LEGISLATIVE COUNCIL

Tuesday 20 October 1987

The PRESIDENT (Hon. Anne Levy) took the Chair at 2.15 p.m.

The Clerk (Mr C.H. Mertin) read prayers.

QUESTIONS ON NOTICE

RESIDENTIAL TENANCIES FUND

11. **The Hon. K.T. GRIFFIN** (on notice) asked the Minister of Consumer Affairs: In respect of the Residential Tenancies Fund for the year ended 30 June 1987:

1. What amount was held to the credit of the fund at the end of each financial year?

2. What amounts, if any, have been paid out of the Residential Tenancies Fund in each of those years except in repayment of bonds, and for what purposes have those moneys been paid out?

3. In each of those years, what amounts have been invested and with whom, and at what rate of interest?

4. What are the investment qualifications of officers handling the investment of the fund?

The Hon. C.J. SUMNER: The replies are as follows:

1. Balance at 30 June 1986—$13 480 798
Balance at 30 June 1987—$15 731 612

2. Payments made from fund except in repayments of bonds:

1985-86 Administrative costs	1 084 181
Compensation payments (Section 86 *(d)*)	378
	$1 084 559
1986-87 Administrative costs	1 627 336
Compensation payments (Section 86 *(d)*)	5 293
	$1 632 629

3. Investments as at 30 June 1986:

	Amount $	Interest Per Cent
Deposits as at 24 hours call:		
Co-op Building Society	500 000	14.5
Short-term deposits (various maturities):		
Co-op Building Society	1 000 000	14.8
	500 000	16.35
	500 000	14.9
	500 000	15.5
	300 000	15.2
	500 000	14.9
	250 000	15.7
REI Building Society	250 000	16.5
	500 000	15.5
	250 000	15.0
	50 000	15.0
	250 000	15.0
	400 000	15.0
	250 000	15.0
	250 000	15.0
	250 000	16.5
	250 000	15.0
National Bank	150 000	16.5
	500 000	15.16
	600 000	14.8
	200 000	16.2
	275 000	14.8
Long-Term Investments (various maturities):		
Electricity Trust of South Australia	500 000	17.3
	250 000	12.8
South Australian Finance Authority	500 000	17.4
	700 000	14.9
	500 000	13.9
	1 000 000	13.0
South Australian Gas Company	500 000	12.0
	$12 425 000	

Investments as at 30 June 1987:

	Amount $	Interest Per Cent
Short-Term deposits (various maturities):		
Co-op Building Society	500 000	15.65
	500 000	13.50
	500 000	15.10
	500 000	13.75
	500 000	15.10
	250 000	13.75
	500 000	15.25
	500 000	14.55
	500 000	14.60
REI Building Society	400 000	16.30
	300 000	16.45
	300 000	16.40
	500 000	16.25
	350 000	15.10
	500 000	15.65
	250 000	15.00
	250 000	14.50
	500 000	15.10
	250 000	14.20
	250 000	14.50
National Australia Bank	500 000	16.20
	500 000	13.80
	500 000	14.63
	250 000	14.78
	100 000	14.45
	500 000	14.82
	500 000	13.75
	500 000	14.00
	600 000	14.55
Long-Term investments (various maturities):		
Electricity Trust of South Australia	250 000	12.80
South Australian Finance Authority	500 000	13.90
	1 000 000	13.00
South Australian Gas Company	1 000 000	15.00
	500 000	14.80

4. The Residential Tenancies Fund is administered by the Commissioner for Consumer Affairs. Funds are invested in consultation with officers who have appropriate qualifications.

The Commissioner is examining the possibility of also obtaining investment advice from sources external to the Department of Public and Consumer Affairs and has initiated discussions with Treasury officers in this regard.

COMMERCIAL TENANCIES FUND

12. **The Hon. K.T. GRIFFIN** (on notice) asked the Minister of Consumer Affairs: In respect of the Commercial Tenancies Fund and for the six months ended 30 June 1986, and the year ended 30 June 1987:

1. What amount was held to the credit of the fund at the end of each financial year?

2. What amounts, if any, have been paid out of the Commercial Tenancies Fund in each of those years except in repayment of bonds, and for what purpose have those moneys been paid out?

3. In each of those years, what amounts have been invested and with whom, and at what rate of interest?

4. What are the investment qualifications of officers handling the investment of the fund?

The Hon. C.J. SUMNER: The replies are as follows:

1. The balance at 30 June 1986—$62 810.
The balance at 30 June 1987—$279 402.

2. Payments made from the Fund except in repayments of bonds:

	$
1985-86 Bank fees	1.00
Financial institutions duty	8.10
	$9.10
1986-87 Bank fees	55.51
Financial Institutional Duty	90.42
	$145.93

3. Investments as at 30 June 1986:

	Amount $	Interest %
24 hour call:		
National Australia Bank	30 000	16
Investments as at 30 June 1987		
Short-Term deposits (vaious maturities):		
National Australia Bank	60 000	13.80
	100 000	13.95
	100 000	13.60
	260 000	

4. The Commercial Tenancies Fund is administered by the Commissioner for Consumer Affairs. Funds are invested in consultation with officers who have appropriate qualifications. The Commissioner is examining the possiblity of also obtaining investment advice from sources external to the Department of Public and Consumer Affairs and has initiated discussions with Treasury officers in this regard.

CONSOLIDATED INTEREST FUND

13. **The Hon. K.T. GRIFFIN** (on notice) asked the Minister of Consumer Affairs: In respect of the Consolidated Interest Fund under the Land Agents Brokers and Valuers Act and for the years ended 30 June 1986, and 30 June 1987:

1. What amount is standing to the credit of the fund at the end of each financial year?

2. In each year, what amounts were paid out of the fund and for what purposes?

3. What claims remain outstanding but unresolved?

4. With whom is the money in the fund invested and at what interest rate?

5. Who makes investment decisions with respect to the moneys in the fund and what are the qualifications of such persons?

The Hon. C.J. SUMNER: The replies are as follows:

1. The balance at 30 June 1986—$3 937 558
The balance at 30 June 1987—$5 104 965

2. Payments out of the Fund:

	$
1985-86 Claims	353 884
Legal Fees	2 739
	356 623
1986-87 Accountants Fees	901
	901

3. As at 30 June 1987, claims on the fund had been advertised for but not yet determined on account of:

Ross Daniel Hodby
Swan Shepherd Pty Ltd.
E.C.R. Shepherd and Sons Pty Ltd.
(Trading as Swan Shepherd Real Estate)

4. Investments as at 30 June 1986:

	Amount $	Interest Per Cent
Hindmarsh Adelaide	160 000	15.25
Hindmarsh Adelaide	40 000	15.75
Short-term deposits (various maturities):		
Hindmarsh Adelaide	706 808	15.50
Hindmarsh Adelaide	257 600	15.65
Chase AMP Bank	573 262	15.20
Co-op Building Society	602 126	15.00
State Bank	128 290	14.60
First National Limited	281 019	14.25
First National Limited	292 093	15.20
Westpac Bank Corporation	482 207	14.80
Commonwealth Bank	97 470	14.80
R.E.I. Building Society	307 971	14.90
Investments as at 30 June 1987:		
24 hours call:		
Hindmarsh	100 000	14.00
Short-term deposits:		
Westpac Banking Corporation	580 740	13.45
Westpac Banking Corporation	293 393	13.93
National Bank	581 168	14.08
National Bank	425 494	13.65
Co-op Building Society	200 000	14.10
Co-op Building Society	400 000	14.00
R.E.I. Building Society	400 000	14.60
Standard Chartered Limited	485 950	14.07
Standard Chartered Limited	478 581	13.50
Chase AMP Bank Limited	286 912	14.11
Chase AMP Bank Limited	783 959	13.83

5. The Consolidated Interest Fund is administered by the Commissioner for Consumer Affairs. Funds are invested in consultation with officers who have appropriate qualifications. The Commissioner is examining the possibility of also obtaining investment advice from sources external to the Department of Public and Consumer Affairs and has inititated discussions with Treasury officers in this regard.

ASH WEDNESDAY BUSHFIRE CLAIMS

17. **The Hon. K.T. GRIFFIN** (on notice) asked the Attorney-General: In relation to the Ash Wednesday Bushfire of 1983 which occurred in the McLaren Flat/Hope Forest area:

1. What claims have been resolved by ETSA?

2. What is the amount of each claim made and the amount for which it has been resolved?

3. How many claims remain unresolved?

4. What is the total amount of the unresolved claims?

The Hon. C.J. SUMNER: The replies are as follows:

1. 45 claims have been settled.

2. This information is considered confidential to the claimants and I believe should not be incorporated in *Hansard* without their prior approval. However, I have categorised the claims made and settled as per the following schedule.

Amount	No. of claims	Claims settled
under $4 999	2	4
$5 000 to $9 999	3	3
$10 000 to $19 999	2	5
$20 000 to $29 999	5	4
$30 000 to $39 999	4	7
$40 000 to $49 999	5	4
$50 000 to $59 999	3	2
$60 000 to $69 999	3	2
$70 000 to $79 999	2	3
$80 000 to $89 999	1	2
$90 000 to $99 999	—	1
$100 000 to $124 999	5	2
$125 000 to $149 999	1	3
$150 000 to $174 000	4	2
$175 000 to $199 999	3	—
$200 000 to $249 999	—	1
$250 000 to $299 999	—	—
$300 000 to $349 999	2	—
Total	45	45

3. Of the 86 claims for which the trust has received assessments, 45 have been settled. The trust has yet to receive assessments of damage from 17 of the remaining claimants.

4. It is not possible to accurately provide this information (see 3 above).

18. **The Hon. K.T. GRIFFIN** (on notice) asked the Attorney-General: In relation to the Ash Wednesday bushfire of 1983 which occurred in the Clare area:

1. What claims have been resolved by ETSA?

2. What is the amount of each claim made and the amount for which it has been resolved?

3. How many claims remain unresolved?

4. What is the total amount of the unresolved claims?

The Hon. C.J. SUMNER: The replies are as follows:

1. Four claims have been settled.

2. This information is considered confidential to the claimants and I believe should not be incorporated in *Hansard* without their prior approval. However, I have categorised the claims made and settled as per the following schedule:

Amount	*No. of Claims*	*Claims Settled*
under $4 999	2	2
$5 000 to $9 999	2	2
$800 000 to $850 000	1	1

3. The trust is aware of 42 claims. However, they have received only four assessments of damage.

4. As only a few assessments of damage have been received to date, it is not possible to provide an accurate estimate of the 38 unresolved claims.

ESTIMATES COMMITTEES

The PRESIDENT: I will read and then table the following letter that I received from the Auditor-General, Mr T.A. Sheridan:

Dear Madam President,

During the Estimates Committee B hearing on 22 September 1987, information was sought by the Committee about an investment by the South Australian Timber Corporation (through a subsidiary company) in a joint venture arrangement with a New Zealand company.

In responding to the Committee, the Minister of Forests stated, in part, that:

(a) the relevance of the Auditor-General's comments about the qualification placed on advice given by the chartered accountant has been taken out of context;

(b) the qualification dealt substantially with his (chartered accountant) lack of specific technical knowledge about production and marketing of plywood;

(c) the comment made by the Auditor-General about unaudited financial information related only to the October 1985 balance sheet and that audited accounts were provided for 1984-85.

While *(b)* and *(c)* are both statements of fact, I note from *(a)* that there may be some misunderstanding on the part of members as to the reason for my comments about the quality of information provided with respect to the investment.

To assist members I thought it might be helpful if I set out hereunder factors which gave rise to my concern and caused attention to be drawn in my report to the unaudited financial information and the qualified report of the chartered accountant. In drawing Parliament's attention to those matters I had in mind that an independent assessment of the viability of the joint venture, by a person at 'arm's length' from that venture, was an important prerequisite to the investment decision.

QUALIFICATION BY CHARTERED ACCOUNTANT:

In his report of 28 November 1985 with respect to Aorangi Forest Industries Ltd (AFI), the chartered accountant stated that he was unable to give assurances on matters relating to the production and marketing of plywood. He recommended that advice on these matters be procured. In a later letter (13 December 1985) the chartered accountant:

- referred to the November report and the concerns expressed in that report on various matters, particularly the method adopted by AFI of revaluing its fixed assets to increase the capitalised value of the company;
- reconfirmed that his firm had not been asked, nor had it reported on the viability of the joint venture, or on the formulation of budgets, other than on matters referred to; and
- referred again to the matters he could not give assurances on and the need for the corporation to procure advice on these matters.

UNAUDITED FINANCIAL INFORMATION:

My reference to unaudited financial information referred to the balance sheet of AFI as at 31 October 1985. No operating statement was provided for the 10-month period to 31 October 1985.

The audited accounts for 1984-85 referred to the financial statements of AFI for the year ended 31 January 1985. Those audited statements showed:

- a net operating loss for the year of $NZ992 000;
- accumulated losses to 31 January 1985 of $NZ3 million.

The structure of the October 1985 balance sheet made direct comparison difficult with the audited balance sheet of 31 January 1985. However, it did disclose a substantial difference in inventory values.

This letter is forwarded to you for the information of members. I have provided a copy to the Attorney-General and the Leader of the Opposition in the Legislative Council. I have submitted a similar letter to the Speaker, House of Assembly, with copies to the Premier, Leader of the Opposition, and the Minister of Forests.

SELECT COMMITTEE ON SALE OF LAND BY CARRICK HILL TRUST

The PRESIDENT laid on the table the report of the select committee, together with minutes of evidence.

Ordered that report be printed.

PORT ADELAIDE RAILWAY MUSEUM

The PRESIDENT laid on the table the interim report by the Parliamentary Standing Committee on Public Works, together with minutes of evidence.

PAPERS TABLED

The following papers were laid on the table:

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

Pursuant to Statute—

Classification of Publications Board—Report, 1986-87.

Co-ordinating Committee for Government Workers' Safety, Health, Workers' Compensation and Rehabilitation—Status Report, period ended 31 March 1987.

By the Minister of Corporate Affairs (Hon. C.J. Sumner):

Pursuant to Statute—

Companies (Application of Laws) Act 1982—Regulations—Co-operative Scheme.

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

Pursuant to Statute—

The Nurses Board, South Australia—Report, 1986-87.

South Australian Health Commission—Report, 1986-87.

National Trust of South Australia Act 1955—Rules—Life Membership and Executive Positions.

Real Property Act 1886—Regulations—

Strata Plans.

Land Division Plans.

Surveyors Act 1975—Regulations—Survey Plans.

Tobacco Products Control Act 1986—Regulations—Smoking Notices.

By the Minister of Tourism (Hon. Barbara Wiese):

Pursuant to Statute—

Reports—

Australian Mineral Development Laboratories—1986-87.

Office of Employment and Training—1986-87.

South Australian Museum Board—1986-87.

Teachers Registration Board of S.A.—1985.

Mines and Works Inspection Act 1920—Regulations—Permits and Certificates.

By the Minister of Local Government (Hon. Barbara Wiese):

Pursuant to Statute—

Building Act 1971—Regulations—Residential Slabs and Footings.

QUESTIONS

WEALTH INQUIRY

The Hon. K.T. GRIFFIN: I seek leave to make a brief statement before asking the Minister of Community Welfare a question about a wealth inquiry.

Leave granted.

The Hon. K.T. GRIFFIN: Madam President, there has been growing debate at the Federal level about the necessity for a wealth inquiry with wide-ranging powers of investigation similar to those of a Royal Commission, permitting it to demand documents and evidence from witnesses. The object of such an inquiry is claimed to be an assessment of what the distribution of wealth is in our community, and the level of that wealth. Some speculation has occurred that such a wealth inquiry is the prelude to the introduction of a wealth tax, a social justice levy, death duties or some further toughening of the capital gains tax. It is interesting to note that the Premier, in his presentation to the Tax Summit, said:

> On the current knowledge of the distribution of wealth in Australia, we are not convinced that it is possible to design and operate a fair and equitable general wealth tax.

This suggests, though, that the State Government may be inclined to support an inquiry into the distribution of wealth and that, if more were known about the distribution of wealth, the Government may then support some form of tax or levy on wealth.

Any inquiry would necessarily require the cooperation of State Governments, particularly because of the overlapping obligations of State and Federal departments, in the areas of community welfare and social services. My questions are as follows:

1. In the light of the State Government's own recently released social justice policy, does the Minister support a Federal inquiry into the distribution of wealth?

2. Will the State Government cooperate with any such inquiry?

3. Does the Minister support a wealth tax?

The Hon. J.R. CORNWALL: The simple fact of life is that State Governments, whether or not they like it, are not able to redistribute income. The Bannon Government's social justice strategy is about redistributing opportunity. It has been shown conclusively—and I have done a lot of personal research in these areas as well as having a great deal done for me in carefully developing a social justice strategy over 18 months—that it is not practical for State Governments to talk about redistributing income.

However, it is realistic for them to talk about fairness, equity of access, and to ensure that all of the major decisions taken by State Governments that impact on families, individuals, neighbourhoods, and communities are taken to the extent possible and practical within the context of a social justice policy and philosophy. That has been put in place by this Government and, incidentally, I have been told by the Director of the Social Justice Unit that the response to date could best be described as overwhelming.

We have had requests from organisations and individuals for something in excess of 1 200 copies of the social justice strategy—so that is proceeding very well. As to whether I personally or the State Government would participate in any way in a wealth inquiry, I refuse to be drawn, and I certainly refuse to speculate on my own behalf or on behalf of the Government in the absence of any firm proposal whatsoever.

FILIPINO WIVES

The Hon. DIANA LAIDLAW: I seek leave to make a brief explanation before asking the Minister of Community Welfare a question about Filipino brides and domestic violence.

Leave granted.

The Hon. DIANA LAIDLAW: The Leader of the Opposition in the other place last Thursday highlighted the alarming incidence of domestic violence suffered by Filipino women married to South Australian men, and their over-representation in domestic violence statistics. In response, the Premier indicated that he was not aware of the matters raised, while the Minister of Community Welfare, outside Parliament, stated that he had not received any complaints (the inference being therefore that there was no problem).

The next day, however, the Minister suddenly discovered the validity of the Liberal Party's concerns, and announced the formation of a working party to be chaired by Ms Vardon, Chief Executive Officer of DCW, to examine the extent of abuse of Filipino brides. The initial admission of ignorance of this matter by both the Premier and the Minister, coupled with the later establishment of the working party, surprised many people with an interest in the safety of women, considering the Premier and the Minister received some six weeks ago the final report of the Domestic Violence Task Force, chaired by Ms Vardon.

The task force took about two years to produce its report—one year longer than initially promised by the Premier—comprised 80 members and cost the taxpayer $96 000. Can the Minister explain why a further working party is required to investigate the issue of violence perpetrated on Filipino wives when one could reasonably expect, considering the extraordinary length of time, expense and number of people involved, that this issue should have come to the attention of, and been addressed by, the Domestic Violence Task Force. Did this major issue escape the attention of the Domestic Violence Task Force, because not one representative of the 13 women's shelters in this State was asked to be a member of that 80-person task force? If the issue, which now warrants the attention of a further working party, was overlooked by the Domestic Violence Task Force, what credibility can the public place in the findings and recommendations contained in its report, which is now in the hands of the Minister and the Premier and is to be released at the end of this month?

The Hon. J.R. CORNWALL: First, may I put the record straight as to what I said when questioned by the press about domestic violence and Filipino wives. I said—and was reported accurately as saying—that no specific incident had been drawn to my attention by any individual. I then went on to say that only a few short weeks ago a very senior official from the Department of Social Welfare in Manila, who was visiting Australia, called on me to draw my attention to the fact that she was concerned about domestic violence among Filipino spouses in rural Australia. This official raised the matter with me as a matter of national and international concern.

The Hon. R.I. Lucas: Did you tell that to the reporter?

The Hon. J.R. CORNWALL: I did.

The Hon. R.I. Lucas: Was that reported?

The Hon. J.R. CORNWALL: No, it was not, but I did tell the reporter. I said that—and I will go through it again if the Hon. Mr Lucas would like me to—no specific incident had been drawn to my attention. That statement was accurately reported. I cannot think of the official's second name. I remember very well that her Christian name was Corison, that she was brought to my office by my Chief Executive

Officer, Sue Vardon, and she specifically drew to my attention her concern about the possible, or indeed probable, incidence of domestic violence concerning Filipino women in rural Australia. She raised that matter with me as an international visitor to this country.

My response—which I submit was entirely appropriate—was to say that I would ensure that the matter was put on the agenda of the social welfare Ministers' conference at the earliest opportunity. Quite clearly, this is a matter for the Federal Department of Immigration in the first instance, as it is a matter that primarily concerns the Federal Government. Having subsequently spoken to the Filipino ambassador it is clear that it is a matter of considerable concern in the Philippines.

The Philippines Government has in fact begun action to look at some of the practices with regard to agencies effecting introductions and who are responsible in one way or another for Filipino women coming to Australia to what are, in many instances and to varying degrees, arranged marriages. So, I was well aware of it at the national and international level and had already promised that I would take action to bring it to the attention of my colleagues at the national level.

The Domestic Violence Task Force comprised 80 members and conducted investigations, inquiries and deliberations over almost two years. That report was completed a few weeks ago, was presented to the Premier and was subsequently forwarded to the Attorney-General and me for assessment and appropriate comment. That report is now back with the Premier's office, and I understand within three weeks will go to Cabinet with recommendations concerning its implementation. The Government has treated this issue with the importance that it deserves and the fact that there were 80 people on the various task force committees is one of the many indications of the seriousness with which the Government regards domestic violence. As I have already said, I understand that the report will appear before Cabinet in the next three weeks, so until such time as there is a formal Government response—

The Hon. R.I. Lucas: You have conceded that, but you didn't pick it up properly.

The Hon. J.R. CORNWALL: Young Mr Lucas interjects again in a half smart and mostly ignorant way.

The Hon. Diana Laidlaw: Are you saying that they did not pick up this issue in two years?

The Hon. J.R. CORNWALL: The issue was picked up.

The Hon. R.I. Lucas: Is it in the report? Will you let us see it?

The PRESIDENT: Order!

The Hon. J.R. CORNWALL: It was certainly not addressed in necessary detail. The Government is taking this matter very seriously. If the Hon. Mr Lucas, who is usually diligent in these matters, if not too clever in other areas, cares to look at the budget papers he will see that this year $100 000 has been allocated in community welfare lines to be used specifically for a number of initiatives related to the domestic violence campaign. I am afraid that both the Hon. Mr Lucas and the Hon. Ms Laidlaw will have to wait for further detail until the implementation strategy emerges from Cabinet with the report.

The Hon. DIANA LAIDLAW: I have a supplementary question. The Minister has suggested that the report of the Domestic Violence Task Force provides details of the Filipino bride issue; therefore, will the Minister table a copy of the report now with the Premier and the Minister?

The Hon. J.R. CORNWALL: I do not have the report.

The Hon. R.I. Lucas: Will you give us a copy?

The Hon. J.R. CORNWALL: I will not give you anything, my son.

The Hon. Diana Laidlaw: You will not give the Parliament that information?

The PRESIDENT: Order!

The Hon. J.R. CORNWALL: The release of the report of the Domestic Violence Task Force is a matter for Cabinet.

Members interjecting:

The PRESIDENT: Order!

The Hon. L.H. Davis: The king of communication!

The PRESIDENT: Order, Mr Davis!

The Hon. J.R. CORNWALL: I would certainly not like to float the contents publicly at this time, because Mr Cameron's former press secretary might accuse me of flying kites—she also made some vicious comments which were reported in the *Weekend Australian.*

Members interjecting:

The Hon. J.R. CORNWALL: It was indeed. In her very first contribution she described me as 'vicious and uncontrollable'.

The Hon. L.H. Davis: You would not need the privilege of Parliament to say that. The truth is a wonderful defence.

The Hon. J.R. CORNWALL: Well, I am not too sure about that, and when I get the legal opinion which I am seeking at this very moment, Mr Davis, we will see whether you need privilege or otherwise. So do not make any rash statement.

The PRESIDENT: Order!

The Hon. R.I. Lucas: What about Peter Humble?

The PRESIDENT: Order! When I call for order, Mr Lucas, that includes you as well as everyone else in this Chamber. Question Time is not going to become conversation across the Chamber. There will be questions asked by members of Parliament and answers given by the Ministers through me, in both directions.

The Hon. J.R. CORNWALL: Thank you, Ms President. I repeat that what Cabinet decides to do with the report of the task force and what implementation strategy Cabinet sees fit to adopt will be very much a matter for Cabinet, and we will decide in the next three weeks. Until Cabinet has decided then the Hon. Mr Lucas, the Hon. Mr Elliott and the Hon. Ms Laidlaw will simply have to be patient.

MINISTERIAL STATEMENT: MARKET RESEARCH

The Hon. BARBARA WIESE: I seek leave to make a ministerial statement concerning market research.

Leave granted.

The Hon. BARBARA WIESE: Last Thursday, the Hon. Mr Davis asked me a question relating to the purpose of an $18 000 survey into the South Australian Travel Shop in Western Australia. I indicated that I did not recall that Tourism South Australia had undertaken such a survey at the cost quoted. I have made inquiries on this issue and take this opportunity to set the record straight.

Tourism South Australia, in April of this year, undertook a research survey designed to provide information about the effectiveness of the privately owned wholesale and retail travel agency in Perth that specialises in South Australian holiday programs. It took the form of a three question placement on a Perth omnibus survey to measure market perceptions of South Australia, intentions to holiday in South Australia and awareness of the South Australian Travel Shop itself. The survey results have been used to assess Tourism South Australia's future arrangements for cooper-

ative trade and consumer promotion in the Western Australian market.

The cost of the survey was $1 800 and not $18 000 as printed in the local press and in response to a Question on Notice published in the other House. A typographical error has led to this much inflated figure being canvassed. The Melbourne based firm of Reark Research Pty Ltd undertook the survey.

TRAVEL CENTRE

The Hon. L.H. DAVIS: I seek leave to make a brief explanation before directing a question to the Minister of Tourism on the South Australian Government Travel Centre.

Leave granted.

The Hon. L.H. DAVIS: Yesterday afternoon I was rung by a member of the public indicating that she had tried several times during the afternoon to make contact by phone with the South Australian Government Travel Centre. However, the only answer she had received on dialling the Travel Centre number (212 1644) was a recorded message. The lady had wanted some information urgently for an overseas visitor and had been unable to make any contact with the Travel Centre. She rang me to complain about it.

The Hon. R.I. Lucas: Was this before 5 p.m.?

The Hon. L.H. DAVIS: Yes, it was before 5 o'clock. She rang me at about 3.15 p.m. She indicated that as far as she could recollect she had been trying probably from 2.30 p.m. onwards. Not unreasonably, she asked what on earth was going on. Half an hour after receiving this complaint I rang the Travel Centre myself, at about 3.45 p.m. and I was also greeted with an answer phone. It said something like: 'Thank you for calling the SA Government Travel Centre. The office is closed for the moment. For assistance please call between these hours, Monday, 8.45 a.m. to 5.30 p.m.' Strange, I thought, because in fact I was ringing on Monday. It then went on to list the other business hours of the South Australian Travel Centre. As I had to return to the Shadow Cabinet meeting I asked my secretary to phone the Travel Centre to check what on earth was going on.

The Hon. C.M. Hill: Was that King William Street?

The Hon. L.H. DAVIS: In King William Street, the main office. My secretary eventually made contact with someone in the Travel Centre at about 4 o'clock, or shortly after 4 o'clock. That person confirmed that the answer phone had been on because 'the four girls on the desk were busy and there was a conference on that afternoon'. It appears that yesterday afternoon the answer phone was on for at least 1½ hours, but it could have been longer. The irate caller who advised me of this, when she rang in, said, 'I can't believe what's happened. What sort of hick operation is being run at the Travel Centre? Are we serious about tourism in South Australia? Could you believe that this would happen in Brisbane, Sydney, Singapore or Hong Kong?' My questions are:

1. Was the Minister aware that yesterday afternoon the phones in the Travel Centre were providing an answer phone only?

2. Does the Minister support the action of her department in switching the phones over to an answer phone service on Monday afternoon because a conference happened to be in progress?

3. Does this indicate a lack of resources in the Travel Centre to cater for what the Government boasts is a booming business in South Australia, bringing benefits to the South Australian economy?

4. Will the Minister immediately issue instructions to her department to ensure that this fiasco is not repeated in the future?

The Hon. BARBARA WIESE: The Opposition does not seem to know what it wants. On the one hand, it has spent a lot of time in the last few months telling us that there should be better staff training and more attention given to informing staff about what is going on and making them more effective operators and, on the other hand, when a meeting is called in the Travel Centre to do just that and to inform the people about certain aspects of the operations of the Travel Centre, it complains about that as well. However, I must say that I was not aware—

The Hon. L.H. Davis: The public runs second, does it?

The PRESIDENT: Order!

The Hon. BARBARA WIESE: Let me answer my question in my own way.

The Hon. L.H. Davis: It was my question actually.

The PRESIDENT: And you have already asked it.

The Hon. BARBARA WIESE: I was not aware that the telephones were not being—

The Hon. R.I. Lucas: You were ringing, too, were you?

The Hon. BARBARA WIESE: No, I was not ringing, too. I don't really need to ring them. I was not aware that there were no staff on the telephones during the afternoon, and I am surprised to hear that that is so, because there were staff on duty in the ground floor public area of the Travel Centre at least shortly after 3 o'clock when I entered the building, and after the staff meeting had begun. The staff meeting was between 3 o'clock and 5 o'clock yesterday afternoon, and I would have expected that the telephones would be in operation, as were the public counters, at least on a skeleton staff basis. So, I am surprised to hear that the answering service was on. I do not think that that is desirable, and it is a matter that I will take up with the Managing Director of Tourism South Australia.

I might say, though, that Tourism South Australia provides a better service to the public than any other Government travel agency in this country. It is the only travel agency that is run by a Government that is open every day of the year except Christmas Day. No other Government agency in this country is able to provide that sort of service for the range of hours each day that the South Australian Government Travel Centre provides. I think that these criticisms that are being made should be put into proper context. As I indicated, I do not think it is desirable that during advertised business hours there should not be somebody answering the telephones, and it is a matter that I will take up.

MARIJUANA

The Hon. I. GILFILLAN: I ask the Attorney-General, representing the Minister of Emergency Services, the following questions:

1. Is the Minister aware of an advertisement on page 2 of the 16 October issue of the *Advertiser* newspaper purporting to be placed by an organisation entitled 'Writers Against Injustice?

2. Is the Minister aware that the advertisement solicits telephone and written inquiries concerning the laws about marijuana?

3. Will the Minister make inquiries as to whether any officer of the South Australian Police Force, or any other police force, was or is concerned directly or indirectly with this organisation and/or the advertisement?

4. Will the Minister make inquiries to determine if any funds from or channelled through the South Australian

Police Force have been used by or in connection with 'Writers Against Injustice' or the advertisements?

5. Will the Minister make inquiries to determine whether any funds from or channelled through any other Police Force have been used by or in connection with 'Writers Against Injustice' or the advertisement?

6. Will the Minister make inquiries to ascertain whether the advertisement and the organisation represent an attempt to entrap cannabis users by the South Australian Police Force or any other Police Force?

7. Does the Minister know and will he make inquiries to ascertain whether there is any connection between the advertisement and the annual police 'Operation NOAH' to be held this year on 28 October?

The Hon. C.J. SUMNER: I have been made aware of the advertisement to which the honourable member refers. The Commissioner of Police was asked for his comments, which are as follows:

Inquiries have been conducted into the source of an item placed in the *Advertiser* on 16 October 1987 concerning marijuana laws. There is no evidence available to suggest police involvement in the placing of the advertisment or in any entrapment procedure. Efforts by the Drug Squad to make contact with the persons apparently responsible for the placement of the advertisement have been unsuccessful, but inquiries will continue.

CHURCH OF SCIENTOLOGY

The Hon. J.C. BURDETT: I seek leave to make an explanation before asking the Attorney-General a question about the Church of Scientology.

Leave granted.

The Hon. J.C. BURDETT: I refer to an article on page 5 of the 14 October 1987 issue of the *Advertiser* entitled 'Committee Reverses Street Touting Plan'. The article reports that an Adelaide City Council committee reversed its previous decision to impose a by-law restricting touting in the street, particularly by the Church of Scientology. The report said that the committee recommended that the council administration continue negotiations with the Church of Scientology on self-regulation of its street activities and that the matter be referred to the Attorney-General (Hon. C.J. Sumner) for further consideration. The committee was told that the church had agreed to make its members wear identification.

An example of unidentified touting of this kind is given in the report of the Select Committee on the Church of Scientology tabled on 10 October 1985. At the bottom of page 2 reference is made to a witness who:

... claimed that after she had lost her husband in a road accident and was in a depressed state of mind she was stopped in the street and asked to answer a survey. The person who spoke to her did not identify himself as being connected with the Church of Scientology. She was subsequently invited into the headquarters of the church and to answer a complicated series of questions. She remained there for 12 hours from 2 p.m. to 2 a.m. the following morning. According to her evidence, she was later told she would need courses which would cost $24 500. She drew $4 000 from the bank in two instalments with members of the church accompanying her to the bank in Stirling on each occasion when she withdrew the money. Arrangements were also made for her to draw $20 500 from the Temperance and General Assurance Society Ltd against a superannuation policy of her late husband.

She subsequently decided not to proceed with the courses and set out to recover her $4 000. She eventually did recover it with the help of the Department of Public and Consumer Affairs after, according to the then Director-General (Mr M. Noblet now Judge Noblet who gave evidence), 2½ months, two letters and 23 phone calls. There was evidence of other witnesses who were approached in the street to complete a survey by unidentified persons.

When the motion for the select committee was on the Notice Paper I had interviews with Mr David Griffiths, the then national spokesman for the church (and he may still be—I do not know), who said that he had given instructions for identification to be worn. This did happen, but I have noticed several times after the select committee was over people touting outside the church headquarters without wearing identification. The problem about self-regulation with the Church of Scientology is that when the pressure is off they revert to their old practices. My question is: Will the Attorney, if approached by the council's committee as reported, investigate this matter of unidentified touting?

The Hon. C.J. SUMNER: Madam President, I doubt whether this is a matter in which the Government or the Parliament should intervene. It is as much a matter for the Hon. Mr Burdett as it is for me. If he feels that the law needs some attention in this area, he can no doubt consider it. There would be major difficulties with such a law, as apparently the Adelaide City Council has found out, having initially decided to introduce a by-law to prohibit this so-called touting and subsequently reversing that decision—from press reports at least—and referring it to me for consideration. All I can say is that I have not yet seen any correspondence from Adelaide City Council but, when and if it arrives, I will consider it.

WORKCOVER

The Hon. M.J. ELLIOTT: I seek leave to make a brief explanation before asking the Attorney-General, representing the Minister of Labour, a question about WorkCover and the Occupational Health, Safety and Welfare Act.

