid, where the little people are who are interested in the grass roots arts, he did not have any money left. He did not care: he just slashed it by 50 per cent.

The Hon. C.J. Sumner: Have you changed your attitude in recent times?

The Hon. C.M. HILL: No.

The Hon. C.J. Sumner: You weren't too keen on community arts once, as I recall.

The Hon. C.M. HILL: That is not right. In government, we increased the numbers employed as community arts officers throughout the State. We particularly encouraged local government to employ them and agreed to subsidise local government to encourage that trend. At page 8 of our policy statement, under the heading 'Community theatre and community arts', it is stated:

The Arts Development Branch of the Ministry for Cultural Affairs will widen opportunities for growth in both these areas. A Liberal Government will encourage wider accessibility by individual communities and the community at large.

Surely the statements I have quoted from our policy are ample proof of where we stand on the need to give these people a fair go.

The Hon. C.J. Sumner: Where will you take the money from?

The Hon. C.M. HILL: I will come to that in a moment. That is the stereotype answer of the interjecting Minister, the only reply he can give when challenged on these points. It is a reply that is learnt by students of political science in their first week at university.

The Hon. R.I. Lucas: The red herring.

The Hon. C.M. HILL: Yes. It was further stated:

Culture is not remote from everyday life but an integral part of life for everyone in the community—in the cities, the suburbs and the country alike. Creative individuality, free choice and freedom of expression in artistic endeavour require the continued promotion of the arts.

One cannot support a policy like that without strongly acknowledging the need to be fair and just to the community arts area, the street theatre, and so on. I would like to know as soon as possible the whereabouts of the Labor Government's arts policy. Our policy has been made public and has been discussed publicly: we have received letters of appreciation concerning it. I think that the arts people themselves are looking for the Government's policy. What really happened regarding the mess that the Minister for the Arts has got himself into in this election year was obviously that in allocating his funds he started at the top, giving quite generous increases, but by the time he got to the bottom (which, in my view, is just as important a stream as the more experienced alternative theatre which is above it and the professional theatre which is above that) he did not have any money left. I now refer to the point that the Minister made by interjection, that is, the increases. The yellow book for the Minister for the Arts (page 160) states:

The following programs will experience increased expenditure in 1985-86:

Development of the Arts, $1 753 000, mainly provides for increased support for various arts organisations, including State Theatre Company $71 000, Australian Dance Theatre $126 000, Alternative Theatre $86 000, Jam Factory Workshop $110 000, State Opera $89 000, and Carclew Youth Performing Arts Centre $113 000. Additional funding for the Adelaide Festival of Arts has been allowed for the 1986 Festival, production of Government films by the SA Film Corporation $150 000, and $710 000 for the establishment of and SA Film and Television Financing Fund.

They are very large and generous increases. When we consider the increases for the resources centres of the State (shown at page 171 of the yellow book) we find that funds for the Adelaide Festival Centre Trust will be increased by $751 000. In aggregate, the sums that I have just cited total an immense sum. All that the community arts people seem to want is $150 000, or $150 000 plus a reasonable increase over the previous years; but, while to the Minister for the Arts $150 000 might not sound very much when he has handed out the moneys that I have cited, it is 50 per cent of the total funding for community arts.

The Hon. C.J. Sumner: That's a bit unfair.

The Hon. C.M. HILL: What is a bit unfair?

The Hon. C.J. Sumner: The way you're using those figures.

The Hon. C.M. HILL: Why am I unfair?

The Hon. C.J. Sumner: I'll tell you.

The Hon. C.M. HILL: I will listen to the Minister's reply, and I hope that I hear about endeavours to help these people and to change allocations in some way or another. I have been in the saddle in this area, and I know that the department always has a little bit of money in reserve for unforeseen needs that arise from time to time. I would think that, with a little adjustment, which would not affect any of those large organisations in any real way, together with money that no doubt is in reserve, these people could be satisfied.

We cannot do anything about it here in Parliament other than express views such as I have done. Really, the initiative must come from the Government, and I hope that the Government will give an assurance to these people that in some way or another help can be provided. When I say that we on this side cannot do anything, indeed, the Council

itself cannot do anything, because the Appropriation Bill has been passed in the other place. We cannot amend it here: we can only review it and make suggestions to the Government, bringing these points and such concerns as I have raised to the notice of the Government. I hope that the Minister for the Arts will have another look at the matter. I do not accept what the Hon. Mr Sumner said by interjection—that what I have said is unfair. I did not ferret out the matter in any way: it was raised in the press by responsible journalists and publicly. It was quite apparent (and I am sure that the Hon. Mr Sumner will accept this) that the people concerned are very worried.

I do not think that the Minister for the Arts appreciates the importance in this State of people at this level of grass-root activity in the arts. As I said earlier, they are across the bottom of the pyramid, we must encourage them and give our South Australians who have an artistic bent an opportunity to express themselves at those levels. We must also give them an opportunity to progress further into the world of the arts, give them employment and give them at least some money. Generally speaking, they do not always want high salaries and are satisfied with fair and reasonable financial returns. However, they do need help, and this is the time when the Government should make its position clear. I support the Bill.

The Hon. J.C. BURDETT: In supporting the second reading, I refer to the Central Linen Service which is provided for in the Health Commission's lines. At page 383 of the report of the House of Assembly's Estimates Committee, Mr Groom is reported as saying:

> As I understand from the Auditor-General's Report that the Health Commission contributes about $375 000 of the funds received by the Central Linen Service, what would be the financial consequences to the Health Commission if the Central Linen Service was privatised?

The Minister gave a reply at some length (certainly, it was not an inordinate length; I am not suggesting that), and I emphasise that I am going to quote only part of it. I do not intend to read his whole reply. He said in part:

> The financial consequences would be very considerable. The Central Linen Service has not raised its prices since 1983: that means that, if one discounts at the CPI rate, there has been a net fall in the real cost of linen amounting to more than 20 per cent. If you set that against actual costs in the meantime, the savings to the health system are significant and would be several millions of dollars. Undoubtedly, if the Central Linen Service was to go to private enterprise, there would be a rise and potentially a reasonably substantial if not spectacular rise in the actual costs of supplying that linen.

Further down he stated:

> However, the fact is that since we began to adopt the recommendations of the Touche Ross report with regard to the Central Linen Service, productivity, simply through increased management and improved worker morale, has increased by 30 per cent over the past 2½ years. That is quite a remarkable performance, remembering that it is still working with very old equipment which is well past its useful life and which, in some cases, is almost literally being held together with number 8 fencing wire, and running repairs are being done on the spot.

Further down (page 384) Mr Coombe, one of the Minister's advisers, stated:

> As the Minister has said, the single most important measure of the Central Linen Service for comparison with any other large scale laundry of its type is its direct labour productivity level. The industrial standard for productivity for large scale laundries is 64 lbs (29 kilograms) per operator hour. A major free enterprise laundry in Victoria is achieving 32 kilograms per operator hour. The Central Linen Service is achiving 35 kilograms per operator hour, despite inadequate and obsolete equipment.
>
> That level of production (35 kilograms per operator hour) is certainly testament to the ability of the Central Linen Service to be favourably compared to any large scale laundry in Australia. With regards to the precise financial savings. I will provide that information later.

Let me now look at the true position. A study of the average costs of six private laundries and the Central Linen Service was conducted by the Chamber of Commerce and Industry SA Inc. on behalf of the Textile Rental and Laundry Association of South Australia. The results of that study are about to be published by the association. The data used in the study was gathered from the private sector laundries by way of questionnaire, and for the Central Linen Service from the report of the Auditor-General for the year ended 30 June 1985.

The results of the study revealed that on average the private sector laundries employed 45 persons, processing 1 241 tonnes of linen a year at an employee cost of $589 300 and an operations cost of $627 100. These average size laundries compare with the CLS employing 284 persons processing 9 788 tonnes of linen at an employee cost of $5.079 million and an operations cost of $3.725 million. With this as a starting point, the study of the respective costs compared the private sector laundries costs with those of the CLS used information collected from the private laundries aggregated in the same manner as the Auditor-General does for the CLS in his annual report. One of the earliest observations made about this comparative data was how much better the CLS did in the marketplace buying the wherewithal to do its dirty washing. No doubt in some part due to its ability to avoid paying sales tax, but also to its ability to buy materials in greater bulk than any of its private sector counterparts, the CLS managed to procure its washing ingredients per tonne of linen processed at only 60 per cent of that paid by the private laundries: likewise, with transport at only 25 per cent of private sector cost, power at 75 per cent of private sector cost, and other material purchases at 80 per cent of private sector cost.

Unfortunately, that is where the advantages ceased. The CLS seems to have trouble keeping its machinery running in good order, as its spare parts bill is 50 per cent higher than the private laundries for every tonne of laundry processed. Linen replacement runs at 33 per cent more than private laundries and its borrowing needs close examination because its interest bill is 66 per cent more than the private laundries, for each tonne of laundry put through.

Despite its ability to purchase far less expensively in the critical areas of operation, in terms of cost and productivity the private sector comes out well ahead. The private laundries do their washing for $790 per tonne compared with the CLS's $900 per tonne, 12.2 per cent less. Private sector laundries wash 37.65 tonnes of linen per employee per annum, compared with the CLS's 34.46 tonnes, 9.3 per cent more. The CLS's operations cost per tonne of linen, despite its ability to purchase materials for far less than its private sector counterparts, is exactly the same as the average private laundry, but its labour cost per tonne of linen processed at $520 is 26.2 per cent more than the private laundries at $410. In fact, the average labour cost per tonne of linen processed in the CLS is 28.5 per cent more than in our average private laundry. A large part of that additional labour cost is attributable to leave payments per employee, which for the private laundries were $860 per head, compared to the CLS's $2 190 per head, and to workers compensation and superannuation payments, which for the private laundries came out at $730 per head, compared with the CLS's $1 480.

