HOUSE OF ASSEMBLY

Thursday 6 April 1989

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

GREENHOUSE EFFECT

Mr RANN (Briggs): I move:

That this House congratulates the Federal Government for its international leadership in action to protect the ozone layer and in mitigating the greenhouse effect.

I move this motion because I believe it is vitally important that Australia maintains its lead internationally in moves to protect the earth's ozone layer and in mitigating the greenhouse effect. Already Australia is playing an important role in confronting an environmental threat which has the most serious global as well as local implications. The ozone layer, one of this planet's most important life support systems, is being threatened. Unless we take bold and urgent steps internationally to tackle, rather than pay lip-service to, this problem, we will be known as the generation that turned its back on the globe's future. If we fail the test, if we compromise or prevaricate, we will bequeath to our children and their grandchildren a most potent threat to their environment, to their health and to their food supply.

Recently, the Commonwealth Parliament passed the Ozone Protection Act that aims to establish a system of controls on the manufacture, import and export of substances that deplete ozone in the atmosphere. In doing so, the legislation gives effect to Australia's obligations under the 1987 Vienna Convention and to the Montreal Protocol on Substances that Deplete the Ozone Layer, which Australia signed in 1988. However, members will be pleased that Australia, through Federal and State legislation, intends to go considerably further than the obligations laid down under the Montreal Protocol.

This is particularly important. I am aware, for instance, that critics of legislative action point out that Australia uses less than 2 per cent of the world's known consumption of CFCs. However, on a per capita basis, Australians may well be the world's leading consumers and we, therefore, have a responsibility to be leaders in controlling and reducing their use. Concern about the ozone layer is not new. Back in 1971, when the arrival of Concorde was believed to anticipate the proliferation of supersonic air travel, environmentalists expressed their concern about the impact that aircraft emissions, such as water vapour and nitrogen oxides, would have on the upper atmosphere. That proliferation of supersonic commercial flights did not eventuate but in 1974 scientists at the University of California first sounded alarm bells about the increasing use of compounds known as chlorofluorocarbons.

Before the 1930s, CFCs did not exist in our atmosphere. Over the past 50 years these gases have served as coolants for refrigerators and air-conditioners, propellants for aerosol sprays, agents for producing foam and cleansers for electronic parts.

Members interjecting:

Mr RANN: Members opposite wonder why we are doing this. They think that I am talking about the Bill which was before this Parliament. However, I am talking about international action and recent conferences in Britain and Canada which dealt with this problem. I am surprised by the Liberals' lack of interest in environmental issues.

The Hon. Jennifer Cashmore interjecting:

Mr RANN: Apparently the member for Coles prefers to lie down in front of bulldozers and bank vaults rather than deal directly with issues. Ironically, safety was the main reason why CFCs were developed as an alternative to toxic ammonia in refrigeration. Until recently CFCs were considered to be ideal industrial chemicals because they are highly stable and unreactive, and therefore non-toxic. However, this very stability causes the threat to the atmosphere. Unfortunately, because inert gases do not degrade readily, they eventually find their way into the stratosphere, a region of the atmosphere which extends from about 8 kilometres at the poles and 17 kilometres at the equator to about 50 kilometres above the earth's surface.

CFCs can last in the atmosphere for up to 100 years. In the stratosphere they play a continuing role in complex chemical reactions which destroy ozone, a gas that absorbs harmful ultraviolet radiation from the sun. Although only present in small quantities, if compressed to the earth's surface it would be only 3 millimetres thick. It is absolutely crucial in reducing ultraviolet radiation to safe levels by the time that radiation reaches the earth's surface.

In 1985, atmospheric scientists of the British Antarctic Survey shocked their colleagues and concerned members of the public by publishing a report demonstrating that springtime amounts of ozone over Halley Bay in Antarctica had decreased by more than 40 per cent between 1977 and 1984. There was, then, a scientifically proven hole in the polar atmosphere. Later studies showed a further deterioration in ozone levels and evidence began to accumulate that chlorofluorocarbons were playing a major role in ozone depletion.

The problem with CFCs is that they accelerate the process of ozone destruction and mean that more ozone is being destroyed than created. At present CFCs are being poured into the atmosphere at about six times the rate at which they can be removed by natural processes. This figure becomes even more frightening when it is realised that current annual world production of CFCs is around 800 000 tonnes.

Laboratory studies prove that chlorine readily destroys ozone—for every chlorine molecule released 100 000 ozone molecules could be removed from the atmosphere. Scientific work has indicated that statistically a reduction by 1 per cent in the concentration of ozone gas in the atmosphere would result in an increase in the incidence of the most common form of skin cancer by about 4 per cent to 6 per cent. Ultraviolet radiation may also have other health effects such as the promotion of eye cataracts and immune deficiencies as well as harming crops and aquatic ecosystems.

Now I come to the nub of today's motion. As well as causing the perforation of the earth's ozone layer, CFCs are also contributing to the 'greenhouse effect'. Atmospheric scientists are now predicting a major global climatic warming as a direct consequence of the production of CFCs as well as the combustion of fossil fuels and other human activities.

Until recently it was thought that carbon dioxide was the major gas involved in the greenhouse effect. Today, however, CFCs are now known to be up to 10 000 times more efficient in absorbing infra-red radiation. Within 30 years the effect of CFCs could outweigh carbon dioxide and other greenhouse gases unless their production is severely limited.