Leave granted.

The Hon. M.J. ELLIOTT: Ms President, over the past couple of months I have travelled through the country on several occasions. On one occasion I spoke at a meeting of the United Farmers and Stockowners and, while it seems generally happy with WorkCover and the occupational health and safety legislation, as amended by the Democrats, there were a couple of concerns.

An honourable member interjecting:

The Hon. M.J. ELLIOTT: The Victorian scheme is $2.8 billion in the red already, so do not laugh—$2.8 billion.

An honourable member interjecting:

The Hon. M.J. ELLIOTT: You know that is right, though.

The PRESIDENT: Order!

An honourable member interjecting:

The Hon. M.J. ELLIOTT: We saved the Government's skin on that one, and you know it.

An honourable member interjecting:

The PRESIDENT: Order! You are making an explanation of your question. Will you please—

The Hon. M.J. ELLIOTT: You did not protect me from those interjections—

The PRESIDENT: I called 'Order'.

The Hon. M.J. ELLIOTT: Ms President, a couple of matters were raised with me, and I would ask the Attorney-General to address them. The first is that in the debate on the Bill no-one picked up problems that occurred in relation to the first week's compensation, where people are employing part-time labour. For farmers particular problems are created in relation to shearers, for instance, whose weekly income varies dramatically. That is one concern.

The second matter I came across down in the South-East, where there is not a clear understanding of the law in relation to people who own a business in South Australia but who have employees travelling over the border. It hap-

pens with shearing contractors, for instance, and in the reverse situation. Does the point of domicile have any effect? Is the Government willing to undertake advertising in the South-East and probably in the Riverland as well to clarify matters of law for the people in those areas?

The third matter relates to the occupational health, safety and welfare legislation, which is due to come into force very soon. There is great confusion as to what requirements exist for farmers. Is the Government considering an advertising campaign similar to that run for WorkCover?

The Hon. C.J. SUMNER: I will refer the honourable member's question to the appropriate Minister and bring back a reply.

SUPPORTED ACCOMMODATION ASSISTANCE PROGRAM

The Hon. R.I. LUCAS: I seek leave to make a brief explanation before asking the Minister of Community Welfare a question on the Supported Accommodation Assistance Program.

Leave granted.

The Hon. R.I. LUCAS: Ms President, some departmental sources have advised the Opposition that the Commonwealth Government, under the Supported Accommodation Assistance Program, has offered $450 000 in new funding to South Australia. Under the terms of that agreement it would provide that amount of funding to South Australia if the Bannon State Government met its share under that agreement of $405 000. Therefore, Ms President, a total of $855 000, would be capable of being spent on the Supported Accommodation Assistance Program, involving primarily shelters for young people and women, as well as general shelters. The advice given to me is that the State Government has allocated only $216 000, Ms President, and not the $405 000 required under the Commonwealth-State agreement.

If that was to be the final level of funding, it would mean a reduction or a lack of ability to spend about $400 000 in new funding in this area to provide shelter for the homeless. I hasten to point out that this is new money and has nothing to do with existing funds, which is CPI indexed and one can argue that funds are increasing in that area. In effect, it is new money that is being offered by the Commonwealth if, under the terms of the agreement, the State Government meets its share of the costs. Ms President, you, and all members, would also be aware that recently in this Chamber the Minister of Community Welfare made a ministerial statement which he called his 'City kids funding ministerial statement'.

Sources from the State Government and elsewhere have indicated that the Minister is trying to use spending in that area—city kids funding—as an offset against the requirement of $405 000 in new money for shelters for the homeless. I have been told that considerable concern has been expressed about this. My informants have indicated that the Commonwealth-State agreements—the principles of which I have in a copy before me—would preclude, for example, expenditure on a coordinator of welfare and health services or an Aboriginal child protection worker and possibly two street workers, who were included in the City kids funding statement as being, in effect, acceptable offsets for this money. My questions to the Minister are as follow:

1. Is it correct that the Commonwealth Government, under this joint Commonwealth-State agreement, has offered $450 000 in new funding to the State if the State Government will provide $405 000?

2. Is it correct that the Minister and the State Government have indicated that they will not spend the $405 000 requested or required under the joint agreement? If that is correct, will the Minister say what level of funding he and the State Government intend to offer to help provide extra funds for shelters for the homeless?

The Hon. J.R. CORNWALL: Most of that was wrong, Ms President, but let me take the trouble to put the young traitor to the working class, quango hunting Mr Lucas, right. First, with regard to the—

The Hon. R.I. Lucas: 'A traitor to the working class'—that's vicious.

The Hon. J.R. CORNWALL: A dead set traitor to the working class—no doubt about that.

Members interjecting:

The Hon. J.R. CORNWALL: It leaves me as a good working class boy who never forgot his origins.

Members interjecting:

The PRESIDENT: Order!

The Hon. J.R. CORNWALL: Let me say that Mr Lucas has done about as much for the poor, the needy and the underprivileged in this State as the Ayatollah has done for world peace. He is a dead set traitor to his own class. With regard to the Sheltered Accommodation Assistance Program, we have made available funding that will result in an expansion of something exceeding $200 000. That is new money, matching funds with the Commonwealth. We have not made available the maximum amount, and that is in the particular area of SAAP. There are very good reasons for that. On this difficult budget—and this budget was framed against the background where the Commonwealth had reduced its capital and recurrent funding to us by $190 million—and in those difficult circumstances we had to set priorities. Ms President, our highest priority was additional funding for the Department for Community Welfare which, in this budget, received an additional $2.1 million, almost 40 additional positions, and a significant amount of additional funding for the voluntary sector. In this difficult budget it was the only real and major growth area for Government.

We got our priorities right. So that is $2.1 million for community welfare—both for the department and its services, and for a number of important voluntary agencies. Secondly, when looking at how we could optimise matching Government funds, we opted in this budget to find an extra $2 million for the home and community care program. We are not talking about hundreds of thousands of dollars here—we are talking about an additional $2 million in 1987 for the home and community care program, taking the total funding for that program in this financial year to $25 million.

It is important to remember that three years ago there was not a penny piece in the home and community care program. It is as a result of the initiative of the Hawke Government in the first instance and because of the enthusiasm and competence of the Bannon Government that we now have in place around this State a program the like of which in terms of support for the young disabled and the frail aged we have never before seen in this State. I am not going to apologise for making that a major priority in 1987-88. And I am not about to apologise for a Government that made its number one priority substantial additional funding in the order of 5 per cent in real terms for the Department for Community Welfare and voluntary agencies involved in the same sphere of work.

With regard to the SAP scheme, again, if one goes back three financial years, the total amount of funding available for the general shelters accommodation program, for the

women's shelter program, and for the youth shelter program was, from memory, something less than $2 million. This year, with that modest expansion, and given the expansion that has taken place over the previous two years, the amount (from memory) will be something well in excess of $7 million and approaching $8 million.

So I really think that, if you look at the background, $25 million for a whole range of comprehensive programs ranging from amounts as small as $3 000, $4 000, and $5 000 through to amounts of $800 000 for about 200 new programs in home and community care (and one should also look at what we have been able to achieve in the department after a number of years of contraction) shows that the Government has a proud record in social welfare. I am proud of my colleagues for the support they gave me in the budget deliberations, and I am proud of the Government for getting its priorities right.

The Hon. R.I. LUCAS: I desire to ask a supplementary question. Will the Minister confirm then that, as a result of his and the Government's heartless decision, there will be in effect $400 000 (comprising both Commonwealth and State new moneys) under that agreement that will not be spent on shelters for the homeless?

The Hon. J.R. CORNWALL: I have already confirmed in net terms that there will be something in excess of $200 000 in new money for the SAP scheme. I am pleased that young Mr Lucas got to his feet again to give me another opportunity in regard to inner city kids, a variety of funding sources will be made available for that program. Some funding will come from private sponsors, and I hope that some of the funding, on the way that our negotiations are now proceeding, will come from the Adelaide City Council. We are putting together a package that will ensure that we will put our money where our collective wisdom has been with regard to looking after not only the so-called inner city kids but also all the adolescents who come into the inner city area. One of the problems in the past—and I might say that it has been exacerbated by people like Mr Davis—is that the various workers in the field have been proprietorial and territorial. So you have had voluntary agencies wanting their patch—

The Hon. L.H. Davis: What are you talking about?

The Hon. J.R. CORNWALL: I am talking about your role in the Service to Youth Council and your particularly negative role in trying from day one to sabotage The Second Story.

The Hon. L.H. Davis: That's outrageous.

The Hon. J.R. CORNWALL: I know it is.

The Hon. L.H. Davis: It is an unfounded allegation.

The Hon. J.R. CORNWALL: It is not—it is well founded. It is on the record in this place and outside this place on a number of occasions. Persistently—

The Hon. L.H. Davis interjecting:

The PRESIDENT: Order!

The Hon. J.R. CORNWALL: Persistently—

The Hon. L.H. Davis interjecting:

The PRESIDENT: Order! I have allowed the Hon. Mr Davis quite a long interjection before pulling him up.

The Hon. J.R. CORNWALL: Persistently Mr Davis did his level best to sabotage The Second Story but, I am pleased to say, he has failed. He has been untruthful and he has been—

The Hon. L.H. Davis: In what respect?

The Hon. J.R. CORNWALL: In almost every significant respect with regard to The Second Story you have consistently been untruthful.

The Hon. M.B. CAMERON: Ms President, I rise on a point of order. I do not know whether you have any control over the Minister, but it really is beyond the pale when he continually refers to other people when answering questions that have absolutely nothing to do with those people.

The PRESIDENT: Standing Orders state that in answering a question a member shall not debate the matter referred to.

The Hon. J.R. CORNWALL: As I have said in this place before, because of the initiatives that we are now taking, all of those services—both from the voluntary sector and from the Government sector—will be coordinated. There is an attractive and exciting package coming up, and I will be pleased to announce the details within the next three to four weeks.

CONVENTION CENTRE

The Hon. K.T. GRIFFIN: Has the Minister of Tourism a reply to a question I asked on 8 September about the Convention Centre union membership?

The Hon. BARBARA WIESE: Convention Centre staff are not compulsorily required to join a union as a condition of employment. Most of the staff have joined the Public Service Association as the most appropriate union. With respect to contractors engaged by the centre, it was a requirement that contractors should engage their staff at the appropriate award rates and conditions. The catering contractor has entered into an industrial agreement with a union (Ship Distributive and Allied Employees' Association) to cover staff working at the Adelaide Convention Centre.

THEBARTON DEVELOPMENT CORPORATION

The Hon. BARBARA WIESE: Madam President, I seek leave to have incorporated in *Hansard* without my reading them (and at the request of the Hon. Mr Griffin) two replies to questions asked on 1 April and 8 April about the Thebarton Development Corporation to which I replied in writing during the parliamentary recess.

Leave granted.

1. I do not approve of companies of other legal vehicles being established to 'get around' the provisions of the Local Government Act to the extent that they might diminish appropriate standards of accountability of councils to the public. To that extent the scheme approved under section 383a relating to the formulation of the Thebarton Development Corporation specifically sought to ensure that the body would be 'subject to the general control and direction of the Corporation of the Town of Thebarton'.

One should note, however, that the whole interest of section 383a is to provide a way for councils to engage in activities that the Act does not otherwise allow for. Therefore in one sense that section is there to allow councils to 'get around the provisions of the Local Government Act', but I do not believe this should apply to the standards required of councils and their members in matters such as disclosure of personal interest and financial accountability.

2. The council was authorised to set up a company or an association within the terms of the approval. At the time of my approval I had details of the proposed constitution of the body as publicly advertised by the council. However, the Articles of Association of the corporation established subsequently departed from the proposed constitution in several significant areas.

3. I have now received legal advice that there is some doubt as to whether the set of objectives contained in the approval was sufficiently discrete and identifiable for

approval to be given under section 383a. That is, the Crown Solicitor has raised the question of whether the approval sufficiently defined the activity to be approved. I believe that the previous advice of my officers may have been deficient in that the activities which the company was to be empowered to undertake were perhaps too broadly defined. I am also advised that the council in establishing the Thebarton Development Corporation significantly departed from the scheme which I approved. In these circumstances it seemed best to wind up the Thebarton Development Corporation, which the Corporation of the Town of Thebarton has agreed to do.

On 8 April the Hon. Mr Griffin asked further questions on this matter. My replies are as follows:

1. I have sought and received advice from the Crown Solicitor on the various questions which have been raised in relation to the use of section 383a of the Local Government Act.

2. I am unwilling to make public the advice of the Crown Solicitor on this matter. As a general rule the advice of the Crown Solicitor is given for internal government purposes. I draw your attention to page 15 of the Crown Solicitor's Office Client Handbook which states:

> It is contrary to accepted constitutional practice for memoranda of advice from the Crown Solicitor to be tabled in Parliament, or for details of that advice (as opposed to the fact and general tenor of the advice) to be disclosed in Parliament.

3. I attach for your information approvals given to the Town of Thebarton under section 382d and section 383a of the Local Government Act.

Ref: DLG 114/45/01

Chief Executive Officer,
Corporation of the Town of Thebarton,
PO Box 32,
Torrensville 5031

Dear Mr Waclawik,

I acknowledge council's letter of 6 January 1987 (ref:IREL:MWV 134/6) in relation to a proposed scheme for redevelopment pursuant to section 382d of the Local Government Act.

My approval to the scheme which lies within the area bounded by South Road, Rose Street, Railway Terrace and Hughes Street within the Township of Thebarton is granted pursuant to section 382d (3).

Yours sincerely,

Barbara Wiese, M.L.C., Minister of Local Government
Dated 24 February 1987.

LOCAL GOVERNMENT ACT

CORPORATION OF THE TOWN OF THEBARTON

Scheme Pursuant to Section 383A

I, BARBARA JEAN WIESE, the Minister of the Crown to whom the administration of the Local Government Act 1934 has been committed, exercising the powers vested in me pursuant to section 383A of the said Act hereby approve the scheme set out hereunder subbmitted by the corporation of the town of Thebarton.

Dated 10 February 1987.

B. J. WIESE, M.L.C., Minister of Local Government

D.L.G., 144/45/01 TC6

THE SCHEME

The corporation of the town of Thebarton ('the corporation') will subject to the provisions of the Associations Incorporation Act or the Companies (South Australia) Code constitute a body corporate which subject to the general direction and control of the corporation of the town of Thebarton will have the following objectives:

(a) to undertake in relation to the redevelopment of the town, the preparation of schemes under section 382d of the Local Government Act 1934 and the subsequent implementation and management of such schemes;

(b) to undertake such activities as are required to stimulate the social, economic and environmental redevelopment of the town;

(c) to actively seek the establishment or relocation to the town of employment intensive enterprises;

(d) to facilitate the establishment of organisations that foster and promote the economic development of the town;

(e) to provide, or participate in arrangements for the provision of, services and facilities in the town;

(f) to foster and undertake development of the built form as part of a continuing program to enhance the image of Thebarton.

The Scheme will benefit the residents of the area of the corporation by encouraging the economic development of the area and thereby improving its social, physical and commercial environment.

The Scheme will be financed from the revenue of the corporation, grants and subsidies received and income earned from undertakings entered into by the proposed body corporate.

DANGGALI CONSERVATION PARK

The Hon. M.J. ELLIOTT: Has the Minister of Health a reply to a question I asked on 20 August about the Danggali Conservation Park?

The Hon. J.R. CORNWALL: I seek leave to have the reply incorporated in *Hansard* without my reading it.

Leave granted.

1. The Danggali Conservation Park is served on a planned needs basis as resources allow. The ranger for the park is stationed at Berri.

2. No. Staffing levels are determined on balance between conservation and visitor management needs within overall staff resource availability.

3. The National Parks and Wildlife Service, through its recruitment process, maintains an eligibility list for prospective base grade rangers. Vacancies are filled from this list as they occur.

CONVENTION CENTRE

The Hon. L.H. DAVIS: Has the Minister of Tourism a reply to a question I asked on 8 September about an audio visual contractor at the Adelaide Convention Centre?

The Hon. BARBARA WIESE: As it is a fairly lengthy reply, I seek leave to have it incorporated in *Hansard* without my reading it.

Leave granted.

The decision to appoint an audio visual contractor was taken following studies undertaken of the Convention and Congress Centres in the United States and Canada. The Ottawa Congress Centre was regarded as the model used in designing the Adelaide Convention Centre, and that centre uses an audio visual contractor together with cleaning, catering, security, and other contractors which has been the approach adopted in Adelaide as the first international standard convention centre to open in Australia. The audio visual contractor approach was also used in most centres studied in the United States.

It is worth noting that the Darling Harbour project in Sydney, as the next international convention centre to open in Australia, is adopting a similar approach. The audio visual contractor provides the following services to the Convention Centre in what is considered the most cost-effective method of operating this aspect of the centre:

1. Maintains and operates the projection, lighting and sound equipment owned by the Government valued at three-quarters of a million dollars.

2. Provides back-up equipment on a hire basis to cover those items already in use and any additional equipment, or to meet the specific requirements of clients for equipment not owned by the centre.
3. Services and repairs all the centre's equipment.

The selected contractor, Entertainment Audio, is well credentialed as it is 50 per cent owned by Village Roadshow, a Victorian based company which is considered to be the largest audio visual company in Australia. Whilst Entertainment Audio in its own right, has considerable equipment resources to draw on, together with their partner company, they would have the largest pool of hire equipment in this State. In addition they also have staff of proven experience in the audio visual field.

The Convention Centre is operating on a commercial basis, and therefore all equipment hire rates are at commercial rates and comparable with all other hirers in Adelaide. There is no evidence of any bookings being cancelled because of the audio visual policy applying at the convention centre. There is no reason to change the existing policy applying to the audio visual contract arrangements at this stage, as it is the most efficient way of providing an exceptionally high standard and state of the art audio visual equipment and effects at commercial rates.

APPROPRIATION BILL

Adjourned debate on second reading.

(Continued from 15 October. Page 1205.)

The Hon. L.H. DAVIS: It is customary for this Council to debate the Appropriation Bill but not to amend items in it in any way. That is the tradition and the custom, and is readily accepted on this side. However, that does not prevent the Opposition making comments about the State budget given that this is the primary financial document for the 1987-88 year. It is a document that sets out Government strategy, reveals its programs for the future, and also provides a record of its past performance.

I want to comment briefly on some aspects of the budget, but before so doing I want to set the scene by looking at the mini budget passed in May, because it was that budget that set in train some unexpected consequences for the States and, may I say, some unexpected statements from the Premiers about the impact that the mini budget would have on State finances.

Let us look at the record of Mr John Bannon in relation to the mini budget of May 1987. Mr Bannon is quoted in the *Age* of 26 May 1987 as saying that the cuts, which were close to $180 million in total, were significant. He was quoted in the *Age* as saying that South Australia was being asked to accept a relatively bigger cut in grants than any other State. He said, and I quote:

> If this cut is forced on us in the way that it is proposed we will simply have a major regional depression.

So much for Mr Bannon's leadership. The fact that South Australia had a bigger cut than any other State says little for Mr Bannon's bargaining skills at the conference table. Mr Bannon was further quoted in the *News* of 7 April 1987, a few weeks prior to the mini budget, as saying that the South Australian economy was headed for a tough year. He said, and I quote:

> The Government preferred to cope with the cut in Federal Government funding by launching commercialisation projects instead of increasing taxes or cutting services.

It is worth noting that comment. Here was a Premier talking about the merits of privatisation. Never mind that he used a different word 'commercialisation'. When you strip away the veneer, commercialisation is privatisation. He talked specifically about the projects of privatising the Australian Mineral Development Laboratories, the Electricity Trust of South Australia power stations, and the potential sale of educational facilities at Wattle Park. Further, in this reaction to the mini budget and the overdue spending cuts foisted on the States by the Federal Treasurer, Paul Keating, the Premier, Mr Bannon, talks about 6 400 jobs being lost. He says, and I quote:

> The mini budget will result in a significant increase in the number of jobless in South Australia; 6 400 jobs will be lost.

That statement brought him immediately into fundamental conflict with Mr Keating who said that the average unemployment situation would be broadly unchanged over the 12 months up to May 1988, but Mr Bannon, the Treasurer of South Australia, and presumably acting on economic advice, forecast that the mini budget cuts would see 6 400 jobs being shed in South Australia.

I want to say something about the Bannon strategy and style that is reflected in those comments about the mini budget. He is talking about regional depression and 6 400 jobs being lost, South Australia having a bigger cut in funds than any other State, and he is also saying that commercialisation (the selling of assets) is the way to offset cuts in Federal funding. What does that tell us about the Labor Party under the direction of Premier 'soft shoe Bannon'? It tells us, I think, that the Labor Party does secretly accept the fact that the South Australian economy is really wallowing.

We only have to look at economic indicators, which I have produced on a regular basis, to see that the South Australian economy is trailing the field (Tasmania included) when it comes to economic performance. At the last analysis in August 1987 South Australia was either last or second last in 10 to 14 key economic indicators. If one looks at indicators such as bankruptcy, it can be seen that South Australia has more bankruptcies than Victoria, which has three times the population. In fact, South Australia has 18.5 per cent of the total national bankruptcies even though it only has 8.5 per cent of the population.

If one looks at motor vehicles sales, housing and construction starts, retail sales, growth in State taxation: all of these indicators show that South Australia is ranked a dismal last. It is of some surprise to me that it took until May 1987 for Premier Bannon to admit that South Australia could have a regional depression as a result of the mini budget cuts. That, of course, was a rare admission from Premier Bannon—it is something we have not heard him say again—and we have not heard him say anything about the 6 400 jobs that will be lost.

The South Australian budget is a document that sets out to suggest that the Bannon Government is a reasonable Government, a caring Government, a responsible Government, and a Government that does not tax the pants off people. Yet the truth is very different. If one looks at the growth in State taxation, it can be seen that for 1987-88 land tax is forecast to increase by 30.1 per cent; motor vehicle taxation increases are forecast to increase by 11.2 per cent; the increase in stamp duty will be 8 per cent; and another measure that has been before this Chamber recently is the petroleum business franchise tax, which will increase by a massive 49 per cent in this financial year.

It is well worth remembering when one talks about increases of 10 per cent plus that those should be measured against a forecast inflation of only 7 to 7.5 per cent in the

present fiscal year. It is easy to forget that inflation in Australia has fallen back from those double digit figures of the early 1980s. This figure is certainly two and three times the inflation rate of most of Australia's major trading partners. However, when there are people who are enjoying pay increases of less than the rate of inflation, having to pay above inflation rate increases on car registration, on taxes on liquor and petroleum, on land tax and a range of other State taxes and charges, one can see that people are indeed having their pants taxed off them.

It is also an illusion to suggest that the Bannon Government is cutting back on the public sector. Mr Bannon has sought to project the South Australian Government as tightening the belt on the public sector and facing up to the responsibilities forced on it by a Federal Treasurer who has reined in State spending through the mini budget of May and the Federal budget of September. But again, the rhetoric is not matched by close examination of the figures. Indeed, if one looks at the State budget document, it is set up in a way as to quite openly mislead: there is no doubt about that. If one looks at the financial statements, it can be seen that they seek to project a fall off in public sector growth in South Australia compared with private sector growth. However, if one scratches behind these figures, as I have, one finds a quite different story—in 1986-87 six State Governments increased total public sector employment by 2 400 people.

The Hon. C.J. Sumner interjecting:

The Hon. L.H. DAVIS: Public sector employees; we are all operating on the same basis.

The Hon. C.J. Sumner: Does it include the State Bank and SGIC?

The Hon. L.H. DAVIS: The Attorney-General is grazing in strange pastures, so perhaps I should explain things to him. When I talk about the public sector I am talking in the broadest terms, not only about departmental employees but also about other Government agencies such as statutory authorities and the like.

The Hon. C.J. Sumner: Are you including the State Bank and SGIC?

The Hon. L.H. DAVIS: Yes. The Attorney-General recognises that those bodies are also included in other State calculations. I believe that when the number of public sector employees is calculated in each of the States of Australia a common definition is used which enables a reasonable comparison to be made. Having been distracted by the Attorney-General, I return to the nub of my argument—that there was a total increase of 2 400 employees in six State Governments in Australia in the 12 months to 30 June 1987. South Australia had 50 per cent of that increase—1 200 additional employees were employed in little old South Australia which has 8.5 per cent of the population.

This is belt tightening *a la* Premier Bannon—a quite remarkable effort which pales by comparison with the real cuts made by Premier David Tonkin in the period 1979-82. The media and the community at large have been slow to recognise that the Tonkin Government was the leader in small Government in Australia—it was, in many respects, ahead of its time. It cut full time equivalent public sector employment by 3 500 employees between 1979 and 1982, there having been an increase in the number of staff members of some 40 per cent in the Dunstan decade from 1970 to 1979.

That example having been set in relation to public sector employment, it should come as no surprise that the present Premier has allowed a blowout of even greater proportions in the number of ministerial staff and officers. The figures I am about to reveal will come as a surprise to the Attorney-General, so I will run through them slowly so that he can grasp their full impact. In 1982-83 the officers attached to the 13 Ministers of the newly elected Bannon Government totalled 112.1 full-time equivalent employees; in the 1986-87 Program Estimates that figure increased to 143.6 full-time equivalent employees, an increase of 31.5 full-time equivalent employees servicing the Bannon Government's Ministers, Executive Council and Cabinet, or a 28.1 per cent increase in five years.

In 1985-86 that number of full-time equivalent employees was 129; in 1986-87 it increased to 133.5; the Bannon Government, in a fine example of loosening of the belt (in fact of taking the belt off altogether), proposes increasing staff numbers this financial year from 133.5 to 143.6 full-time staff equivalents, an additional 10 staff members (or a 7.6 per cent increase) to service Ministers.

Of the 13 Ministers in the Bannon Government 10 have more full-time staff members than has John Olsen as Leader of the Opposition. To emphasise that fact even more to our somewhat bewildered Attorney-General, while the Bannon Government has been busily awarding itself more staff every year there has been no increase in Opposition staff numbers.

The Hon. C.J. Sumner: You know that's not right.

The Hon. L.H. DAVIS: The Leader has funds to provide staff and there has been no real increase in the number of staff available to John Olsen. The Liberal Leader in the other place has six full-time staff members paid for out of Government funds. The nine Liberal members of the Legislative Council have two secretaries and the Leader has a research assistant, a total of three staff members servicing 10 people. Contrast this with the two Australian Democrats who have two staff members.

The Hon. C.J. Sumner: One.

The Hon. L.H. DAVIS: The Attorney-General does not even know the enormity of this injustice.

The Hon. C.J. Sumner: One staff member, and a research assistant during sitting weeks.

The Hon. L.H. DAVIS: The Attorney-General has finally owned up to this enormous racket—that the Australian Democrats have two full-time officers while the Parliament is sitting.

The Hon. C.J. Sumner interjecting:

The Hon. L.H. DAVIS: The Attorney-General is referring to five years ago. The six Labor back benchers have two full-time staff members; the Liberal Party, with 10 members of which five are shadow Ministers, has only three staff members, yet the Government has increased Ministerial staff by 30 people costing at least $1.5 million a year, and has without any consultation provided its staff with a little palace on the first floor. I do not know how the Attorney-General can justify that.

As Deputy Leader of the Opposition in this place, I am entitled to one fifth of a secretary, as is the Hon. Rob Lucas, the Hon. Diana Laidlaw and the Hon. Trevor Griffin. If the Attorney-General seeks to justify that then he is not living up to his reputation as a man concerned about justice—there is no justice in this. This makes a mockery of the comments made by the Hon. Terry Hemmings, Minister of Housing and Construction, who said on 3 October last year during the Estimates Committees:

> When members approach me as the controlling Minister and make requests about office accommodation, staffing facilities, and so on, I must weigh up whether the money should be spent. Being a fair minded person, I have in the past weighed up the situation and asked 'Is that expense necessary?' regardless of the member's political persuasion, and I believe that that is very important.

I have drawn his attention to the facts. From a Liberal Party point of view, the position has deteriorated in the

past 12 months. In answer I received a letter full of abuse and invective—that was this 'fair minded' Minister's response to a reasonable request for staff.

The Government of South Australia has the gall to increase its full-time staff by an additional 10 members in this current financial year when it is talking about belt-tightening and, most importantly, when I would have thought that it would be looking at a fair minded approach to staffing. It has always been a sensitive matter—I accept that. But when the Government increases its staffing by 30 and makes no adjustment to the staff of the Liberal Leader in another place, and when the Australian Democrats are advantaged at the expense of the Liberal Party, then it is not a matter of justice; it is a matter of political opportunism; it is a matter of taking advantage of Government, the trappings of power, and a total abuse of the system.

I just want to put on public record that the Opposition takes its job very seriously, and we resent the fact that this Government has just so blithely increased its staff year in, year out, without making any adjustment to the Liberal Party staff, but being quite prepared to adjust the Australian Democrats' staff. Good luck to the Australian Democrats. I am not seeking to impugn their staff in any way. Obviously they have a magic formula which we have yet to learn.

The Hon. I. Gilfillan: Persistence and justification.

The Hon. L.H. DAVIS: Persistence and justification—are they the two words? I will take those on board but when I last used the words persistence and justification to Terry Hemmings, all I got was abuse. Perhaps I will take the Hon. Mr Gilfillan along with me next time we seek an increase in staff.

Madam President, to conclude this point on public employment: in the 12 months to 1 March 1987, private sector employment in South Australia grew by 1.5 per cent, but State Government employment grew by 2 per cent. In the same period, Australia-wide private sector employment grew by 2.3 per cent, whereas public sector employment grew by only .7 per cent. This is, of course, one-third of the South Australian growth rate. That places in some perspective the leadership of Premier Bannon and his Government in terms of public sector employment. It should not be forgotten that for every thousand full-time public servants employed the going rate is roughly $30 million a year.

One of the great difficulties that we have in making an analysis of the 1987-88 budget is that there have been significant accounting changes. The Commonwealth specific purpose payments are included in the Budget Papers for the first time. It is therefore difficult to make a ready comparison with previous budget results. What can be gleaned from the budget documents is that taxation receipts will rise by some 4 per cent in real terms, that is, 4 per cent over and above the rate of inflation. In other words, tax receipts to the South Australian Government will rise by 11.2 per cent in money terms after taking into account the fact that inflation is projected to increase by 7.25 per cent in 1987-88. Total receipts—that is receipts in addition to tax receipts—will also rise in real terms by 1.8 per cent. The balancing factor in the State budget has increasingly been the contribution from the South Australian Financing Authority (SAFA). In 1986-87, that balance provided $164 million, and this year SAFA is budgeted to provide $240 million

I wish to make a brief comment about SAFA. It is accepted quite readily by the Liberal Party that SAFA is a very useful instrument in terms of bringing together under one umbrella the pool of funds from a range of departments and statutory authorities and investing those funds more efficiently and for better rates. There is no question that that has brought financial gain to the State and has made for much more effective and efficient cash management.

Similarly, SAFA operates as a borrower on behalf of all but one or two statutory authorities. It can borrow at better rates. In fact, SAFA's operation is so big that it can borrow at a time when it judges rates of interest to be most advantageous, and it can on-lend those borrowed funds to authorities that are in need of funding. Therefore, that borrowing and lending operation does not have to be matched. In other words, when someone requires $50 million SAFA does not then go into the market and borrow $50 million; that amount can come out of its pool of funds that are available for that purpose.

That is a commendable feature of SAFA; there is no question about that. The bringing together of investment funds from the departments and various Government agencies and the borrowing on behalf of those same departments and Government agencies are very attractive features of SAFA.

However, one area of great concern to me about SAFA's operation is the way in which it has borrowed funds from overseas. Loan Council, through the Federal Treasurer, has laid down very strict guidelines for the borrowing of funds from overseas. Of course, that is not surprising given Australia's escalating overseas debt. Australia, with a net gross foreign debt of $80 billion plus and a gross debt of $110 billion plus, is one of the great debtor nations of the world.

The Federal Treasurer (Mr Keating) correctly, in my view, has placed global limits on borrowing from overseas by State Governments. He is asking Governments to set an example in their borrowing habits, to curb borrowing and, in particular, to restrict overseas borrowing. Therefore, I was somewhat bemused to see that in the Auditor-General's Report tabled in Parliament last month mention was made of the fact that SGIC had jointly borrowed $108 million with SAFA. In fact, that money was borrowed from overseas in the name of the SGIC, and that money has been borrowed by SGIC through SAFA because, I suspect, SGIC is outside the global borrowing limit set down by the Loan Council. In other words, SAFA, which has its hands on at least a section of this money, has used SGIC as a mechanism to circumvent the Loan Council borrowing limits.

It is certainly a most complex transaction. That is not easy to come to grips with. However, the Auditor-General has gone to some lengths to explain it. He certainly has not been critical of it. If it complies with legalities it is not his role to be critical. However, it seems that SGIC has been used by SAFA to overcome the limitations imposed by Loan Council on overseas borrowing. I believe that some of that money is now back in the hands of SAFA. When we talk about borrowing $108 million with SAFA, and there is a limit of only $80-odd million for overseas borrowing by South Australia set by the Federal Government, one can see the extent to which the Loan Council restriction has been circumvented. The Liberal Party wants to place on record the fact that State Governments at this time of economic crisis in Australia should be setting an example and not looking at cute accounting techniques to circumvent rulings that are designed to minimise the escalating foreign debt.

There has been a lot of comment on the South Australian budget, and the Liberal Party's position on it has already been set down. It is useful to see that recently—indeed as recently as last week—there was an analysis of the various State budgets by the Institute of Public Affairs. Its survey showed that South Australian taxpayers were being forced, as a result of the State budget, to pay more tax per head than any other State in the current year. The analysis revealed

that an additional $75 would be payable by each South Australian, and that ranks ahead of New South Wales at $71, Tasmania at $71, Victoria at $69, Western Australia at $61, and Queensland at only $26. This confirms what the Opposition has been saying for some years now: that the Bannon Government is hooked on taxation and that Premier and Treasurer John Bannon is a tax junkie.

If South Australia topped the States in terms of the increased taxation per head foisted on the public as a result of the budget measures, we are not far behind when it comes to looking at the real increase in taxation amongst the various States. In fact, South Australia, in terms of the increase in total revenue, ranks second only to New South Wales, according to the IPA figures. Those figures are damning, and the analysis by the Institute of Public Affairs clearly blows out of the water claims by Mr Bannon of sound economic management. The institute was particularly critical of South Australia's poor record in both taxation and spending increases, and it makes the point that I have already made today—that is, that the restraint has been 'much less than the economic situation requires and rhetoric would have us believe'.

I want to address one other matter, and that is the great concern that I have about Australia's economic situation. It is alarming to see that business investment in Australia as a percentage of gross domestic product is now at its worst level, with the exception of 1974-75, for 25 years. In other words, our economic growth is not being boosted by investment so much as a consumption spree on goods and services.