Overall, the private laundries are 9.3 per cent more productive and 12.2 per cent less expensive for every tonne of laundry processed. The use of the average measure for private laundries should not be used to in any way discredit the comparative basis of this study. In fact, the average figure is, in critical areas, very close to the median figure. The assumption which can be drawn from this is simply that, if the Government so desired, it could get its laundry

done for far less than even this study indicates and hence reduce its costs still further; that is, it could go to large private laundries instead of using the average ones used in this study.

Given the nature of the structural costs associated with Government employment, it is also unlikely that the expenditure of greater funds on the CLS would improve its overall efficiency, inasmuch as it would be unlikely that the CLS could purchase its material requirements for much less than at present. While it maintains that individual labour cost factor at 28.5 per cent higher than its average private sector equivalent, the possibility of achieving a cost reduction of 12.2 per cent must be considered very remote. It would seem more likely that some marginal reductions may be achieved, but only at an uneconomic cost. That, I suggest, is the true answer to the question posed by Mr Groom in the budget Estimates Committee as to what would be the effect on health services and the taxpayer generally if the Central Linen Service was privatised. With those remarks, I support the second reading.

[*Sitting suspended from 5.50 to 7.45 p.m.*]

The Hon. L.H. DAVIS: This Bill is undoubtedly an election budget carefully framed to attract voters' attention. The State Government has purported to be generous in slashing State Government taxation by $41 million and yet, in the period leading up to this budget, we have seen a massive hike of 22.5 per cent in State taxation in the 12 months to 30 June 1985, which is treble the inflation rate of 7.4 per cent for that period. It is worth remembering that that is an instant replay of the result for 1983-84 when there was a taxation increase of 20.9 per cent against an inflation rate of only 6.5 per cent in that financial year.

In the first two years of this State Labor Government we saw State taxation increase at three times the rate of inflation. Of course, in this budget the State Government proudly announced that taxation receipts were estimated to rise by only 4.7 per cent compared with the expected inflation rate of about 8 per cent. I think it is worth remembering what the State Government has done, in the first two years of its term, to the taxpayers of South Australia. It has given a new meaning to Robin Hood, who used to rob the rich to pay the poor people. This State Government has robbed all people, irrespective of whether they are rich or poor.

If one looks at the increase in State taxation over the full three-year period, there is no question that no State Government in the history of South Australia since responsible government in 1857 can match its record of tax, tax, tax. Certainly, State taxation is not increasing all that much this year, because the State Government realises that there is an election and it has to recover the ground that has been lost in the previous two years.

South Australia is a small economy comprising less than 10 per cent of Australia's population. In turn, Australia has to rely very heavily on the economic buoyancy of primarily the United States, South-East Asian and European economies. In recent times there has been continued strength in the United States and Japanese economies, which has enabled the Australian economy to perform relatively well. Nevertheless, there have been some danger signs.

The Australian dollar has depreciated by well over 20 per cent over the past 12 months. Inflation is still increasing at a rate well above that of our major trading partners. Only today a report in the *Age* forecast an inflation rate in Australia significantly higher than the OECD average. The National Institute of Economic and Industry Research and the Australian Chamber of Manufactures believes that annual inflation will increase to about 9 per cent by the first quarter of next year. They are also concerned that this is well in excess of the expected OECD average rate of inflation of 4.7 per cent in 1985 and only 4.3 per cent in 1986. This pressure from inflation maintains an upward pressure on interest rates and has adverse repercussions for the Australian dollar.

There is also concern about Australia's poor trade performance. Notwithstanding the sharp devaluation of the Australian dollar *vis-a-vis* the American dollar and other trading currencies, there was an 18 per cent increase in the current account deficit for the three months to September over the corresponding quarter of 1984. It is hard to reconcile that with the expected benefits that should flow through from a devaluation. So the South Australian economy should be seen in that context: we have mounting concern over the weakness of our dollar; there is continuing concern over our foreign debt and our rate of inflation. Those aspects, which are largely beyond the control of a regional economy, nevertheless will impact in turn on South Australia. The Labor Federal Government's economic strategy is suspect, to say the least, and I am sure will come under increasing and critical scrutiny in the months ahead.

It is easily forgotten that the rural economy of South Australia contributes enormously to the overall wealth and economic health in this State. Indeed, only Queensland of all States of Australia has a more important rural economy in terms of the global contribution that is made from the various sectors of the economy. We have been fortunate here in having a succession of relatively good years, with our very efficient and hard-working rural sector reaping the rewards of good seasons in wheat and wool, primarily.

However, Mr President, the rural economy is coming under increasing pressure, as you would be well aware. Forecasts contained in the economic report presented by the Government at the time of the presentation of the budget underline these difficulties. They indicate that the contribution from the rural economy in 1985-86 will be affected by the patchy rains, and they forecast an increase of 8 per cent in farm input prices and 6 per cent in farm costs. Many rural commodities are suffering from falling world prices. It concerns me that the 1985-86 South Australian economic performance will be adversely affected by the pressures that are undoubtedly building up in the rural sector.

One of the great strengths in the South Australian economy recently has been the high level of building activity, in both the domestic and commercial sectors. There has been a pent up demand for housing and that was unlocked two years ago. It has flowed through and is reflected in a very high level of housing approvals and commencements. Many thousands of jobs, both directly and indirectly, are locked up in the domestic and commercial building sectors. Inevitably, all good things come to an end: a significant downturn is occurring in the number of dwelling units approved and commenced in South Australia recently. To underline the point: in South Australia in the March and June quarters of 1984, 5 300 residential dwelling units were approved, but that figure had fallen to 4 600 units in the March and June quarters of 1985—in other words, there was a 15 per cent fall. That trend is continuing, and I suggest that it will accelerate in the months ahead.

Similarly, there has been quite buoyant economic activity in the Adelaide central business district. Much of that reflects the determination of the previous Liberal Government to encourage mineral exploration in South Australia. Up to a quarter of all private sector additional rental occupation in the central business district in recent times has come directly from the mineral, oil and gas industries. However, it can be expected that that will also start to decrease within the next six to 12 months. Therefore, I would think that employment prospects in the building sector will be perhaps

a little bleak within 12 months. There will certainly be increased unemployment flowing from the downturn in the building sector.

The recent Federal Government measures (and I refer to the so-called Keating tax package) will adversely impact on the South Australian economy, given its traditional narrow manufacturing base and its heavy reliance on whitegoods and cars. The attempt to curb fringe benefits has already been reflected in announcements from people such as Mr John Spalvins, of Adelaide Steamship, and Mr Bob Hill-Ling, of Hills Industries, who have said that they will alter their approach to company cars.

I would suggest that, if the Federal Treasurer (Mr Keating) persists with his fringe benefits package, it will lead to a very sharp downturn indeed in automobile purchases. Already it has resulted in a deferral of purchases. The level of registrations in the next two or three months will very dramatically reflect that fact.

It is easy to gloss over the problems that lie ahead for the South Australian economy. The South Australian economy was nurtured in the post war years by Sir Thomas Playford, turning it, as he did, from a traditionally agriculture based economy to an economy which was heavily reliant on manufacturing. The Tonkin Government quite rightly tried to broaden the base with a two pronged approach, and that was, to encourage mineral, oil and gas exploration while at the same time to develop the technological base of South Australia—and also of course to make South Australia an attractive place in which to do business.

This Government has benefited from the general economic buoyancy, which is not something of its own creation. Indeed, some aspects give me cause for concern. We can see that the cost of living in South Australia has been continuously higher than that in other capital cities. In 1983 the cost of living in South Australia increased by 12.3 per cent as measured by the consumer price index, against the average of the eight capitals of only 11.2 per cent for the year to June 1983. For the year to June 1985, Adelaide's cost of living increased by 7.4 per cent, against only 6.7 per cent, which was the average CPI movement in the eight capital cities. We see also that the cost of building in South Australia has been persistently higher than in most other capitals. So, there are some grey clouds on the economic horizon. do not really believe that we can be complacent when we review the South Australian economy.

I turn now, just briefly, to examine the health budget. Restricted as we are in this Council in debating the nitty-gritty of the budget and being restricted for the most part to second reading speeches on the Appropriation Bill, it is difficult to develop argument at length. It was pleasing to see that in the Estimates Committee the Minister of Health (Hon. Dr Cornwall) learnt the error of his ways last year and gave all the appearances of cooperating with the Estimates Committee to the extent that I do not believe it will be necessary for him to suffer the indignity of having his officers down here so that the answers can be dragged screaming from him as was the case last year.

The health budget as presented is really a case of smoke and mirrors. The Minister does give the impression that he has done wonderful things in increasing the allocation in the health budget. In fact, he presented to the Estimates Committee an overview statement relating to the South Australian Health Commission's 1985-86 expenditure. He made the point that the commission's initial gross payments budget for 1985-86 is $736.1 million—an increase of $82.1 million or 12.6 per cent on last year's actual gross payments. However, if we take into account the following—the full year effect of award increases of $15.5 million; inflation of $10.4 million; increased workers compensation/superannuation/insurance cost of $5.9 million; an under expenditure on items in 1984, for which carryover funds were provided in 1985-86 of $1.7 million; a reporting deficit funded health services in gross terms rather than in net terms, a pure bookkeeping adjustment of $36.7 million—we are left with very few real initiatives indeed in the health sector. In fact, the only real addition is 1985-86 new initiatives fundings of $7 million and a few bits and pieces. So, it is simply not true to say that the health sector has been treated generously in money terms.

Indeed, if one looks at the South Australian Health Commission central office as contained in the blue book information supporting the 1985-86 estimates at page 4, one sees that, arguably, the sector that has benefited most out of health funding is, would you believe it, the central office of the South Australian Health Commission, which has had a 13.3 per cent increase from $12.1 million to $13.7 million. That should come as no surprise to followers of bureaucracy. Of course, there has been plenty of practice for bureaucracy watchers of this Government.

It is further reflected in the fact that the major teaching hospitals have had essentially stand-still budgets. In fact, after accounting for inflation their budgets have been effectively reduced. Take, for example, the Royal Adelaide Hospital: $104.5 million actual expenditure in 1984-85 and $108 million allocated in 1985-86. In other words, it has been given an increase of less than 3.5 per cent. The State is admitting to an inflation rate of about 8 per cent. It has not been given even half of the expected rate of inflation.

This is also reflected at Flinders Medical Centre, Queen Elizabeth Hospital and the Adelaide Children's Hospital. This concerns me because, whilst we all agree that it is important to allocate the health dollar to give due recognition to preventive medicine, nevertheless, institutional care remains a vital part of the health budget. The pressures that are building up at Flinders Medical Centre, Royal Adelaide Hospital and Queen Elizabeth Hospital are simply enormous. I do not believe that that small increase that has been made for 1985-86—

The Hon. J.R. Cornwall: What about the round sum allowances? Either you are sillier than I thought or you are grossly dishonest. What about the round sum allowances? The honourable member knows how to read a budget better than that. He has two degrees, one in economics. Why does he try this silly caper? He is either stupid, which is likely, or a crook, which is a possibility!

The PRESIDENT: Order! We do not need that kind of talk here, and it will not continue.

The Hon. L.H. DAVIS: The Minister has entered the Chamber full of invective after obviously downing a very bad red at dinner.

The Hon. J.R. Cornwall interjecting:

The Hon. L.H. DAVIS: Mr President, could I ask the Minister to withdraw the term 'lies'? I do not find that parliamentary and I find his conduct unbecoming.

The PRESIDENT: I take the point of order, but the Minister has not called the honourable member a liar: the reference to 'lies' seems to be a reasonably common practice.

The Hon. L.H. DAVIS: It is with him.

The Hon. J.R. Cornwall: It is when the honourable member is on his feet.

The PRESIDENT: Order! Having got the ear of the Minister, I want to make quite clear that that type of haranguing across the floor must cease.

The Hon. L.H.DAVIS: I take it, Mr President, that that was the commercial break and the entertainment for this evening. The Minister of Health should get his facts correct. I suspect that the Minister will hear more about budgets of hospitals in the days and weeks ahead. Certainly, whatever he might say about their being adequate, that view is not

shared by people in hospital administration—people whom he allegedly respects as able financial administrators.

In conclusion, I reiterate that this Government has sought to pull the wool over the eyes of the voters of South Australia by pointing out that State taxation will increase by only a marginal amount in the current year. I have pointed out that in the previous two years there was a 20.9 per cent increase in State tax, followed by a 22.5 per cent increase in 1984-85—a rate of increase that was treble the rate of inflation in each of those three years.

If we take the taxes that affect the little people more than those people with means (the taxes that perhaps it can be argued are regressive in nature—the taxes on liquor, petroleum and tobacco), it is here, ironically, that the Government, which holds itself out as caring for the little people, the working class, has done the most damage. The facts are incontrovertible: they are there for the world to see. In 1980-81, when the Tonkin Government reigned, the total taxation from liquor, petroleum and tobacco was $44.8 million. In 1982-83—the first year of the Labor Government—taxation from liquor, petroleum and tobacco was $60.8 million. In last year's budget (1984-85) the actual State taxes collected from liquor, petroleum and tobacco amounted to $117.7 million. In other words, there was a doubling in the take from liquor, petroleum and tobacco taxes in just two years from $60.8 million in the first Bannon budget of 1982-83 to $117.7 million in the 1984-85 Bannon budget.

That says a lot about how much the Bannon Government cared about the people. It clawed taxation unmercifully from everyone. As I said, the Government did not play Robin Hood at all: it did not attempt to redistribute from the rich to the poor. It took from everyone, and it did so because it increased the Public Service. Of course, we are philosophically opposed to that, and I am sure that it will develop as a key point in the election campaign that lies ahead.

I support the second reading, as is customary, but I believe that the inadequacies of this State's financial management will be reflected in the ballot box at the State election in the near future.

The Hon. R.J. RITSON: I support the budget as a matter of course. We all know that it is generally inappropriate for an Upper House to overturn an elected Government by denying its appropriation or frustrating its legislative programs, particularly when those programs are a natural consequence of policies either specifically announced or necessarily implied and understood by the electorate which put the Government in place. I happen to believe that Upper Houses should retain the power to overturn a Government in the worst possible situation unless the reduction of such power is accompanied by a suitable alternative such as a strong committee system and suitable impeachment provisions.

Having said that, I believe that the Opposition in this Chamber now finds itself in a powerless position because, whether we like it or not, and even though we believe this State to be quite badly governed, the matters now before this Council are a natural predictable consequence of the Labor vote at the last election and therefore will not be interfered with by members of this Council. So we are left with a grievance debate that will change nothing.

We have been brought back here by the Government for an unscheduled sitting and given the ultimatum of passing the budget in two days. The benches are largely empty, the journalists are bored, little will be reported, and pearls of wisdom will fall unnoticed, because today we are here to change nothing. But it is our grievance debate, our last opportunity before the next election to talk freely with some latitude, and therefore I grieve.

I grieve for an impending financial disaster, a disaster which was carefully omitted from the budget papers and from the legislative program but which was nevertheless planned by the Labor Party and which it actually promised us in the ALP's published policy on workers compensation. The concept of a special workers compensation law, of course, is not new. The present Act replaces legislation dating back at least to 1938. Of course, in 1932 Lord Atkins' dicta of *Donaghue v. Stevenson* led to the rapid development of legal remedies for people injured as a result of negligence, but nevertheless it remains true that many industries are fraught with inherent risks that cannot be entirely eliminated even with the greatest of care. It is still true that, even with the greatest of care, there will be fires, falls, explosions and disease that cannot be eliminated.

It is also true that the acceptance of employment in industry is not a completely voluntary acceptance of risk in the same sense as is participation in parachuting or motor racing. There is an element of necessity in relation to employment. Society needs coal and boiler attendants, riggers and steel workers. Workers need jobs so that they can provide for themselves and their families. I thoroughly endorse the principle that the common law of negligence is not sufficient protection for workers who must, of necessity, take employment and for whom the greatest of care cannot eliminate all risk of injury, and this principle applies in varying degrees to every employed person. The Hon. Mr Blevins, when this sort of matter is debated in the Council, often goes a little spare (to use a colloquial expression) and accuses members on this side of not caring about the workers.

The Hon. Frank Blevins: Leave me out of it. I'm keeping my mouth shut and minding my own business.

The Hon. R.J. RITSON: The Minister interjects and pleads innocence on this occasion. If he only knew it, I recognised his moderation, because my draft speech notes contained a more vigorous rebuttal had the Minister been up to his usual form on this point. However, because of his relative silence, I dealt with him very gently indeed. The Minister has frequently accused members on this side of not caring about the workers. We do care about the workers. We do know that common law remedies are insufficient protection against the inherent risks in the work place. We do know that, of necessity, workers subject themselves to unavoidable dangers. We do believe that there should be statutory no-fault insurance to cover these dangers. We do care about the workers.

We live in times of rapid change, and it is right and proper for members of all Parties to review workers compensation issues regularly and to ask questions. I will list the kinds of question that should be asked. Is the quantity of compensation for serious injury, illness or death still adequate? Are the rules and conditions for awarding compensation still appropriate? Is the quantity of funding still adequate? Is the source of funding still appropriate?

Is the mechanism for deciding disputes still appropriate? Is the total cost to the community reasonable? Are the right persons getting their appropriate share of available funds or are some workers exploiting available funds at the expense of more seriously injured workers? Do some aspects of the scheme militate against rapid rehabilitation, or does legislatively imposed rehabilitation actually work?

Is management adequately educated and encouraged in risk minimisation? Does management appreciate the psychological component involved in claims generation and rehabilitation motivation, that is, does management realise that the class conflict of worker *versus* boss is an important

factor in claims experience and that management may have as much to learn about this as do the unions?

Does the medical profession have as wide an understanding of all aspects of industrial medicine as it should have? Does the legal profession have as wide an understanding of the psychosocial effects of the adversary system of compensation litigation as it should have? Do the interested institutions, such as unions, insurers and employer groups, have as broad and objective an overview as they should have, or do they concentrate only on their own point of view?

When one looks at the ALP policy on these matters, one sees that it is obvious that the Labor Government has asked itself a number of these questions, but it is equally obvious—by its retrograde adoption of the Byrne Committee approach—that it has come up with some wrong answers, and that those wrong answers will produce a superficially attractive but ultimately disastrous scheme which will burden the citizens of this State most dreadfully in years to come.

Let me now look at Labor's policy and see what it is trying to do. First, its package proposes the creation of a new and very large QUANGO, a multi-million dollar QUANGO, statutorily separate from the insurance industry and from the courts. It will, of course, be managed by people on high salaries and have an army of office workers and an array of computers. The Government no doubt still luxuriates in the belief that quasi-government bodies are more efficient in terms of office and management costs than are private businesses. The fact that they are not, is known only to everyone else, and that is the grand national black comedy of it all. However, a number of the Government's proposals will lower the premiums in other ways, so it is worth while looking at those proposals.

To begin with, there is the proposal to reduce, and reduce very drastically, the maximum no fault lump sum payment for permanent disability. Some years ago I lobbied the point around the corridors in this Parliament and indicated that the then $25 000 limit was rapidly becoming insufficient for a totally disabled worker to discharge an average mortgage. Indeed, it was a Liberal Government which subsequently doubled the ceiling benefit. The Council should note that: it was a Liberal Government which doubled the maximum no fault payment which is, in most cases, a payment to the most seriously injured workers, and now it is a Labor Government, supposedly the workers government, which proposes to reduce quite drastically the maximum lump sum no fault payments to people who lose limbs or eyes or who suffer brain damage.

Another factor that will reduce premiums, but not necessarily costs to industry, is the proposal to make the first week's work loss payable by the employer. Insurance industry statistics are not easy to obtain and, when they are obtained, they are accompanied by certain disclaimers and warnings of possible distortions. Nevertheless, they do indicate that a very large segment of premium costs results from many small claims.