The fact is that our unit labour costs continue to be a problem compared to trading partners, even though standards of living in Australia have undoubtedly fallen over the past 12 months. Our unit labour costs—that is, our money wages divided by average labour productivity—have risen over the past four years by 22.6 per cent, but Japan's unit labour costs in the same period increased by only 5 per cent and those in the United States by 12.7 per cent. In other words, even though there may well have been some competitive gains with our major trading partners, the United States and major South-East Asian and European countries as a result of devaluation, those competitive gains are being narrowed dramatically by the fact that our unit labour costs continue to outstrip those of our major trading partners, because our investment is at record low levels and because our price movements are continuing to erode other competitive advantages that have developed. The fact that inflation at 7.25 per cent for 1987-88 will still be at least double that of most of our major trading partners is significant.

Certainly, there is some suggestion that business investment will improve in the current financial year. However, we should be mindful that we live in a world that has had a trade cycle in upturn for the past four or five years. That has been reflected in unprecedented bull markets in the major stock exchanges of the world such as New York, London and Tokyo. Only last evening we saw what may well have been the largest fall in the history of the stock market when New York's Dow Jones index fell by a massive 22 per cent.

That has been reflected in the stock exchanges of the world in the hours that have followed. It is such a dramatic fall that it has meant that the Hong Kong Stock Exchange has been closed for the week. It has led to tremendous uncertainty in the Australian stock market, and I understand that today the Australian stock market has fallen in the order of 20 per cent—surely the biggest fall in the history of the Stock Exchange.

It shows how fragile the world economy is, given that there may be underlying strength, particularly in some of the European economies such as Germany, Switzerland and the United Kingdom, and the generally strong growth in many South-East Asian countries such as Taiwan, South Korea, Hong Kong and, of course, Japan, with its massive economic growth in recent years. However, it makes Australia, on the edge of the Pacific rim, a very fragile flower indeed, given that we are hanging grimly onto the edge of that rim and hoping to enjoy some of the benefits from the economic growth of this region, which it is said will run at a greater level than any other region in the world over the next two decades.

However, the struggle that we face in Australia is enormous. It is not only a struggle to compete with other countries in the South-East Asian region in terms of the recognition of the importance of education, marketing, technology, competitiveness and sheer hard work: it also involves the recognition that we must rebuild totally our manufacturing base and that Australia, with only 20 per cent of our exports coming from manufactured goods, is well out of line with world trade, where 60 per cent of all goods traded are manufactured goods. Whilst Australia has lived off the sheep's back for many years very successfully and agricultural and pastoral products have been the saviour of the Australian economy on more than one occasion, clearly the recent downturn, notably in grain prices, has reflected how vulnerable we can be in that sector.

We have also seen a growing vulnerability in the mineral sector as world economies mature. For instance, as Japan finds that it does not need so much coal, it becomes highly nervous of our unstable industrial relations and finds increasingly attractive propositions on offer from other countries such as South America. So, we in Australia today live on the watershed in economic terms, and I cannot help but agree with Senator Peter Walsh, the Hawke Government's senior economic Minister, second only to Paul Keating, when he warned that the Keating document presented just a month ago was clearly oversold and that, coming as it did shortly after the Federal election, there was a residual euphoria, which had lulled people into believing that everything was all right in economic terms in Australia.

Madam President, it is not all right. I have just come back from a two-week tour of the four little dragons of South-East Asia—South Korea, Taiwan, Hong Kong and Singapore. Clearly, the message from those four countries is that Australia has a lot of learning and hard work to do if it is to survive in this increasingly competitive world. The message from Senator Walsh has been endorsed by the Liberal Party at a Federal and State level, that is, that the Government has lacked the political courage to bite into expenditure, that we must rein in our public expenditure, cut back on our taxation base, and provide the private sector with opportunities to compete more effectively. We must give enterprise a chance, and we must take big Government and red tape out of the private sector. That is what is holding us back, and that is the very clear view that has been expressed by Liberals at a Federal and State level.

I believe that the State budget which has just been presented fails to come to grips with that message as presented by Senator Peter Walsh and by Liberal Leader John Olsen. Whilst it is true that State regional economies are very small fish in a big pond, especially in turbulent economic times, there is no question that courage, strength and a sense of vision can change the destinies of regional economies. One can instance particularly the development of a manufacturing base by Sir Thomas Playford through the war years and in the immediate post-war years.

One can look also at the development of minerals in Western Australia by Sir Charles Court. They were men of their time. Certainly, we need now in South Australia, given the geographic disadvantages that we face, and given the comparative lack of natural resources, a Government of vision and courage and, most importantly, a Government which respects the important role of the private sector and which does not tax the pants off the people.

The Hon. J.C. BURDETT: I support the second reading of this Bill. I refer to the lines relating to the Department of Public and Consumer Affairs. I wish to refer to a series of regulations under Acts administered by the Minister of Public and Consumer Affairs made on 20 August 1987, which for the first time impose a fee on consumers when they seek certain relief under the Acts in question.

The regulations made that day under the Builders Licensing Act provide that, on the lodging of an application for relief under that Act in relation to a domestic building work contract, an application fee of $15 is to be paid. This has never been the case in the past. It now means that, if a consumer has a complaint in respect of domestic building work, he will be entitled to the services of departmental officers on the present basis without paying a fee but, if he wishes to apply for relief under the Act, he will in future have to pay a fee.

The regulations made on that day under the Goods Securities Act also provide for a $15 fee where an application for compensation is made. The regulations made on the same day under the Consumer Credit Act mean that, where a consumer applies for relief against the consequences of non-compliance with the Act, a fee of $15 must be lodged with the application. The regulations made on the same day under the Land Agents, Brokers and Valuers Act provide for a fee of $15 to be charged where an application for exemption from the Act is made or (and this is the important part because it applies to consumers) when an application to extend the time in which a claim for compensation is made.

The regulations made on the same day under the Landlord and Tenant Act provide for an application fee of $22 to be paid where an applicant brings proceedings under the commercial tenancies provisions of the Act. In such cases the applicant would not be the final consumer but normally would be the tenant, very often a small businessman, seeking relief.

The regulations under the Second-hand Motor Vehicles Act (also made on the same day) provide for a fee of $15 to be charged on the lodging of an application with respect to the duty to repair a vehicle. This of course would normally be the ultimate consumer, and means that the consumer will have to put his money up front if he wishes to proceed for redress. Complaints in this area of course comprise a considerable proportion of complaints brought to the department, as do those under the Builders Licensing Act.

So we have a series of regulations made on the same day and obviously made in concert, all of which require the consumer for the first time to pay a fee before he can proceed with certain claims for redress. This may not be all bad and I will discuss the merits in a moment, but I first point out that this concept of making consumers pay for certain classes of procedures in the consumer area is a new one. The fees are not great in each case, but the concept of the consumer having to pay the fee is quite a significant change in policy on the part of the Government.

Admittedly I was on leave from my duties recently for some time while attending the Commonwealth Parliamentary Association Conference, but I certainly have not seen any announcement by the Government in the press or elsewhere of this very distinct policy change. Inquiries that I have made with my colleagues indicate that no such announcement was made, because when I raised it with them they were hearing about it for the first time. In my view the Government should have and still should announce the policy, explain it, and state just how far it is going to extend.

I am pleased to note that so far it has not been extended to the Residential Tenancies Act, and I would ask whether it is intended to do so. One wonders whether eventually the policy will be extended to consumers who, without making applications under special Acts, simply seek the assistance of officers of the department.

I suppose it can be said that the new policy is an application of the principle of 'user pays', and in general terms I support that principle, but one does have to look at the particular application and ask whether it is justified in each case. I am not satisfied that it is appropriate in these cases to which I have referred. It might be said that the consumer will not mind paying if he gets satisfaction, but he certainly will mind paying if, in the event, he does not get satisfaction. It may be said that having to pay a fee will make it more likely that the consumer's claim is *bona fide* and substantial, but I think that a lot of consumers will not see it that way.

The fees may be likened to court fees to initiate a civil action which in the first instance are paid by the plaintiff. But the whole point about the consumer tribunals is that they are not courts. There would be no point in having them if they did not provide a summary less formal kind of procedure able to give practical remedies not always available to courts.

So while I do not necessarily condemn this new policy direction, I think that the Government is in default in not having announced and explained itself, and in my having to ask for these explanations from the Government. I would ask the Minister when he replies to explain and clarify the policy and to justify it. I would also ask him to say what further extensions of the policy there will be, and in particular whether it will be extended to the Residential Tenancies Act. I support the second reading.

The Hon. J.C. IRWIN: I take part in this debate for a number of reasons. First, following tradition, I support the Appropriation Bill which contains the Government's budget for the coming financial year. As we know, members of this Council arrive at this point following a number of processes and after having an opportunity to analyse a great quantity of paper containing many facts and figures. Of course, members of this place are precluded from taking part in the Estimates Committees, apart from the three Ministers who represent their portfolios and give evidence. Those committees are set up by the House of Assembly. However, we do have the record of debate from the Estimates Committees, which adds something to our understanding of the budget.

Although the Council is precluded from amending the budget in any way, we are not precluded from debating the many matters contained within it. We will support the budget, because it is the Government's right as the elected majority in the House of Assembly to put down in budget and dollar form the direction that it wishes this State to take. Of course, the Government must live with the budget it sets and it must live within the budget estimates, which is a forlorn hope because it is difficult in the present climate and with the directions of the Government for it to live within its budget.

I will not take the time of the Council to outline the many areas in the budget with which the Opposition agrees; nor will I try to define the areas where we are only shades away from agreeing with the Government. Therefore, I do not necessarily want it to be thought that my total look at the Government's budget for this year is negative because it contains many areas where we agree with the Government. However, it is my responsibility and my Party's responsibility in Opposition to study the budget and criticise it if that is warranted. In this exercise today I will refer to a number of areas about which I am greatly concerned.

I refer to the Federal budget and its interrelationship with the State budget on monetary policy, and also the Auditor-General's Report with particular reference to his general comments, quality of information, and various Government and private ventures. There is a theme running through the budget that very much picks up the difference between this State Labor Government trying to put into practice its long and short-term beliefs and the Liberal Party in Opposition in trying to show the people that there is another and better way to do things. We have a right to question the glamorous and popular State projects, the benefits of which are being promoted by the Government and are being provided by Government finances, because we believe that some of that is questionable.

I get quite angry when I and other Opposition members have to continually argue from the back foot that redistribution of wealth from the productive to the non-productive is not the best way to go, when by general agreement the number of unproductive are increasing, including an increase in the aged population. The rich are getting richer and the poor are getting poorer. That has been said over and over in this Council and in the public sector. Several hundred thousand more people are now living below the poverty line than in 1983.

The Federal and State Labor Governments have failed this State and they have failed this nation no matter what measure of reality one analyses. Let us get the cost to South Australia in some perspective of the Federal Government's tax take before we have to add the State Government's tax take and its grab for tax money. In this year's Federal budget, as with last year's, the Government has broken the promised trilogy, that famous misused word which is not mentioned or heard much nowadays. It has collected over $1 400 million in additional tax over and above the ceiling that it promised within that trilogy.

If Mr Keating had kept his tax take at the same level as the average of the former Governments he would have collected $1.6 thousand million less tax over the past five years. Despite the Government's tax cuts last July the Government will still collect an average of more than $230 from every Australian worker this year. Without spending time on exposing the thimble and pea trick of the recent Federal budget, I can say that the Federal Government has basically balanced its budget, since it has been in Government, by tax increases. It has raised revenue—and mark the figures—by about $34 billion and expenditure by about $30 billion. The difference in those figures would be about the deficit that it inherited in 1982-83.

At this point I should raise a matter recently referred to by John Olsen, my leader; a matter which was well covered by a recent *Bulletin* article on credit cards. I noticed from the Hon. Legh Davis' contribution to this debate that he also honed in and mentioned the credit problem in Australia. It has been well documented that Federal and State Governments are far too heavily involved in increasing taxes, and in running deficits in Government departments such as the State Transport Authority with an annual deficit of around $100 million. It should be noted that Mr Bannon's broken election promise regarding bus fares will still not go anywhere near addressing that annual STA deficit.

The other ploy for Governments is to increase borrowings in an effort to put off the evil day when good and proper decisions will have to be made on financial matters. Paying off Government borrowing is one factor in the dreadful balance of payments figure for September, which was released last week I think, of $1.35 billion: a monthly deficit figure. With the ever-increasing taxes and charges of Federal, State, and local governments people are forced more and more into borrowing in order to exist. Governments are forcing this decision.

I still say without hesitation that this is the wrong way to go. I can see it happening amongst rural people who are on the slippery slide to becoming ever more reliant on Governments. They used to be very proud to be self-sufficient people who were not dependent on Governments in hard times, for example, during droughts. The *Bulletin* article highlights the growing consumer credit, and I quote as follows:

> Many young consumers are saying 'I can have what I want now and to hell with tomorrow'.

Governments be wary of this—you are causing this irresponsible and outright dangerous direction because you are causing this attitude in our young people and the particular consumer that was quoted. You want to be the father, mother, and family to everybody, and your actions say the same thing: to hell with tomorrow. I will demonstrate that later.

Despite repeated warnings over the past few years the State and Federal Governments have turned a deaf ear to the damage being caused by Governments living beyond their means. It was pleasing to see in a *News* article on Monday a statement about a South Australian probe into debt crisis. I understand this will form part of a national mini-summit on consumer debt. Some answers to questions on that topic were given today in this Council. However, I ask: why do we need another inquiry, why another summit, mini or otherwise? The Opposition members of this Council already know the damage that is being done by high consumer debt levels; it has been well documented and well publicised. The Opposition has been saying to the Government for some years: do something, however unpalatable, do not just sit there on your hands, for if you do not do something soon the position will continue to get worse and certainly will not get better, and measures to correct the situation will become more and more politically unpalatable.

Who, may I ask, is this Federal Government member, Mr Gear, the member for Canning? Recently, he was talking about Bank Card and beef sales. I suggest that he had better get himself out of first gear. Last week he was telling everyone that supermarket prices all around Australia were too high, and all sorts of action was being contemplated to bring supermarkets into gear in order to produce cheap food for people to buy. Now we have some enterprising supermarket purchasing cheap sides of beef, offering them through Bank Card, and Mr Gear, whoever he is, screams blue murder because that is the wrong way to go. He cannot have it both ways. The *Bulletin* article states:

> Changes are being pressed on the Federal Government amid growing apprehension that political preoccupation with the overseas trade deficit may be involving a $114 billion consumer crisis ... An alliance of financial counsellors, consumer groups, lawyers, and credit advisers has prepared a report for the Federal Government.

It states that household borrowings as at June last year totalled $114 billion; 35 per cent of the total borrowings of

households, businesses, State and Federal Governments combined. The household debt has risen 515 per cent in the past 10 years to $40 000 per average household in 1986, compared with $6 500 in 1976. So the figure has risen from $6 500 in 1976 to $40 000 in 1986, a period of 10 years. I further quote:

> Financial counsellors are alarmed at increasing credit and credit promotion. At a time of real wage constraint, increasing indebtedness and high interest rates are forcing more and more families to sell up or go bankrupt.

The Hon. Mr Cameron, Mr Dunn, I and others know only too well how familiar this sounds to rural people. This matter of bankruptcy has often been referred to by my colleague the Hon. Legh Davis and he did so today. According to statistics South Australia is the worst State. Australia has had a 70 per cent increase in bankruptcy in the past two years: 7 500 to the year ending June 1987, and most of that is private bankruptcy. When are we going to hear another cry from Mr Keating about a banana republic or a move further towards being like Argentina. Mr Hawke would not like to hear that right now, would he! It would only rub more salt into his woeful performance during the past couple of weeks while he strutted around on the world stage. His recent posturing over Fiji and South Africa, and his golfing lessons in the United States can hardly have done him much good, or this country, which he is representing.

Ever increasing slabs of his own Party are warning him to get back to the basic Labour principles which are different from the ones that are being practised now. Remember that, if we ever go further down the banana republic track or become worse than Argentina, this State will have much to answer for and will certainly suffer the consequences along with every other State. Mr Keating is not saying much, I cannot hear him at all on any news bulletins or television interviews, but Senator Walsh, who was referred to by the Hon. Mr Davis, is certainly saying plenty. He is a farmer, so I believe I should listen to what he says. I only wish that other people would listen to what he has got to say about what the real world is about.

I have an eight page document listing Senator Walsh's recent comments, so I can grab one for almost any situation. They all bucket his own Government. I will not put members in much pain about this matter, but suggest that they listen to what he says. On 8 September he said:

> The stabilising of Australia's ballooning foreign debt would be achieved by either imposing another catastrophic depression or through a combination of consumption restraint, economic restructuring and productivity growth. I fear, however, that although we have been going in the right direction we have not been moving as quickly as the externally imposed circumstances demand.

On 21 September, he said that the Federal Government had spent $650 million on Brisbane Airport, for which there was no fundamental or financial need. He has referred to that edifice, the new Parliament House in Canberra, as 'another scandal' and mentioned some $1 billion being overspent. I will take up the matter of overspending by this State Government in a moment. He continued on 21 September:

> If people were encouraged to spend rather than save, Australia would be sent further down the Argentinian road: if it goes much further it will be irretrievable.

I totally concur with that, although I have a limited knowledge of economics but some knowledge of what this world is about.

All States will have much to answer for if they do not arrest the economic and financial decline that is already a reality. Even the bumbling Federal Minister, Mr Barry Jones, is getting in on the Walsh act and, when launching Donald Horn's book *The Lucky Country Revisited*, he said:

> Australia has failed to mature as an industrial power and now faces challenges for which it is ill prepared.

The article continues:

> Without a revolution in the quality of our education and a commitment to the life of the mind we may slip into a lotus land torpor.

It seems to me that Federal Ministers are having some sort of competition, outside their usual factional brawls, to ascertain who can describe Australia in the most colourful language.

I will use the examples of arrogant Government spending and lack of financial management to illustrate this State's contribution to Australia's financial ills. I have a few of the many such examples, some of a general nature and some taken from the Auditor-General's report of 1987.

First, I will put in perspective the fifth Bannon Government. Spending will rise 1.1 per cent in real terms in 1987-88. The true budget deficit, which is the difference between estimated revenue and proposed payments, is $355 million. Borrowings have reduced the publicised deficit to a figure that Mr Bannon tries to tell us is nearly balanced. The State Government tries to hide its fiscal irresponsibility by more borrowings as the Federal Government tries to push more fiscal responsibility on to this State, which has failed to take up that challenge and which goes on borrowing, and borrowing. As I said earlier, in referring to young consumers: 'We can have what we want now and to hell with tomorrow.'

Page 13 of the Auditor-General's Report shows a graph of the South Australian debt maturity profile excluding ETSA. Allowing for provision for roll over of maturing debt and the increased sophistication of financial markets providing opportunities for restructuring of borrowings which can affect maturity profile, we see a frightening picture. The roll over of redistribution and restructuring provisions can help Governments put off the inevitable—'To hell with tomorrow.'

What happens when the stone—that is, the people—cannot be bled any more and when productivity declines to an extent that it no longer contributes? The graph in the Auditor-General's Report shows a figure for debt maturity in 1988 as $800 million; for 1989, $400 million; for 1990, $450 million; and for 1991-1995, $2 000 million, a base load of approximately $400 million a year without anything being rolled over on to it. The graph shows a further $1.4 billion stacked up between 1996 and the year 2000. Interest payments on past borrowings in this State are shown in the present budget as an estimated $575 million, 16 per cent of recurrent expenditure or the equivalent of 56c in every dollar of Government tax collected in the 1987-88 year. Taxes are already estimated to be up 4 per cent in real terms above inflation. Taxation in this State is $665 per capita compared to $371 (nearly half that amount) in 1982.

Public Service growth in Australia in the last financial year was 4 100 people, of which South Australia accounted for 2 100 or nearly half. During the time of the Bannon Government the public sector has risen by about 13 000 people. Public sector growth in South Australia last year was 1.9 per cent compared with a total growth in the South Australian work force of 0.3 per cent. These facts paint a sorry picture—hardly the responsible restraint painted by the Hon. Trevor Crothers, a member of this place and President of the Labor Party, in his second reading speech when trying to point up this Government's responsible fiscal management.

Most people in this State would not read the Auditor-General's report. I wish that it were practicable for me—and members were prepared to listen—to read nine or 10 pages of that report into *Hansard*. This is a public document and I urge people to acquaint themselves with it. I commend

Mr Sheridan, the Auditor-General, for his thought-provoking remarks and hope that all members and Ministers heed what he has said.

I will now outline briefly some of the points highlighted by Mr Sheridan in his report. He points out that substantial changes have occurred to the 1983 concept of the ASER development scheme, including components involving Government interest. These, together with other factors identified by the ASER developers such as higher tender costs, design changes and increased interest costs, have resulted in an upward revision of the estimated cost. The estimated completion cost of the Convention Centre, car park and 40 per cent of the common areas was $72 million in June 1987 compared to an estimated cost of $46 million in 1985. In addition, net charges for interest are expected to increase the amount on which lease payments will finally be determined to $77 million.

The perceived substantial escalation in costs may be more apparent than real, given the level of detail of the original design plans on which those estimates were based, and the changes that have occurred since. The Government has guaranteed or assured a level of return for the ASER Property Trust on its investment on those components of the development. Much has been said about this project—the Hon. Legh Davis has highlighted and questioned many aspects of it.

I do not want to get into a debate on superannuation, but this exercise points up some aspects, first, that the Government tops up the superannuation scheme (and we will hear more about that when the present hopelessly underfunded scheme is replaced), and, secondly, the Government tops up or guarantees on the level of return to the Aser Property Trust. This is a far cry from private sector superannuation schemes—if they do not perform they do not pay. Under the Government scheme, if things are vastly overspent and they do not perform, the Government pays, whatever happens. This is an arrogant use of taxpayers' money that comes from what is seen as a bottomless pit.

It is frightening for me and many others to think of what will happen when vast amounts of superannuation fund money is soon available for investment. Mr Bannon is quick to hide behind commercial confidentiality when questioned on his Government's spending of public moneys. He has done it with the ASER project, with the Timber Corporation, with our power station leasing, and so on. He and his Government should heed the Auditor-General's advice on this issue of commercial confidentiality. Mr Bannon simply fails in his public duty to be accountable to the electors of this State. Public accountability includes a responsibility to this Parliament; open ended cheques are not the way to run a responsible Government. Not only will it spell the end for the Government—it will be a stone around the neck of any future Government of this State for years and years to come.

In relation to the *Island Seaway* project, without going to tender (which is a fairly unusual way for Governments to carry on their business) a contract was let in March 1986 with an estimated net bounty cost of $12.5 million. The *Island Seaway* will, of course, replace the old *Troubridge*. We already have a net increase in cost of $3 million plus, comprising rise and falls of $1.35 million, contract variation (and we hear this every time a project is put up) of $1 million, foreign exchange variation of $400 000, and reimbursement of cost by company for late receival of drawings of $450 000. We are now looking at a vessel which will cost in excess of $20 million; it will be delivered late; it will come in vastly over budget; we will have a shambles with regard to the ownership of the vessel and the old *Troubridge*; it does not steer properly (in other words it goes around in circles); it is reputed to be underpowered, and may well be very dangerous in big seas (anyone who knows the strait between the mainland and Kangaroo Island would know of the frequent high seas). We hope that Eglo Engineering can help to do a better job in constructing the submarines. It is rather stupid if the best that it can do is produce a submarine that goes round in circles and then fails to sink.

The state of our defence forces is quite bad enough now without submarines that do not work. What is happening to the defence forces of Australia is a national scandal. The resources provided are grossly deficient. The Federal Government allocated an amount 1 per cent in real terms down on its last budget. With approximately 1 000 resignations a month from the army alone, this is a complete turnaround of the army every three years. This is certainly one area in which the redistribution of resources to bandaid some of the other crisis areas which face the Government will lead to a redistribution of wealth to invaders that this country has never seen before, and certainly nothing even our left wingers would have contemplated.

With regard to the *Island Seaway*, the Minister of Transport has said that, in order to pay for this service, we will have the 'user pays'. In this case it will be a figure, with inflation, plus 10 per cent. Why should the user have to pay for this Government's nonsense in over spending this budget by almost double? The proposition is that the Government sells this concept of a *Troubridge* replacement and works its sums out on $12.5 million net of bounty. The user, in particular the Kangaroo Islanders, accept the possibility of a cost per passenger, per stock crate, per petrol tanker, as being something they can live with. At the end of this sorry saga along comes a vessel which, when it finally does work, will have an all up cost nearly double the original projection. Thus, their cost per transport for a petrol tanker, or whatever, is doubled, and the Minister will add 10 per cent plus inflation. 'No, thank you,' they say, and I do not blame them.

The tragedy is—and this is a familiar theme—the user does not pay. Everyone else must pay. Welfare and other areas—and we hear this from the Minister of Health—miss out again because of the Government's bungling in areas in which it should not be. The Lincoln Cove development is only about $1 million overspent on its $16.5 million 1987 dollar value budget allocation—allocated in 1985. I will be watching, as I imagine others will be, to see how much this project blows out and forces up other associated costs with all the excuses in the world about factors which the Government could not foresee.

A further $319 000 was spent on the State Aquatic Centre in the past year, bringing the total spent to $8.4 million—twice the original estimate. Prior to the construction of the centre the Government indicated it would indemnify the Adelaide City Council against any associated costs of operating the centre above those which the council had incurred previously. The Auditor-General indicated that no agreement has yet been reached with the City Council on how the operating deficit of the centre is to be met. This is the third year that this has been raised by the Auditor-General. Will the Government insist that this facility and the operating deficit be funded by the 'user pays' and not the general taxpayers? I doubt it. If it is all right for the islanders it should be all right for the users of the pool, and I do not imagine too many Kangaroo Islanders would want to use the pool.

In relation to the South Australian America's Cup yacht, during 1986-87 an additional secured interest bearing loan of $40 000 was made to Samaria Pty Ltd. The terms of the

loan agreement provided for the repayment of principal with accrued interest. The Treasurer, Mr Bannon, agreed to take over the debt in consideration of the company assigning assets which had not been disposed of. An amount of $108 000 was received in July 1987. To June 1987 the indebtedness of the company to the South Australian Government was $1.9 million—$1.4 million in loans and $454 000 in interest. How many more assets can be sold? What are the present repayment arrangements, or does the Government hope the whole dream will go away and be written off as putting South Australia on the world tourist map? This is a joke in my part of the State and in most rural areas.

With reference to the athletics track, in October 1985 a contract was entered into with a company to resurface the running track at the Olympic Sports Field. The estimated cost was $804 000. The contract was rescinded in the same month. Great Government work that was! In 1985-86, $100 000 was paid in compensation as a result of the cancellation. In June 1987, a further $165 000 was paid to the company. A total blunder of $265 000 with our tax money—with your tax money. How many women's shelters or childcare centres would like to have had some of that money?

The Hon. Diana Laidlaw: They would like a lot of that money.

The Hon. J.C. IRWIN: I am sure they would, as the Hon. Diana Laidlaw said. I am sure they would like all of that money and a lot more. Taking the aggregate of blunders that I have listed already, they would have had a lot more money.

The State Transport Authority's on-line computer implementation scheme was started in 1982. The development of an on-line computer system for processing motor vehicle registrations and drivers licences was proposed by the department. Estimated development costs have risen from $3.3 million to $5.5 million, largely as a result of inflation and the proposed purchase of application development software—another $2.2 million blowout from the original estimates. The ticket validating machines now being used on STA vehicles are estimated to cost $10.71 million. The first estimate, only two years ago, was $4.5 million—not a bad effort, more than twice the cost projected in the first budget. We can only hope that the system finally works and that children and smart adults do not find an innovative way of getting around the system. If there is a way around it, they would no doubt have already found it.

The Central Linen Service is dear to the heart of the Minister of Health. The Auditor-General notes that yet another private operator has succumbed to the preying Central Linen Service which will soon be a complete monopoly. The re-equipment program has been estimated at $8.2 million, coming from the bottomless pit of the Government coffers and designed to knock out all private enterprise competitors. This program of re-equipment was commenced in 1986 at an estimated cost of $6.2 million—$1.3 million over budget in 1986 dollar terms and still rising.

In 1986-87 revenue increased $2.2 million, as did expenditure. SAFA has now lent $13 million to the Central Linen Service and an operating surplus before abnormal items leaving a result of $397 000. That does not augur well for speedy capital repayments. This is another example of a cosy fairy tale featuring the Government, through the Health Commission, and a monopoly now misleading everyone about the true costs of running a laundry and a hospital. Part of this rise in costs has involved project variations of $880 000 and duty, customs and freight which were excluded from the original budget. I cannot imagine private enterprise being able to get away with not allowing for duty, customs and freight. I can only assume that the rise in cost of the Central Linen Service is one small example of the Minister of Health trying to redress what he perceives as too much small government.

The tropical conservatory is estimated to be completed in 1988 at a cost of $7 million. This is an Australian bicentenary project and, as such, the construction is being funded equally by the Commonwealth and the State. South Australia's contribution at this stage is half that estimate ($3.5 million). First tenders, as we saw published the other day, saw construction and completion costs soar $1 million over budget. That then went back for redesign, and it has now cut the cost so that only $159 000 will have to be found outside the Government. What a laugh! On this Government's track record this project will finish at about $10 million at the very least—wait and see. It does not matter how good the project is; I am criticising the way in which it is going. Because of the irresponsible and arrogant use of Government money it does not matter what it costs!

The housing and construction area provides a different perspective of this Government. An amount of $30.1 million was spent by the Department of Housing and Construction on the maintenance of Government owned and leased buildings. The estimated capital replacement value of those buildings is $3 949 million. That does not include the E&WS Department, the Highways Department, or the Woods and Forests Department. Therefore, less than 1 per cent was spent on annual maintenance. The private sector could not survive with this sort of maintenance program. Now, the budget cuts off another $1 million from the school building maintenance program. That is scandalous. I support my colleague in another place (Mr Becker) who pointed that out. It is scandalous when these buildings are ageing, yet their maintenance is cut, in this case by $1 million.

Last year I quoted the Chairman of the Public Accounts Committee (Mr Klunder) when he then said that $1.8 billion worth of public assets such as bridges, roads, schools, and Housing Trust houses were nearing the end of their useful life. This did not include replacement programs where departmental needs were under $200 million. This indicates that the Government has not even looked at any department whose needs were less than $200 million. I do not think that anything has improved since I quoted Mr Klunder last year; it could only have got worse. This is a real crisis—bigger and better than any drought or national disaster.

The budget makes no allowance for crises or droughts. It merely pleads sympathy when the inevitable happens, and we all know that it will happen. The E&WS Department has $6 000 million worth of assets, including many water mains that are 80 to 100 years old. The Government's attitude is, 'Don't worry about tomorrow; someone else will deal with that,' and that is a great problem. The budgeted capital works program this year for the E&WS Department is $69 million, which is about the same as last year. At that rate, according to Mr Klunder, it will take 300 years to do any capital replacement program on those 80 to 100 year old water mains. It is only commonsense that there will be disasters.

In relation to the Sixth World Three Day Event (part of the Jubilee 150), the total Government contribution now stands at $2.2 million. Why has this amount not been paid back out of assets sales? I am sure that many people will find a better priority for the $2.2 million, rather than having it held captive by a small minority of horse lovers.

Finally, in this list of overspending, we have the purchase of Armstrong's Tavern over the road. The Auditor-General expressed concern about the quality of financial information provided when the decision was to be made about this

matter. The Opposition has consistently expressed concern about purchasing the hotel. The return on investments of 13 per cent to 15 per cent quoted in the submission for approval appeared to relate (and these are the Auditor-General's words, not mine) to expected turnover rather than expected capital investment. I suppose that on this Government's record and understanding of financial matters it would be expecting too much for any of them to know the difference between turnover and capital. Certainly, the Cabinet did not understand it. Those in the real world would know better than that. When the debt servicing costs of Armstrong's Tavern were taken into account on the expected total capital outlay, the expected annual profit shown in the submission converted into a relatively substantial loss. It is convenient to forget about debt. Unfortunately, I and many others wish they could.

Further, something like $500 000 was to be spent on renovations, adding to the $700 000 purchase price for the hotel. The premises are of no use for commercial operations at this stage, and I do not expect that the babysitting exercise that that hotel will carry out in part for TAFE will ever be commercially viable. This is as good an example as any to illustrate the disaster that this Government is when it comes to financial management and even basic understanding.

It is a small example, at the end of a by no means exhaustive list of Government bungling, of the arrogant use of taxpayers' money. The few examples that I have given can point towards some understanding of this and why the Government must keep on raising taxes and forcing more and more people to borrow. I have not included two of the Auditor-General's items, namely, the Timber Corporation and the failed yabbie farm. They add more millions of dollars. From the examples I have given we see a picture of arrogance with other people's money in financial planning and management.

It is the oldest trick in the book to sell a project at a cheap and acceptable cost to one's political Party, to one's Party room and to the people, and then spend up without regard. I learnt how to do this in local government, and reject it as being irresponsibile and an unprofessional attitude. The examples that I have given have all the symptoms. Incomplete and inaccurate first costing, design as you go along (which I think some people now refer to as fast track designing; you know roughly what you want to get out of it but you do not know what you want when you start), considerable design changes and project variations are constant features of the projects that have been badly overspent, and no allowance is made for increases in costs such as rising interest rates.

Any Government that sets out on a project this year knows that interest rates will rise at about 7 or 8 per cent, the same rate as inflation. However, it seems that this Government thinks it is back in the 1950s, when interest rates and inflation were 3 per cent. If Mr Bannon wants to hide behind commercial confidentiality and abrogate his responsibility to this Parliament and to the people of the State, then let him behave and plan in a commercial manner. He should not be allowed to get away with having it both ways. While millions of dollars are being wasted by his Government trying to build Rolls Royces, thousands of people (including 30 per cent of our young people) are going onto the scrap heap and cannot even get a job and, therefore, cannot afford the cheapest of cars, let alone a Rolls Royce.

This is a time of constraint, but I am darned if I can see much evidence of it. The facts say otherwise. Real spending in this budget is up by 1 per cent. The few examples of overspending from original budgets that I have given today approximate $56 million, and I did not take a number into account. One notes that in every instance, other than the *Seaway Queen*, country people—the people whom I try to represent as best I can—will get little or nothing from the projects I have mentioned. I support the second reading.

The Hon. DIANA LAIDLAW: I, too, support the second reading of the Bill. I intend to address my remarks to the community welfare lines. Less than a fortnight ago the Minister of Community Welfare released a green paper or a discussion paper entitled 'Department of Community Welfare—the next five years'. In the foreword the Minister noted that it is his clear intention 'to encourage and promote open debate about the policies and programs of the department'. It is my intention this afternoon to take up this invitation from the Minister, especially about the proposal to amalgamate the Department of Community Welfare (DCW) and the Health Commission.