The shifting of this cost of the first week of illness or injury, this cost of the small claim, from insurance premiums to employer paid sick leave represents no cost reduction at all to industry overall—it is merely a renaming of one segment of the costs and puts that renamed segment into a different pigeonhole so that the Government may get the credit for an illusory reduction in premiums. However, there would be no reduction in the overall cost to industry: just a renaming of that cost of the first week of work loss. Nevertheless, the whole of that cost would still have to be borne by the industry as a cost of production. So, I have the utmost sympathy with those people who are seriously injured, gravely maimed and permanently disabled—more sympathy, apparently, than has the Labor Government when one looks at its attempts to slash those benefits. But, if anything is to be done about the cost of the numerous small claims, it is no use simply renaming the cost and leaving it on the shoulders of the producer.

There must be a threshold below which there is a cost to the potential claimant, thus deterring multiple small claims. My own sickness accident policy offers vastly better benefits at very favourable premium rates and covers all eventualities, not just work related disabilities. It is offered at very favourable rates, and that is because there is a qualifying period for each claim, thus eliminating multiple small claims. There is a limit on weekly payments as a percentage of income, that is, these policies do not cover one's full income and therefore do not reward people for remaining ill.

The whole function of insurance is to protect people against unbearable loss. It seems to me that over the years the workers compensation system has departed from that principle and has become an easy way to get to the mid-week races with one day off on compo, a request that the average general practitioner can hardly refuse. Yet, at the other end of the scale, particularly now with the Labor Party slashing the permanent disability, their proposed lump sum payment of $30 000 would not be enough for a gravely maimed worker to discharge the average mortgage.

I refer to the matter of common law claims. As you, Sir, know, as distinct from the no fault insurance, workers, like anyone else, are entitled to take tortious actions against persons who injure them negligently. For that matter, any citizen, of course, can sue anyone for negligence—that is a matter of justice. What Labor is saying is that a right to sue for negligence, which is currently enjoyed by everyone, will be removed from workers in the workplace. That is a matter of injustice.

If there are practical problems with the evolution of judgments which perhaps take insufficient account of contributory negligence or with judgments which take certain account or a lack of certain account of the role of pre-existing illnesses, or if the ability of the insured to pay has tended to slant decisions, and some academic lawyers show lines of case law to indicate that that is the case, although it is not suggested that any one judge would constantly do so—nevertheless, if these sorts of problems are starting to overstress the common law aspect of work injury—then Parliament, the Government of the day with the numbers in Parliament, can make such corrections without overturning entirely the existing system.

One of the problems that I see with this whole Labor proposition is that it is not a systematic attempt to take two or three of the more obvious areas of difficulty, make an adjustment and review the result. It is a major overturning with fingers crossed and a lot of guesswork, and I do not really think that anyone knows what will happen.

I want to make some comment now about the matter of legal costs in the adversary system. That system has some psychosocial disadvantages, although that may not be the inherent problem of the system. It may be the habits of some of us who work in the system. Maybe we have not been educated enough as to the importance of getting our medical reports written promptly and sent off to the lawyers. Perhaps some of the lawyers have workloads and court appearances which prevent them from seeing clients promptly when clients are anxious about progress. Maybe it is not an inherent problem in the system but something that the professionals can deal with by means of further education and sensitivity.

The proposal is to abolish the adversary system of litigation; and the argument is that in so doing one does away with the legal costs, saving a lot of money. It always surprises me when one sees insurance statistics that legal costs are always put down as a percentage of the gross cost as if

they were always something negative and a net loss. I have never seen a set of statistics in workers compensation, medical defence or in any other system of litigation where those legal costs representing claims successfully defended were distinguished from other legal costs.

Obviously, if a small amount of money is spent on legal advice which enables an unjustified claim to be defeated, that money is very well spent. It may be that, if we produce a system that eliminates all legal costs, the number of successful claims will escalate horrendously and people will still claim that they have saved money on legal costs—in fact, they may have multiplied the costs enormously.

We cannot really accept without question that what we see statistically listed as legal costs in the compensation system can be regarded as a loss, that it is all a fruitless expense that we would be better off without. I wonder whether it is not a pipe dream that we can create a QUANGO with a group of wise doctors to sit and deliberate on medical matters, and that the disputes that lawyers and judges are trained to deal with—questions of fact, testing evidence and determining which liar to believe—will not have any relevance to the new QUANGO. Certainly, there is a lot of merit in medical tribunals assessing certain types of medical reports and certain types of rehabilitation programs.

In the newly established QUANGO proposed by Labor, I am sure there will be questions in relation to what a person can actually do. A person may have been seen playing golf, or there may be a question of whether a person contributed to his own injury because he was intoxicated. A large number of matters of fact will have to be considered—the ordinary lay evidence that courts are particularly trained to deal with. I am a little afraid that that aspect of assessing claims will not go away simply by getting rid of the lawyers, and that we will have people without the training of the legal and judicial professions bumbling around having the wool pulled over their eyes, not knowing how to deal with all sorts of disputes, claims and counterclaims which have little to do with medicine and surgery but with which they will have to deal without the adequate training. There may indeed be a flood of additional successful claims that the clever people who dreamt this up had not anticipated. The system will have picked out, as it were, the lawyers and the judges in an attempt to do without them.

The question of funding is interesting. Happily, the Labor proposition does not propose a completely unfunded pay-as-you-go system. Of course, that would be an even greater disaster because, under that system, it begins with a once only massive bonanza as all of today's, say, $500 000 lump sum settlements turn into this year's $10 000 pension payments.

As the years go by and those pensions inflate, with people living longer and the claims for the years after being added on, as liability for those ever inflating and multiplying pensions builds up, an almighty burden is left to be borne by the people in years to come. In principle, the Government proposes that this quango be funded. It does not say exactly how or to what extent, but it agrees that it should be funded in a way such that the fund will generate investment income to more than handle the accumulation and the inflation of its pension liabilities, so that there will be an excess that can be held as a reserve.

That is fine, but we are not told how much funding as a contribution per worker that will be or on what basis the long-term liabilities are calculated. The exact cost of a lump sum settlement is known—it is the amount awarded—and it is up to the recipient of that sum of money to then invest and provide for his own future, but the exact cost of a pension is not known. We think we know what the inflation rate will be in ten years time, but we really do not know that figure. We think we know, based on current and past experience, what is the average longevity of 20-year-old quadraplegics, but we do not really know in 20 years time what that will be. There may be changes in management of the condition. At best, the setting of a level of funding to anticipate accumulation of claims and inflation of pensions is a guesstimate, so we are entering the unknown. We are going from known costs into an area of unknown costs that are being held up to us as certain savings, but nowhere in the proposal is there any evidence that they are certain savings, or any indication as to how the people who make those assertions arrived at them.

The other problem with QUANGOS funded in this way is that funny things happen to their funds. The Labor proposition includes the proposal that funds from this quango, as a matter of policy, would be invested in South Australia. I am not an economic whiz-kid, but on this point I sought professional advice. The advice given to me was that it is extremely unwise for any organisation, person or body with substantial funds to bind themselves to a rigid policy of investing within one particular State, and it was also added—particularly South Australia. There is a limit to the number of attractive investments available in this State.

A body such as an insurance company, acting with the cold-blooded opportunism of the marketplace, would properly, in its own interests and the interests of its policyholders, invest in the best possible investments, wherever they may be. It was put to me that, apart from side benefits, such as the ability to gloss up a political Party's image around election time, there is not much justification for binding a particular instrumentality to invest only within the State or predominantly within the State. If that fund is to act in the best interests of the workers who depend on its viability for their compensation, surely it should make the best investments—full stop—and not be constrained to invest only in the State.

The ALP discovered the difficulties and the conflict between the best investment and the politics of being seen to invest locally: it will surely remember the Rex Hotel. I do not think that governments should be putting that sort of constraint and political bind on something as important as this proposed new workers compensation QUANGO. Other things happen to QUANGOS that have substantial funds to invest. *Quasi*-government bodies are theoretically independent; they are often underwritten by governments but, in particular, they are influenced by governments: there is absolutely no doubt about it. People who run them tend to be friends and appointees of the government of the day, and the governments of the day have great influence.

If such a fund were persuaded by a government to invest in a project that would enhance the public image of that government, it would not be the first time. Other funds, such as the Government Superannuation Fund, have been persuaded to invest in projects that otherwise appear not to have attracted sufficient investment funds on the free market. I do not like the idea of governments casting their beady little eyes on those sorts of funds and using their so-called influence to get them to invest in enterprises that, in the normal course of events and in compliance with market forces, they might not have invested in. That is another misgiving that I have.

In summary, the proposals create a very iffy giant QUANGO, which will paternalistically dispense reduced benefits at an uncertain future cost while doing nothing to disincentive the multiple small vexatious claims that cost so much. Rather than overturn the system in one great orgasmic convulsion of the legislators' pen, it is my view that future governments should try certain limited but obvious measures to evaluate the results scientifically. It is obvious that a qualifying period—a threshold of a few

days—with the loss to be borne by the worker as a disincentive to small claims, could produce considerable savings and control over cost escalation without in any way limiting the very justified higher payments to the smaller number of more gravely injured workers. I am prepared to admit that we do not know whether that would have a sufficient effect, but the Government, in all fairness, ought to admit that it does not know the effects of its proposed greater and more almighty upheaval of the system.

Another disincentive to continuing illness and an incentive to rehabilitation is to limit the quantity of weekly payments to a percentage of the award rate instead of the whole wage—say, 95 per cent of the award rate. As I say, my sickness and accident policy will not cover me for more than 90 per cent of my salary, which means that I am not rewarded for remaining ill.

Another matter of incentive that concerns me is the effect of pensions. A person who is awarded a pension as a result of total and permanent disability is permanently out of the work force: there is very little doubt about that. The draft proposals that the Government has circulated allow for review of a person's status, but, specifically, where a person is partially disabled and gets worse he may apply for review for an increase in pension, but I cannot see any real provision for reviewing the employability years down the track of people who have been pensioned off as totally disabled.

It is very unlikely that any of those people would re-enter the work force. On the other hand, people who receive a lump sum settlement, and who must then fend for themselves, in a number of instances use that money to invest and, indeed, to provide alternative training and perhaps establishment in a small business. In those circumstances they do not lose their settlement or diminish their settlement in any way by trying to find something else in life that they can do which will turn over a little money—however little it may be. However, once pensioned off the incentive is gone, the invalid mentality is generated, and the person involved is probably permanently out of the work force; and I grieve for this.

Another interesting facet of aspects of workers compensation is the matter of shifting liability from one area to the other, rather than simply giving a person a benefit that that person did not otherwise have: but simply changing the identity of the authority responsible for providing a benefit. An example of this is in relation to medical care. Looking at the history of common law, it is fairly clear that a person's medical expenses are part of their specified damages and are payable by the person who is successfully sued. But in this day and age, with our various sources of compensation, there is now a situation where the Federal Government is responsible for most of the welfare provisions but it opts out where the State provides something like that or where there is another insurer.

In effect, because we build a workers compensation system that purports to be liable for medical and rehabilitation expenses, we relieve the Commonwealth Government of its promised Medicare responsibilities and its rehabilitation services. I wonder whether it is wise for us increasingly to let the federal authorities off the hook. I understand that the Northern Territory has a provision that workers compensation does not cover medical expenses; therefore, people automatically qualify for Medicare benefits. Maybe some of that liability could be shifted back to the Commonwealth. Maybe where a person is so severely injured as to qualify for the invalid pension, arrangements could be made for compensation to top up the invalid pension with other benefits—rather than letting the Federal Government off the hook.

This is not really an academic or useless argument to pursue, because the net effect of escalating workers compensation cost is that it is an impost on the cost of production. It is not an impost on every taxpayer or on the nation directly, but it is an impost on the cost of production in each State. In view of the difficulties encountered by manufacturing industry in South Australia, it cannot bear further imposts on its cost of production. Such imposts make it much more difficult for us to sell our goods.

Having regard to international trade and the associated difficulties as well as to what we are trying to achieve with exports, in a sense we are virtually castrating ourselves to be on the one hand trying to compete on the world market while on the other hand putting these sorts of costs as a direct levy against the costs of production and therefore the price of the goods. Without taking away any of the benefits available to workers, if some of the responsibility could be shifted back to the Commonwealth Government, the costs could be spread against all taxpayers fairly evenly and not just against the costs of production and therefore just against the cost of goods produced.

It is a very complicated issue. I have asked a lot of questions—I have not answered them, but I point out that neither has the Labor Party answered them. It has put up an iffy proposition and, if it is a disaster, it will be a permanent disaster because no future Government will be able to pull down such a giant QUANGO. No future Government will be able to pull down a structure with a huge and complex investment fund with pension liabilities to thousands of citizens—that will be too late. So, a Liberal Government will not go down the huge QUANGO path. A Liberal Government will not slash maximum benefits or slash the rights of gravely injured workers. We will move generally (although I am sure not exactly) along the path I have indicated in seeking to contain costs by disincentives for abuse and incentives for rehabilitation, but leaving basically the existing structure of compensation insurance intact to relieve genuine grave injury.

We do not have all the answers, but I would not want anyone to think that the glossy shine on the Labor Party's pamphlet indicated that it had any answers either. It is very iffy and has a lot of guesswork in it. It does look very much like a political compromise between the industrial pressures on the Government of the day from the unions and the economic realities of the advice it receives from business. It has been put forward in haste and it gives the illusion of offering savings. However, it is very much an unknown quantity and, if it is a disaster, it will be a fixed and permanent disaster and not dismantled by any future Government. This debate changes nothing: the benches are empty, the journalists are bored, and I merely support the budget, and change nothing.

The Hon. R.I. LUCAS: I rise to support the second reading of the Appropriation Bill and indicate that I would like to direct my contribution towards general areas: first, a brief overview of the health portfolio. That is appropriate, given that we are nearing the end of the Hon. Mr Cornwall's association with the health portfolio. As I indicated last week, the rumours are certainly rife in Parliament House that he will not retain the shadow portfolio of health in a Labor Opposition. Last week the rumour was that the Hon. Barbara Wiese was the firming favourite for shadow Minister of Health. Now is the appropriate time to do an overview of Mr Cornwall's association with the health portfolio.

The Hon. Anne Levy: The Hon. Dr Cornwall to you.

The ACTING PRESIDENT (Hon. C.M. Hill): Order!

The Hon. R.I. LUCAS: In looking at an overview of the health portfolio one needs to look at what I would see as the major problems associated with the good doctor in relation to his handling of the portfolio. The first is his confrontationist approach to the health portfolio. I believe

that the confrontationist approach of the Minister has unnecessarily hindered the chances of some reforms that he has tried to institute. In recent weeks I was told the story of one health professional who had been named and defamed in the Parliament by the good doctor and who received a telephone call at about 10 o'clock at night.

The telphone call from the unnamed person opened with the words, 'Welcome to the club.' The unnamed health professional said, 'What club are you talking about?' The unnamed person, who turned out to be a senior surgeon in South Australia said that a group was forming a club of health professionals who had been named and defamed by the Minister of Health and were intending to hold annual meetings with a dinner coming up towards the end of this year. I think that that summarises, perhaps a little flippantly, one of the major problems with the Minister's tackling of his—

The Hon. R.J. Ritson: They might need the Festival Centre banqueting hall.

The Hon. R.I. LUCAS: The Hon. Dr Ritson suggests that they may have to use the Festival Centre banqueting hall. That summarises one of the problems: there are a large number of people who have been unnecessarily offended by the attitude and approach of the Minister. I think that the Minister's personal approach has unnecessarily hindered his chances and his Government's chances of instituting some of the reforms that he has sought to institute.

The second major problem which I have seen and which I think all members have seen relates, once again, to the Minister's blinkered vision in respect of any personal criticism of him or his management and, in particular, any criticism of a lack of tight financial control within the Health Commission. The major overall problem relates to both the problems to which I have referred—the volatile mixture of an enormous ego, a low boiling point and the quick tongue of the Minister. On many occasions the slightest spark has set that volatile mixture alight and many of us in this Chamber, and outside it, have witnessed the fearful explosion that results from the spark on that volatile mixture.

As a result, the Minister has unnecessarily, again, got himself and his Government into unnecessarily hot water. I will refer now to two or three examples in the health area. The first is a matter that I raised some weeks ago in relation to the Salisbury Adolescent Health Service. In September I raised the question of what I saw as a lack of tight financial control in the Health Commission in relation to a contract that the commission had entered into with the Salisbury council in relation to the Salisbury Adolescent Health Service. That particular contract entailed what I alleged to be wastage of expenditure over its five year term of about $200 000, as far as I could establish.

In particular, the agreement between the council and the Health Commission was that the Health Commission had agreed to fund a $25 000 a year position on the council for a neighbourhood development officer. The job of neighbourhood development officer is quite an interesting and responsible one in the council but has nothing whatever to do with adolescent health. This officer is meant to look after neighbourhood houses in the council area. I am told that the neighbourhood houses have a prime emphasis on the needs of very young children (certainly not adolescents) and adults.

In effect, there was an unwritten understanding that adolescents were not to be included in the operations of the neighbourhood houses because of the problems of trying to service young children, adolescents and adults through the neighbourhood houses. Therefore, we have a $25 000 a year position and a car partly funded through the Health Commission for a neighbourhood development officer.

Over a five-year period, that comes to between $125 000 and $140 000 of Health Commission money supposedly spent on adolescent health. I certainly do not argue that money needs to be spent in the adolescent health area, but this money supposedly spent on adolescent health was, in effect, funding perhaps quite a worthy initiative of the local council which nevertheless should not have been funded by a five-year contract with the Health Commission under the auspices of this Health Minister.

In addition, the five-year contract funded the $30 000 a year position of the community development coordinator on the Salisbury council. That officer was responsible for coordinating or managing half a dozen positions on the council, including the aged care officer, the neighbourhood development officer, the children's services development officer and the information officer. In particular, the aged care officer (but in effect most of those other positions) had very little, if any, connection with adolescent health. Again, we have a large proportion of the Health Commission contract at that council funding a position on the Salisbury council which, whilst overseeing the operations of the adolescent health centre, also oversaw the operations of a range of other officers—particularly the aged care officer—which had nothing to do with the adolescent health service.

Again, we have adolescent health moneys being wasted by the Health Commission—funding other perhaps quite worthy objectives of the council but certainly objectives with little, if anything, to do with adolescent health. There were a number of other smaller matters: the salary for an assistant to the children's services development officer was paid out of the adolescent health budget. A range of other matters were involved: payments for cars came out of the adolescent health budget, through that contract knowingly entered into by the Health Commission under the Minister, which had nothing to do with adolescent health.

As I pointed out in that question, towards the end of that financial year the council found that it had some $20 000 left over, because one of the positions had not been used for some time. An officer of the council rang the Health Commission and said to a Health Commission officer, 'Look, we have the money. What should we do with it?' The answer was, 'Spend it somehow, as it will cause more problems for us if it is unspent.' As I have pointed out, that is exactly what the council did. Under the sundry miscellaneous line, we had $20 000 worth of expenditure listed in computer printouts for the month of June in that financial year.

I will not go through all the details of those computer printouts, because time prevents it: but certainly, from that $20 000 adolescent health budget, money was spent on a senior citizens group, playgroup, preschools, child care centres and a range of other activities that clearly had nothing to do with adolescent health. As I indicated, that was tidied up, in part at least, by Health Commission officers going in there eventually and asking the council to repay in the following year the $20 000 spent in that way.

That is the background, but I point out that two genuine questions were put to the Minister: why on earth the Health Commission got itself involved in a contract like that when it was spending up to $200 000 over the term of the contract on areas unrelated to adolescent health; and whether the Minister was prepared to look at it and see what could be done. The answers I was given yesterday were deplorable:

(1) The Salisbury Shopfront Adolescent Health Agreement is a significant and important part of a community health program which the Government has consciously entered into with local government—

fine, we can all agree with that—

Adolescent health cannot be dealt with in isolation and it is stressed that funds provided are spent on community health and welfare programs.

When I asked the question about financial controls, the response was four words:

Financial control does exist.