In doing so, I record at the outset that I hope that the Minister is genuine in his wish to promote open debate. If he is, this attitude certainly represents a refreshing change of heart on his part. It may also require a change of character, and in this respect I state that, when I was canvassing this idea with acquaintances of mine in the community welfare sector, one person reminded me that there is much wisdom in the old saying 'A leopard cannot change its spots.' To date, the Minister's rampages, both inside and outside this Parliament, may have been more conducive to stifling debate rather than to promoting an environment in which frank and open debate can flourish. One has merely to skim *Hansard* to confirm that the Minister's responses to legitimate questions about DCW policy and programs have been restricted to dismissing or ignoring the matters raised or demeaning and abusing those who dare to question.

Within this Chamber the Minister's manner is dismissed, I think, by members on both sides as comical eccentricity, but then our jobs are not dependent on maintaining the Minister's pleasure at all costs. However, outside these walls his manner has had quite a devastating impact. Fear and trepidation are not uncommon in both the Government and non-government sectors of the community welfare field in this State. Few people are prepared to be so bold or foolhardy as to speak out, to question or to offer constructive criticism for fear of incurring the Minister's wrath or the heavy hand of senior bureaucrats.

Members may recall that on Friday evening it was reported on the channel 10 news in relation to the Filipino bride issue that the coordinator of the North Adelaide Emergency Women's Shelter advised that she was not able to speak publicly on the matter any further because she had received an instruction to that effect from the Minister earlier in the day. That is just one further example of the Minister's heavy hand and wish not to hear any information, advice or constructive input from anyone if it does not concur with his own point of view on these matters.

In the non-government sector and also in DCW, workers know that the survival of their jobs and programs, and often their very organisations, is dependent on Government funding or patronage. At this time of restraint in Government spending, non-government organisations in particular are most vulnerable. I appreciate that they are loath to promote this vulnerability by attracting the Minister's ill will, so they remain silent, at least publicly.

Beyond the question of the Minister's manner, open debate has certainly not interested him, nor been encouraged by him, in the past as a matter of policy. For instance, I cite the Address in Reply debate of a couple of months ago. At

that time I went to considerable lengths to record many genuine grievances, worries, needs and pressures confronting the community welfare sector and its clients in this State. My research included extensive consultation with workers in the field and wide contact with clients and others who have confronted the system in recent months.

My conclusions were that the community welfare sector was in the grip of a crisis, arising principally from Government-imposed financial pressures upon individuals and families, coupled with policy directions adopted by DCW that are concentrating resources on crisis intervention and rehabilitation services rather than the more constructive, positive and effective approach of preventive and remedial services. However, the Minister did not bother to respond to any of the points that I made. The fact that he can ignore these concerns does not trouble me in the least, but his silence did offend the senior people in the community welfare sector with whom I had earlier checked the validity of my remarks.

One day soon the Minister may be prepared to concede that many people are genuinely alarmed about the direction and motivation of current Government and, in particular, DCW policies. In part, I suppose the release of the green paper is a concession that all is far from well. In the meantime, the Minister's failure to address the specific concerns that I raised last August merely reinforces the contention that I outlined earlier concerning his reluctance and lack of interest in promoting open debate on the direction of community welfare policies and programs in this State.

Certainly, it would be far-fetched to suggest that open debate has characterised discussions about the Minister's proposal to amalgamate DCW and the Health Commission. Extracting information on this subject has been a painful exercise. Only during the Estimates Committee last month did the Minister admit for the first time that amalgamation was his objective. I might add that that arose from the last question of the day when amalgamation was specifically referred to. In all earlier references to the subject of the liaison between the Health Commission and the Community Welfare Department the Minister continued to speak in terms of coalescence.

Up to the time of the Estimates Committee in September, all the Minister's public statements on the subject were confined to the subject of coalescence—the word that the Minister himself admits he dreamt up to describe this process of growing together. For the past 18 months he has gone out of his way to reassure DCW staff and non-government sector workers, and I understand Health Commission staff in particular in the community health area, that coalescence would not lead to a formal forced amalgamation of both sectors.

Such assurances included public commitments in newspaper interviews, various speeches on directions within DCW and in commitments to this Parliament. Again, I remind members of only one such assurance to the Estimates Committee last year on 9 October, when the Minister stated:

> It was never intended that there be a formal merger. It has always been considered in terms of coalescence. There has never been a suggestion that we would formally amalgamate in any way, shape or form.

Today, a year after, the Minister would wish us to believe that coalescence has been so successful and beneficial as to justify breaking these firm commitments that he would not in any way, shape or form create one megadepartment or megacommission of community welfare and health. In the meantime, no evidence has been provided and no evaluation or substantiation of coalescence has been forthcoming to highlight the achievements of coalescence, let alone to assert that any so-called achievements warrant such a radical change as envisaged in a full integration of the central office and field services of both the Community Welfare Department and the Health Commission.

The term 'radical change' is not one that I have selected at random to describe this massive leap from coalescence to amalgamation. Radical change is the term used throughout a paper prepared by the following officers: Bill Cossey (Government Management Board), David Meldrum (Department for Community Welfare), and Colleen Johnson, South Australian Health Commission; for discussion by the executive committees of the Health Commission and DCW when they met with the Minister on Friday 9 October last. I Seek leave to table the paper to which I have just referred prepared by the planning committee for the joint executives of those departments.

Leave granted.

The Hon. DIANA LAIDLAW: I have sought leave to table this document principally because to date the Minister has shown no inclination to promote open discussion on this important matter affecting the fate of community services in this State. As such at least I am able to oblige honourable members and others in the community about the Minister's hidden agenda in this respect. The paper that I have tabled (and will refer to now) includes a covering note from the members of the planning team that I mentioned a moment ago. The first point in the covering note states:

> The attached draft discussion paper is a reworked version of the one submitted to the joint executive meeting on 18 August 1987. If approved, a modified version will be developed for staff consultation.

Even at this stage the planning team does not envisage offering staff, in terms of the consultation process, anything other than a modified version of this paper, let alone the full contents of such a paper that has been considered by senior officers and the Minister. Point 4 of the covering note states:

> The main content of the paper, by developing one suggested model, does not preclude the consideration of other options. This will need to be explained to staff. A statement to this effect, could appear, either as a cover note, or in the test of the version for staff consultation. Attention could be drawn to the purposes of the exercise—better services for consumers and efficient/effective management and the point made that alternative models of achieving these aims will be looked at seriously.

My response to points 1 and 4 of the covering note from the planning team is to say that the planning team displays a condescending, arrogant, demeaning and superior attitude in terms of its recommendations to the executive committees of the Health Commission and DCW and the Minister.

I am greatly troubled that, if that is the attitude of the people developing this proposal, the ramifications for staff consultation later on are great in terms of the little attention that I suggest will be provided to staff input on this matter. Most members in this place, and I assume the other place also, are practical and worldly individuals who are familiar with exercises designed to thwart debate, frustrate discussions or simply render it impossible to change the course set down in the paper proposing the means to address or respond to a problem.

The paper being prepared by the joint executives of the Department for Community Welfare and the Health Commission relating to amalgamation is such an exercise. The Minister, aided and abetted by the joint executives, has no desire to consider options or alternative models to that which they propose. The model they propose is the full integration of the central offices and field services. The final version of the paper to be released for so-called consultation will propose one model only, the model they endorse, accompanied by a rationale which will be extremely diffi-

cult—if not impossible—to overturn. The consultation period will be used to sell this model, not to listen to alternative opinions or alternative models. If alternatives were to be tolerated, they would be considered now—or at the very least each alternative would be given equal weight in the forthcoming discussion paper. However, alternative models are not being considered at this time, nor is it envisaged that the paper will canvass alternative models.

The Opposition is well aware, notwithstanding the Minister's assurances to the contrary, that there is a great deal of discontent and bitterness among the ranks of staff in both the Health Commission and the DCW over the amalgamation moves and the manner in which the negotiations are being conducted. The Hon. Martin Cameron and I were presented last week with a discussion paper titled 'DCW/SAHC Amalgamation: An Alternative Approach'. I seek leave to have this paper tabled also.

Leave granted.

The Hon. DIANA LAIDLAW: This discussion paper was prepared by Mr Michael Forwood, Director, Resources and Planning, Metropolitan Health Service, for presentation to the meeting of the Minister with the joint executives held on 9 October. Ultimately, due to intervention by a most senior officer in DCW, the paper was not presented at the meeting, nor did Mr Forwood attend. The Hon. Mr Cameron and I have been formally advised that this senior DCW officer insisted that if the model favoured by Mr Forwood—that of limited integration at central office level only (compared to the full integration model favoured by the joint executives and the Minister)—was forwarded to the meeting, or his discussion paper presented to the meeting or Mr Forwood himself attended the meeting, DCW representatives would boycott the meeting. The officer got her way: neither an alternative model nor Mr Forwood's discussion paper were presented; and nor did Mr Forwood attend.

I remind honourable members, that Mr Forwood—at least at this moment—is Director, Resources and Planning, Metropolitan Health Services. He is a senior officer holding a most responsible position—a position from which one logically and reasonably would consider that he had much experience, insight and wisdom to offer to the joint executives and the Minister. His opinions, however, have been dismissed as irrelevant to the exercise of amalgamation. What hope, one must reasonably ask, is there for other staff who harbor any degree of concern about the proposal to integrate central office and field services fully, to have their views heard, and taken into account. I would suggest that they have not one iota of a hope—and that the Minister and the joint executives of DCW and the Health Commission have no intention of listening to the concerns and anxieties of staff during the proposed consultation period.

In order to ensure that Mr Forwood's grave reservations about the current, and I suspect irreversible, path being designed by the Minister and the joint executives are given the credit and status that I believe they deserve, I intend to read into *Hansard* much of Mr Forwood's discussion paper. The discussion paper begins with the heading 'Background', and states:

> The fundamental objectives of amalgamation appear to be:
>
> (1) improved planning, coordination and delivery of health and welfare services to South Australians; and
>
> (2) cost-savings in health/welfare administration, particularly at the central office level.
>
> DCW/SAHC amalgamation appears possible and desirable for the following reasons:
>
> - the two organisations have broadly similar aims and objectives, that is, to promote good health and well-being, to prevent ill health and social distress, and to respond quickly and effectively to ill health and social and economic distress;
> - both organisations provide human services to the South Australian population and it is likely that they have a significant number of clients/patients in common;
> - geographic, demographic, administrative and political environments suggest that an amalgamated health/welfare authority could be made to work economically and effectively in South Australia.
>
> However, while there are considerable potential benefits associated with amalgamation, there are also very significant attendant risks.
>
> These include:
>
> industrial disputation;
>
> conflict between health and welfare staff;
>
> reduce, morale throughout both systems; community unrest due to imposed dismantling of structures such as boards of directors;
>
> reduced quality and effectiveness of services as a result of poor morale and associated concentration of effort on the mechanisms of organisational change;
>
> cost increases in management through 'incremental creep' in middle to upper management as new line management positions are created;
>
> hasty decision on capital works and service delivery structures; caused by a 'pressure-cooker' approach to making amalgamation happen;
>
> significant diversion of attention from the real task of service delivery to matters of staff self-preservation and promotion;
>
> Detrimental developments in human services planning and organisation, particularly with regard to:
>
> (i) hospitals' involvement in providing non-inpatient services, and the link between hospitals and community health services;
>
> (ii) the emphasis on health promotion in the community health field;
>
> (iii) loss of health unit responsiveness to local communities and reduced capacity for effective day-to-day management of services.
>
> (iv) loss of flexibility regarding the structure of human services in South Australia, in the context of the continuing debate on the role of local government in human services coordination and provision, and regarding Commonwealth/State responsibilities and relationships;
>
> (v) loss of acceptability of services for clients;
>
> The above 'pitfalls' in public service reorganisations have been identified and documented by Lois Bryson in her article *A new Iron Cage? Experiences of Managerial Reform.* Prof. Bryson addressed the Health Commission Executive on Thursday, 24 September 1987. Her advice on managerial reform and reorganisation was:
>
> (1) be explicit about objectives; and
>
> (2) use the minimum amount of process change required to achieve objectives;
>
> In other words, don't totally reorganise operations when objectives can be achieved through less radical and destructive means.
>
> *THE TOTAL RESTRUCTURING PROPOSAL:*
>
> At the time of writing, it is apparent that consideration is being given to a 'total restructuring' approach to amalgamation, and that the only proposal to be placed before executive entails:
>
> (i) the administrative separation of hospitals from community health services at least in the metropolitan area:
>
> (ii) the administrative amalgamation of welfare, community health, selected Statewide services and perhaps domiciliary care services under regional bureaucracies (possibly three or six in the Adelaide metropolitan area);
>
> (iii) the dissolving of the separate legal incorporation of community health units in order to create regional bureaucracies;
>
> (iv) intensive efforts to integrate Government community services on common campuses, in pursuit of one-stop-shop system of service delivery.
>
> The rationale for this model is based on a unsubstantiated view that the present health and welfare systems are in a lamentable state of disarray—being inaccessible, fragmented, poorly planned, with many gaps and overlaps, and being characterised by incompetence in the important area of referring clients between services.
>
> The proposal has been developed with scant consultation with Health Commission managers—either within central office or in hospitals and community health units.
>
> The model is based on the assumption that the best (perhaps the only) way of overcoming these deficiencies is by total integration of planning, management and delivery of services at central office, regional and local levels.
>
> The proposal that will be put to the combined executives meeting on Friday 9 October raises three critical issues. These are:

The issue of rationale: amalgamation can be justified on two quite distinct rationale: these are:

Either the health and welfare systems are in terrible disarray and resolution of their manifest problems is worth the attendant risks (this rationale implies an imposed, rigid and revolutionary approach to amalgamation), or the health and welfare systems are in good shape but can be improved, and amalgamation offers the greatest scope for improvement with little attendant risk.

This latter rationale implies a highly consultative, flexible and evolutionary approach to amalgamation.

The issue of consultation: will consultation with staff take place before or after the choice of organisation structure for the combined system?

The issue of organisation structure: the model to be presented to the combined executives is that of our traditional Government department with:

a head office

a number of regional offices, which would subsume the staff and functions of DCW regions and of incorporated health until other than hospitals

a number of service locations within each region, providing a range of health and welfare services through multi-disciplinary teams.

The proposal raises many issues of organisational and management principle which are yet to be debated outside the planning group. There are a number of other organisation structures which warrant consideration by the combined executives. While time does not permit their detailed exposition, they are outlined below in section 3 for discussion purposes.

Criticisms of the total restructuring approach to amalgamation include:

(i) Many of its assertions and assumptions are unsubstantiated.

(ii) Abolition of the legal incorporation of the health units is almost certain to be fiercely resisted by the South Australian Community Health Association and by individual units.

I interpose at this stage to say that that certainly is the case at the present time. There has been seen in this Parliament a commitment by the Minister that deincorporation will not be part of the Minister's initial agenda for amalgamation by that pressure and circumstances may apply later where deincorporation of health units and other community welfare bodies takes place. I get back to the report:

Feeling is already running high in some quarters on this matter and is being exacerbated by the lack of information on amalgamation flowing from the planning group or the Health Commission.

(iii) It is a three-tier organisational model (central office, regional offices, local managers) whereas a two-tier model (central office and local unit) is possible and less costly.

(iv) It is a centralised management model which is less conducive to:

- community responsiveness
- management initiative
- sound financial responsibility and accountability (for managing annual global allocations of funds)

than are models with more devolved management responsibility.

(v) It entails a high risk and rigid approach to amalgamation.

(vi) The appropriateness and practicability of one-stop-shop health and welfare service centres has, as yet, not been even superficially assessed. While worthy of consideration in the context of a brain-storming session it presents many obvious difficulties which may well be sufficient to kill it. These difficulties include:

- reduced opportunities for prevention and early intervention because of client concerns about confidentiality and choice of service;
- the questionable appropriateness of providing, say, healthy lifestyle and health promotion services on the same campus as domestic violence and child protection services;
- reduced access to services, because of fewer service locations;
- concerns about the 'friendliness' of large institutions;
- capital costs.

To that list I would add diversity in choice because there is no doubt that the plans proposed by the joint executives and the Minister have no regard for diversity in choice. This matter needs to be taken up by religious groups that undertake community welfare services in this State; for example, Seventh Day Adventists, the Catholic Church and the Anglican Church. How those groups are going to fit into this whole approach has been conveniently not discussed by the Government at this stage. Certainly diversity in choice can be added to the list of criticisms of the restructuring approach for amalgamation currently proposed by the Government. The report continues:

(vii) Its separation of hospitals from community health is conceptually unsound and practically difficult. Hospitals manage the lion's share of health funds. Hospital admission rates and lengths of stay in South Australia are relatively high in comparison to North America and Western Europe which are characterised by greater emphasis on day treatment, outpatient consultations, and community-based and home support systems. Public hospitals in South Australia are already proceeding down this track—notable examples include day surgery increases across all hospitals, community-based satellite renal dialysis centres, the QVH early discharge maternity scheme, and treatment of diabetics. Present health system arrangements facilitate this trend as neither hospital funding nor continuity of responsibility for management of patients are threatened.

Separation of hospitals from community health would retard this development, as responsibility for the expansion of community based services would be largely removed from the hospitals.

It raises serious practical problems for the large number of hospitals that manage community health services (on and off campus) e.g. Lyell McEwin, Adelaide Childrens Hospital (Northern CAMHS), Flinders Medical Centre (Southern CAMHS). It limits options or conflicts with Health Commission planning for services in Noarlunga and for the development of mental health services.

Mr Forwood's paper goes on to consider four options: option 1 is 'Limited integration of central office levels only,' which is the option he favours. He sees the advantages of this option being:

- minimum disruption to field services:
- allows time for consultation and evolution;
- leaves open options regarding involvement of other State agencies, such as Education Department and Local Government, at the regional and local level;
- achieves significant cost savings in central office administration which should be retained by the commission for the development of services;
- provides a framework for the coordination and integration of services at the regional level.

Option 2 is 'Full integration at central office and incorporation of DCW regional offices under the new Act'; option three, 'Full central office integration partial field services integration'; and, option 4, 'Full central office and field services integration'. It is that fourth option which is being advanced by joint executives of the Health Commission and DCW and which has the Minister's endorsement. It is essentially that option that Mr Forwood has criticised in his discussion paper, a paper which that same joint executives meeting was not prepared to consider after contact from DCW officers who said that they would boycott that meeting if alternatives to the option that they favoured were presented, let alone considered, at the meeting.

As I said before when reading part of Mr Forwood's paper into the *Hansard* record, he is Director of Resources and Planning for the metropolitan health services in this State. It is most regrettable that his call for consultation with staff (which was to take place before and not after the choice of organisational structure for the combined system has been endorsed), his call for caution, and his plea for alternative and possibly more cost effecient and effective models to be given full and equal consideration during a consultation process have not been listened to, let alone heeded by the Minister.

The notorious Federal Treasurer, Mr Keating, at least paid the Australian public and participants at the Tax Summit the courtesy of providing them with options for dis-

cussion when changes were proposed to our tax system in 1985.

However, when major and radical changes are envisaged to the health and community welfare sectors in this State, the Minister and executive committees of the Health Commission and the DCW propose endorsing one model only and during the consultation process will be arguing for one model only. It seems that come hell or high water they are determined to impose an untested organisational system on the community welfare and health sectors of this State, and they propose radical changes. The paper by the planning group which I tabled earlier and which was considered by the executive committees and the Minister on 9 October outlined a number of recommendations that I will quickly read into the *Hansard* record so that members are aware of the changes envisaged. Recommendation 1 states:

State health and welfare services should be administered by a single commission (suggested title 'Community Services Commission').

One sees that health is not even being considered as an option in the title of this new commission. The recommendations continue:

The Commission should comprise a commissioner who is also responsible for the services administered by the Commission, five full-time Assistant Commissioners responsible respectively for:

— Regional Services

— Metropolitan Hospital Services

— Statewide Services

— Public and Environmental Health

— Central Office of the Commission,

including Policy and Planning and Corporate Services.

There should also be three Ministerially appointed part-time Assistant Commissioners who do not have executive responsibilities.

Recommendation 2 The programs of the following agencies should be administered regionally by a single regional structure:
DCW—with some exceptions, resting in 'Statewide' including training centres, and adoptions
IDSC except Strathmont and some central policy mechanism
CAFHS
Country Hospitals
Community Health and Women's Health Centres
CAMHS
RDNS
Domiciliary Care
Aboriginal Health
Community mental health services—if established

Recommendation 3 (a) Some of the programs administered by regions should be locally integrated under single management and progressively co-located as resources permit, over a three-year period. These programs would include:
IDSC intake and case management functions DCW except Community Residential Care and some specialist functions
CAFHS programs except specialist functions
All Community Health Centre programs except Womens Health
Country Hospitals—in appropriate locations
Aboriginal Health programs
Adult mental health programs except specialist regional functions

Recommendation 3(b) The remaining regional programs would not be locally integrated. They would operate either as regional resources or in separate local operations:
Domiciliary Care—possibly integrated with RDNS
Womens Health Centres
CAMHS
DCW Specialist regional resources and Community Residential Care
IDSC specialist regional resources and accommodation programs
Adult mental health specialist regional resources and accommodation programs.

Recommendation 4 Regional services should operate in three metropolitan and two country regions through regionally located regional offices. The regions should be Northern, Southern and Central Metropolitan and Northern and Southern Country.

Recommendation 5 Each region should be administered by a regionally located executive officer operating a 'block grant' budget (as far as possible—some programs, such as country hospitals, adult mental health and Domiciliary Care/HACC will have quite specific funding arrangements agreed to at statewide and Commonwealth/State levels). Significant authority should be delegated to each region to shift resources, to meet local needs within statewide priorities and statutory constraints.

Recommendation 6 Each region should be an incorporated body (e.g. 'Northern Regional Community Services' or 'Northern Regional Health and Welfare Services'). There will be a board of directors with the regional Chief Executive being an *ex-officio* member and employee of the board, and relating with other regional CEO's to an Assistant Commissioner.

Recommendation 7 Health services not included in the proposed regions should be administered through a 'Metropolitan Hospitals' and Public and Environmental Health and a 'Statewide Services' Division each responsible to an Assistant Commissioner of the Community Services Commission.

I do not intend to read through this paper further, but I encourage members to look at it because it is important to know what the Minister has in mind with respect to amalgamation. I was alarmed, and justifiably so, by some references in the paper. Under 'Rationale' recommendation 7 the paper states that some community services do not fit the criteria for locally operated services. It states:

The South Australian Dental Service, for example, is largely a 'one stop' service with good access and few continuity issues for consumers. It is efficiently delivered by specialists whose tasks could not be performed by generalists. However, St John Ambulance services are an obvious 'stand-alone' public profile, as an independent agency which would defeat the most determined efforts at integration.

It is amazing that the St John Ambulance service should even be considered in this integration with the health and community welfare sectors which involves, as I indicated previously, the de-incorporation of boards. The length to which this paper is suggesting that change must be accommodated is extraordinary. It is no wonder that the planning committee at times talks about radical change; nor should it be of any surprise that (I understand), following this meeting of the Minister with the joint executives, the concept in the paper was approved but that it had to be dressed up in a more saleable package. I will bet that the saleable package will not include references (as in this paper) to the St John Ambulance service even being considered as part of this integration.

In relation to other boards, it is important to note the planning committee's references. In respect of recommendation 2, which deals with agencies that should be admin-

istered regionally by a single regional structure, the planning committee, under 'Rationale', notes:

> Regional management would operate within a number of centralised influences on program development and practice, and not only from the central decision making group within the new commission. A variety of functions, ranging from minimal evaluation by non-specialist planners, through to full program development monitoring, advocacy, public education and specific program funding will continue at Statewide level.

That means from central office. It continues:

> 'Regionalism' is not a contradiction of these constraints—it can still be the most potent form of management of any program with strong Statewide inputs, as long as full accountability for the day-to-day running belongs to the region.

Therefore, it will be accountable at the regional level for the day-to-day management of its programs, but it is not envisaged that it will be involved in the planning, monitoring and advocacy—roles that I would have thought were extremely important if regionalism was going to work. This is a further indication of how this process has not been thought through. The 'Rationale' of recommendation 2 further states:

> Separately incorporated bodies within regions will be appropriate in some cases—notably country hospitals—to ensure community support and involvement. 'Regionalism' does not depend on all staff in an area being employees of one agency.
>
> However, the overall strategy of health/welfare amalgamation is to achieve improved services and better management of resources, by reducing the number of separate agencies. Separate boards within regions can co-exist with regional management, but they do complicate the tasks of setting priorities . . .

What an amazing statement—they do complicate tasks of setting priorities. This indicates that the planning committee has no wish to see separate boards of management continue in this system of amalgamation of health and welfare only because they would complicate the tasks of setting priorities. The benefits to be derived from these separate boards of management are not even canvassed in the paper, and that is one of the troubles with the proposals that the Minister and the joint executives have been considering and have endorsed, because in ideological terms they have been endorsed—

The Hon. J.R. Cornwall interjecting:

The Hon. DIANA LAIDLAW: Well, Minister, unless you are continually changing recommendations that were accepted at your meeting on 9 October, because you are now starting to appreciate that there is dissension in the ranks and that the program has not been managed desirably—

The Hon. J.R. Cornwall interjecting:

The Hon. DIANA LAIDLAW: Yes. In relation to central office enthusiasm, they have ulterior motives.

The Hon. J.R. Cornwall interjecting:

The Hon. DIANA LAIDLAW: An old man in Queensland said that, and he is about to be tossed out, so the Minister had better watch it. I have indicated the aspects that concern me in both the reports. I am extremely alarmed, as are officers in both the health and community welfare fields who have spoken to the Hon. Martin Cameron and me, about the directions in which this is going, its being done in camera in a secret environment, and about the fact that the proposals to date do not look at other options: they will be presented as one option that will be well argued. As such, it will be difficult to reverse the trend proposed in the paper.

As I indicated earlier, if the Minister and the joint executives will not listen to the Director of Planning and Resources in the Minister's own department, it is unlikely that officers holding less senior positions will be paid attention at all. As I indicated at the outset, there is considerable fear and trepidation throughout the community welfare and health circles. Few people are bold—and I would say foolhardy—enough to dare to speak out on matters of interest to them because of the victimisation or threats of victimisation that they have suffered at the hands of the Minister or senior officers in that department.

I suggest that any consultation as presently proposed is an absolute sham, and it is not surprising that there is, what the *Sunday Mail* called, the weekend war. It is not surprising that they are having to look at guerilla tactics to deal with this matter, including giving the Opposition and the Democrats copies of papers. It is a tragedy to see that that is the only way in which they will be heard, because the Minister, the Government, and certainly the top executives, are not interested in their proposals.

A moment ago, as an aside, the Minister indicated that the DCW senior executives were excited at this proposal and that he could not restrain them. The degree of problems in DCW are so great that it does not surprise me one iota that they are looking at anything to cover up and distract from some of the very poor and questionable management practices in that department. I understand that DCW top officers are promising officers further down the ranks who are greatly stressed by their workload, their lack of resources and the problems that they are facing in the community, that with the amalgamation they will be able to get their hands on Health Commission resources and that everything will be all right. I find that proposition most questionable. If those in DCW field services were as naive as to feel obliged to accept such assurances, it demonstrates the desperation that exists there at present.

I wanted to make a couple of points before concluding my comments on this matter. I was most interested to hear Mr Peter Robson, Federal Secretary of the ACOA, speaking on *AM* last week about the creation of megadepartments in the Federal bureacracy. In respect of the creation of these megadepartments, he stated:

> The Prime Minister brought upon the Australian community a pretty massive fraud when they said that there would be gigantic savings because of the introduction of the megadepartments. These savings were supposed to be because of administrative efficiencies.

The same argument has certainly been used in relation to the creation of a department or commission of health and community welfare. Mr Robson continued:

> In fact, the evidence that is coming to me is exactly the contrary, that megadepartments are mega inefficient under this program.

That raises a series of questions that I pose to the Minister. I believe that, for the purposes of this Bill, and certainly in relation to the discussion paper that the Minister released on the subject of amalgamation, all the following matters and questions must be addressed. First, in relation to the rationale for amalgamation:

1. Will the Minister oultine the rationale for the radical amalgamation proposals presently under consideration?
2. Will the Minister identify the specific issues affecting consumers which have been identified as being inadequately addressed under the existing structure?
3. Will the Minister provide documented evidence of the nature and extent of the issues affecting consumers?
4. What potentially less disruptive alternatives to resolving these issues have been considered?
5. Can the Minister provide examples of overseas experience where similar radical restructuring has resulted in improved service provision to the community?

I will be particularly interested in the Minister's answer to the last question, because I understand that the system that he is proposing is untried and untested throughout the world. I understand that what we have planned in South Australia is part of the Minister's ego tripping rather than

a matter of commonsense. In respect of costs, there are a number of other questions which the Minister should be addressing and to which, certainly, we in this Parliament require answers. I ask the following questions:

1. What evidence is there that the larger single structure will result in increased administrative efficiency, better service to the community and cost saving, especially in the light of the present concerns regarding megadepartments at the Federal level? I referred to those concerns in respect of Mr Robson's remarks on *AM* last week.

2. Can the Minister provide details of comparative pre and post-South Australian Health Commission restructuring salary costs of senior management of the Health Commission in July 1987? Most members would recognise that only earlier this year senior South Australian Health Commission management underwent a salary and position restructuring, and the Minister is again proposing that they go through a similar exercise.

3. Given the costs already incurred in the South Australian Health Commission restructuring, how can the amalgamation proposal which involves a new level of regional management result in reduced administrative costs?

4. Can the Minister provide estimates of the costs, both capital and administrative, anticipated for the planned relocation of DCW and health units?

5. What is the anticipated time frame for this relocation process?

6. Given the proposal to block fund regional services, how does the Minister propose to maintain funding for specific health need areas after amalgamation?

As to consumer effects, I ask the Minister the following questions:

1. Given that the 'one stop shop local welfare supermarket' plan has the potential to reduce consumer access, choice and service accountability, by combining statutory/control functions with prevention/early intervention programs, can the Minister provide details as to how he intends to overcome these difficulties?

2. Are the current amalgamation proposals designed to remedy the widely recognised management problems and service limitations of DCW, and can the Minister guarantee that these problems will not be transferred to any new organisation?

3. What will be the relationship between the Justice Information System and DCW after amalgamation?

4. Can the Minister guarantee the maintenance of confidentiality and civil liberties for health and welfare service consumers in what would appear to be a proposal to introduce a State version of the Australia Card targeted at users of public health/welfare services?

5. Could the Minister provide details of the advantages and disadvantages of combining statutory intervention functions, for example, child protection, young offenders, etc., with prevention/community development activities?

6. Can the Minister guarantee the non-transfer of confidential individual client information between providers of statutory and non-statutory, for example, confidential counselling services?

In respect of community participation/local accountability and service relevance, I ask the Minister the following questions:

1. Can the Minister explain the contradiction between the Government's commitment in the social justice strategy to the maximum possible devolution of decision making and accountability and the present proposal which involves the abolition of local community boards of management?

2. Will the Minister guarantee that existing boards will remain with their present level of authority?

3. How will the proposed amalgamation which is a centralisation of decision making, ensure local accountability, community involvement and the provision of services relevant to local need?

The Hon. C.J. Sumner interjecting:

The Hon. DIANA LAIDLAW: The Attorney suggests that it might be wise for me to wind up. I intended to do so. I would say to the Attorney that it is important that someone provides to the community welfare sector, both Government and non-government, and also to the Health Commission staff, some information about what the Government is proposing in this matter of amalgamation. If the Government was doing its job effectively, I would certainly not have had to speak as I have in this debate, and I would not have had to take this length of time doing so.

I look forward to the Minister's response to the questions that I have raised, particularly at the end of my contribution, and I indicate that, if those questions are not answered at this stage, I and many others who have taken an intense interest in this subject will be very keen to ensure that the questions are answered in the paper that the Minister proposes to issue in relation to consultation on the subject of amalgamation.

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

The Hon. T.G. ROBERTS: In rising to support the Appropriation Bill, I want to outline a few thoughts of my own as well as some of the proposals that were put forward by the Hon. Mr Davis, who wafted through the economic primer with a bit of a lecture. It was a little like a martini—

The Hon. M.B. Cameron: I think he was just trying to help you to get some help with the back bench—

The Hon. T.G. ROBERTS: I think that was the last thing he had in his mind. I think it was something to do with his own agenda. The points he was making were a bit like a martini: it was dry to taste, which is probably what the flavour of the Liberal Party machine was last year, and it was a little bit wet at the edges, which falls into line with the new philosophical flavour of the Liberal Party which seems to be present at the moment.

The Hon. M.B. Cameron: Are you going to have a wealth inquiry?

The Hon. T.G. ROBERTS: I would hope so. I will get onto that in a minute. It appears that the major points and planks of the arguments of both the Hon. Mr Davis and the Hon. Mr Irwin are that the position in which the Government finds itself in relation to income and receipts has a lot to do with the inefficiencies of the Government sector and the way in which it spends its money and invests in some of the areas in which it has some responsibility. If one looks at some of the problems that are being created by lack of investment by the private sector, one finds that the Government does not have a lot of alternative in trying to generate some activity in both sectors in an endeavour to overcome the absence of interest by the private sector. It is not until the public sector generates activity that the private sector shows some interest.

So, it is not the public sector's fault that it is forced into a position where, in a mixed economy, it has to play a leading role. I am sure that in a lot of industrial areas the Government would prefer to play a holding role or a mediating role in regard to investment but, in the absence of the sorts of investments that are required to keep an economy running, the Government must play a stronger role. Basically, that has been the history of Australian Governments at Federal and State level: the Government has had to be the pump primer to encourage the private sector to get out there and spend its money.

At the moment the Government appears to be—although the Stock Exchange crash of yesterday and today might have changed a few opinions—very keen, to put its money not only into plant and equipment and goods and services but also into speculative ventures and speculative capital areas which do not do a lot to generate jobs and income for export. It seems that a paper profit has been made and wiped off, and some people may be looking at where they should go from here in terms of where new investments are to be made.

The first thing that the Hon. Mr Davis did was walk us through the May to September statements. He said that the May statement was a forerunner to the September budget, and to some extent that is true. The May statement did set the climate for State spending patterns in the September budget. It was indicated very early in the year, in May, that things were not as good as one might expect and that there would be cuts in the moneys that the States were to receive; this would then mean that there would be some cuts to Government services, increased taxes or a higher deficit to finance, and that was not the Treasurer's position. The financing of the deficit was about 19.3 per cent of the State's GNP, which is about level with or a couple of points below the past three years.