The one thing we have all learnt from the Minister of Health is that, when he has a reply to a question, he comes back with guns blazing, interjecting (as he perhaps sought to interject on the Hon. Mr Davis's contribution to the Appropriation Bill), waving documents about and screaming further personal abuse to the honourable member involved. However, we did not get any of that in relation to the Salisbury Adolescent Health Centre: there was a very meek and mild response from the Minister of Health, because the Minister knows, having checked with Mr McCullough and Mr McCoy who looked at the books (Mr McCullough in particular) that the Health Commission is now having second thoughts about the terms of the contract. That is why there was not much invective from the Minister on that occasion when he had considered the matter.

However, there was plenty of invective on the day I asked the question, such as that it was a perverted personal vendetta against the Minister, it was a persistent and scurrilous attempt to degrade and denigrate, it was a disgraceful attack on the health commissioners, and there was reference to 'the prince of slander'. There was a range of immediate invective from the Minister before he had had a chance to have his officers consider the matter, but now that he has looked at the question we get no more of that. As I said, the Minister had his tail between his legs. There was a very poor attempt to cover up what is, in effect, a disgraceful waste of money by the Health Commission in the adolescent health area.

A second small example was raised only last week in relation to the Tobacco Institute, which is printing signs warning retailers against the sale of cigarettes or tobacco products to children under the age of 16 years. The Minister said, in effect, 'Well, it only cost the Health Commission $7 000 or $8 000 to print its signs.' Many retailers are not using the signs; they are throwing them in the rubbish bin because they happen to show a no-smoking sign. Many hoteliers and tobacconists do not particularly want to display a no-smoking sign on top of the warning against the sale of tobacco products to children under 16 years. The Minister of Health said, 'It is probably only $7 000 or $8 000,' and he was not too concerned about that waste of expenditure.

The Hon. C.J. Sumner: What's your view about smoking?

The Hon. R.I. LUCAS: I do not smoke.

The Hon. C.J. Sumner: What's your view on promotion?

The Hon. R.I. LUCAS: I would like to get into that argument with the Attorney, but some of my colleagues have insisted that I spend not much longer than about 30 or 35 minutes on my contribution, and I have a lot more to say. I would be happy to take up that matter with the Attorney on another occasion. There is another matter relating to the Auditor-General's Report which I cannot go into in detail but to which speakers in the other place and in this Council have referred: there was quite scathing criticism by the Auditor-General of the health area, and in particular he raised the question of the need for an inquiry into the central office of the Health Commission.

The last point to which I refer in the health area is the Minister's personal vendetta against a former employee of the Health Commission, Mr Jim Cowley. I will outline the background. After some controversy in the Health Promotion Unit, Mr Cowley left the employment of the Health Commission and found himself a very good job with Techsearch at the Institute of Technology. Members will recall that the Minister was caught out telephoning the President of the council of the institute asking him to try to overturn Mr Cowley's three-year employment contract with Techsearch. Techsearch has nothing to do with the Health Commission or the State Government.

One of the Minister's staff also telephoned the Better Health Commission, a section of the Commonwealth Department of Health, in relation to a rumour that Mr Cowley had been appointed to a position with the commission and seeking to point out the Minister's views as to the inappropriateness of that appointment if, in fact, it had taken place.

I have indicated before that I think they were reprehensible acts from the Minister. He may well have had criticisms of Mr Cowley within the employ of the Health Commission, but I believe that the Minister had no right to seek to stop a person having left the Public Service gaining re-employment outside the Health Commission, and that was what the Health Minister sought to do.

Over the period of controversy of the Health Promotion Unit, we heard on many occasions the criticisms that the Health Minister made about the performance of Mr Cowley and the total Health Promotion Unit. I want quickly to place on record some alternative views about the merit and worth of the work of the Health Promotion Unit under Mr Cowley. I will quote from a number of documents and, in particular, a letter dated 19 November 1984 from Mr J. Asvall, Director, Program Management, World Health Organisation, to the Minister, as follows:

As you know, Mr James Cowley, Director of your Health Promotion Services, visited this office for three weeks in September in the capacity of a WHO temporary adviser to assist our Regional Officer for Health Education in our health promotion program. His specific assignment was to prepare guidelines for intersectorial health promotion policies at national level. First of all, I would like to express our gratitude for releasing Mr Cowley to come to Denmark to work with us . . .

He then goes on to state:

Dr Kickbush has informed me about the high professional standards of Mr Cowley's work which I could see for myself when I met him and when he gave our staff a short presentation on the work being done in health promotion in South Australia. Secondly, it was very interesting and impressive to hear and learn about the stimulating initiatives of the South Australian Government and the South Australian Health Commission in the field of health promotion. I hope there will be other opportunities for us to work with Mr Cowley and would like to repeat our thanks . . .

The second letter comes from Mr Robert Newman, the Health Minister's special adviser in the review of mental health services and, in particular, drug services. He came from overseas and was one of the world experts who, the Minister said, came to conduct various reviews for him. In a letter of mid June 1983, Mr Newman had this to say to Mr Cowley:

Dear Mr Cowley: I wanted to let you know again how delighted I was to have had the opportunity to meet with you and your extraordinarily impressive staff during my recent stay in Adelaide. I think that you are all to be congratulated on the work that you are doing.

Finally, he states:

Again, my admiration and congratulations on the excellence of the work which you are doing. I do hope that we will be able to maintain contact in the future.

Another letter came from a senior executive of the Health Promotion Unit in one of the other States. This officer states:

There is no doubt in my mind that the record of health promotion in South Australia is now seen, both in this country and abroad, as a success story. Your work has been pioneering, and innovative; you have also in many areas demonstrated the art of the possible.

Finally (although there are many others that I could quote), I refer to a letter from a senior Health Commission officer in South Australia, who states:

I also have valued our friendship and consider the tremendous development in health promotions under your leadership to be one of the most exciting aspects of the health services in South Australia.

That is just a small selection from a number of acknowledgements of the work not just of Mr Cowley but also of the Health Promotion Unit in that time. Recently I asked the Minister whether the letter from Mr Asvall of the WHO had been given to the team that the Minister had reviewing the work of the Health Promotion Unit. After some weeks, the very interesting reply came back (the one I suspected) of 'No': the letter that had been sent to the Health Minister praising the unit had not been given to the review team when it was reviewing the worth and merit of the work of the Health Promotion Unit.

So, here you are with a review team supposedly looking at not only Mr Cowley's performance but also the merit and worth of the Health Promotion Unit. You have, sitting in the Minister's personal file, a very fine acknowledgement of the worth of that unit in the world arena from a gentleman who is well respected in the World Health Organisation, and what does the Minister of Health do? He sits on it. He does not give it to the review team. So, it is little wonder that some quite justified criticism was made of Mr Cowley's administrative practices (and I think Mr Cowley would have to accept that; I certainly do); but, when one talks of the criticism of the work, worth and merit of the overall unit and its programs and one finds the Minister of Health sitting on personal acknowledgements like that, one wonders what else he was sitting on and what else the review team was not given access to in the Minister's personal files. One then knows why there was such a scathing criticism in some parts of the work of the Health Promotion Unit.

Finally, in relation to Mr Cowley, it is interesting to look at a docket that went to Cabinet on 29 June 1984 under the signature of one John Cornwall, Minister of Health. That proposal was to approve overseas travel for Mr Cowley, including 17 working days special leave with pay. I quote from the bottom of that Cabinet docket, as follows:

> It is considered an honour that South Australia has been recognised by the World Health Organisation for its achievements in health promotion. In addition, it is anticipated that Mr Cowley's visit will provide new ideas for development in South Australia. I recommend that Cabinet approve overseas travel.

That is the Health Minister on 29 June 1984 personally taking to Cabinet a recommendation for Mr Cowley to go for two or three weeks to the World Health Organisation and saying to his Cabinet colleagues that it was an honour that the work of the Health Promotion Unit be recognised in such a way. Indeed it was an honour, but we heard very little of those dockets. I wonder whether once again our review team saw dockets such as that.

There are many other examples in the health area to which I could refer, but I do not have time now to go over them. Other members have raised matters in relation to the lack of tight financial control by the Health Minister over the Health Commission and other health units. There are many examples, and just the few that I have given indicate that there is clear evidence that the Minister's blinkered vision in relation to criticism of himself or the department prevents him from being an efficient and constructive administrator and Minister of Health.

The second matter that I wanted to raise in my contribution to the debate relates to publicity of court proceedings and, in particular, suppression orders. In recent years, suppression orders and publicity of court proceedings have been matters of great controversy. I do not have to go over some of the quotes, but I should like to refer to one in particular, namely, an article in the *News* of 2 September, as follows:

> The South Australian Police Association Secretary, Daniel Brophy, said an inordinate number of offenders seemed to have sick relatives whenever it comes to suppression.

That article goes through a whole range of views on both sides of the fence in relation to suppression orders. The article that I referred to earlier indicates that the Attorney-General will be issuing an annual report to Parliament on the number of suppressions and the reasons for them. The Attorney-General's Department officer said that the report would be available at about the end of October. A question that I put to the Attorney-General is whether we will be seeing that annual report around the end of October.

The Hon. C.J. Sumner: Yes.

The Hon. R.I. LUCAS: Fine. In relation to publicity of court proceedings, my private view has always been that, with limited exceptions, all persons appearing in court proceedings should have their names suppressed until they are proved guilty. I know that that has never been a very popular view. This is something that I have not raised previously, but I will touch on it now.

The Hon. C.J. Sumner: The media won't like you after this.

The Hon. R.I. LUCAS: The Attorney-General has hit the nail on the head. I suppose one reason that people are fearful of raising this matter is that they will end up being the subject of an unfavourable editorial in a newspaper.

The Hon. C.J. Sumner: It's not the editorials that should worry you—it's the headlines.

The Hon. R.I. LUCAS: Even a headline, perhaps on a feature page, where a newspaper comes out and criticises a particular view. That is a problem that one must face up to, I guess. The Adelaide *News*, in particular, has argued long and hard about the need for continuing public access to proceedings in virtually every court case. I refer again to the *News* article of 2 September and a comment from Bill Rust, Secretary of the South Australian branch of the AJA, as follows:

> 'The public has a right to know what is going on in the courts,' he said. 'Once you destroy that, you undermine public confidence in the system of justice.'

In that same article, a Professor Michael Chesterman is quoted, as follows:

> Open justice in South Australia was in 'danger' because of unique laws allowing suppressions of the names of accused people, a law reform expert said in Adelaide.

The article then continues with a long argument backing up that statement. I think that reflects the range of views that one is likely to confront in the media, if one takes the unpopular or contrary view.

The argument or theory from people who defend the current practice is that the public must know, and that justice must be seen to be done. The argument continues that people are innocent until they are proved guilty. However, if after all the publicity a person is found not guilty, the press and the media will report the fact that that person is not guilty; that should solve the problem and one should not worry too much if the press and the media report that fact. I think that that argument or theory is simplistic and completely misunderstands the power of the media in the 1980s. I think the practice bears no resemblance at all to the theory.

We only have to look at recent examples of committal and court hearings which bring banner headlines in the afternoon and morning newspapers; people are confronted with television cameras and radio microphones probing into all sorts of places in an attempt to obtain comments in relation to those proceedings. That does not happen only on one day; it happens throughout the proceedings for a particular hearing. As we all know, that can take weeks and possibly months. I think that the person confronted with all this and placed in the public eye can be presumed to be guilty by members of the public prior to any conviction being handed down by the court. As a result of that pre-

sumption, even if finally the accused is found not guilty, his life and business may well have been gravely affected by the publicity generated by the proceedings.

Once again, in practice, the theory that the press and the media will publish that not guilty verdict underestimates the power of the media. One may be confronted with weeks and months of headlines and probing television cameras pushing a certain line. Then, at the end, a not guilty verdict may be published prominently, but in other circumstances it can be either buried or not published at all. In that situation, it is quite clear that a person following the trial for weeks and months would have seen the arguments involved, but may miss the press or television report publicising the not guilty verdict on just one particular day. Thus, many members of the public will be left with the presumption that that accused person is still guilty of the offence with which he has been charged.

In relation to suppression orders, in practice there would appear to have been discrimination between various people. If one is in what might be seen as a prestigious professional occupation, namely, a lawyer, doctor, or perhaps even a member of Parliament, one has an almost 100 per cent chance of having one's name suppressed for at least part of the proceedings.

The Hon. C.J. Sumner: Have you read the report that was done about two years ago?

The Hon. R.I. LUCAS: Very briefly.

The Hon. C.J. Sumner: You should study it in a bit more detail.

The Hon. R.I. LUCAS: I am just raising some matters for you. There is discrimination, and there is still reporting of proceedings.

The Hon. C.J. Sumner: You should read the report.

The Hon. R.I. LUCAS: Hold on. Let me now refer to a recent speech delivered in the past week by Mr Nick Manos, the Chief Stipendiary Magistrate of South Australia to the International Criminal Law Congress. In a very good speech, he states:

> If we really believe in fair play, in a fair trial, in fair treatment before and during a trial—if we pay more than just lip service that the accused are presumed innocent until proved guilty, then subject to the exceptions I shall refer to later no accused should have his name made public before he is found guilty. Once he is found guilty then publicity is a part of the punishment he should expect and should receive.

I will not read all the report, but he then goes on to outline three of the exceptions for which he recognises some good arguments. He says:

> (1) Publicity of the name is likely to bring forward other witnesses.
>
> (2) The person is still carrying on conduct which is complained of in the charge.
>
> (3) The person is reasonably suspected of intending to abscond or of having absconded.

After listing those three exceptions, he says:

> And there are no doubt other such situations where the public interest to bring a person to trial obviously assumes greater significance than the right of an individual not to have his name published before his guilt is proved.

In the situation about which Mr Manos speaks, one could still have reporting of the proceedings, but there would not be the reporting of the name of the person involved. In relation to the recent killing of the animals at the zoo, one would have been allowed to report the proceedings of the case, but the persons' names might not have been able to be published.

After glancing through the library in the past day or two I have located two further reports that at least in part back the sort of argument that I am putting tonight and the argument that Mr Manos put last week. For the interest of the Attorney-General, I refer him to a Bill prepared by a former Labor Attorney-General and Premier, the Hon. Don Dunstan, which would—

The Hon. C.J. Sumner: Oh!

The Hon. R.I. LUCAS: The Attorney-General turns his eyes over at the—

The Hon. C.J. Sumner: How far are you going back?

The Hon. R.I. LUCAS: To 1965. The Attorney-General at that stage, the Hon. Don Dunstan, prepared a Bill and introduced it into the Parliament. Clause 69 *(a)* (1) stated:

> Subject to the provisions of subsection (4) of this section, no person shall publish the name of any party or intended party in any proceedings for an offence before a court, either before or during the course of the proceedings and thereafter, unless that party consents to the publication of his name or the party is at the conclusion of the proceedings convicted of the offence with which he is charged or such other offence as the court may substitute therefor.

There are other provisions in that section, but time does not permit me to read them out. In his second reading contribution, Mr Dunstan said:

> The purpose of this last provision is, first, to avoid what is so often now an injustice to a man accused before the courts but later acquitted. A man may be accused of a serious crime before the courts. He is presumed to be innocent until proved guilty but, even though in due course he is acquitted, the publication of his name in relation to the offence may do him untold harm, because so often some of the mud sticks. We ought not to publish a man's name to the world until it is found by the court that he is guilty, unless the non-publication of the name unduly interferes with the proper administration of the court in gaining knowledge of the truth of the question before it.

As I indicated before, I agree with those sorts of sentiments. It is true that the Attorney-General of the day did not get very far with his Bill. For whatever reason, he did not proceed with it and it lapsed, but it was a view held by an eminent—as some would say—Labor Attorney-General in South Australia.

The Hon. C.J. Sumner: You wouldn't say that?

The Hon. R.I. LUCAS: No, I would not, but some would say an 'eminent Labor Attorney-General'. In that second reading contribution he succinctly—

The Hon. C.J. Sumner: You said 'eminent' and then 'some would call him eminent'. What's your point of view?

The Hon. R.I. LUCAS: We all make mistakes occasionally: I am happy to admit that. I am not omnipotent, like the Attorney-General. The second matter to which I refer is the Mitchell Report, which is more recent, as the Attorney would know—1975. That does not go all the way that Mr Dunstan wanted to go. Its recommendations on page 79 stated:

> *(b)* We recommend that it be an offence to publish, except in a court list, the name of any person charged with committing a summary offence until after conviction for such offence.
>
> *(c)* We recommend that it be an offence to publish, except in a court list, without his consent, the name of the person charged with an indictable offence until he is convicted of such offence or committed for trial in respect of it, whichever first happens.

Whilst that does not go all the way with Mr Manos, and Mr Dunstan in 1965, it nevertheless follows the general principle that I am putting before the Council tonight, and it merits consideration.

I concede that there are many reports and that many fine and eminent legal minds will argue strongly against the proposition that I have put tonight, which has been backed in part by Mr Manos, Mr Dunstan, and the Mitchell Report.

The Hon. C.J. Sumner: Is he a fine legal mind?

The Hon. R.I. LUCAS: Who? Mr Manos?

The Hon. C.J. Sumner: Mr Dunstan.

The Hon. R.I. LUCAS: 'Fine' or 'eminent'?

The Hon. C.J. Sumner: You said, 'some fine legal minds'.

The Hon. R.I. LUCAS: I said 'eminent'. Stop distracting me, Mr Attorney. I concede that many fine and eminent

legal minds would oppose the views that are put this evening. It is not my job here to present the alternative argument: if the Attorney disagrees with the view that I have put, I am sure that he will quote not only his own report but many other fine legal minds that disagree with the view that I have put this evening.

The Hon. J.R. Cornwall: And some pragmatic ones disagree, too.

The Hon. R.I. LUCAS: They might be pragmatic ones, too. As the Attorney indicated before, one does not want to get the media offside.

The Hon. C.J. Sumner: I did not indicate that.

The Hon. R.I. LUCAS: Yes you did. My views were summarised by Mr Manos in his concluding remarks, where he said:

> What I am saying is that the punishment should commence after the trial—after a verdict o guilty and not before. Publicity is an essential and very substantial element of penalty—it is a strong deterrent to those minded to break the law. But like any other legitimate punishment it must come after guilt is proved, and not before.

My questions to the Attorney are: what is his view or the Government's view on the proposal—

The Hon. C.J. Sumner: I introduced a Bill in 1984.

The Hon. R.I. LUCAS: You can change your mind, as was the case with unsworn statements.

The Hon. C.J. Sumner: I am just answering the question, by way of interjection: the Bill was introduced and passed in 1984.

The PRESIDENT: Order!

The Hon. R.I. LUCAS: My questions to the Attorney are:

1. What is his view on the proposal that, with limited exceptions, all names be suppressed until proved guilty?

2. Are any officers in the Attorney-General's Department or office looking at such a proposal and, if not, will the Attorney look at the proposal from Mr Manos and others and bring back a reply?

The Hon. C.J. Sumner: We have done that.

The Hon. R.I. LUCAS: You have not since Mr Manos spoke.

The Hon. C.J. Sumner: It is Bill No. 107 of 1984—

The Hon. R.I. LUCAS: With those words, I support the second reading.

The Hon. C.J. Sumner: —and is the Evidence Act Amendment Bill. That is the Government's view, and I have answered the question.

The Hon. DIANA LAIDLAW: Debate on the annual Appropriation Bill provides members of Parliament with considerable licence to canvass any number of issues that they deem to be important at the time, and certainly my contribution this evening may well go beyond the Appropriation Bill. In fact, having perused the wide ranging questions and answers canvassed during the Estimates Committees over two weeks, I am reasonably satisfied that the issues with which I am principally concerned were adequately addressed. I also believe that my colleagues on this side of the Council have forcefully and soundly addressed what I believe to be a rather superficially attractive budget which the Government has produced in a last minute and rather futile endeavour to win support from the electorate because of the imminent State election. Therefore, I intend to take some liberties in this debate and to use the opportunity to canvass my concern about the Federal Government's proposal to introduce a national identification system.