It did not increase, as the Hon. Mr Davis led us to believe. Certainly, he argued that wages were a part of the problem, but that was not the position, either. He put the facts very selectively when he said that nominal wage costs were the problem, when in fact real wage costs have dropped and average weekly earnings have dropped over the last financial year. In fact, real household disposable income actually fell for the first time in 30 years. In per capita terms consumption fell by 1 per cent, the first such fall since 1961-62. So wages cannot be blamed for the problems associated with the downturn in the economy.

If one looks at where States gain their revenues, one sees that they have a very narrow revenue base and do not have a lot of alternatives from which to raise revenue, and reliance on grants from the Federal Government is vital. The Federal Government in turn relies heavily on the international economic climate in order to determine how strong its revenue growth will be. The Federal Government set its growth target at about 2.3 per cent, and that was in line with some of the OECD countries. This meant that there would not be a lot of activity, but at least some growth was sustained. I believe that about 100 000 new jobs were to be created.

The position overseas deteriorated during that period; income from many of our exports fell, commodity prices fell and some further adjustments had to be made. The September budget was brought down in a climate which pretty much expected a major international economic downturn. The budget was not greeted with a lot of dismay in any sector. In fact, all the headlines published the day after the budget indicated that very few groups were disappointed with it. It was almost a balanced budget. There was a $27 million deficit, and basically that is a balanced budget. The interest rates began to fall, and it appeared that the growth figures that were predicted would be matched and maintained. Given that real wages had fallen, we were in for a period of some restraint, and this would set us in good line for some growth perhaps next year. However, that may be in jeopardy. The Federal and State Governments are operating in a climate that does not contain a lot of stability.

The Hon. Mr Davis and the Hon. Mr Irwin were fairly aggressive in their criticism of the direction that the State Government had taken, but I think in comparison with the other States it will be found that the budget that was brought down by the South Australian Government is responsible.

This budget allows the private sector to participate and does not soak up private sector funds for public sector use—both investment areas can grow. The way that international markets are shaping, there is an ability for an individual to bring about a market crash by making predictions prior to the stock exchanges around the world coming on stream. It will be difficult for Governments to frame future budgets as we are living in an economically volatile time. The Government has introduced a package for the 1987-88 financial year which is responsible and which provides for some structuring of the public sector. There will be debate about commercialisation and privatisation in relation to some of the restructuring but, on balance, after all groups have been consulted there will be a more responsible Government sector participating in this whole matter. Hopefully, that will encourage those sections of the private sector that have been critical of Government policy to make investment decisions.

The Hon. Mr Davis has said that we were disadvantaged by the May statement to the tune of $200 million and that Premier Bannon has not been a good advocate for the State. However, he will find that South Australia did fairly well in percentage terms. The announcement of the submarine contract and the advantages it would bring to this State overrode any disappointment created by the May economic statement and many of the disadvantages that existed during that period. Many States competed hard for that project but because of the professional way in which our case was stated over a long period South Australia won that contract, which makes up for any shortfall in revenue in the May statement.

The Hon. R.J. Ritson: The defence forces are not very happy with it.

The Hon. T.G. ROBERTS: The Hon. Dr Ritson says that the defence forces are not happy with it. The ALP has a non-nuclear policy and was not getting into the business of nuclear powered submarines. If we were to have such submarines, I can assure the Hon. Dr Ritson that they would not be built in South Australia.

The Hon. R.I. Lucas: The left would have stopped it.

The Hon. T.G. ROBERTS: No, it would not have been a matter of the left stopping them being built here but a matter of the New South Wales ship building industry having a better case to state.

Members interjecting:

The Hon. T.G. ROBERTS: They probably would have been built overseas, with some assembly in Australia. The Government would have to change for that to happen—the National Party would have had to write defence policy for that to occur. I do not think that the Liberal Party would fall for the furphy that Australia can be a nuclear power in the western Pacific.

The Australian economy (and as a result sections of the South Australian economy) faces the problem of lack of investment resulting in less tax revenue for the Government, demands for a balanced budget brought about by cuts in Government programs, and a selling of Government assets, matters which have been mentioned in the press and which have been debated over the past 12 months. Members opposite have been hypocritically advocating that Australia and South Australia cut certain programs, yet whenever we try to make a saving in an area that needs restructuring because of difficulties, or when we start to make savings in certain areas, all sorts of arguments are put forward by the Opposition against the Government's suggested cuts. However, when the Opposition is asked to put forward proposals

for cuts it cannot do so. That is one of the advantages of being in Opposition—one can criticise everything and be all things to all people, which appears to be what is happening.

The Hon. Mr Davis has signalled a couple of areas where he would start restructuring—under some circumstances he would be tempted to sell off to the private sector parts of the Woods and Forests Department in the South-East. The Hon. Mr Davis would look closely at other Government assets—at selling some of the family jewels.

The Hon. L.H. Davis: Like the power station by the Electricity Trust, for instance.

The Hon. T.G. ROBERTS: That has released funds for the Government.

The Hon. L.H. Davis: What do you think about Australian Airlines or Qantas?

The Hon. T.G. ROBERTS: The State Government has no say about whether or not they will be privatised. It has its own agenda and the Federal Government has its, as has the Opposition. I do not wish to take away the Opposition's right to state its case in this Parliament, but I wish its members would be more honest with some of their criticisms when targeting State Government plans to try to reach targets set because of diminished finances.

The Hon. L.H. Davis: Do you think the Woods and Forests Department is an efficient organisation?

The Hon. T.G. ROBERTS: It is an efficient operation in all its aspects. However, if the Hon. Mr Davis is talking about IPL then I am not close enough to the scene to answer his question. However, I will be conducting further investigations to ascertain whether or not his comments are accurate.

The Hon. L.H. Davis interjecting:

The Hon. T.G. ROBERTS: I am not sure whether a select committee has been set up, but there have been discussions about one—it has not been finalised. I understand that negotiations are proceeding between the Liberals and the Democrats to ascertain whether a deal can be struck to set up a select committee. If one is set up, I am sure that members from this side of the Council will consider all the issues and without prejudice make valid judgments on the facts presented. If there are to be reforms to the Government sector to make it more competitive and conducive to operating in the year 2000, and to enable it to compete and to ensure that the marketplace has a viable product at a reasonable price—which it is doing now—and if that can be maintained, we will support the Woods and Forests Department, or any other Government department that is competing officially with the private sector. One of the greatest criticisms made by members on the other side is that Woods and Forests Department timber prices are forcing some private competitors to sell timber at a lower price than they like to. However, this is keeping a balance in the marketplace and enabling houses to remain affordable in many areas.

The Hon. L.H. Davis: I didn't say that—don't put words in my mouth.

The Hon. T.G. ROBERTS: I did not say that the Hon. Mr Davis said it; I am saying that some people on the Opposition benches are saying that. Some people in private enterprise have stated that they cannot understand how the Woods and Forests Department can market its products, particularly in Victoria, at the prices it does. Timber is one of the key aspects of maintaining cheap, equitable housing. The argument about whether another select committee should be set up has been thrown back at the Government. One cannot have both arguments running at once—that one forces the price of timber up yet has equitable and cheap housing available for tenants at a reasonable price.

The Hon. T. Crothers interjecting:

The Hon. T.G. ROBERTS: That is right. A highly skilled work force in that area maintains and keeps production levels of those products up. The Government has a responsibility to be in the marketplace in a number of areas, not only to keep private entrepreneurs on their toes in relation to the market prices of their goods and services—

The Hon. L.H. Davis: You are wobbling around like an Aeroplane Jelly.

The Hon. T.G. ROBERTS: If you hadn't interjected I wouldn't have had to embarrass you. Be careful of what interjections you make. In relation to the arguments put forward in relation to Government services, and not Government production areas, because of cutbacks in Federal moneys allocated to the States some money will be saved in some Government areas, but that will be done in consultation with community groups to streamline some of the services that Governments have provided over the past 20 or 30 years. That is not to say that some of the services that have been provided over that period of time are now the services that should be provided or are the way in which they should be provided in the 1980s, the 1990s, and into the year 2000.

The Hon. R.I. Lucas: How the left has changed!

The Hon. T.G. ROBERTS: I don't think the left has changed. I think that the left's position generally is not to have an inefficient Public Service. I do not think that anyone on this side of the Chamber has ever argued that because one has a Government enterprise, either in the Public Service sector or in the public production area, that one has to have an inefficient service. It is not a good, sound operation simply because it is run by the Government. It has to be efficient and compete, and have a number of aspects about it that can stand up to scrutiny either by Parliament or by the public. I support Government sector operations but do not give a blanket cover for them; they have to be delivered in a fair and reasonable way. I support the second reading.

The Hon. R.J. RITSON: I, too, support the second reading of this Bill in the spirit in which this Council has always behaved, and that is that it has never attempted to obstruct the elected Government by refusing supply. I take this opportunity to talk briefly about a financial disaster that is beginning in this State—a disaster that at the moment is entering its third week. Already the implications are starting to become obvious to a number of businesses, but much worse is to come. I refer to the disaster of WorkCare—a Bill that had its origins in the national Labor movement in the ideology that the State ought increasingly to control business and financial institutions in line with the Marxist objective of State ownership and control of the means of production, distribution, exchange of wealth—an ideal much more recently promoted by the Hon. Mr Blevins in another place.

In doing so I will begin with the Victorian history, and I will then move to South Australia briefly outlining the history of this disaster in this State, observe some of the early effects of this Bill in the first three weeks of operation and make some predictions about the future. The concept of WorkCare (as it was born in Victoria) was hatched in secret and sought support from influential sectors of the public by buying the souls of two major groups in society. A telegram was sent to the Ford Motor Company in Victoria which was paying double digit premiums for its workers compensation. It was made a sort of biblical promise—how

much dost thou owe thy master; so much; well take thy pen and write half as much. In this case the promise was—take your pen and write 4 per cent.

A similar approach was made to the rural sector which suffered from high premiums. The whole concept was then floated by the Victorian Labor Government with the support of the captains of industry and the farmers. I do not expect those two groups to have any farsighted concern for all sectors of the community. Their responsibility, as business and industrial organisations, is to the profitability of their own members and, naturally, if offered the option of a reduction from double digit payments to 4 per cent they would take it and promote the idea. Of course, nothing cuts the Liberal Opposition off at the knees so much as to have the captains of industry and the farmers supporting a Labor Government.

Against that background the matter was introduced in Victoria. Within its first year of operation, quite apart from the question of claims experience, the administrative costs blew out by 30 per cent. The Victorian Government made a trilogy of promises. The first was that no-one would pay more than 4 per cent—that was the promise to buy the captains of industry and the rural sector. The second was that nobody would pay more than they were previously paying under the old system. The third was that the global cost of the scheme would be reduced from its present level (which was of the order of 3.5 per cent of wages) to a global cost of 2.5 per cent. It did not take very long for the actuaries to go to the computers and discover that it was possible to keep any two of the promises but not all three because they did not add up.

In the event, the two promises that were kept were, in the first instance, the promise about the 4 per cent and, in the second instance, the promise about the global cost. The Government, having promised people that they would not pay more, was then stuck with the problem of how to break this promise but couch it in political language that would half excuse the broken promise. What was done was that the Government said, 'We meant within the one industry classification' and it reclassified everybody in the middle range of premiums into different classifications of higher risk, so that small businesses and low risk industries were screwed reasonably mercilessly but not so mercilessly as they are currently being screwed in South Australia. Some of the Victorian tricks involved, for example, a firm that ran an office and a radio station with some six or eight employees who handed out work over the radio to self-employed owner/driver couriers.

There was a reclassification of those office workers as drivers, along with the independent contractor owner/drivers who obtained work over the air from this firm. All of the drivers were ruled to be employees of the firm and they were all levied at the risk rate of the interstate road hauliers—the semi-trailer people.

There was another instance where a store which sold lampshades was levied at the same rate as manufacturers of electrical machinery and the story went on and on. There are a number of humorous stories but here in South Australia stories are emerging of increases of several hundred per cent in those lower risk premiums, mainly in the small business area. Of course, it had to happen. We told the Government from this side of the Chamber that it had to happen. It was even more likely here than in Victoria because in Victoria there was a little fat to cut. The overall cost of about 3.5 per cent was reduced to 2.5 per cent but I am advised that that bottom line of 2.5 per cent which was the aim of the Victorian Government was the level already pertaining globally in South Australia. There was never any global fat to cut in South Australia. The only way to go to achieve the promise made to the captains of industry was massively to redistribute the premium burden.

I do not have any evidence of a specific promise to the South Australian captains of industry and the rural sector, but it is a fair assumption that since the same thing happened here as happened in Victoria—namely, the first reaction was for the UF&S and the Chamber of Commerce and Industry to praise the Government Bill—then, obviously, there must have been some discussion along the lines of the more carefully documented dealings with those groups in Victoria.

The redistribution is but one of the disasters to befall small business in this State. That is a cost to be borne immediately regardless of the claims experienced and regardless of the administrative costs. However, when we look at some of the changes to the method of paying benefits, I would be very surprised if the claims experience remains anything like the historic pattern. The Government claimed that by moving from a system of lump sum payments to a system of pensions claims experience would improve and would be less expensive. The reason given was that people would be less motivated to make and pursue extravagant and exaggerated claims if they did not have the incentive of that pot of gold—the lump sum.

That statement was made on the 'I think' principle. The 'I think' principle is a principle whereby someone, out of the blue, stands up and says, 'I think such-and-such' as a bald statement unsupported by evidence. If one tries to discuss this statement with them they demonstrate very quickly that the 'I think' means that it is the first time they have ever thought about it. There is no evidence in any of the behavioural sciences or in any of the reports on patient behaviour in medical literature to support that 'I think' statement about the effect of getting rid of lump sum payments.

To the contrary, there is a substantial body of world literature—largely ignored in the parliamentary debates and in the Government statements on this matter—to indicate that, when a settlement is made, when litigation is final, when the amount of compensation is known and is handed over, a number of those people enter the work force again in some way. It is in their interests to do so. It is generally held by people who have studied the behaviour of compensable illness and injury that a pension is a continuing reward for not getting better.

We will have to wait and see, but the Government told us that the pensions would produce enormous savings and alter the pattern of claims experienced favourably in terms of the cost of the scheme. I do not believe that anyone gave any evidence at all to justify that statement. It was a bald statement on the 'I think' principle. It goes against all the evidence of the behaviour of people on compensatory pensions, and we can look forward not only to an increased cost burden on small business through the redistribution of the burden—the price paid, the 30 pieces of silver paid, to get the support of the captains of industry for this legislation—but we will discover in the years to come that the claims experience will be anything but an improvement on the old system. I think that it will take us towards the New Zealand disaster where an enormous load of pensionable people have built up as an indefinite and ongoing financial albatross for the next generation to deal with.

Madam President, these costings should have come as no surprise if the work had been done beforehand, but the work was not done beforehand. Before the Bill was introduced in this place statements were made by Government Ministers that the Bill had been carefully costed. I empha-

sise the words 'that the Bill had been costed'. That was stated by the Hon. Frank Blevins and he quoted the costings of Trevor Mules, an economist at the university. I went to see Dr Mules with the Bill to ask him about his costings. He had never seen the Bill. What he had done was some broad and general costings two years before at a symposium where the question of moving to a scheme that removed the concept of fault and the concept of adversary litigation was discussed, and he did some costings of the effect on global costs of the removal of litigation costs and some other charges. But he did not cost the Bill. He had not seen it and the Bill was significantly different from the broad skeletal proposition at that symposium at which Dr Mules had presented his paper. But we had the Minister here in South Australia talking about the precise costing of the Bill.

In fact, the Bill was ultimately costed by actuaries who were employed after some work done by the Australian Democrats, and those costings showed how wrong the Government had been in its claim that savings were to be had. Those costings showed the increased expenses (I think that they under-estimated the increased expenses, in any case) but it was too late; the Government momentum was under way and the passage of the Bill was inevitable. Some modifications were obtained during the passage of the Bill with the assistance of the Australian Democrats, but in my view the modifications were done in the wrong way. For example, the circumstances under which people were paid less than the full benefit were circumstances where the illness had become prolonged. It is my view, having looked at compensable illness across the consulting desk for a long time, that penalties at that end are not very much a disincentive and in fact are a penalty to the seriously disabled. I believe that a threshold at the beginning, which is a disincentive on the actual claimant—not on the employer but on the claimant—is the way to go.

Indeed, I have a sickness accident policy that gives me much greater benefits than workers compensation. I get it quite cheaply and it covers a far wider range of events than do the provisions of workers compensation. There is a little catch in that there is a qualifying period during which not my employer or anyone else but I have to carry the cost and I cannot insure for more than 90 per cent of my income.

I just wonder whether, if employers had the option of simply saying that they would buy workers such a policy, the workers (if they really looked at it) would find it much better value. Perhaps they would. There are so many more imaginative things that could have been done about this whole issue but, as I say, the Labor Party, I suppose, appears to have caucused nation-wide, beginning in the Eastern States with the tactic of purchasing the support of the captains of industry, being ideologically dedicated to the role of State control and so, Madam President, the disaster is upon us.

I just wanted to take this opportunity of saying to the people of South Australia, 'We told you so.' All of the small employers in small business will feel immediately the pinch of the redistribution. That is the price of the 30 pieces of silver, and that is only for now. In view of the way that the administration is printing up its triplicate multi-coloured forms to replace much more simple paperwork, it looks likely that the Victorian experience of the 30 per cent administrative blowout will be felt in this State. Finally, I am quite sure, from what I know about dealing with compensable illness over the years, that the claims experience will change for the worse instead of the better because the people who trotted out these 'I think' comments about how people behave when facing either lump sum or pension settlements were wrong. It will take four or five years for the people of South Australia to realise that aspect of this disaster.

Having said that, I feel constrained to support the Bill, Madam President, for the reasons that I stated earlier, namely, that it is not the place of this Council, except in extraordinary events, which South Australia has never seen in the whole of its history, to obstruct the passage of the budget. So, I commend this largely unsatisfactory budget to the Council for that reason and no other. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

ADOPTION BILL

Adjourned debate on second reading.

(Continued from 14 October. Page 1153.)

The Hon. K.T. GRIFFIN: I support the second reading of this Bill and commend my colleague the Hon. Diana Laidlaw in particular for the way in which she dealt with the Liberal Party's view on this measure. It is an important Bill which needs to be dealt with sensitively, and she has clearly demonstrated that her consideration of the Bill has been conducted in that fashion.

Of course, with adoption there are varying emotions which must be considered in determining an attitude towards particular issues, and there are also conflicting claims. It is important that members of this Council speak freely on this issue, which is an important social question. Of course, there will be differing points of view but, notwithstanding that, no member should be constrained from expressing his or her personal views on an issue such as adoption—notwithstanding what might be a Party or corporate view on a Bill such as this.

I was rather disappointed that, while two of my colleagues—the Hon. Diana Laidlaw and the Hon. Jamie Irwin—were speaking and expressing their views on the desirability of only married couples being allowed to adopt, their genuinely held views were the subject of derisory comments from the Minister of Community Welfare and the Hon. Carolyn Pickles. Quite obviously they will have their own points of view about the appropriateness of only married couples or others, for that matter, such as those who are not bound by the legal requirements of a marriage under the provisions of the Marriage Act or similar legislation, having the opportunity to adopt.

I was concerned that the genuinely held views of my colleagues were, as I say, subject to the sort of derisory interjections which were made by those other two members opposite. I was concerned, too, that it appeared that those two members opposite held quite divergent views from those which I believe are generally held in the community. I, too, have a very strong view that adoption or guardianship, as the case may be, under this Bill should be limited to those couples who are married at law and who are able to demonstrate that they are living in a stable domestic relationship and have the capacity to provide a stable home environment and a proper environment for nurturing and raising a child who may be the subject of an adoption order.

Of course, marriage under the Marriage Act has a whole range of legal obligations attached to it: they are identified and imposed. If a marriage breaks down, there is an established set of laws by which the dissolution of that marriage may occur, with the obligations of the husband and the wife—one to the other and to the children—being explicitly regulated by the Family Law Act. *De facto* relationships are not legally formulated. There are no laws which govern that

type of relationship other than in limited circumstances for the purpose of, say, inheritance or in other limited circumstances recognised by the Family Relationships Act—and only under circumstances where there is cohabitation for a period of not less than five years spread over a period of six years, or there is a child resulting from the relationship. That putative spouse concept is determined at a particular day and is not determined for all time. It had its genesis in the law relating to inheritance.

Subsequent to the old Testator's Family Maintenance Act, the Inheritance (Family Provision) Act recognised for the first time a right to claim against the property of a deceased estate and recognised the right of a putative spouse to do so. As I say, *de facto* relationships are not legally formulated. There are no laws which relate to the obligations which a couple may take, and there are no laws relating to the dissolution of a *de facto* relationship. That rather tenuous situation is not an ideal environment in which to raise children, particularly adopted children, where the State, through its adoption agency and the courts, exercises a particular responsibility to designate a couple as those who will have the primary responsibility for caring for that child.

One can debate the nature of a marriage and the nature of a *de facto* relationship in terms of the potential for stability, but that does not meet the problem of a dissolution and in my view does not enhance the nature of the care which an adopted child will receive. So, Madam President, I place on record my very firm support for the proposition which has been raised by my colleagues on this side of the Council: that adoption or guardianship (as the case may be) under this Bill should be limited to married couples in a stable relationship.

The next issue which is of great importance is that of confidentiality. I have a very strong view that, where a particular set of rules apply to a relationship, we should exercise great caution in changing those rules so that they impinge on the relationship retrospectively.

In the area of confidentiality of identifying information in relation to the natural mother or father (particularly the mother) and the adoptive child, I think it is important to ensure that legislation does not impinge to the disadvantage of any party on relationships which have been established under the present Adoption Act and does not impinge retrospectively.

Some fairly clear rules have been established by the law which have applied to the identification of information in respect of adoptions since 1967, and I think it would be quite wrong suddenly, by a stroke of the legislative pen, to dramatically alter the rules which apply to that confidentiality. I acknowledge that adults, if they so wish, should have information available to them about their parentage and that parents should have access to information about children who have been adopted, but only if both parties agree. So, there should be a mechanism to obtain identifying information if all affected parties agree. That is a concept which my colleague, the Hon. Diana Laidlaw, has propounded and which I support. If an adopted person desires to know his or her natural parent or parents and the natural parent or parents agree, or *vice versa*, there must be an appropriate mechanism to ensure that information is available which would enable identification, provided that the adopted person is, at that point in time, an adult.

I believe that as a Parliament we must respect the law as it has been enforced for the past 20 years. We must respect also the rights of individuals who may desire to remain unidentified or anonymous for the purposes of adoption. However, if the rules are to change for the future, then those rules ought to be clearly made known to those who participate in the adoption or guardianship process as the case may require.

The only other area to which I want to direct a few observations—and I know it is a difficult area—relates to overseas adoptions, in particular to clause 19 of the Bill. I raise it only because several persons have contacted me with a problem which may in fact be peculiar to them but which may nevertheless affect other persons. Without identifying the persons who have contacted me, the circumstances are broadly these: a child has been adopted in an English speaking country where the common law is the basis of its legal system. One of the parents is a national of that country and the other parent is a national of Australia. The adoption occurred in accordance with the law of the other country, and procedures were not followed in South Australia when the child, with the parents, was brought back to Australia.

The difficulty is that, although there has been a foreign adoption and the adoption has been recognised in that other country and in all jurisdictions under its authority, it is not contrary to natural justice; there was not in fact residence for 12 months as prescribed by clause 19; yet now this clause will retrospectively invalidate the adoption order made in that other country.

I suggest that the object of clause 19 is to ensure that Australians are not able to go overseas to, in effect, buy babies, adopt them under the law of, say, a South American country without satisfying any of the rules of natural justice and bring them back to Australia. In those circumstances, one can certainly commend a provision such as that which is contained in section 39 of the present Act or even clause 19 of the Bill. Clause 19 operates retrospectively and imposes a period of residence in a foreign country which is quite in excess of the present law. Under the present law the requirement, among others, is that there should be residence or domicile in the country where the adoption occurs. That period of residence is not specified; it may be for a brief period, but in some circumstances it may be a reasonable period of residence in that foreign country.

The other point which I make is that under the present Act section 39 (3) empowers the Governor by proclamation to declare that all or any adoptions under the law of a particular country outside the Commonwealth and the territories of the Commonwealth and specified in the proclamation shall be conclusively presumed to comply with the conditions specified in certain paragraphs of subsection (2) of that section.

As far as I can see, there is no similar provision in the Bill before the Council, so all foreign adoptions will have to be validated in Australia, even if they occur in accordance with the law of, say, Canada, the United States, New Zealand, the United Kingdom or a similar country. I may be mistaken about that, but it seems to me that there ought to be a provision which enables the adoption laws of other countries to be recognised by proclamation or by regulation in Australia.

I gave a commitment to the persons who contacted me that I would raise this issue for consideration by the Council. I am not suggesting that there should be any relaxation of the onerous provisions for adoption and recognition of foreign adoption, except that it seems that in certain circumstances it will operate unfairly and probably outside what was intended.

My remaining point is in respect of the Minister's indication that this Bill will go to a select committee. I share the view of my colleague, the Hon. Diana Laidlaw, who is the shadow Minister with the conduct of this Bill in the Council, that it is unnecessary to have a select committee. The issues are fairly clearly defined, and a select committee

will merely rehash the evidence and material which has already been made available to the Government and to the Opposition and, while it may assist the Minister to overcome some of his domestic Party difficulties, it will do nothing to develop and enhance the reform of the law relating to adoption.

The Hon. Diana Laidlaw has undertaken a considerable amount of work and consultation on this issue over the past couple of years, and that suggests to me that the issues can be resolved during the Committee stage of the consideration of this Bill rather than pushing it off to yet another select committee.

There are appropriate times for a select committee to resolve issues of contention and uncertainty, but I suggest that there is no real reason for that when considering this Bill. In the circumstances, I support the second reading and indicate that I believe that this issue can be resolved by reasonable debate and consideration of amendments moved during the Committee stage of the Bill.

The Hon. T. CROTHERS secured the adjournment of the debate.

The Hon. K.T. GRIFFIN: Madam Acting President, I draw your attention to the state of the Council.

A quorum having been formed:

REPRODUCTIVE TECHNOLOGY BILL

Adjourned debate on second reading.

(Continued from 10 September. Page 875.)

The Hon. M.B. CAMERON (Leader of the Opposition): The Opposition supports this Bill, although there are areas to which we will move amendments. The Bill arises as a result of a select committee which sat for a considerable time and which took much evidence. The two Opposition members on that committee were the Hon. R.J. Ritson and the Hon. K.T. Griffin, who will cover the more detailed discussions in relation to this matter. The Bill, to a large extent, follows the recommendations of the select committee. The Opposition believes that the council is given powers by the Bill beyond those that it should have, and that many matters left to it should be decided by the Parliament. For that reason, amendments will be moved covering matters that were the subject of recommendation by the select committee.

The first recommendation relates to growth beyond the egg stage going into what is known as 'beyond the implantation stage'; in other words, moving towards the test tube baby stage. The Opposition believes that this matter should not be left to a council no matter how worthy are the individuals on it—it is a matter that should be the subject of discussion in the Parliament and a ban on moves beyond the implantation stage should be placed in the legislation. Recommendation 25 of the select committee states:

> At this time the growth of an embryo *in vitro* beyond the point at which implantation takes place not be permitted.

That was a unanimous recommendation of the select committee, so we believe that it is proper for the Parliament to give a clear direction to any person participating in the *in vitro* fertilisation process that the Parliament regards that as unacceptable. Also, the Opposition believes that *in vitro* fertilisation should be available only to married couples who can demonstrate infertility or that they have a potential inherited genetic defect in either partner which renders it necessary to use a donor so as not to continue that defect; we will be moving amendments to that effect.

To some extent this follows the recommendations of the select committee, although it went slightly wider with its recommendations, one of which was that people should be seen to be living in a stable relationship, and the second that *in vitro* fertilisation should be available only to 'infertile couples' or people who, even though they are fertile, can demonstrate some genetic problem. Our definition is not as wide as that of the select committee, which expressed majority support for that definition of 'people living in a stable relationship'.

It is our view that because this is an extremely expensive process and because there are people still waiting for *in vitro* fertilisation, that at this stage it should be available to married couples only, people who have made a commitment to one another and whose children will, as a result of that, have the protection of the law.

Thirdly, we believe that there should be a ban on non-therapeutic, invasive experiments on an embryo. This will require a slight addition to clause 14 of the Bill, which covers experimentation, which we believe should not go beyond the stage where the egg is ready for implantation. It should be made absolutely clear that there should be no experimentation on embryos and that this should not be a subject about which the council can make a decision.

Fourthly, we believe that there should be total confidentiality of donor—there can be discussion about this matter, but it is our view that there would be difficulty with potential donors if total confidentiality were not guaranteed. The select committee said that there should be confidentiality unless at the time of donation a form was signed indicating that the donor did not mind if information were given to the child born as a result of that donation. It is the Opposition's view that the decision made at that time should be potentially reversible and that it would be far simpler if the whole matter was subject to total confidentiality from the start. The select committee indicated that genetic and other information about the parent (excluding identification) should be available.

We do not have a problem with that, it is merely the actual identity of the donor that should be the subject of total confidentiality. At this stage we believe that there should be a ban on commercial surrogacy. I know that the Attorney has indicated that that will be the subject of another Bill at a future stage, but as this matter will potentially be able to be used in this process it is the view of the Opposition that commercial surrogacy should be banned under this Bill. If a further Bill is introduced which deals with commercial surrogacy then that part of this Bill (or this Act as it shall become) can then be dropped off and the new Bill take over. However, in the interim it is our belief that commercial surrogacy should be banned.

We also believe that any regulations that are brought in as a result of the council drawing up the code of practice—and that code of practice will be in the form of regulations that will come before this Council—should not become law until after 14 sitting days or the necessary time that is normally allowed for the disallowance of regulations. This is a different procedure although it is not an unusual one, and has been used in other Bills to make certain that the law does not commence to operate until the Parliament has had time to consider the matters.

The Hon. R.J. Ritson: The Minister should be supportive of that. He was caught out often enough when having to answer questions to the press about things he did not know were happening.

The Hon. M.B. CAMERON: Quite apart from that, the Opposition has identified some matters that we believe should be the subject of parliamentary debate and decision,

but there may well be others that are decided on by the council—and from the way in which that has been drawn up it will be a responsible body of people—in the form of regulations or amended regulations to which Parliament takes exception. It is important for the Parliament to have the opportunity of considering them before they become law, whereas normally the moment regulations go through Executive Council they are law unless the Parliament disallows them.

The Opposition believes that in this case, because it is such a sensitive matter, it should be the subject of parliamentary approval before they become law, and that approval will come in the form of Parliament not taking any action to disallow the regulations. A further subject clearly falls under this heading, that is, the question of why we find it necessary to have so much activity in the *in vitro* fertilisation field. I have discussed this matter previously in this Council and I believe that Governments need to take some account of this subject—that is, why so many women are unable to bear children because of various problems that they find within themselves.

The whole question of pelvic inflammatory disease and other sexually transmitted diseases needs more attention by Government. I have been concerned for some time that, even though the Victorian Government has spent a considerable amount of money drawing attention to the problems of pelvic inflammatory disease, there does not seem to be the same concern here. We can save a lot of money if we alert young women and men to the problems that this particular disease creates. No doubt the Hon. Dr Ritson has more information on this than I have, but I suggest that it is probably one of the most prolific factors in creating the necessity for *in vitro* fertilisation.

I would be happy if the Government were to change its priorities and make certain that sufficient funds are available to the Sexually Transmitted Diseases Office in this State to ensure that young women and men are made aware of this problem. This disease does not manifest itself in any dramatic way; it can easily be missed unless people's attention is drawn to it. It seems to me that more attention needs to be given to education, both in the schools and in the community, in relation to this particular problem. If we spend money on that it may save enormous amounts of money and traumas for young couples attempting to have children because of a problem that has arisen in their younger days. I ask the Government not only to be concerned about the *in vitro* fertilisation program but also to give serious consideration to this problem and, through its activities, increase community awareness of pelvic inflammatory disease.

The Bill is basically a good one. However, there are some problems with it. The last problem I draw to the attention of members of the Council is the question of needs-based rationing of *in vitro* fertilisation by a section dealing with licensing. It seems to me that there is no necessity for a needs basis for licences. The Opposition has no problem with the other sections of licensing, that is, ensuring that they have proper facilities, that they are fit and proper people, that they carry through the code of ethics and all other matters such as unnecessary and invasive experimentation. However, when it comes to needs-based rationing, we believe that that is not a proper role for the Health Commission and that it is a matter of decision by the people concerned as to whether they wish to set up in this area and, provided that they can demonstrate all the other things, then we do not believe that it should be necessary for the Government to decide whether or not there is a need for such an extra licence to be offered.

We will be arguing that clause 13 (2) *(a)* should be deleted. It will not affect the Bill in any way. It may mean that those couples who are waiting to get on the program may have a greater opportunity. I have a deep belief that if a young couple wishes to have children then it is up to society, within certain restraints of money, to ensure that they have that opportunity if it is at all possible, because that is one of the greatest things that can happen to a couple if that is their desire. Of course, the select committee points out that some couples would perhaps lead a life just as good without children. Nevertheless, if a couple decides on a family then I believe we should give them that opportunity and I do not think we want bureaucrats to be making the decision as to whether or not there is a need for it. That is not something in which the Opposition believes the Health Commission should involve itself.

The Opposition supports this Bill. We will be moving those few amendments at the Committee stage and we trust that the Council will support them. I believe that they are not antagonistic to the Bill but will assist in, I hope, arriving at a reasoned basis. I also trust that the select committee's unanimous recommendation that all matters in this area should be the subject of a conscience vote in the Parliament will be adopted, and that members who find difficulties either with the Bill or with certain parts of it will feel free on all sides of the Council (because it is not a political matter in any way whatsoever) to express their points of view and vote in the way that they see fit. I understand that it is a sensitive matter.

I commend the Select Committee for recommendation number 17 which states that 'proposals involving ethical considerations recommended to the Parliament by the Council be considered by the Parliament on an individual conscience basis'. That was the unanimous recommendation of the committee and I certainly support that point of view. However, that is a matter on which I would think all Parties in this Chamber would have made some decision. I trust that the Bill will eventually pass but, as I said, with the amendments that I have forecast.

The Hon. R.J. RITSON: I, too, support the second reading and find that it has much to commend it. Like the Hon. Mr Cameron, I believe that through deliberation members will improve some aspects of the legislation.

I will begin by making some personal, general philosophical remarks about the broad question of the problems posed by modern science—ethical, philosophical, social problems—and the way in which legislatures respond to those problems. I will go through the Bill and touch upon a few points which have not already been mentioned by the Hon. Mr Cameron. I will then give support to what he has already said about matters which Parliament needs to consider, rather than leaving them to the Council.