The proposal to introduce a national identification system was supported by the Federal Government in the White Paper on reform of the Australian taxation system prepared by the Treasurer (Mr Keating) for discussion at the tax summit in Canberra in July. In his closing remarks to the summit, the Prime Minister noted, and I quote—

The Hon. C.J. Sumner: What has this got to do with the budget?

The PRESIDENT: I am sorry, I am not sure what the honourable member is saying.

The Hon. DIANA LAIDLAW: I understand that members are allowed considerable liberties when debating the Appropriation Bill.

The PRESIDENT: It really is not a grievance debate as such, although quite often it is used in that way. However, a contribution should have some relation to the budget.

The Hon. DIANA LAIDLAW: Perhaps I could address this matter under the Consumer Affairs appropriation for the births, deaths and marriages line, because certainly that will be central to the efficient operation of the system if we have the introduction of a national identification card. With the tolerance of the Council I would like to continue my remarks on the system.

The PRESIDENT: It depends on how far the honourable member goes.

The Hon. DIANA LAIDLAW: I will address my remarks to the Attorney-General's responsibilities. Perhaps the Attorney-General will agree that the imposition of such a system is intolerable. I indicated earlier that the Prime Minister, in his closing remarks to the summit, indicated at that time:

> There is virtual unanimous agreement to the proposition of the establishment of a national identification card.

The PRESIDENT: I had hoped that the honourable member would change tack. I do not think that there is anything in our budget that relates to the printing of the identity card.

The Hon. DIANA LAIDLAW: The introduction of the card will depend on the cooperation of the State Government through the Registry of Births, Deaths and Marriages—I am certain of that. It depends on whether the Government is prepared to cooperate in that capacity—

The Hon. C.J. Sumner: It's not in the budget.

The Hon. DIANA LAIDLAW: Perhaps it should have been addressed in the budget because the Federal Government proposes to introduce legislation in the forthcoming financial year—

The PRESIDENT: Order! The honourable member is a very good speech writer and I am sure she has other matters that she could deal with.

The Hon. DIANA LAIDLAW: I had hoped to deal with this issue.

The Hon. R.C. DeGaris interjecting:

The Hon. DIANA LAIDLAW: I am saying that it should have been addressed in the budget because certainly the Government is aware that federal legislation is to be introduced this year. The Council is forcing me to delay it all the longer and I hope that I have the tolerance of the Council to pursue this issue.

The PRESIDENT: I am not sure that the honourable member has, as we will get into real bother if she continues with what is at this stage a federal matter. I have seen no indication that the States are going to have much say in it at all, really.

The Hon. DIANA LAIDLAW: I will take your guidance, Mr President. Do you wish me to proceed?

The Hon. C.J. Sumner: You asked a couple of good questions during the week—I am a bit disappointed.

The Hon. DIANA LAIDLAW: The Attorney's disappointment does not trouble me very much. I am awaiting guidance from the President as to whether I can continue.

The PRESIDENT: I hope the honourable member will not develop that as the whole theme of her speech. She has the right to conclude what she is saying, but in my opinion it would not be proper to develop a full argument on the

merits or otherwise of the identity card in relation to the budget.

The Hon. DIANA LAIDLAW: I was going to argue on a number of grounds why the card should not be introduced and such grounds may persuade the State Government not to cooperate with the Federal Government in the introduction of this card.

The Hon. R.I. Lucas: It could have a lot of cost implications for the State Government under Community Welfare.

The PRESIDENT: It could have a lot of cost implications to the taxpayer, but there is nothing in the budget.

The Hon. DIANA LAIDLAW: The card will be a cost to all taxpayers and is to be known as the Australia Card. It is to be plastic, green and gold in colour and will contain a unique number, the card holder's name, signature and other limited personal details as requested by the individual and a special holographic three-dimensional design in the right-hand corner.

However, it will not incorporate a coloured photograph of the holder as forecast in the white paper. The Health Insurance Commission and its Medicare computer are to be charged with responsibility for issue and administration of the cards. I am opposed without qualification to the introduction of a national identity card system. My reasons range from a rejection of the concept and its implications to reservations about its effectiveness in addressing the problems that it is designed to remedy. To me, the notion of a national identification system incorporating a card is an affront to personal liberty, is entirely alien to the respect for individual integrity that we are supposed to treasure in this country and, as Des Colquhoun commented recently, 'It is not the human being that will matter in future but the number of his or her card.' I agree with that assessment and believe that the card will be a further example of the escalating demand by State and Commonwealth authorities for more powers in the fight against crime and the search for the elusive 'Mr Big'.

These demands are intruding into what has been valued as basic rights. The encroachments are subtle, the consequences not always appreciated and the fact that they are part of a wider pattern is not always understood. Yet today encroachments on personal liberties and rights are being portrayed as absolutely necessary to the common good of society. The card is proposed to be compulsory and that will, of course, depend on the cooperation of the State Government. It is true, of course, that we regularly accept drivers licences as a means of identification when making purchases and that there is an abundance of plastic credit type cards in existence. However, in each instance their use is of our own choice.

The proposal is that the identity card will be compulsory and will become a pass key not only to obtain a job and benefits but also, in time, goods and services which today we see as our basic right as citizens. In such instances it is not difficult to imagine the inconvenience or distress that could be caused by loss or theft of the card. Nor is it improbable that a person will be denied goods or services for failure to disclose his or her identification number.

Equally, it is not difficult to imagine that any person without a card will automatically come under suspicion. Conversely, the dealings of those able to produce a card will be considered to be above reproach whether or not the card has been obtained legally. I understand that this dire warning was highlighted in the 1976 report of the United States Federal Advisory Committee on False Identification. I have many times heard the argument that those who are opposed to the identification card have something that they wish to hide. The real issue, however, is not what an individual has to hide but what an individual will be required to reveal.

However, the argument is even more frightening in its implications for it supports the creation of an atmosphere in which the absence of the presumption of innocence is viewed as acceptable in the fight against crime. This atmosphere challenges the whole basis of our justice system, which operates on the ground that one is innocent until proven guilty.

This notion, in part, distinguishes our democratic system from totalitarian systems of the right and left. Yet now, with the introduction of an ID card, it is suggested that we condone the reversal of this longstanding valued tradition and henceforth without a card at hand an individual is presumed guilty until proven innocent.

The offensive nature of the ID card is reinforced by the proposal that it be called an Australia card and that it carry our national colours—green and yellow. By these moves, the promoters of the scheme suggest that it should be carried at all times with pride. They imply that, if that is not done or if one objects to the very imposition of the card, it will be unpatriotic. While I find the concept of an ID card abhorrent, I also have reservations about its effectiveness in its present form in addressing the problems that it is designed to remedy, the potential for abuse and the costs involved in establishing the system.

We are told that the card is designed to stop Department of Social Security fraud. Therefore, it is ironic that the Department of Social Security itself has expressed scepticism that an ID system would combat welfare fraud. It is the department's view that in practice the card would aid those wanting to establish a false identity.

Those concerns are well based, for in future an identity card will be taken as a gilt-edged proof of identity. Therefore, the temptation to forge the card will be great and the means to do so are available. I understand that holograms, which are intended to make the cards tamper proof, are at present available cheaply in Hong Kong. Even if a card which cannot be counterfeited can be produced—and as I have indicated that is open to doubt—the card itself will have to be issued on the basis of some form of identification: for example, a birth certificate, which can be forged with ease or obtained unlawfully.

The PRESIDENT: Order! If the whole of the Hon. Miss Laidlaw's speech is on the identity card, I think that she has had rather a good run on something that is not in any way connected with the State budget. If she would like to raise other matters, she should do so now.

The Hon. DIANA LAIDLAW: This principally was the matter that I was keen to address, because it has enormous ramifications.

The PRESIDENT: We have been very tolerant in allowing the honourable member to develop the argument as far as she has.

The Hon. DIANA LAIDLAW: While I had no wish to conclude at this stage, I will do so if that is your ruling, Sir. I indicate that on the grounds of personal liberty and many of the loopholes that members will find in such a system if they investigate it further, it is important in this budget context that this Government or future Governments strenuously resist any initiative by the Federal Government to seek our cooperation in the imposition of a national identity card. I regret that I cannot continue my remarks, but I take note of your ruling, Sir.

The PRESIDENT: I hope the honourable member is afforded the opportunity to speak on the matter on another occasion.

The Hon. DIANA LAIDLAW: I shall make sure that I am, Sir.

The Hon. R.C. DeGARIS: I listened with a great deal of interest to the speeches made on the presentation of the Appropriation Bill. I find that most of the words breathed into the air by speakers so far do not have much relevance to the Bill before us. It is sad that more speeches were not made on the papers which were tabled and which give honourable members a clear opportunity to discuss various lines of the budget and to seek information that they require on many parts of it.

When I spoke on the motion to note the budget papers, I directed attention to several issues, and I hope that the Attorney-General will answer my questions when he replies to this debate, because I do not want to go through my contribution to the initial debate to obtain the replies that I require. One of my questions related to cash and investments held by the Government. At the end of the June 1983 financial year, total State liability stood at $2 898 million, less Government cash and investment of $523 million, leaving a net liability of $2 375 million. According to the Premier, in 1984 Government cash and investments stood at $1 004 million: in 1985 it stood at $1 213 million. However, nowhere in the budget papers can one find reference to these investments.

I would like figures on the cash and investments position, and I would like to know where investments have been made. I believe that some of the investments held by the Government were made overseas. Whether or not that is true, I cannot ascertain from the papers tabled. When the papers are tabled they should contain a list of the investments that the Government holds and show where they are. Although the cash and investments of the State have increased from $523 million to $1 213 million in that two-year period (an increase of $690 million), the general indebtedness has increased by about $1 000 million. I hope that the Attorney gives more information in reply to this debate. This budget is almost identical to the budgets presented in 1984 and 1985—there is very little change. Therefore, there is very little that one can say about this budget. I support the Bill, but I would like replies to the questions I have asked.

The Hon. J.R. CORNWALL secured the adjournment of the debate.

ADJOURNMENT

At 9.58 p.m. the Council adjourned until Thursday 17 October at 2.15 p.m.