The first thing that strikes me about issues such as this is that there are two quite separate areas of responsibility as between the scientific and clinical people on the one hand, and the legislature—the peoples' representatives—on the other hand. Each body is doing something quite different. It is the responsibility of the clinicians and the scientists to do the very best they can for each and every patient who comes to them asking for help. That applies not only to the medical and biological sciences but also to other matters such as transport and defence—almost any other area of Government activity where professional people are employed and where it is expected that they will devote the whole of their energies to their profession, and will demand all the facilities to do the best job they can.

On the other hand there is always a conflict of interests; there is always a problem of distribution of resources. The

resources are not limitless, and in the end it is the Government and the Legislature that may have to choose between saving life with drugs, saving life by building an overpass or performing some other social measure. Indeed the question of rationing resources can never be avoided by bodies such as this Legislature, whereas the rationing of resources is something one does not expect to be carried out by the professional people who, as I said, have a quite different primary duty.

The first question which arises, and which has been raised by the public in general regarding this technology, is whether it should be used at all. It has been said by medical people as well as non-medical people in the community that it represents an overall waste of resources for very little return and there is little justification for it that indeed infertile people ought instead to be taught to cope with their infertility, and that ought to be that. Madam President, I do not subscribe to that view. I think we have accepted in the medical profession to which I belong that infertility is a condition that warrants investigation and treatment, where possible. That has been so for some time.

For the most part, investigations and treatments are accepted by the Federal Government as suitable subjects for Federal rebates to patients. With regard to Medicare benefits (and rationing has occurred with some areas of Medicare rebate such as the withdrawal of rebates for face-lifts and breast enlargement) certainly the general question of the treatment of infertility has been considered by Governments and the medical profession alike as a worthwhile and important treatment to be offered to the community. So, I think that the general proposition that infertility is barely worthy of treatment is not something that is acceptable to this Parliament, to patients, to society in general or to the medical profession.

Certainly, the treatments that have resulted from the technological advances recently do involve some matters of great expense, but I do think we can say primarily that reproductive technology is a worthwhile development to be offered to the public. There is just one caution that I want to put to the Council in relation to *in vitro* fertilisation in particular. The term means removing the ovum (the egg) from the body and fertilising it in the laboratory and replacing it in the body. This is usually done as a means of bypassing blocked fallopian tubes.

The caveat is that the success rate is not high. The figures vary depending on which evidence one looks at, but certainly a clear majority of patients undergoing this treatment fail to achieve a live birth. There has been a tendency to evaluate this technology by counting the babies. Certainly, clinicians, bedside doctors always delight in looking at their own good results and it is natural that as a profession we should measure our results by counting our babies and the happy parents.

As one who sat on the committee for two years, I could not see any evidence that clinics performing this work had taken a scientific look at what happened to the people who did not achieve a satisfactory pregnancy. There are all sorts of reason why people may wish to avail themselves of this treatment. The reasons can be quite complex. They may present as a simple stated desire to have a child, but there is always a possibility that this desire will be stated in order to cement a difficult relationship or for some other more complex purpose. It may be that in some people presenting for this treatment there will be underlying anxiety or depressive states.

If those people are then subjected to the cyclical hormone changes preparing themselves for this treatment, subjected perhaps to the bereavement of a miscarriage and then of ultimate failure to conceive, their last state may indeed be worse than the first. I formed the opinion that in the past the tendency has been to have a form of patient selection conducted by the clinicians with the interest in the program, a measuring of success by counting the babies and no really convincing evidence that society really understands the total effect in the long term on those patients in whom the treatment fails.

For that reason the select committee report does contain recommendations about the development of multidisciplinary teams to look at all aspects of the usefulness of this work, recommendations about the availability of counselling, and I have every expectation that there will be ongoing development in those areas. I am particularly pleased that there has been the creation in South Australia for the first time of a Chair of Reproductive Medicine. I think that that step will give further impetus to the development of all that is best in the treatment of infertility.

Any scientific discovery that may be in itself neither good nor bad can give rise to things that are good or bad, not the fault of the scientist but the fault of people who use or abuse knowledge. Knowledge always carries with it responsibility and, with the development of this technology, there have been a number of scientific and less than scientific reports about the possibilities of all sorts of other rather frightening things, trans-species fertilisation, the cross between the man and the ape; genetic engineering, to produce a child of a chosen physical and mental makeup; extracorporeal gestation, that is, the development of a human child entirely outside the body in some sort of glass jar; and the possibility of the bearing of children by men.

If there is one thing that I can state with great confidence, it is that none of these things are done or have been contemplated in South Australia or indeed would ever be done by the many fine people that I know work in this field. So, I have no anxieties about present practices in South Australia. Indeed, the controls upon medical people are very extensive already. A medical practitioner is controlled not only by the criminal law and the common law, as everyone else is, but by the Medical Board, the Medical Complaints Tribunal, by the medical learned colleges, and they are under computer surveillance.

Indeed, the computer surveillance is more intense in the case of reproductive technology than in the case of the practice of other branches of medicine. So, it would be difficult, although not impossible, for medical practitioners in our system to be other than ethical. The Bill places yet another control, which I support, that is, the code of ethics to be promulgated by the council which the Bill sets up.

Like the Hon. Mr Cameron, I think the Bill and the concept of the council is admirable. I think the select committee's report is admirable but, given the page after page of recommendations and given that none of the ethical matters which gave rise to public concern are in the Bill, it is in a sense a skeleton Bill which sets up an administration and confers a set of powers but does not in fact set up any ethic or code of practice of itself. The select committee report is obviously intended as advice to the Government and to Parliament as to what should be done. I was quite surprised when I received the Bill to find that none of the recommendations of the select committee were in it. There are many peripheral recommendations and fine points in the report, but it made some firm conclusions about some of the matters which were of such public concern as to cause the select committee to be convened in the first place. Like the Hon. Mr Cameron, I would like those matters considered by Parliament.

The questions of embryo experimentation, surrogate motherhood, confidentiality of donors and a number of other questions should be put to Parliament. If Parliament decides, when it votes on such amendments as we may propose in the Committee stage, that such matters should be left to the council, that is Parliament's decision. However, if those matters are never debated in this place but are left to the council, that is the Minister's decision in terms of the form in which the legislation is drafted. So I will cooperate with the Hon. Mr Cameron in the moving of those amendments.

As I have said, the principle is not necessarily to have my own way on ethical matters. The views of other people—for instance, as to whether the technology should be made available only to married couples or to couples in a stable relationship—are as valid as mine. The fact that I am a practising doctor does not make my view on this matter any better than anyone else's, so it is with some humility that I say that I will support an amendment to that effect in Parliament recognising that there may be a variety of views, but justifying the moving of such an amendment on the basis that at least Parliament should consider it rather than leaving the matter to the administration. There are some six of the more important ethical issues which will be put by members on this side for consideration by Parliament.

I have noted other problems on reading the Bill. I refer to Part I of the Bill on page 2 and the definition clauses where mention is made of the procedure known as GIFT. GIFT, which stands for gamete intra fallopian transfer, seems to have been caught under the definition of '*in vitro* fertilisation procedure'. As I said earlier, *in vitro* fertilisation means the taking of genetic material from the body, removing it to a laboratory where fertilisation and early cell division occurs and then returning the material back into the body. That involves a number of considerations: first, some scientific difficulties because the control of that culture medium and the handling of that material requires careful scientific control; and it also raises the other possibility of experiments on such material which may be surplus to requirements, problems of storage and the problem of interfering with it genetically which do not apply if it is not taken outside the body.

The technique known as GIFT involves virtually the lifting of an egg through an endoscopic instrument around an obstruction in the fallopian tube, and there is no *in vitro* culture. The whole manipulation to enable a woman to conceive by that process is done inside the woman's body through a little telescope and in my view does not involve the need for any of the safeguards involved with *in vitro* fertilisation. However, in my view, it is defined within the definition clause as *in vitro* fertilisation and as such it will be confined to licensed people. I think that very soon this technique may become an ordinary gynaecological procedure in the armory of nearly every practising gynaecologist and obstetrician. Therefore, I really do wonder about the need to confine the carrying out of gamete intra fallopian transfer to licensed IVF clinics.

At the moment there is not a practical problem because the same people who do one procedure tend to be the people who do the other. But in the future we may find that there is a problem with that definition clause if it does (and it seems to me that this is the case) embrace GIFT. It need not embrace GIFT and in several years we may see an amending Bill introduced to sort out this area. However, at the moment it is not a practical problem. It is a surprise to me to see it done in this way in the Bill. However, rather than taking the time of Parliament in going through the difficult process of drafting amendments to a complicated definition clause, I will let it go in practical terms. But, as I say, I wonder whether we will see another Bill before Parliament in a few years to sort out this area.

Another point has given me cause for thought, and I refer to clause 9 (3) under Part II of the Bill which provides penalties for a member of the council who acts with a conflict of interest. Clause 9 (1) refers to the disclosure of interest, the penalty for failing to declare and also refers to a direct or indirect personal or pecuniary interest. During the Committee stage I will ask the Minister some questions about that. I understand that the newly appointed Professor of Reproductive Technology is in fact Adelaide University's appointee or nominee to the proposed council. I suspect that that person would frequently have a personal scientific interest in matters brought before him. It may be, through having a right of private practice, that such a person in some way has a pecuniary interest in the result of a decision. However, I also recognise that the reference to having an interest in a matter may have special legal meaning and therefore what I see as a potential for repeated and frequent conflict of interest where such people are appointed to a council which is controlling their own research may not be conflict of the magnitude that it appears at first sight. I will leave that to the Committee stage.

Finally, I refer to clause 13 (2) *(a)*, which is the needs based condition for a licence. In other words, is another clinic needed or can the present clinic see all the patients? I put it to the Chamber that there is an enormous difference between saying what shall be done by whoever shall practise a particular branch of medicine on the one hand and saying that we will decide who can practice these techniques according to what we as a bureaucracy perceive to be the market.

In the first instance, one is really saying that there is a need for quality control and standards and that whoever practises must meet those standards. On the other hand, in relation to clause 13 (2) *(a)*, introducing a needs based provision for a licence is really to behave as I imagine some of the Soviet central bureaucracies behave when they determine whether more farm workers are needed in the agricultural east or west or whether more fertiliser or more train drivers are needed on the other side of the country. That is the way in which those countries are organised: by central bureaucratic planning according to an administrator's view of a need rather than according to the views of need of patients, customers and clients.

Lest anyone think that that is necessary to stop vast over servicing by multiple clinics in this field, I add that the number of infertile people is a very static percentage of the population. The number of people who are able to be helped by IVF or who would need IVF is a very much smaller percentage again of the percentage of infertile people. So, it is not possible to pump up the servicing rate in this area beyond the actual need. If there was a proliferation of clinics, in relation to the extent that people are insured, the fixed quantum of fees available from insured infertile people would be spread more thinly amongst those clinics. It would not be possible to have over servicing; it would only mean that the more clinics there were the less profitability there would be, and I do not think that that is very much the business of Government.

I support the concept of the council, and I wish Parliament to vote on half a dozen of the more socially controversial matters during the passage of this Bill. I support all the controls in clause 13 excepting subclause 13 (2) *(a)*, the needs based licence. I am concerned about that because it is the second of a kind. The first of a kind was the Health

Commission Act Amendment Bill, which transferred the control of private hospital beds from local government to the Health Commission. The Health Commission immediately said, 'We are going to put a needs based freeze on these beds,' and it was seen that the premium that then attached to these frozen bed numbers escalated until a single private hospital bed had a premium very similar to that of a prawn or abalone licence.

The next step is that the needs based fertility clinic becomes the needs based CAT scanner and the needs based radiology clinic, and it is only one more step from there to the needs based general practice, where the Government might decide that we have enough general practitioners in the eastern suburbs and not enough on the West Coast so that licences are issued for general practices on the West Coast and not in the eastern suburbs. Then, we are back to the Soviet central bureaucratic method of messing up a country instead of the capitalist demand based method of messing up a country. I think capitalism is less dangerous. I do fear, as I see the needs based licensing in here and as we saw it in relation to private hospital beds, that we will see it in relation to a range of other matters as long as there is a left of centre Government in power.

The Hon. Mr Cameron said that this Bill is not political, and I agree, except for clause 13 (2) *(a)*. I have extracted that important principle from clause 13 (2) *(a)*, and I will move to delete that clause, pointing out to everyone that the deletion of that clause does not diminish in the slightest the regulatory powers of the rest of the clause or of the code of practice which will be promulgated on the advice of the Council.

With those caveats, I now commend the Bill to the Council as basically a good Bill. I say in conclusion that the select committee was a very worthwhile one on which to serve, and it demonstrated once again the value of this Council as a House of Parliament and the value of the committee work that it does from time to time.

The Hon. T. CROTHERS secured the adjournment of the debate.

LONG SERVICE LEAVE BILL

In Committee.

Clauses 1 and 2 passed.

Clause 3—'Interpretation.'

The Hon. K.T. GRIFFIN: I move:

Page 2, line 1—After 'entitlements' insert 'and that is declared by regulation to be a corresponding law'.

This amendment refers to the definition of 'corresponding law', as follows:

'corresponding law' means a law—
(a) of the Commonwealth;
(b) of a State (other than this State) or a Territory of the Commonwealth;
or
(c) of another country,

It is relevant to clause 4 (2), which provides:

Where a worker would, but for this subsection, have a long service leave entitlement both under this Act and a corresponding law, the worker may elect to take the entitlement under this Act or under the corresponding law, but not under both.

The difficulty is that there is no clear definition of what is a 'corresponding law'. In my view, if there is a promulgation of a 'corresponding law' by regulation it puts the question beyond doubt. I have in mind the sorts of procedures that apply in areas for which the Attorney-General has responsibility such as the transfer of parole or the transfer of prisoners, where corresponding laws are identified by regulation so that it is very clear what is the law under which certain rights and obligations accrue.

The difficulty with clause 4 (2) to which this definition relates is that the worker has a right to make an election to take an entitlement under what will be the Long Service Leave Act, or under a corresponding law, but not under both. The difficulty with that is that, if the worker has an entitlement here, and, in say, Victoria and takes the entitlement here, there is nothing to prevent him going interstate and taking the entitlement under the Victorian law, in effect, double dipping. If the corresponding law were identified by regulation that would, to some extent, ensure that reciprocal arrangements were in place and the problems that I envisage may not then occur.

I acknowledge that it is difficult, but for the sake of clarity some description of 'corresponding law' should be included. It has been suggested to me that including reference to a corresponding law in a regulation would result in long regulations because of the awards that are in operation at Federal and various State and Territory levels. I do not see that as a problem, because awards are made under the law of a State, the Commonwealth or a Territory, so it seems to me that the regulation would merely refer to the Federal Act or to the particular State or Territory Act and not to individual awards, which might, in fact, contain references to long service leave entitlements. I see an advantage in identifying clearly what is a corresponding law and in not leaving the matter to argument in the Industrial Court.

The Hon. C.J. SUMNER: The Government opposes this amendment, principally for the reasons outlined by the Hon. Mr Griffin in the latter half of his comments, which he proceeded to refute. We do not accept the refutation and argue that it is impractical to apply the honourable member's suggestion because of the variety of existing laws; in this respect, I refer to the provision for long service leave rights under laws of all States and Territories of the Commonwealth, including, presumably, rights that exist under different awards.

The Government believes that this amendment has the potential to restrict the application of this Bill, resulting in possible adverse affects on both employers and employees. It also believes that the definition of 'corresponding law' in the Bill is adequate, that the proposal to have a corresponding law prescribed is impracticable because of the great numbers of them, and that it would impose an unreasonable administrative burden.

It is better that the definition be left as it is, namely, a law that is a law of the Commonwealth or a State, or Territory of the Commonwealth, or of another country that confers long service leave entitlements. That is a reasonably clear definition, although it does not specify the laws to which we are referring by reference to the specific title of the Act or the award. Nevertheless, it is clear and adequate, so the honourable member's amendment should be rejected.

The Hon. I. GILFILLAN: The Democrats oppose this amendment.

The Hon. K.T. GRIFFIN: This is not a major issue, and I do not accept that it is complicated. It seems to me that laws that directly or indirectly allow long service leave entitlements to accrue can be readily identified. It will not be an administrative burden and will enhance the clarity of the legislation. However, I indicate that, if I lose the amendment on the voices, in the light of the indication from the Democrats I will not call for a division on the amendment.

Amendment negatived.

The Hon. K.T. GRIFFIN: I move:

Page 2, line 19—Leave out 'have substantially the same directors or'.

The definition of 'related corporations' in the Bill is as follows:

'related corporation' means corporations—

(a) that are related corporations for the purposes of the Companies (South Australia) Code;

or

(b) that have substantially the same directors or are under substantially the same management.

I recognise that paragraph *(b)* of that definition is to a large extent embodied in the present Act. However, we must remember that the existing Long Service Leave Act was enacted in 1967, when the question of management and directorships of companies was very different from what it is today, some 20 years on from the time when that description of 'related corporations' was included in the Act.

Directors, particularly of public companies, seem to be a much more professional breed and seem also to be active on a number of boards of companies that are not necessarily related corporations under the Companies Code or that can in fact be regarded as being related corporations for the purposes of carrying on a business. The ideal is to delete the whole of paragraph *(b)* because the definition of 'related corporations' under the Companies Code is now adequate to ensure that those employees who are entitled to long service leave are able to obtain their benefit from corporations that are practically and technically related under the provisions of the Companies Code.

However, I recognise that maybe there is an argument for leaving in that part that refers to the corporations being related if they are under substantially the same management, although I did postulate a scenario in my second reading speech that might create an injustice on the part of the companies where there was a professional management adviser advising both companies which are not necessarily related in other terms.

I strongly hold the view that, if a company is not related under the provisions of the Companies Code, is not under substantially the same management as another company but the directors are substantially the same, those companies should not for the purposes of the Long Service Leave Act be deemed to be related and, in effect, the one employer. During the second reading debate I raised the question as to what 'substantially the same directors' means; does it mean three out of five, four out of five, four out of seven, or some other number?

It is not uncommon in the area of public corporations for a majority of the directors of one public corporation also to be directors of another public corporation. Even if they are for all practical and commercial purposes at arms length in terms of their management and their operations, they will nevertheless be regarded as related corporations for the purpose of this Act, and I do not think that that is appropriate. I think that justice would be served by deleting the reference to 'substantially the same directors', and the related corporations would then be those that are related for the purposes of the Companies Code or are under substantially the same management.

The Hon. C.J. SUMNER: The Government opposes this amendment, if for no other reason than our conservative instincts which arise from the fact that the existing Long Service Leave Act 1967, in section 5 (7), provides that, for the purposes of determining whether a worker has been employed in effect by the one company, companies shall be deemed to be associated companies if the directors of each are substantially the same or if they are under substantially the same management, and this is virtually the same wording as proposed in the new Act.

The existing Act in this context refers to directors of each company being substantially the same, and the definition of related corporations in the Bill also refers to having substantially the same directors. As there has not been any real question raised in relation to this in the past the Government does not believe that a case has been made out to alter it. I would repeat again that the Industrial Relations Advisory Council has considered it and has raised no objection to this particular rewrite that is in substantially the same terms as the existing Act.

The Hon. I. GILFILLAN: The Democrats oppose this amendment.

The Hon. K.T. GRIFFIN: In the light of that indication I will not divide if I lose on the voices. However, I make the point that 'associated companies' under the Companies Act 1962 has a more restricted meaning, as I understand it, than 'related corporations' under the Companies Code, and that does significantly change the ambit of this legislation. I have no alternative but to persist with the amendment but recognise that I do not have the numbers with me.

Amendment negatived.

The Hon. K.T. GRIFFIN: I move:

Page 2, lines 25 and 26—Leave out 'or a series of contracts of service'.

This amendment is very important because, although it attempts to reflect the judge-made law, it is my view that it goes much further than that. It relates to the definition of 'service'. It means continuous service with the same employer or with related employers under a contract of service or a series of contracts of service, and I seek to delete the words 'or a series of contracts of service'. The difficulty is that the inclusion of the words 'a series of contracts of service' will catch casual employees where they are unlikely to come within the judge-made law that has extended continuous service to those employees who are part-time employees but who work on a regular basis so that their employment may be regarded as continuous.

I think that there ought to be some concern about the broadening of that definition of 'service' to include all those casuals who are presently not included in the present Act. It seems to me that if one deletes the reference to 'a series of contracts of service' one does not prejudice the entitlement of those who presently have an entitlement under the Long Service Leave Act 1967. The courts have expanded the definition of 'continuous service' to cover certain part-time employees who are engaged on a regular basis and on a part-time basis, but it does not allow those who are genuinely casuals and who are not so employed on a regular and frequent basis to claim an entitlement.

I think there are some very strong, persuasive reasons for leaving the definition alone, so that it remains essentially the same as it is in the present Act, without opening the opportunity for the courts and others to broaden the ambit of service for the purposes of this Act. It will have a significant impact on the business and commercial community if those who are not presently entitled to long service leave are enabled to make a claim as a result of this changed definition. I believe that the *status quo* ought to be maintained. As I said, there will be no prejudice to those who are presently entitled under the Long Service Leave Act 1967 if we delete those words.

The other point I wish to make is that, the moment you start tampering with the definition, you open the way for lawyers to argue a change in meaning or emphasis, and allow courts to change their previous interpretation of a definition. The addition of the words 'or a series of contracts of service' in the context in which it appears is an open invitation to smart lawyers and courts to broaden the ambit of this legislation. I think that that would have a significant impact on the commercial community and ultimately on

the consumers of South Australia. Therefore, I strongly urge the Committee to support my amendment.

The Hon. C.J. SUMNER: The Government opposes this amendment. The definition of 'service' is not substantially changed from the existing Act which in section 5 (1) defines 'service' for the purposes of the Act as 'continuous service under a contract of service'. The existing Act sets two conditions on long service leave being awarded: first, the service must be continuous for the prescribed period; and, secondly, the relationship must involve a contract of service, not a contract for services, that is, the relationship must involve an employee/employer relationship.

The Bill, by its new definition, clarifies that definition to make clear that a contract of service can include a series of such contracts, but these must still be continuous. Thus, a casual employee under a series of contracts of service will still have the onus of proving continuity to attract a leave entitlement.

The Bill's prescription will ensure that workers, whether casually hired or otherwise, will not lose a legitimate leave entitlement on the basis of approved temporary breaks in service, but with no change in the continuity of service. In cases where such continuity is in question, such as in circumstances where no reasonable expectation or anticipation of regular future employment was envisaged at the termination of an individual contract, the courts will continue to determine the matter.

The Bill seeks to clarify what the courts have already accepted, that is, that regular casuals should qualify for leave provided their service is continuous. In his finding in the matter of *Stuart v the Port Noarlunga Hotel Limited*, Mr Justice Olsson—then with the Industrial Court—referred to such a circumstance under the existing Act. At 47 South Australian Industrial Reports, page 406, he said of casual employment:

> For myself I can see no compelling reason for applying to the Act a limited construction restricting eligibility for long service leave only to a person employed by an employer under one single ongoing contract of service. I consider that when the Act speaks of 'service under a contract of service' it is using those words in a broad generic sense to characterise a specific type of relationship which must exist: that is, the relationship of master and servant, as contrasted with relationships arising from contracts for services, and so on. If the Legislature intended to restrict the entitlement in the manner suggested by Bleby P. then it could readily have done so by referring to service under a single ongoing contract of service. It did not do so. Moreover, the several provisions contained in the various lettered subparagraphs of subsection (1) of section 5 [this is the present Act of 1967] strongly suggest that this was not the intendment. The emphasis is essentially upon continuous service, whether actual or deemed, and not upon the continuance of a single unbroken contract.

He further stated:

> Even if I am incorrect in the above view, as to the intendment in using the phrase 'a contract of service', I consider that there is great force in the argument advanced by Mr Von Doussa to the effect that, having regard to the terminology of section 3 (2) *(b)* (which renders it clear that regularity of hours worked is not a prerequisite to entitlement) of section 4 (1) (which refers only to service) and of section 5 (1) (which, on the face of it, is susceptible to the operation of section 26 of the Acts Interpretation Act 1915 as amended whereby the singular shall include the plural) there is simply no warrant for reading the legislation down so as to exclude several or a series of contracts—as opposed to a single ongoing contract.

As he put it, the crucial aspect is continuous service and many of the deeming provisions related to continuity as contained in section 5 specifically envisaged the existence of more than one contract. The Bill merely attempts to clarify and restate the existing law as espoused in that judgment and as accepted as being the case under the present Long Service Leave Act 1967.

The Hon. I. GILFILLAN: If I understood the Hon. Mr Griffin accurately, he did not have any quarrel with the espoused intention of the Bill, in that a genuine series of contracts establishing continuity of service gave the employee a long service leave entitlement. I do not see that the argument is on the actual intention: it is on what the Hon. Mr Griffin identifies as opening up a range of new interpretations. On that basis the Democrats would make a judgment as to the likelihood of that situation as compared with the advantage of actually having the Act more accurately spell out what its agreed intention is and, as I understand it, what its current practice is. On that basis I indicate that the Democrats will oppose the amendment.

The Hon. K.T. GRIFFIN: I am disappointed at that because this does open up a new area of opportunity for claim. I make the point that every time you change a definition, as I have said, you really open up an opportunity for lawyers and courts to take a different point of view. It seems to me that, with the so-called rewrite of this Long Service Leave Act 1967, you are providing opportunities for the legal profession and the courts to get further involved so that all the established law for the past 20 years interpreting the 1967 Act has to be rethought.

I think it is quite foolish, with respect, for legislation that has been so long established suddenly to be totally revamped, opening up what might be new opportunities for claims. It is for that reason that I think the reference to a series of contracts of service in this definition opens up the prospect of significant change to the ambit of this legislation. That is what concerns me. My view is on the record. I am disappointed that the Democrats will not support my amendment, because it would not reduce the existing entitlement of employees but it would seek to keep under control the opportunities for lawyers in the courts to broaden the ambit of this legislation.

Amendment negatived.

The Hon. K.T. GRIFFIN: I move:

Page 3, line 8—Leave out all words in this line and insert 'if the worker's employer provides accommodation during his or her employment but not while the worker is on leave'.

Subclause (2) *(c)* deals with the question of accommodation in the context of defining 'ordinary weekly rate of pay'. If the worker is provided with accommodation by the employer, the worker's ordinary weekly rate of pay is to be increased by an amount representing the weekly value of that accommodation. I want to ensure that, if the employer provides accommodation during the employment but not while the worker is on leave, that paragraph operates.

It seems to me to be quite outrageous that, if accommodation is provided by an employer to an employee and that accommodation is maintained during the period of the long service leave (even if the employee goes away for a holiday somewhere but is nevertheless still in possession of the accommodation) the accommodation should in effect be double counted. My amendment seeks to avoid that double counting and to put that question beyond doubt.

The Hon. C.J. SUMNER: The Government opposes the amendment. The Bill's prescription again in this regard is reproduced from the existing Act and has been a feature of that Act since 1967. No difficulty has every arisen in relation to the administration of this provision under the existing Act. Discussion with the Industrial Relations Advisory Council has raised concern, however, if the amendment were accepted. It is possible that some workers, including those who are normally employed and accommodated in remote areas such as survey and road construction sites would be disadvantaged by the effects of the amendment, which would certainly oblige them to remain in the accommodation during long service leave to avoid added unfair expense of accommodation elsewhere. Because such complications might arise and they need to be fully investigated,

it is better for the *status quo* to be retained, which is what I would ask the Committee to do.

The Hon. I. GILFILLAN: There is a dilemma here not so much in the amendment itself but concerning the Government's argument in opposing it. The Attorney has just spelt out that there is need to investigate fully certain complications that might arise from the amendment. However, the argument which justified opposition to the previous amendment is such that one assumes that there has been interpretation of this section in the current Act to reasonably allow for the continuing cost of accommodation.

Probably it needs to be spelt out in justifiable wording in the Act, the same as 'series of contracts' needs to be spelt out, if that is the common practice and a proper interpretation of what the Act intends. I intend to support the amendment, with a request that the Government and the department, in the time available while the Bill goes to another place and comes back, substantiate what they have put up as potential difficulties and complications so that we can then examine them. The Democrats intend to support the amendment.

The Hon. G.L. BRUCE: It is the wrong attitude to be adopting.

The Hon. K.T. Griffin: Because the Democrats do not agree with the Government?

The Hon. G.L. BRUCE: No. In many cases, where a worker lives in premises, the cost of living in those premises is higher when he is there than when he is away. Often it is a matter of storing suitcases or his bit of gear. When he is living there he has his electricity, heating and other facilities provided to his room and you are seeking to charge him the full rent when he is not using the facilities he would be using when he lived there. That in itself is unfair. In many outback areas some of the facilities and work areas are fairly rugged, and when a worker is virtually just storing a few .belongings while he is away for his 13 weeks or whatever but paying full board is a disadvantage to that person. It needs more thorough investigation if you are going to put in an amendment like this to penalise the worker on his 13 weeks long service leave.

The Hon. K.T. GRIFFIN: The fact is that the present provision in the Bill double counts accommodation that is provided by an employer. Paragraph *(c)* provides that, if an employee is provided with accommodation by an employer, even though that accommodation might be maintained by the employee with the concurrence of the employer, the employee still has the value of the accommodation taken into account when determining the value of the ordinary weekly rate of pay which is to be the basis for calculating the rate of pay during the period of long service. I do not think that that is proper.

There have been some decisions by the Industrial Court on the question of double counting accommodation. What I propose is in effect what the courts have been deciding. I think the decision taken by the Hon. Mr Gilfillan is the proper one. This amendment has been on file for quite a long period, and I would have hoped that the Government had considered it, but I would certainly welcome a further look at it. The way that we propose to keep control over it is to support the amendment now and, if necessary, we can reconsider it at a later stage.

It is also important to realise that what the Attorney-General said about IRAC—that glorious body upon which the Government places so much reliance—is that IRAC had discussed it. There has been no indication that it was decided on, agreed to or disagreed to by IRAC—only that it had been considered and that certain points were raised. That indication of discussion by IRAC comes to us in a different context from the earlier indication that IRAC had considered this Bill; as I understand it, that is not correct, in that IRAC only considered amendments to the 1967 Act.

The Hon. C.J. SUMNER: I am advised that IRAC considered the whole Bill and discussed and approved the whole Bill and, furthermore, that this amendment was taken back to IRAC and potential problems—such as the one that I outlined—were identified. It was felt that the matter should be further investigated without accepting the amendment at this stage. I can only repeat that this formulation in the Bill picks up the wording of the existing 1967 Long Service Leave Act. There has not been a problem with that provision, and one wonders therefore why there is any necessity for the amendment.

Amendment carried; clause as amended passed.

Clause 4—'Territorial application of Act.'

The Hon. K.T. GRIFFIN: I move:

Page 3, lines 29 to 32—Leave out subclause (2) and insert new subclause as follows:

(2) Where a worker who has a long service leave entitlement under this Act and a corresponding law takes long service leave under the corresponding law, the worker's entitlement under this Act is reduced accordingly.

At present clause 4 (2) of the Bill allows a worker to elect to take an entitlement under the Act or under a corresponding law but not under both. It seems to me that it is probably more appropriate that, where there is an entitlement under both this Act and a corresponding law and when a benefit is taken under the corresponding law, the worker's entitlement under this legislation should be reduced accordingly. That seems to me to be the fairer approach, rather than allowing a worker to elect. It seems that accordingly the law will take its normal course and, in the light of the fact that the definition of a corresponding law has not been extended as I wished earlier, a worker and an employer will be able to determine, hopefully, what the corresponding law is and what the entitlement is. We then have equity, if the election is made to take an entitlement under some corresponding law, because we cannot then have double dipping and also take the benefit under South Australian law.

The Hon. C.J. SUMNER: The Government opposes this amendment, which does not provide for circumstances in which a worker may gain no entitlement to leave unless his or her total service in two or more States or Territories is aggregated. Were it not for the provisions of the Bill in such circumstances, it is possible for a worker to gain no entitlement to leave due simply to the movement between States or countries and the circumstances and timing of such transfers. The Bill addresses the continuity of service in two particular sets of circumstances. First, a worker who has been employed in this State for, say, eight years and is subsequently transferred by his or her company to another State for one year and is then dismissed may have no entitlement to long service leave in the State of his or her dismissal. The worker's length of service in South Australia, however, would have entitled the worker to *pro rata* long service leave under the South Australian Act.

Section 4 prescribes that in such circumstances a worker may resort to the South Australian legislation to gain leave. Conversely, a person who has been engaged in any one or more States or countries other than this State and is subsequently transferred to South Australia and continues to be so engaged in this State until, say, retirement or termination, attracts the benefit of all service wherever performed in long service leave calculations.

In circumstances where a worker may have an apparent entitlement to leave under, say, two statutes or awards, subsection (2) deliberately seeks to address that matter and

limits the claim to only one law by way of the election of the employee.

The Hon. I. GILFILLAN: The Democrats oppose this amendment.

The Hon. K.T. GRIFFIN: I will not call for a division if I lose on the voices.

Amendment negatived; clause passed.

Clause 5 passed.

Clause 6—'Continuity of service.'

The Hon. K.T. GRIFFIN: I move:

Page 4, line 14—After '*(a)*' insert 'subject to an order of the court or the Industrial Commission to the contrary,'.

It seems to me that in circumstances where an employee has been dismissed and is re-employed pursuant to an order of a court or the Industrial Commission, there may be circumstances in which the court or the Industrial Commission says, 'We order reinstatement, but subject to certain conditions,' one of which may affect long service leave. In those circumstances, we ought not preclude the opportunity for the court to make that order and for the entitlement to long service leave to be subject to that order. That is the reason why this paragraph ought to be amended.

The Hon. C.J. SUMNER: We accept it.

Amendment carried.

The Hon. K.T. GRIFFIN: I move:

Page 4—
Line 28—Leave out 'subsequently'.
Line 29—After 'employer' insert 'within six months'.

These amendments go together. Paragraph *(g)* refers to the standing down of the worker by the employer on account of slackness in trade where the worker is subsequently re-employed by the employer. What I want to do is put some limit on the period after which the employee will not thereafter be deemed to have continuity of service if re-employed. At the moment, it is open-ended. It can be a year, two years or three years. A period of six months is an appropriate period. As I understand it, that reflects the current provisions of the Long Service Leave Act 1967 and, if the Government is consistent in its attitude towards what is in the present Act and what should be in this Act, I would hope that it will accept the limitation.

The Hon. C.J. SUMNER: This is opposed. The Bill's provision in this respect differs from the present Act's prescription—

The Hon. K.T. Griffin: Hear, hear! It does differ.

The Hon. C.J. SUMNER: —only to the extent that a time limitation of six months in the existing Act is removed.

The Hon. K.T. Griffin: You cannot have it both ways. You have been arguing earlier against some of my amendments on the basis that they are already in the Act.

The Hon. C.J. SUMNER: We think this should change in this respect. The Bill's provision brings the South Australian legislation into line with that in Victoria, the Northern Territory, Queensland—believe it or not—and New South Wales. It is deliberate in its prescriptions of providing continuity of service in the case of a stand down due to slackness of trade as opposed to other reasons for termination of employment. Clause 6 (1) *(i)* of the Bill addresses such general terminations—that is, for other than slackness of trade—and subsequent re-employment, and provides a maximum of two months absence is permitted before continuity of service is affected. A stand down or lay off due to slackness of trade is seen as a temporary suspension of the employment relationship which both parties wish to continue and, therefore, should not be subject to a time limit, and the Bill specifically states that.

Whilst it is acknowledged that most stand downs would not exceed a six-month period, it is proper that workers should not suffer in such cases through no fault of their own. Clause 6 (1) *(i)* specifically addresses a stand down due to slackness of trade. In such cases, it is up to the employer if he or she re-employs the worker in the knowledge that as a consequence that continuity of service is preserved. The employer is not prejudiced at all by this clause.

The Hon. I. GILFILLAN: The Democrats oppose the amendment. I think that the issue is really that an employee will be re-engaged at the end of the period of slackness, and, if that is to have any accurate interpretation, it ought not be prescribed by a specific time limit. As I indicated in my second reading contribution or certainly in earlier comments, the disadvantage in this being open ended is that an employer could be reluctant to re-engage an employee because that would continue a form of long service leave obligation which could have been terminated by their employing someone fresh and not re-employing the same person. However, that is not really the point of the argument or the amendment; it is purely an observation which I make. Under the circumstances, I indicate that the Democrats oppose the amendments.

Amendments negatived; clause as amended passed.

Clauses 7 to 9 passed.

Clause 10—'Records.'

The Hon. K.T. GRIFFIN: I move:

Page 7, lines 24 to 27—Strike out subclause (4) and insert new subclauses as follows:

(4) Where there is a change in a worker's employment from one related employer to another—

(a) the former employer must transmit to the other employer all records kept under subsection (1) relating to the worker;

and

(b) the other employer is not responsible for any deficiency in a record that relates to a period of service before the change in employment.

(4a) An employer who fails to comply with subsection (4) *(a)* is guilty of an offence.

Penalty: $1 000.

One of my concerns in relation to subclause (4) is that a problem exists if there is a former employer who has kept inadequate records and transmits those inadequate records to a subsequent employer who is bound to recognise a continuity of service of an employee, yet this Bill makes the subsequent employer liable for the inadequacies of an earlier employer. My amendment seeks to require the transmission of records from one employer to another related employer and to ensure that the subsequent employer is not responsible for any deficiency in a record that relates to a period of service before the change in employment. I think that is equitable. The burden of the penalty is imposed upon the earlier employer who did not keep the adequate records. I think my amendment introduces that concept of fairness which is not in the present provision.

The Hon. I. GILFILLAN: Madam Chair, you may well note that I have an amendment on file.

The CHAIRPERSON: It is almost the same, but not identical.

The Hon. I. GILFILLAN: I move:

Page 7, lines 24 to 27—Leave out subclause (4) and insert new subclause as follows:

(4) Where there is a change in a worker's employment from one related employer to another—

(a) the former employer must transmit to the other employer all records kept under subsection (1) relating to the worker;

and

(b) the other employer must retain those records in accordance with this Act (but otherwise is not responsible for any deficiency in a record that relates to a period of service before the change in employment).

Penalty: $1 000.

I think, in fact, it is an improved version and I urge the Committee to support my amendment. I think the issue is a real one and the records should be kept and transmitted. The new employer should be obliged to retain those records. But I think it is reasonable to exonerate the current employer from any deficiencies in the records that he or she inherited from a previous employer and that, as any members who wish to look at the draft of my amendment will notice, is my intention under new clause (4)*(b)*. I oppose the amendment as moved by the Hon. T. Griffin and I urge the Committee to support the amendment standing in my name.

The Hon. C.J. SUMNER: The Government supports the Democrat amendment as it satisfactorily addresses the situation and ensures that an employer is required to maintain records received from another employer as is required by the Bill but that the receiving employer is not responsible for any deficiency which relates to service prior to his receipt of such records.

The Hon. K.T. Griffin's amendment negatived.

The Hon. I. Gilfillan's amendment carried; clause as amended passed.

Clause 11—'Powers of inspection.'

The Hon. K.T. GRIFFIN: I move:

Page 7, line 36—After 'may' insert 'at any reasonable time'.

The effect of this amendment will be that, where inspectors exercise powers of entry and other powers, they are exercised at any reasonable time. I do not think that anybody is prejudiced by that. It makes it fair and ensures that inspectors do not call at ridiculous times of the day or night, which may in ordinary description be regarded as unreasonable.

The Hon. C.J. SUMNER: I am advised that that is probably assured without the amendment, but it is nevertheless accepted.

The Hon. G.L. BRUCE: What does the honourable member call 'a reasonable time'? Who decides the reasonable time? It might be quite reasonable to go to a place at midnight if that is when the business is being conducted but it is not reasonable for the occupier or the owner of that business because he is busy. He does not want an inspector milling around. Who decides what is reasonable and what is not?

The Hon. K.T. GRIFFIN: It has nothing to do with what suits the employer. If there is shift work, it is appropriate to go when the premises are open. If the premises are not open on Sunday and the inspector goes along and wants to have a look at the books on Sunday when the employer may be working in the office trying to catch up from the burdens of the preceding week, that may well be regarded as unreasonable. It is not an uncommon provision, where powers of inspectors are related to powers of entry and inspection. The Attorney-General will tell the honourable member that that is quite a common provision.

The Hon. G.L. BRUCE: It could work both ways because it could be said that the bloke is coming in on a Sunday and to him that is a reasonable time so the inspector should make himself available on a Sunday. If you are going to have it one way, you have to have it both ways.

Amendment carried; clause as amended passed.

Clause 12—'Inspector may direct employer to grant long service leave.'

The Hon. K.T. GRIFFIN: I move:

Page 8, line 21—After 'period' insert '(not being less than 14 days)'.

Subclause (1) allows an inspector who is of the view that an employer has improperly refused to grant a worker long service leave or to make a payment in lieu of long service leave by notice in writing to direct the employer to grant the long service leave or to make payment within a period stated in the notice.

It seems to me to be reasonable that, if the direction is to be given, it should commence at some period in future and a period of not less than 14 days seems reasonable as it gives an employer time to adjust to the fact that the inspector has given that notice on the basis that he regards it as improper—it also fits in with subsequent provisions which I will move by way of amendment and which seek to allow an employer who receives a notice to apply to the Industrial Court for a review of the notice, that review to be made within 14 days of receipt of the notice by the employer. So, the two are interrelated—they seek to provide a reasonable period after which the notice comes into operation, and to ensure that an inspector's direction is subject to some form of review.

The Hon. C.J. SUMNER: The amendment is accepted.

Amendment carried.

The Hon. K.T. GRIFFIN: I move:

Page 8, lines 22 to 27—Leave out subclauses (2) and (3) and insert new subclauses as follows:

(2) An employer who receives a notice under subsection (1) may apply to the Industrial Court for a review of the notice.

(3) An application under subsection (2) must be made within 14 days of the receipt of the notice by the employer.

(4) Pending the determination of an application for review, the operation of the notice to which the application relates is suspended.

(5) The Industrial Court may, on an application for review—

(a) confirm the notice to which the review relates;

(b) confirm the notice with such modifications as it thinks fit;

or

(c) cancel the notice.

(6) If an employer—

(a) fails to comply with a notice under subsection (1) (the employer not having made an application for review under subsection (2));

or

(b) having made an application for review under subsection (2), fails to comply with a notice confirmed by the Industrial Court within a period specified by the court,

the employer is guilty of an offence.

Penalty: $5 000.

(7) It is a defence to a charge of an offence under subsection (6) *(a)* to prove that the worker is not entitled to the long service leave or the payment to which the notice relates.

This amendment is designed to ensure that the decision of an inspector is subject to review by the Industrial Court. I am a firm believer in having decisions of officials and the lower courts always subject to some form of review or appeal—it means that it is less likely that there will be an abuse of power. If an inspector or a court is not subject to any form of review there is much greater potential for abuse of power. Anything that minimises that is to be supported. This amendment seeks to achieve that objective.

The Hon. C.J. SUMNER: I do not oppose the amendment.

Amendment carried; clause as amended passed.

Clause 13—'Failure to grant leave.'

The Hon. K.T. GRIFFIN: I move:

Page 8, line 41—After '*(c)*' insert 'at the request of the worker—'.

This clause relates to an application to the Industrial Court where a worker is not granted long service leave or the worker or personal representative of a deceased worker does not receive a payment to which he or she is entitled under the Act. In those circumstances an application can be made by the worker to the Industrial Court, or where the worker is dead by the worker's personal representative, by a registered association of which the worker is a member, or, if the employer has been found guilty of failing to comply with the notice of an inspector, by the complainant or a person appearing on behalf of the complainant.

I seek to ensure that where a registered association of which the worker is a member makes that application it ought to be at the request of the worker. I am aware of cases which occur in the Industrial Court and the Industrial Commission that are taken by a registered association but not with the concurrence of, or at the request of, the worker. So, we have a ludicrous position where the worker, for one reason or another, has not given consent, made a request or in fact does not want the appplication to be made, yet the registered association pushes on with that application.

The Hon. T. Crothers: What if the worker is deceased?

The Hon. K.T. GRIFFIN: If the worker is dead, it is is the worker's personal representative, and that is the proper course.

The Hon. T. Crothers: If the personal representative asked the registered association—

The Hon. K.T. GRIFFIN: I do not see any difficulty with that. It is the normal practice, and it is the power of the executor or administrator of a deceased estate to take that course of action. It is for that reason that I think this is necessary, and it certainly clarifies the position so far as a registered association is concerned. I have some grave reservations about whether any registered association ought to be making claims and acting as a party, but it is an accepted practice within the Industrial Commission and Industrial Court. For that reason, I am not seeking to delete it from the Bill, but merely to ensure that, when an association does act, it does so at the request of the worker.

The Hon. I. GILFILLAN: I foreshadow an amendment so that, instead of 'at the request of the worker' the words should be 'with the consent of the worker'. It may sound a subtle difference, but I believe it would be quite inappropriate for an association to carry on with an action which is against the wishes of the worker involved.

The Hon. K.T. Griffin interjecting:

The Hon. I. GILFILLAN: It seems that the Hon. Trevor Griffin is agreeable, and I seek advice as to how and when to so move.

The Hon. K.T. GRIFFIN: I am perfectly happy with that. I seek leave to withdraw my amendment with a view to supporting the amendment foreshadowed by the Hon. Mr Gilfillan.

Leave granted; amendment withdrawn.

The Hon. I. GILFILLAN: I move:

Page 8, line 41—after '*(c)*' insert 'with the consent of the worker'.

It is appropriate for a worker to have the support of an association or union and it may well be the case that the union sees a need and acts as the prompter of an action. I do not have any problem with that. I can understand that there may be times when a worker would be embarrassed about taking such action due perhaps to a personal situation, and obviously it is a help to him or her to get their just desserts in long service leave by having the union taking the initiative and the necessary action. It is also appropriate that, as the whole matter is a very personal one with the worker benefiting from the long service leave and having to work with the employer, the whole situation requires the consent of the worker before the association can proceed.

The Hon. G.L. BRUCE: I oppose the amendment. What is provided in the Bill—a registered association of which the worker is a member—is a safeguard for that person. Collusion can occur. A worker can be promised a job if they guarantee not to pursue pursue long service leave. The employer can cry hardship, say that they have been a marvellous friend and have given a worker this and that. An employer can ask a worker not to claim long service leave when they leave, because the claim will send the employer to the wall. This amendment puts the industry at a disadvantage and means that there can be deals and collusions.

The amendment puts a worker in a situation where he has no redress. However, an association should be able to act to protect the interests of employees under an award, agreement or the Long Service Leave Act. The amendment should not be inserted, because it puts a worker at a disadvantage and puts businesses in a position where there can be collusion with a worker. I believe that the outside body of the association of which a worker is a member is entitled to protect the Long Service Leave Act or other award for its members. Employers should not be allowed to slide out from under their obligations. Threats can be made to workers, if they have made a previous deal, that if they pursue long service leave they will be dumped just before their seven years are up (or maybe at six years, if an employer thinks that they will chase him for long service leave) and the employee can be put in an intolerable situation. There is nothing wrong with the present provision. Associations should be entitled to protect their members, even if the members do not want the protection. There is also the situation where some members do not understand or are not aware—

The Hon. K.T. Griffin: But all the association has to do is talk to them.

The Hon. G.L. BRUCE: I believe that it is a bad amendment. You are allowing unscrupulous people to do deals and collusions, and I oppose it.

The Hon. C.J. SUMNER: The amendment moved by the Hon. Mr Gilfillan is somewhat better than the previous one, but still has similar difficulties. Basically, if the law is not being abided by then there should be the capacity for the law to be upheld, and in the industrial arena a registered association is accepted as an appropriate party to do that. They are my concerns with the amendment. Obviously, the numbers are there for it to be carried, so I will not divide.

The Hon. K.T. GRIFFIN: It is ludicrous that some association can initiate proceedings, whether under this Act or under the Industrial Conciliation and Arbitration Act, in the court or the commission without at least the consent of the employee. There are cases where that occurs now—

The Hon. T. Crothers interjecting:

The CHAIRPERSON: Order! I point out to honourable members that, under Standing Orders, they cannot speak or interject unless they are sitting in their own seats.

The Hon. K.T. GRIFFIN: The Attorney-General's and the Hon. Mr Bruce's problem is met by the involvement of an inspector. The inspector can take some proceedings. One does not need the registered association to do it. If the registered association is going to do it then it ought to be with the consent of the employee. If there is a sensitivity by the employee with respect to the employer, then there is nothing to stop an inspector doing it because the inspector has wide-ranging powers of access to records, and so on. I do not see any problem at all with the amendment, and as indicated earlier I wholeheartedly support it.

The Hon. G.L. BRUCE: Is that not rather hypocritical, because that member's association can go along to the inspector, without the approval of the person, and say, 'Listen, we reckon that this bloke has been gypped on his long service leave. Get in there and check out the books and do your job'?

The Hon. K.T. Griffin: The inspector is accountable.

The Hon. G.L. BRUCE: Yes, but the association can go to the inspector in a *de facto* roundabout way and say, 'Our member hasn't come to us. We have reason to believe that he's been short changed on his long service leave or that he

hasn't got it. Get in there and act on his behalf.' What is the difference?

The Hon. K.T. Griffin: There's a lot of difference, because the inspector is accountable.

The Hon. G.L. BRUCE: So is the association.

The Hon. K.T. Griffin: The association is not accountable.

The Hon. G.L. BRUCE: If there is a challenge, it will have to go through the courts to get the long service leave. If it is there and to be collected under the law (and they pay it), surely that association is entitled to represent its members and to demand it rather than by going through the *de facto* process with the inspector.

The Hon. T. CROTHERS: I also oppose the amendment.

The Hon. K.T. Griffin: A hard line.

The Hon. T. CROTHERS: Of course I oppose it, because I was a practitioner in respect of a registered association. I do not know what qualifications the Hon. Mr Griffin, who has just interjected, has to sustain his right to interject with someone who has had many years of experience in the field of registered associations. The same Mr Griffin and his colleagues would expect (and I uphold their right to expect) registered associations to abide by the law in respect of the Conciliation and Arbitration Act which governs the activities of those associations. They would expect us, as members of a registered association, not to break the law, but the Hon. Mr Griffin's and the Hon. Mr Gilfillan's amendments seek to take away from those registered associations the right to be upholders of other laws that govern their members.

They cannot have it both ways. They cannot say that the law is the law and then remove that which has been custom and practice for many years in this State. I refer to the right of an association to protect not only its members but also the honest employer who abides by the award and does everything right, but then some shonk, whom the amendments will protect, comes along and sacks a person, or puts pressure on them, because a spouse or a relation is employed. They say, 'You go for this long service leave—you give your consent to that registered association, and we will fix your wagon.'

That is what these amendments will do and make no mistake about that. If the Hon. Mr Griffin or the Hon. Mr Gilfillan think that these amendments advance the cause of industrial harmony, they are not friends of the workers. If the industrial inspectorate can take the case, another 40 inspectors will be required. Earlier today the Opposition attacked the Government for its budget program, but here we have a perfect example of what I mentioned on a previous occasion, namely, the hypocritical humbug of this lacklustre Opposition that wants to impose additional workloads on Government departments, because it does not have the good sense to know what it is doing. These amendments will triple the work in the industrial inspectorate.

If the Opposition wants the trade union movement to act responsibly and to behave itself in accordance with the laws that govern its activities, it is making a sad mistake if it believes that its cause is advanced by supporting these amendments. Further, the good, decent and honest employer—of which there are many—is further disadvantaged by the fact that, because he does everything according to the law, his operating costs are much higher than those of the shonk that these amendments will protect. I absolutely oppose the amendments, and I am appalled by the lack of knowledge of industrial law of the shadow Attorney-General. I am going to get a postage stamp out tonight and start jotting down what I believe are the parameters of knowledge of industrial law that have been imparted to us tonight by the Hon. Mr Griffin. I oppose the amendment.

The Hon. I. GILFILLAN: I get the idea that the Hon. Trevor Crothers opposes my amendment.

Members interjecting:

The Hon. I. GILFILLAN: I want to keep at arms length with both. I do not want to buy into a fight in the industrial scene and I have great admiration for the unions and the work that they do. Clause 12 (1) provides:

> If it appears to an inspector that an employer has improperly refused to grant a worker long service leave or to make a payment in lieu of long service leave to which the worker is entitled under this Act, the inspector may, by notice in writing, direct the employer to grant the long service leave or to make the payment within a period stated in the notice.

So, there is already in the Bill adequate safeguards and they are properly placed that way. If the Hon. Mr Bruce and the Hon. Mr Crothers fear that there will be an improper misuse of an award in so-called clandestine agreements of employment, that should be tackled by the union at its source and not be left for seven years or whatever period it is for this pernicious arrangement to come to fruition. I think that the likelihood that an employer would not give consent would be so remote as to be almost insignificant, but I think it does leave the right priority, the dignity of the worker—the employee—to still be responsible for any actions that are taken on his or her behalf.

It is not an attempt to attack unions, in my interpretation of my amendment, but it does establish the proper relationship between the employee and the union, and I consider that, on the few occasions that an employee or a worker decides that they do not want to pursue this entitlement at this time, it should be their choice and it should not be taken out of their hands even if the inspector were to act without their consent; but that is not the issue of the amendment, and so I support it.

The Hon. K.T. GRIFFIN: I do not accept what the Hon. Mr Crothers has said. I am not seeking to protect shonks, and the sort of accusations that he makes against me and against employers one can equally make in relation to unions. There are some good unions and some bad; there are some good union organisers and some bad. We want to ensure that there is justice and fairness to both the employers and employees, and the way in which this clause is structured with the amendment will ensure justice and equity on both sides; that is what I am after.

Amendment carried.

The Hon. K.T. GRIFFIN: I move:

Page 9, lines 3 to 13—Leave out subclause (3).

This subclause really provides a reverse onus of proof and, notwithstanding the contribution of the Hon. Mr Bruce during the second reading debate, I am not convinced that it is an appropriate subclause to have in the Bill. I am told that the Industrial Court does use its judgment on the question of onus of proof and does not adhere strictly to the onus being on the employee or employer; it treats any application to the court in respect of long service leave entitlement on its merits without following all the strict forms that one would expect to be followed in the Supreme Court, the District Court or the Local Court. It seems to me to be quite wrong to reverse the onus in this instance, and that is why I want to delete subclause (3).

The Hon. I. GILFILLAN: I move:

Page 9, line 10—Before 'an allegation' insert 'the Court may, if it considers that in fairness to the worker it should do so, rule that'.

I got a little semaphore from the front left-hand bench, so I will indicate that my amendment does have an effect on the reverse onus aspect of this Bill, but it does not have the same effect as the Hon. Trevor Griffin's amendment does.

The Democrats intend to oppose his amendment. I indicate that our amendment attempts to spell out quite clearly that the determination of reverse onus will be in the hands of the court. That is where we believe it should properly be, in that the court will have had a good opportunity to make an assessment of the pertinence of reverse onus, and in its judgment, if it applies, that should pertain as far as the hearing of the issue is concerned.

The Hon. C.J. SUMNER: The Government is prepared to accept the Hon. Mr Gilfillan's amended proposition. While reverse onuses have to be treated with care, they do exist in a number of Acts and, clearly, the reason for having the provision in this Act is that if there is not a reverse onus of some kind the capacity for an employee to get long service leave could be defeated in instances where records have not been properly kept by an employer. The Hon. Mr Gilfillan's proposition does overcome the sorts of problems that the Hon. Mr Griffin perhaps envisaged, as it leaves it to the courts, essentially, to determine whether an employee's case is such as to justify the reverse onus provision.

The Hon. Mr Griffin's amendment negatived.

The Hon. K.T. GRIFFIN: In the light of that defeat, I indicate that I support the Hon. Mr Gilfillan's amendment. It is certainly better than what is in the Bill, and it probably reflects the sort of attitude which the court currently takes on this question. But, with respect, I do not regard it as being as appropriate as the amendment that I have just lost.

The Hon. Mr Gilfillan's amendment carried; clause as amended passed.

Remaining clauses (14 to 17), schedule and title passed.

Bill read a third time and passed.

AGRICULTURAL CHEMICALS ACT AMENDMENT BILL

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

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

That this Bill be now read a second time.

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

Leave granted.

Explanation of Bill

The purpose of the current Act is to provide for the registration of chemicals used in agriculture and specify the approved uses and conditions of these uses including withholding periods.

It does not prevent the use of chemicals for other than those specified on the label. It provides for the control of sale but not end use.

An amendment to the Act is necessary to ensure that chemicals are not used for non-registered uses.

A further amendment is necessary to provide for the treatment or destruction of materials contaminated with agricultural chemicals and to prevent such materials being fed to stock.

It is also necessary to update penalties for breaches of the Act in line with Government policy, and as an added deterrent to misuse.

The recent detection of violative residue levels of persistent organochlorine insecticides in meat for both local and export consumption indicates serious misuse of these chemicals.

Consumers rightly expect that the food they eat does not contain unacceptable levels of agricultural chemicals.

The Australian Agricultural Council (AAC) at its recent meeting agreed to ban all uses of DDT in agriculture and to restrict the uses of other persistent organochlorine insecticides including dieldrin.

To implement the AAC decisions and protect our agricultural produce from unacceptable contamination from these chemicals controls on their use are necessary. The most appropriate way of preventing misuse of agricultural chemicals is by making it illegal to use them for any other use than that specified on the label.

Additional powers will be required by inspectors to enable policing of end use and control and treatment of contaminated fodder.

Provision should be made however for the Minister to authorise the use of an agricultural chemical for purposes other than those specified on the label to meet certain circumstances, for example, control of an exotic disease outbreak or research activities.

The penalties under the current Act (maximum $200) are no longer a deterrent to potential offenders and should be updated accordingly consistent with Government policy.

Clauses 1, 2 and 3 are formal.

Clause 4 amends section 4 of the principal Act which is the interpretation provision. 'Fodder', 'premises' and 'vehicle' (which are terms used in the new section 24 of the principal Act) are defined and the definition of 'inspector' is expanded to include an inspector appointed under the Stock Diseases Act, 1934.

Clauses 5 and 6 amend the penalty provisions of, respectively, sections 8 and 9 of the principal Act by increasing the maximum penalties for offences against those sections to $20 000 where the offender is a natural person and to $40 000 where the offender is a body corporate. In both sections the maximum was $200. Section 8 prohibits selling an agricultural chemical except in a package that has affixed to it a copy of a registered label. Section 9 prohibits selling a substance in a package having affixed to it a copy of a registered label if in any respect the substance does not comply with the particulars stated on the label or with registered additional particulars.

Clause 7 amends section 10 of the principal Act which makes it an offence for a person in the course of business to make a false or misleading statement with respect to an agricultural chemical which is being sold. The maximum penalty is increased from $100 to $5 000.

Clause 8 amends section 11 of the principal Act which prohibits the selling of an agricultural chemical that does not comply with the prescribed standard applicable to that chemical.

The maximum penalty is increased from $100 to $20 000 where the offender is a natural person and to $40 000 where the offender is a body corporate.

Clause 9 inserts sections 11a, 11b and 11c into the principal Act.

Section 11a (1) provides that a person who has possession of an agricultural chemical sold under a registered label must keep the chemical in a package on which a copy of a label registered under the Act is displayed and must not remove the chemical from the package except to the extent required for an authorised purpose.

Subsection (2) sets out what an authorised purpose is.

Subsection (3) provides that the Minister may declare by notice that a particular purpose is not an authorised purpose in relation to an agricultural chemical referred to in the notice.

Section 11b (1) provides that a person must not use an agricultural chemical except for an authorised purpose and

in accordance with any directions applicable to that use stated on the label or given by the Minister.

Subsection (2) provides that a person must not use an agricultural chemical in accordance with directions stated on the label if the Minister has, by notice, declared that the chemical should not be used in accordance with those directions.

Subsection (3) provides that a person who contravenes a provision of section 11b is guilty of an offence.

The maximum penalty for offences against sections 11a and 11b is $20 000 where the offender is a natural person and $40 000 where the offender is a body corporate.

Section 11c prohibits the removal of a copy of a label registered under the Act from a package that contains an agricultural chemical in relation to which the label was registered. The maximum penalty is $5 000.

Clause 10 repeals sections 24 and 25 of the principal Act and substitutes a new section 24. The new section sets out provisions giving inspectors wide powers of inspection, search and seizure.

Subsection (1) empowers an inspector to enter any premises or vehicles in which the inspector suspects on reasonable grounds that there may be an agricultural chemical, and may require the person in control of a vehicle to stop the vehicle.

Subsection (1a) provides that an inspector must not enter premises used as a place of residence unless authorised by warrant under subsection (1b).

Subsection (1b) provides that a justice may, if satisfied on the application of an inspector that there is a proper ground for doing so, issue a warrant authorising an inspector to enter premises used as a place of residence.

Subsection (2) sets out an inspector's powers to inspect, search, take photogrpahs, give directions and so on.

Subsection (3) provides that an inspector may require a person to answer questions.

Subsection (3a) qualifies subsection (3) by saying that a person cannot decline on the grounds of self-incrimination to answer a question but the answer to any such question will not be admissible except in civil proceedings or in proceedings for an offence against the Act.

Subsection (5) provides that where in the opinion of an inspector fodder is contaminated with a prescribed agricultural chemical and the level of contamination exceeds the level prescribed in relation to that chemical, the inspector may by notice in writing direct the owner of the fodder to destroy or treat it in accordance with the inspector's directions, or not to use the fodder for a period stated in the notice.

Subsection (6) provides that if a person on whom notice is served under subsection (5) does not comply with the notice, the inspector may destroy the fodder and the cost of destruction will be a debt due by that person to the Minister.

Subsection (9) makes it an offence to *(a)* hinder or obstruct an inspector, or a person accompanying an inspector, in the exercise of powers conferred by the section or *(b)* refuse or fail to comply with a requirement made or direction given, pursuant to the section. The maximum penalty is $5 000 or 6 months imprisonment.

Clause 11 repeals section 30 of the principal Act.

Clause 11a repeals section 31 of the principal Act. This section provided that the Minister must take all reasonable steps to ensure that information as to the composition of any substance supplied to him under the Act is not unnecessarily disclosed to members of the public.

The new section 31 provides that a person must not divulge or communicate information obtained in, or in connection with, the administration of the Act without the consent of the person from whom it was obtained, for the purposes of legal proceedings under the Act, or for any other purpose connected with the administration of the Act. The maximum penalty fixed is $10 000.

A new section 31a provides that if a body corporate is guilty of an offence against the Act each director of the body corporate and each manager or any aspect of its business who was involved in the circumstances of the offence is guilty and subject to the same penalty to which a natural person is liable for the principal offence unless it is proved that the director or manager could not, by exercise of reasonable diligence, have prevented the commission of the offence by the body corporate.

Clause 12 amends section 32 of the principal Act (the regulation making power) by increasing the maximum penalty for breach of any regulation from $100 to $5 000.

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

RACING ACT AMENDMENT BILL

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

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

That this Bill be now read a second time.

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

Leave granted.

Explanation of Bill

This Bill seeks to make four amendments to the provisions of the Racing Act 1976: firstly, to amend section 68 *(c)* of the Racing Act 1976 and to provide for statutory deductions on multiple bets to be increased to 20 per cent; secondly, to amend section 69 (1) *(b)* of the Racing Act 1976 to increase the payments to the Racecourses Development Board from TAB betting on multiple bets; thirdly, to amend section 70 (1) *(a)* of the Racing Act 1976 to adjust the current sliding scale of Government taxation applicable to on-course totalisator turnover; and, fourthly, to amend section 70 (1) *(b)* of the Racing Act 1976 to increase the payments to the Racecourses Development Board from on-course totalisator betting on multiple bets.

Section 68 *(c)* currently provides for a statutory deduction of 18 per cent on multiple bets. This Bill seeks to amend section 68 *(c)* of the Racing Act 1976 to increase statutory deductions on all totalisator bets by 2 per cent. The additional net revenue generated from this source is expected to be $1 882 000 of which $1 540 000 will come from TAB operations and $342 000 from on-course operations. A summary of revenue proposals is listed below:

	Government $	Racing Codes $	RDB $	Total $
From TAB commissions	616 000	616 000	308 000	1 540 000
From On-Course Totalisator commissions	—	273 600	68 400	342 000
	616 000	889 600	376 400	1 882 000

As is the present situation, the Government and the racing codes will continue to share TAB profits. The apportion-

ment of the additional 2 per cent deduction on multiple bets held by TAB will be as follows:

0.8%	to Government
0.8%	to Codes
0.4%	to Racecourses Development Board
2.0%	

With regard to on-course totalisator betting the codes will retain 1.6 per cent and the Racecourses Development Board 0.4 per cent. This is the situation because of the operation of the sliding scale of taxation applicable to on-course totalisator turnover.

Sections 69 (1) *(b)* and 70 (1) *(b)* of the Racing Act 1976 currently provide *inter alia* for a payment of 1 per cent to the Racecourses Development Board for multiple betting on the off-course and on-course totalisator respectively.

This Bill seeks to amend sections 69 (1) *(b)* and 70 (1) *(b)* of the Racing Act 1976 to allow for payments to the Racecourses Development Board to be increased to 1.4 per cent on multiple bets on the off-course and on-course totalisator respectively. Section 70 (1) *(a)* of the Racing Act, 1976, currently provides for the following tax scale applicable to on-course totalisator turnover:

Turnover	Tax Scale
$0-10 000;	1%
$10 001-20 000;	$100 + 2% of excess over $10 000
$20 001-40 000;	$300 + 3% of excess over $20 000
$40 001 and over;	$900 + 5.25% of excess over $40 000

This Bill seeks to amend section 70 (1) *(a)* of the Racing Act 1976 to provide for the following tax scale:

Turnover	Tax Scale
$0-30 000;	1%
$30 001-60 000;	$300 + 2% of excess of $30 000
$60 001-120 000;	$900 + 3% of excess of $60 000
$120 001 and over;	$2 700 + 5.25% of excess of $120 000

The result of this proposal will mean a net gain to the racing codes of approximately $620 000 and a corresponding reduction in revenue to the Government. However, the Government will be fully compensated for its reduction in revenue from this source as a result of its increase in profits from multiple bets.

The additional revenue of $1 882 000 generated from the proposed amendments accruing to the racing codes and the Racecourses Development Board will provide much needed assistance to stakemoney and capital works programmes. The increased stakemoney and improvements to racecourse facilities should in turn encourage greater attendances and additional turnovers, as the better-performed horses and greyhounds are retained in, and attracted to, this State.

Clauses 1 and 2 are formal.

Clause 3 amends section 68 of the principal Act which deals with deductions by the TAB and authorised racing clubs from amounts on totalisator betting on race results. Paragraph *(c)* is amended to increase the percentage to be deducted from amounts on multiple bets from 18 to 20 per cent.

Clause 4 amends section 69 of the Act which deals with the way in which amounts deducted by the TAB under section 68 are to be applied. The amendment inserts a provision requiring an amount equal to 1.4 per cent of the amount of totalisator bets made with the TAB on multiples to be applied to the Racecourses Development Board.

Clause 5 amends section 70 of the principal Act which deals with the way in which amounts deducted by authorised racing clubs under section 68 are to be applied. The new paragraph *(a)* of subsection (1) provides that a club must pay to the Treasurer, for the General Revenue of the State, where the sum of the amounts bet with it on each day on which it conducts totalisator betting—

(i) does not exceed $30 000—an amount equal to 1 per cent of that sum;

(ii) exceeds $30 000 but does not exceed $60 000—$300 plus 2 per cent of the amount in excess of $30 000;

(iii) exceeds $60 000 but does not exceed $120 000—$900 plus 3 per cent of the amount in excess of $60 000; or

(iv) exceeds $120 000—$2 700 plus 5.25 per cent of the amount in excess of $120 000.

Also, a new paragraph *(b)* provides that a club must pay to the Racecourses Development Board—

(i) an amount equal to 1 per cent of the amount of totalisator bets made on doubles;

(ii) an amount equal to 1.4 per cent of the amount of those bets made on multiples.

Finally, subsection (1) provides that the club may retain the balance for its purposes. I commend the Bill to the Council.

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

BUSINESS FRANCHISE (PETROLEUM PRODUCTS) ACT AMENDMENT BILL

The House of Assembly intimated that it had disagreed to the Legislative Council's amendments and suggested amendment.

LONG SERVICE LEAVE (BUILDING INDUSTRY) BILL

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

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

That this Bill be now read a second time.

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

Leave granted.

Explanation of Bill

The Long Service Leave (Building Industry) Act 1975, which came into operation on 1 April 1977, provides long service leave for workers in the building industry who, because of the itinerant nature of the industry, are generally not able to accrue an entitlement to leave under the Long Service Leave Act. The Act has been amended several times in the light of administrative experience, and certain other matters deserving legislative attention have now become apparent. The principal purpose of this Bill is to introduce a desirable element of flexibility into the Act in order to enable the spirit of the Act to be put into practice and achieve clarity in all areas. To complete the comprehensibility of the review of the Long Service Leave (Building Industry) Act that has been undertaken, the Government has decided to prepare a redraft of the legislation in the form of a new Act.

In the first instance, the Bill seeks to introduce a new section to include the 'predominance rule', a rule that has been proposed to achieve clarity so that there is full coverage for workers for long service leave purposes either under the

provisions of the Long Service Leave (Building Industry) Act or the Long Service Leave Act.

The proposal is for two alternate tests, and if any of the two tests are satisfied the worker is to be covered by the Act.

The two alternate tests are—

1. where the worker is required by the employer to work on-site for a majority of his or her time on-site.

2. where the actual time spent by a building worker on-site is in the case of an existing worker, an average over the preceding three months in excess of 50 per cent of the worker's time, or in the case of a new worker, in the first month of employment in excess of 50 per cent of the worker's time (this test is the basic predominance rule).

Furthermore, for the Act to apply the worker must be employed under one of a list of building industry awards in respect of on-site construction work for itinerant building industry workers.

There is also a proposal for the Act to cover labor only subcontractors on a purely optional basis on the application of the subcontractor.

In order to assist with the administration of the Act, expiation fees will be introduced under a scheme contained in the regulations in the following areas—

Clause 18 (1)—Worker engaging in other employment while on long service leave,

Clause 18 (2)—Employer knowingly employing a worker currently on long service leave,

Clause 26—Failure to lodge returns monthly for workers by employers.

In order to assist the prompt collection of monthly contributions from employers a late lodgement penalty will be introduced in the form of interest and a possible fine.

As a result of the length of time the Act has been in operation (in excess of 10 years) it is proposed to remove all retrospective service provisions prior to 1 April 1977, and allow a period of six months after the operating date of this Bill for workers to make a final claim for any unclaimed service prior to 1 April 1977.

There will also be provision to cover the reverse situation described in section 35 of the present Act, being where a non-building worker becomes a worker within the meaning of the Act in employment with the same employer. When that worker accrues a long service leave entitlement, the board will make a full payment to the worker and bill the employer for contributions for the period of time the worker was a non-building worker under the provisions of the Act.

In order to add further clarity and ease of administration to the Act it is now proposed to set a minimum number of days a worker must work before contributions are paid by an employer. The Bill proposes three days per month as the minimum.

The current penalties under the Act have remained unchanged for some time now and it is proposed to update them.

Other provisions are to be consolidated and simplified.

In accordance with the normal procedure, the Bill has been the subject of consultation with relevant bodies including the tripartite Long Service Leave (Building Industry) Board, the various building industry unions, employer organisations and the Industrial Relations Advisory Council. Useful discussions have been forthcoming and both organisations have indicated their support for the proposals contained in the Bill.

Clause 1 is formal.

Clause 2 provides for the commencement of the measure.

Clause 3 repeals the Long Service Leave (Building Industry) Act 1975.

Clause 4 sets out the various definitions required for the purposes of the Act. The definitions from the repealed Act have been revised and rationalised.

Clause 5 relates to the application of the Act.

The Act will apply to a person's employment if he or she is employed in a specified occupation under a specified award or agreement, and the employment involves working at a building site where the work has made up the whole, or at least one-half, of the period of employment over the whole of the employment, the first month of employment or any three month period of employment. The effect of this is that once a worker has 'qualified' under clause 5 (1) because a majority of his or her work involves working at a building site, or a majority of his or her work over a prescribed period involves working at a building site, the worker will continue to be covered by the Act so long as some of his or her work (to any degree) involves work at a building site and the worker remains in a specified occupational category. If the worker changes to a non-specified occupation, or does not in any event work at a building site for three months, the worker ceases to be a building worker for the purposes of the Act.

The Act will not apply in relation to employment by the Crown, an agency or instrumentality of the Crown, a council, or a prescribed employer.

Clause 6 provides for the continued existence of the Long Service Leave (Building Industry) Board.

Clause 7 sets out the membership of the board (which is to remain the same).

Clause 8 sets out the conditions of membership for the board.

Clause 9 provides for the payment of fees and allowances, which will be payable out of the fund.

Clause 10 sets out the procedures to be followed by the board at its meetings.

Clause 11 gives personal immunity to members of the board.

Clause 12 contains a delegation provision.

Clause 13 allows the board to make use of public facilities.

Clause 14 sets out the methods by which a worker's entitlement to long service leave, or to payments on account of long service leave, are to be determined.

An effective service entitlement is to accrue for each period of service as a building worker according to a prescribed formula. An effective service entitlement may be cancelled if the worker is dismissed from employment on the ground of serious and wilful misconduct, or if the worker has an effective service entitlement of less than 84 months and (subject to certain exceptions) has not worked in the building industry for at least 36 months.

Clause 15 provides for continuity of long service leave entitlements where a worker employed as a building worker commences work with the same employer in some other capacity, or where a non-building worker commences work with the same employer as a building worker. In both cases the worker's long service leave entitlements will be preserved. When long service leave is finally granted to the worker, or a payment is made, the board and the employer will be able to make and receive payments according to their respective liabilities under this Act and the new Long Service Leave Act 1987.

Clause 16 prescribes a worker's long service leave entitlements under the Act. As is the case with the repealed Act, a building worker who has an effective service entitlement of 120 months is entitled to 13 weeks long service leave. The leave is to be taken as soon as practicable after the worker becomes entitled to it.

The board will pay to the worker 13 times the ordinary weekly pay for work of the kind last performed by the worker as a building worker.

Clause 17 sets out the pro rata entitlements of a building worker who has an effective service entitlement of less than 120 months.

Clause 18 makes it an offence for a building worker to engage in employment as a building worker while on long service leave. An employer must not engage a building worker in contravention of this section.

Clause 19 continues the operation of the Long Service Leave (Building Industry) Fund. The fund is controlled and managed by the board and is exempt from State taxes and charges.

Clause 20 provides for the investment of the fund in such manner as the Treasurer may approve.

Clause 21 allows the board (with the approval of the Treasurer and the Minister) to lend money from the fund to an industrial organization for training in the building industry.

Clause 22 allows the borrowing of money.

Clause 23 provides for a three-yearly investigation into the state and sufficiency of the fund by the Public Actuary. A report on the investigation is to be laid before each House of Parliament.

Clause 24 provides for the keeping of accounts and an annual audit.

Clause 25 requires employers to furnish certain information to the board.

Clause 26 requires employers to furnish monthly returns to the board. A return must include a statement of the total wages paid to each building worker during the previous month, other than a building worker who has worked for the employer for less than three days in the month. The levy payable as a prescribed percentage of wages must accompany the return. The board may vary the requirements of this section as they relate to a particular employer or employers of a particular class. An employer who fails to comply with the requirements imposed by or under the section is guilty of an offence.

Clause 27 allows the board to make its own assessment if the employer fails to comply with clause 26 or furnishes a return that the board has reasonable grounds to believe to be defective.

Clause 28 allows the board to impose penalty interest and a fine when an employer fails to make a contribution required by or under the Act.

Clause 29 sets out various powers of investigation that are to be conferred on the board for ascertaining whether a person is liable to make a payment to the board under the Act and, if so, the extent of that liability, and for ascertaining any other matter prescribed by the regulations.

Clause 30 provides that a contribution payable under the Act will be a debt due to the board.

Clause 31 requires the board to refund any amount overpaid.

Clause 32 provides for the appeals tribunal, which is constituted by an industrial magistrate.

Clause 33 confers a right of appeal to the tribunal on any person who is dissatisfied with a decision of the board under the Act.

Clause 34 sets out the powers of the tribunal to summons witnesses, require the production of documents and require the giving of answers.

Clause 35 empowers the Governor to make regulations relating to the practice and procedure of the tribunal.

Clause 36 provides that an obligation to pay a contribution or a right to recover a contribution is not suspended by an appeal. A due adjustment will be made to any assessment if it is altered on an appeal.

Clause 37 empowers the board to extend the benefits of the Act to a self-employed person (on the application of the self-employed person).

Clause 38 empowers the Minister to make reciprocal arrangements with Ministers of other States or Territories relating to the transfer of the long service leave entitlements of building workers who move from State to State.

Clause 39 sets out the powers of an inspector under the Act.

Clause 40 will require an employer to keep in the State sufficient records to enable his or her liability for contributions under the Act to be assessed. Records will be required to be kept for five years.

Clause 41 provides for the service of documents.

Clause 42 requires the board to prepare an annual report on or before 30 September in each year. Audited statements of account for the preceding financial year must be incorporated in the report.

Clause 43 relates to offences under the Act.

Clause 44 is an evidentiary provision.

Clause 45 empowers the Governor to make regulations for the purposes of the Act. The regulations may include procedures for the expiation of prescribed offences.

The first schedule sets out the various occupational categories that are to be covered by the Act.

The second schedule sets out the various awards and agreements in relation to which the Act may apply.

The third schedule contains the various transitional provisions required for the implementation of the new legislation.

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

CHILDREN'S SERVICES ACT AMENDMENT BILL

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

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

That this Bill be now read a second time.

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

Leave granted.

Explanation of Bill

This Bill relates to the provisions of the Children's Services Act 1985, for incorporation of children's services centres upon registration under Part III Division IV of the Act.

Children's services centres may apply to the Director of Children's Services to be registered under the Act. By virtue of section 42 (4) of the Act, 'a registered children's services centre shall be a body corporate with the powers and functions prescribed by its constitution'.

The transitional provisions in the first schedule to the principal Act provide that kindergartens registered under the repealed Act will be deemed to be registered under this Act and therefore, by virtue of section 42 (4), are incorporated under the new Act. Some of these kindergartens were already incorporated under the Associations Incorporation Act 1985. In the opinion of the Crown Solicitor this apparent dual incorporation gives rise to some doubts and confusion and is also of concern to the Commissioner of Corporate Affairs. It is clearly cumbersome for preschool

centres to be required to comply with the provisions of two different Acts with respect to their incorporated status.

This amendment will therefore have the effect of terminating the incorporation under the Associations Incorporation Act 1985 of those existing preschools. These centres will henceforth derive incorporated status solely from the Children's Services Act 1985. In practice, this will involve no change to their current mode of operation, responsibilities and functions, or constitution, as they are of course already operating under the Children's Services Act 1985.

The amendment also makes no change whatsoever to the status of any real or personal property currently vested in local preschool centres. It in fact resolves an uncertain situation arising from dual incorporation.

Clause 1 is formal.

Clause 2 provides for the commencement of the Act to be retrospective to the commencement of the principal Act.

Clause 3 amends section 42 of the principal Act. New subsections (4) and (5) make clear that upon incorporation of a children's services centre under the principal Act incorporation under any other Act ceases.

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

LOCAL AND DISTRICT CRIMINAL COURTS ACT AMENDMENT BILL (No. 2)

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

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

That this Bill be now read a second time.

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

Leave granted.

Explanation of Bill

It provides for an increase to the upper jurisdictional limit of local courts of limited jurisdiction from the present $7 500 to $20 000.

During the past 24 months the waiting period for trials in District Court—full civil jurisdiction, has increased from 34 weeks to 50 weeks. This increase is attributable in part to an increase of over 40 per cent in the number of cases in this court.

During the same 24 month term the waiting period for trials in the Adelaide Local Court—limited civil jurisdiction, has decreased from 40 weeks to 20 weeks. This decrease is attributable to a more effective trial listing system recently introduced in the court.

The change in jurisdictional limits is expected to bring about a small increase in waiting period in the Adelaide Local Court but should have a greater effect on the workload of the District Court—civil, with a resultant reduction in the waiting period for trials in that court.

The number of matters listed in the District Court—civil jurisdiction, which fall into the $7 500 to $20 000 bracket are 1 019 (1984), 1 010 (1985) and approximately 1 500 (1986).

Of all matters listed for trial approximately 4 per cent actually come on for hearing. This means that 60 matters per year in the $7 500 to $20 000 bracket will actually result in a hearing. Assuming that these matters are added to the listings of the Adelaide Local Court—limited jurisdiction, it will mean a 3 per cent increase in matters heard in this court. However, the correspondiong reduction in matters heard in the District Court equates to a 20 per cent reduction and it will provide significant assistance to that court. The Deputy Chief Magistrate has indicated that the magistrates can cope with the additional work, without any significant detrimental consequences.

The upper jurisdictional limit of the Adelaide Local Court—limited civil jurisdiction, has not been amended for over five years.

The Bill also provides for an increase in the jurisdictional limit for small claims actions from $1 000 to $2 000. This increase was recommended in 1985 by a Courts Department working party on small claims. The working party considered that an increase in jurisdiction to $2 000 would result in more consumer claims and minor motor vehicle damage claims falling within the small claims jurisdiction, with the result that many such claims which are marginal to pursue at present would be able to be more effectively pursued in the small claims jurisdiction.

Clause 1 is formal.

Clause 2 provides for commencement on a day to be fixed by proclamation.

Clause 3 amends section 4 of the principal Act which is the interpretation provision. It amends the definition of 'small claim' to increase the monetary limit from $1 000 to $2 000. It also amend the definition of 'the jurisdictional limit of local courts of limited jurisdiction' to increase the jurisdictional limit from $7 500 to $20 000.

Clause 4 makes an amendment to section 152f of the principal Act which is incidental to the increase of the monetary limit in the small claims jurisdiction.

I commend this Bill to the House.

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

EXPIATION OF OFFENCES BILL

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

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

That this Bill be now read a second time.

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

Leave granted.

Explanation of Bill

This is a revision of a Bill to enact a scheme which will enable alleged offenders to expiate certain offences by payment of prescribed expiation fees. A Bill bearing the same title was introduced in the previous session of this parliament but lapsed on prorogation. In many respects this Bill closely echoes the provisions that already exist in section 64 of the Summary Offences Act, 1953 dealing with the Traffic Infringement Notice Scheme. The schedule to this Bill refers to various summary offences in the Statute book and provides for their expiation by payment of the relevant specified fee.

This Bill will not affect or override existing statutory schemes that provide for expiation (e.g. the TINS system itself, the S.T.A. Transit Infringement Notice Scheme, the parking by-laws and associated expiation scheme administered by the Adelaide City Council etc.) Only children above the age of 16 years will be capable of receiving an appropriate expiation notice.

The Bill will be capable of being invoked by the Minister (or the Minister's delegate) responsible for the administra-

tion of the relevant legislation whose provisions have been transgressed. This will ensure the day to day operation of the Bill will be localised in the responsible department, authority or agency. However, the Act will itself be committed, formally, to the administration of the Attorney-General, ensuring its oversight is at all time co-ordinated and the forms and procedures under it are consistent and uniform.

Where an expiation notice covers several offences some may be admitted by the alleged offender and some may not. The Bill allows the alleged offender, upon receipt of the notice, to forward fees for those of the offences he or she admits. Those he or she does not admit will be dealt with in the normal way.

Expiation of offences is important, if not integral to the Government's strategy for streamlining offence-related procedures and reducing the waiting lists of courts of summary jurisdiction.

It is also a method that enables an alleged offender (who admits the offence) fairly and relatively in-expensively to expiate his or her trangression, thereby obviating unwanted delays, costs and inconvenience that are attendant upon the rigours of a full prosecution. A system of expiation has the additional advantage of 'freeing up' resources (both staffing and cost) that are better spent on more positive aspects of public administration.

Finally, it should be noted, at all times, the rights of an accused person are fully respected and are in no way derogated from: the most important, of course, being the alleged offender's right to an impartial hearing and determination by a duly constituted court of this State.

I commend this Bill to honourable members.

Clause 1 is formal.

Clause 2 provides for the commencement of the measure.

Clause 3 sets out the definitions required for the purposes of the Act. The Act is to operate in relation to expiable offences designated by the schedule to the Act. Expiation fees have also been set by the schedule.

Clause 4 provides for the issuing of expiation notices. An expiation notice will be in a form approved by the Minister, must not relate to more than three offences and must not be given to a child (being a person under the age of 16 years). An expiation notice will only be issued by a member of the police force or a responsible statutory authority (being either the Minister responsible for the administration of the Act that is alleged to have been breached or a person or body to whom the Minister has delegated the power to issue notices).

Clause 5 sets out the effect of expiation. The expiation of an offence will result in the person not being liable to prosecution for the offence. The payment of an expiation fee will not be regarded as an admission of guilt or of any civil liability.

Clause 6 will allow the appropriate authority to withdraw an expiation notice in certain circumstances. If a notice is withdrawn, a prosecution for the offence may be commenced (but the fact that the defendant paid the expiation fee will not be admissible in the proceedings for the offence).

Clause 7 provides that money received as fees under the Act will be dealt with in the same way as fines.

Clause 8 provides that this Act does not affect the operation of any other expiation scheme.

The schedule sets out the various offences to which the Act is to apply, and corresponding expiation fees.

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

ROAD TRAFFIC ACT AMENDMENT BILL (No. 2)

Adjourned debate on second reading.

(Continued from 15 October. Page 1212.)

The Hon. PETER DUNN: The Liberal Party supports this Bill. However, it is split into two distinct areas. The first part, clause 2, deals with wide mirrors on large vehicles. I think it is a very sensible amendment. At the present time, a vehicle has a maximum width of 2.5 metres and is allowed 150 millimetres either side for mirrors. This Bill allows that to be extended out to 230 millimetres providing that those mirrors will fold back to 150 millimetres wider than the 2.5 metres if they are struck.

The reason for this is quite simple. The drivers of some large semitrailers, particularly those that have pantechnicons on the back, find it very difficult to see any vehicles trailing them, particularly if those vehicles are fairly close or if they are in slow traffic. The wide mirrors will alleviate that situation and the driver will have a better view of the road behind him. This measure is supported in other States. The Confederation of Road Transport in Australia also supports it.

However, clause 3 is another factor, and I wish to spend a short time on this clause because it has some quite significant effects on what is happening with transport across Australia. First, let me say that the Bill endeavours to protect and help control overloading on roads across South Australia, and I agree with this intent. However, I disagree with the method by which it will do it. It repeals section 152 of the Act and introduces new powers which allow police officers and inspectors to seize vehicles that have been abandoned or vehicles in which the driver has remained and cause them to proceed to a weighbridge so that the mass of the vehicle can be determined. The driver could be required to stop.

The problem in the past has arisen from the fact that a court action was taken in which the driver of the vehicle was given the benefit of the doubt. After that it was found very difficult to legally stop a vehicle which was suspected of being overweight and to have it taken to a weighbridge or portable scales in order to be weighed. This Bill strengthens that area as well as allowing inspectors and police to seize a vehicle.

The second reading explanation states fairly clearly the aims of the Bill. It is an attempt to establish the mass weight of a vehicle. There are a number of ways of doing that and quite distinctly the second reading explanation states:

> Rather than increase penalties at this time for drivers who fail to stop or refuse to weigh, it is considered that police officers should have power to seize the vehicle and drive it to a place to determine its mass. If this power is granted to police it is contended that the majority of drivers will drive their vehicles to a weighbridge rather than allow another person to drive it.

In other words, the power to seize and drive the vehicle would be a last resort. That, to me, is a very unusual way of putting it; people will be given a power, but it will be a power of last resort. Might I suggest that it is implied in this second reading explanation that drivers abandon their vehicles and therefore the vehicles cannot be taken to a weighbridge or to a particular spot where their mass can be determined. However, this Bill will allow a policeman to break into the vehicle and drive it away.

I would like to consider the number of people who have been caught for overloading their vehicles. The figures are quite substantial. Last year in South Australia there were 17 900 offences of overloading. Of those, 14,000 were relatively small offences involving perhaps 2 tonnes over-

weight. Those offences incurred fines of between $235 and $600. However, if one looks at the other extreme, where there were cases of over 20 tonnes over-weight, the fines ranged from $3 835 to $7 800. It is reasonable to assume that the smaller fines were for a first offence and the larger fines were for a subsequent offence. As I stated, there have been a large number of cases of overloading. I do not agree with that. I think it is difficult to maintain our roads and bridges to keep vehicles relatively safe if people continue to over load to that point.

I will put an amendment on file which will change the method whereby a policeman or an inspector—and I find it difficult to agree to involving an outsider or an inspector—is permitted to break into a vehicle and drive it away. The implications are quite dramatic; it really is a case of breaking and entering.

In his second reading speech, the Minister said that section 160 (2a) of the Act enables a member of the Police Force to enter used car lots and examine those cars if he suspects that they are unroadworthy. That is fine on a used car lot but many of these trucks are virtually the homes of the people who drive them—they actually live in the back of them. In effect, this Bill will allow police to break into a person's home, which cannot be done anywhere else without a warrant. I see no reason for a police officer to be able to break into a truck so that he can take it to a weighbridge for weighing. Perhaps a larger fine for the offence of not obeying the policeman's instruction to proceed to a weighbridge is a better method.

In his second reading speech, the Minister also said that skilled policemen and inspectors will be able to drive such trucks, but I find that a rather difficult proposition. Take, for instance, a case of a police officer who is out in the middle of the Eyre Highway or on the Stuart Highway and suspects that a vehicle is overweight. If the driver refuses to drive to a weighbridge, under this legislation the policeman or inspector has the right to get in and drive the vehicle to a weighbridge. Some of these vehicles are extremely complicated and of enormous value; a rig can be valued in excess of $200 000. Although a person may have a licence to drive a vehicle of that weight, he would not have the skills to drive it if he were used to driving a Holden, for example.

Should a policeman or inspector damage the vehicle in that way, the Bill has an out in it. I do not blame the officers but I suggest that it is not a terribly efficient way of getting the truckies on side. Furthermore the truck could be carrying dangerous cargo and, if a person does not know how to handle that cargo, it could result in a spillage of a very toxic substance or the explosion of a substance. Such loads probably need specialist drivers. It would not be right for policemen or Highways Department inspectors who did not have those skills to drive such vehicles, so I oppose the measure on those grounds.

Members of the industry have been contacted and they are not happy with what is proposed in the Bill. It is an example of a very heavy-handed approach to cure the problem of ensuring that trucks stop and are properly weighed, whether on portable scales or at a weighbridge, which can be quite easily achieved by imposing a very significant fine on the driver of the vehicle and making him responsible for that job. I notice on page 369 of the Program Estimates that the Government intends to supply all mobile inspectors with portable scales. That would make many of the requirements of this Bill unnecessary, such as the provision for them to travel up to eight kilometres to a weighbridge or some other place so that the vehicle can be weighed. That is a case of putting the cart before the horse.

What will happen in a case in which an inspector breaks into a vehicle that is on the side of the road because it is out of oil or water, has a broken axle or a damaged steering rod, drives it away, turns the vehicle over and causes a large amount of damage?

Who is responsible for that damage? Who will pay the insurance cost? Is the driver, owner or the Government responsible for that cost? I ask the Minister to address these questions in his reply. Will compensation be paid? Will insurance policies be made void if a vehicle is driven by a policeman or Highways Department inspector? We have dealt with the fact that police and Highways Department inspectors are allowed to break into vehicles. We must look at this matter in a practical fashion because we know that there are over-zealous people in these positions. An over-zealous policeman or Highways Department inspector can cause a considerable problem.

I have had drawn to my attention a letter from the Hon. R.K. Abbott, Minister of Lands, relating to a vehicle loaded with stock which came to Adelaide. That letter is addressed to the people involved and is, in my opinion, quite erroneous because it states that the vehicle could turn around on the Main North Road, which it could not do because there are islands at all the intersections, which makes it impossible to do that in the vehicle concerned.

The vehicle arrived at Bolivar and then took three hours to get from there to the Adelaide abattoir. This resulted in the death of a three head of cattle valued at about $600. The carrier had been caught previously for overloading and was suspected of overloading again. The vehicle and the cattle were wet as it had rained all the way to Adelaide; that is why the truck was just overweight. When an over-zealous inspector becomes involved in such a situation reason seems to fall out the window. The Minister should consider this matter carefully.

We do not support overloading or speeding because both adversely affect bridges and the pavement. I was driving to Kadina last week at the State speed limit of 110 km/h and was passed by two large trucks which had the capacity for a gross combination weight of 42 tonnes. It was difficult to establish whether they were loaded because they were pantechnicons. They passed me at a speed in excess of 110 km/h half way to Port Wakefield and I did not catch them until I arrived at the Port Wakefield weighbridge.

Police officers would make better use of their time by slowing these drivers down to a reasonable speed instead of virtually breaking into somebody's home—that is, a truck with a cabin on the back containing a person's sleeping compartment—because they refuse to drive the eight kilometres to a weighbridge. The speed limit for heavy vehicles in this State has been increased. I have an amendment on file which I will explain in detail later. It relates to a driver's responsibility and involves a fine of $5 000 for a driver who is convicted of not doing what he is directed to do by a police officer; in addition, he can lose his licence. However, I support the Bill for what it is trying to do, but look forward to support for those amendments.

The Hon. J.R. CORNWALL (Minister of Health): It is a complete misnomer for the Hon. Mr Dunn and the Opposition to pretend that they are supporting the spirit and intent of this legislation. It is all very well for them to say that they agree with increasing the width and size of the side mirror or the rear view mirror of these juggernauts, but of course the real substance of the Bill concerns the power to be able to realistically and practically police overloading. We are talking about gross overloading. At the moment there is a technicality—and I will not go through

the second reading speech again. The Hon. Mr Dunn has referred to it in some detail, but I need to cover some things again to get it on the record for the purposes of this debate.

We have only one amendment on file, but it goes to the heart of the legislation to the extent that the Government simply cannot and will not accept it. At the moment we have a technicality concerning the power of a police officer or inspector requesting the driver of a vehicle to proceed to a weighbridge to determine the mass of that vehicle. It has been held, as was said in the second reading explanation, in a case before a magistrate that, as there was no weighbridge at the site where the driver was directed to proceed, portable weighing instruments carried by the inspector were to be used, but the inspector's request was not valid because there was not, at the time of the request, a weighing instrument at the site. That leaves the inspector in an impossible situation.

A growing problem occurs where drivers of heavy vehicles either refuse a direction by a police officer or inspector to proceed to a weighbridge or refuse to stop. The current position is that the maximum fine or penalty for refusing a direction or refusing to stop is $1 000—the maximum penalty. In practice the range of fines that have been imposed by the courts have been between $200 to $300. Penalties for overloading, on the other hand, can amount to many thousands of dollars. Here we have $200 or $300 as the average range on the one hand, and many thousands of dollars on the other hand. The penalty for an overload of 20 tonnes is a minimum of $3 835 with a maximum of $7 800. So, quite obviously it pays the driver or the driver and the proprietor to clearly flout the law.

I do not think I need to again go through the consequences of driving these very large and heavy vehicles grossly overloaded. They are a menace in terms of road safety. Two apparently passed the Hon. Mr Dunn at speeds in excess of 110 km/h, fully loaded and quite possibly overloaded or grossly overloaded. I would have thought that the Opposition would share our very real concern for safety in those circumstances. I am very surprised that they do not.

The other matter which I do not need to go into is the fact that overloading imposes enormous stresses and strains on the road system itself through the deterioration of pavements, bridges and culverts. The National Association of Australia and State Road Authorities (NAASRA), in a publication released in 1984, estimated that damage to roads due to overloading results in repair costs of $400 million per annum. Here we have a situation of gross overloading and inability under the present legislation to police that situation, with penalties that are an absolaute farce because they amount to no more than pocket money *vis-a-vis* what will be imposed if the vehicles were able to be weighed—a technical situation which prevents inspectors in most situations from weighing the vehicles. Yet we have an amendment moved by the Opposition that virtually destroys the intent and spirit of the Bill. There is only the one foreshadowed amendment, but it destroys the spirit and intent of the Bill. I need to canvass our reasons for strenuously opposing it only once and I might as well do that during the course of my second reading reply.

The situation, as I said, currently is that the maximum existing penalty is $1 000 and, in practice, the courts impose fines in the range of $200 to $300. On the other hand, overload penalties can and do range anywhere from $3 500 to something in excess of $7 000. It is a joke in poor taste to suggest that simply raising the penalty, as the amendment proposes, to $5 000 is in any way a substitute for the proposal contained in the Bill. If the penalty were increased under this unacceptable amendment to, say, $5 000 there is absolutely no guarantee that the courts will substantially increase the fine. There is no guide as to what the fine should be if the mass of the vehicle is not determined by weighing it.

Here we have a situation where the Opposition will be moving an amendment which provides that we will increase the maximum penalty from $1 000 to $5 000 for overweighing, but we will allow a situation to persist where the vehicle cannot be stopped and cannot be directed to a weighbridge. In practice, there is no guarantee that the $5 000 maximum penalty will mean anything. How can a magistrate decide, if he has not got any evidence as to the overloading or, more particularly, the extent of overloading? There is no guide as to what the fine should be if the mass of the vehicle is not determined by weighing it.

If a fine imposed by the courts is considered to be inadequate, the grounds for appeal under this proposed amendment would be severely restricted if the mass of the vehicle were not known. Of course, they then talk licence suspension. That is not likely to be a deterrent for a number of reasons. First, drivers may have more than one licence, that is, one licence for virtually every State—one for South Australia, one for New South Wales, one for Victoria, and so on. Secondly, drivers may appeal against licence suspension and continue to drive for lengthy periods before the case is dealt with in court. Thirdly, drivers would probably appeal on the grounds of undue hardship and very likely succeed. They can argue that their livelihood is being taken away and that surely it is not reasonable under those circumstances, and it is possible that that would succeed. Here you have licences in several States, appeal mechanisms which keep the thing going for months before licences are removed, and then appeals on grounds of undue hardship.

Unless the mass of a vehicle can be determined by weighing, a direction to offload the excess cannot be given, and that is the simple fact under section 156 of the Road Traffic Act—another reason why the amendment castrates the Bill. At present a vehicle suspected of being heavily overladen can be driven from the Western Australia/South Australia border through to the South Australia/Victoria border without being weighed—from one side of the State to the other. The only charge that can be laid is failure to refuse a direction to weigh, the maximum penalty being $1 000 or, as proposed in the amendment $5 000, and the actual penalty imposed by the courts in practice a matter of a few hundred dollars—pocket money.

To the end of September this year the figure for the offence of refusing to weigh was 31 and the total for the whole of 1986 was 18, so quite obviously the offence is increasing and the drivers and the unscrupulous proprietors know the score. The whole business has become a very sick and sorry joke in this State. With this amendment the Opposition proposes to perpetuate that state of affairs. As I said, the amendment goes to the heart of the Bill and removes the spirit and intent of it: it literally castrates the Bill. The police power to seize the vehicle and drive it to a place to determine the mass would only be used as a last resort. That was made clear in the second reading explanation.

The Hon. Peter Dunn: As a first resort.

The Hon. J.R. CORNWALL: It is not a first resort at all. More than likely the drivers would drive it themselves rather than risk the vehicle being driven by another person. The Hon. Mr Dunn says that some of these rigs are worth anything up to $200 000. They are very sophisticated and very valuable pieces of machinery. In those circumstances, if there is a legal power to direct, 'Drive your truck or your rig to a weighbridge at a particular point, or alternatively

we will get a competent driver to do it for you', then really there is no value in the driver refusing to drive his rig, so obviously it would be a last resort. Nevertheless, if that became necessary, a competent, properly qualified and duly licensed driver would be made available to take the vehicle. The Hon. Mr Dunn said that the police cannot break into his home without a warrant and he tried to compare the rig on the road somehow or other with his domestic dwelling.

The Hon. Peter Dunn: It is the domestic dwelling for some drivers.

The Hon. J.R. CORNWALL: Police already have power to enter used car yards and to seize vehicles that are suspected of being unroadworthy. Perhaps the honourable member ought to amend that. Perhaps he ought to remove from the police the power to seize unroadworthy cars. The Opposition really has scant—in fact a callous—disregard for road safety. That is what this amendment is about.

The Hon. Mr Dunn also raised the question of insurance. Again, let me tell him just what the score will be. Verbal advice from the Crown Solicitor suggests that, first, where the driver, the police officer or the person directed by the police damages the vehicle whilst acting in good faith, no civil liability is incurred. Secondly, any claim for loss would be against the Crown. Thirdly, it is likely that the insurer would not pay out where the vehicle was overloaded so, in the first instance the driver or the owner may vitiate their insurance anyway by grossly overloading. Fourthly, third party claims, where other parties are involved, remain unchanged and, fifthly, where the vehicle is being driven by a person without the owner's consent, a clause could be inserted to provide for deemed consent of the owner.

The Hon. Peter Dunn: What if it's not overloaded?

The Hon. J.R. CORNWALL: I have already pointed out that any loss would be against the Crown. The last time I heard, the Crown was in funds. I know that we are going through a very serious and difficult time in the stock market, but at this stage the Crown is in funds. Most—and probably all—members will even be paid at the end of this month. Where hazardous goods are involved and the vehicle is suspected of being overloaded, there is more of a need to ensure that mass limits are observed. I would have thought that that was obvious even to the Opposition.

Overloaded vehicles place undue stress on vehicle safety components beyond their designed capabilities, particularly brakes, transmission, steering and tyres, thereby creating a potential for collison involving other road users and that relates to the whole question of road safety to which I have referred on a number of occasions.

Road deterioration rates are accelerated beyond predicted rates for maintenance, and in 1984 dollars the estimated cost of overloading and damage to roads, culverts, bridges and so forth was estimated at $400 million per year in extra maintenance.

That comes directly out of ordinary taxpayers' pockets. It is a burden that they should not have to bear. We persistently and consistently hear the Opposition talking about taxes being too high, yet here it is moving an amendment to vitiate—to destroy—the spirit and intent, and to destroy in practice what this Bill proposes, despite the fact that, first, these rigs are creating a serious hazard and danger on the roads and are costing taxpayers an extra $400 million through their irresponsibility. We most certainly oppose the amendment.

I have conferred with the Minister of Transport, who has made very clear that there is no room for compromise as between the Bill introduced and the amendment. I urge members to support the legislation. I appeal particularly to the good sense of the Hon. Ian Gilfillan who has an honourable record in the area of road safety. In practice, he has been one of the leading public figures in this State in matters of road safety.

The Hon. Peter Dunn interjecting:

The Hon. J.R. CORNWALL: The Hon. Mr Gilfillan would certainly cast himself in that light and would not argue with my assessment. He would be prepared to tell us on Phillip Satchell three times a week that he is a leading proponent of road safety.

The Hon. M.B. Cameron: Five times a week.

The Hon. J.R. CORNWALL: I will not argue as to the number of times. We are talking about life and death, about rigs that have a capacity to overload by up to 20 tonnes and the power to travel at speeds between 120 and 130 km/h. We are talking about current legislation that is powerless to stop these practices and about a Bill which can stop them. We are talking about an amendment that negates completely what the Government Bill is attempting to do. Certainly, I appeal to the good sense, decency and the well known public spirit of the Hon. Mr Gilfillan and his colleague the Hon. Mr Elliott.

Bill read a second time.

In Committee.

Clauses 1 and 2 passed.

Progress reported; Committee to sit again.

ADJOURNMENT

At 12.1 a.m. the Council adjourned until Wednesday 21 October at 2.15 p.m.