At this stage, the warming of the earth appears to be unstoppable. Scientists are talking about slowing or controlling the worldwide increase in temperatures, not of stopping that increase. Prevention in the purest sense may not be possible, simply because past and current actions have already created the preconditions for climatic change. Recent

studies by the United States predict an inevitable warming of between 1.5°C and 4.5°C by the year 2030.

The fact is that carbon dioxide concentrations have increased about 25 per cent since pre-industrial times; methane concentrations have more than doubled during the past two centuries; and other trace gas concentrations, including CFCs, are also increasing. This decade, CFCs have increased rapidly at about 5 per cent a year. It is not surprising, then, that many scientists regard the potentially catastrophic impact of the greenhouse effect to be second only to the threat of global nuclear war. The design of buildings and their proximity to tidal-affected areas would require major revamping of existing planning procedures.

After two years of research, the United States Environmental Protection Agency (EPA) report explored promising domestic and international policy options that could slow the build-up of greenhouse gases and global warming. These included phasing out CFCs; halting deforestation and increasing reafforestation; increasing energy efficiency in transport, buildings and industry; and placing a carbon emission fee on fossil fuels, and developing non-fossil fuel technology. The EPA says that adopting such policies immediately to begin slowing the build-up of greenhouse gases could reduce the warming over the next century by at least 60 per cent.

At the recent London Conference on Saving the Ozone Layer, Australia's Minister for Science, Customs and Small Business (Barry Jones), correctly stated that problems such as the ozone depletion and the greenhouse effect should not be seen in isolation as technical problems, but as human problems. In September 1987 representatives of 31 nations met in Montreal and signed an historic first step in tackling the threat posed by CFCs.

I think there is now little doubt that the Montreal Protocol is seriously inadequate. It reflects a compromise struck between the EEC, which fought deep cuts, and the United States, Canada and the Scandinavian countries, which sought a 95 per cent reduction to be phased in over a number of years. Instead, the compromise treaty calls for a freeze on production at 1986 levels beginning in 1990, followed by a 50 per cent reduction in CFC emissions by the end of the century. Many developing nations, in need of inexpensive refrigeration, are exempt from these limits.

The Montreal Protocol is a flawed but historic agreement. Even its strongest critics recognise that it is the first international effort aimed at controlling an air pollutant, other than atmospheric nuclear testing. It is also an acknowledgment that no nation on its own can protect the global resources on which all nations rely.

Since the Montreal conference evidence has emerged which proves that the CFC threat is even greater than anticipated. (Last year a study, involving more than 100 scientists found that atmospheric ozone in the range of 30 to 60 degrees north latitude—a band that includes the most heavily populated areas of the United States, Canada, Europe, the USSR, China, and Japan—has decreased by between 1.7 per cent and 3 per cent over the past 17 years.) If we relied on the Montreal agreement alone, by the year 2000 the world would have three times as much chlorine in the atmosphere—not all of it in an active form—than we have now, with levels increasing for the next 100 years because of the longevity of CFCs.

I am pleased that the Federal and South Australian Governments have recognised that we must not confine our action as a nation to the particular requirements of the Montreal Protocol. We must honour our obligations to that agreement but we must regard the protocol as being the minimum—the first step. We can and must take tougher action to reduce the emissions of ozone depleting substances.

I hope that increasing scientific evidence will lead to a second conference, or a reconvening of the Montreal signatories, so that agreement can be reached on sharper and more rapid action to reduce CFC emissions. Because new scientific evidence suggests the need to significantly strengthen controls beyond those agreed to in Montreal, I am pleased that Australian legislation not only goes further but also provides sufficient flexibility to accommodate any changes that may be needed to phase out these substances more rapidly.

The Montreal Protocol generally provides for no controls on the exports of CFCs and in fact allows production to be increased by up to 15 per cent under certain circumstances. The Australian Federal Government, however, proposes to freeze exports at existing levels, then gradually reduce exports of these substances by 5 per cent each year. I am aware of no other country that is taking similar action in limiting exports. From 31 December this year the manufacture or import of aerosol sprays containing CFCs will be prohibited. This is particularly important. In fact, the United States took action on this front some years ago. I think all members would be aware that, despite voluntary reductions in use by industry, there are still hundreds of examples of CFC use in aerosols.

Anyone visiting supermarkets or pharmacies will be aware of the widespread use of CFCs in fly sprays, hair sprays, breath fresheners, spray-on starch, and perfumes. Recently I was appalled to visit a leading Adelaide perfumery to find that so many of its Australian produced spray-on perfumes and colognes contained CFCs. I am encouraged by television commercials advertising that certain hair sprays are CFC free.

A number of other products are also featuring 'Environment Friendly', 'Ozone Friendly', and 'No CFCs' labels. In the lead-up to the official ban I would appeal to South Australian consumers to exercise discretion in shopping and to reject products containing CFCs. In announcing a ban on the manufacture and import of CFC aerosols from the end of this year, the Deputy Premier explained that there will be some exemptions for essential uses, but fortunately these will require a minimal amount of CFCs compared with the massive 30 per cent of the total usage of CFCs currently placed in aerosol cans.

Domestically, with industry's cooperation, Australia has reduced CFC consumption by 30 per cent since 1988 and, as a nation, we are aiming for a 50 per cent reduction by 1993 and a 100 per cent phase-out by 1998. The manufacture of packaging or insulation containing or made with CFCs will be banned from the end of this year.

Recently, the Prime Minister (Mr Hawke) during a visit to the Republic of Korea, Thailand and India, offered to arrange for the unilateral transfer of technology which would enable those countries to conserve and recycle CFCs in a fashion similar to that proposed in Australia. I understand that details of these arrangements are now being considered.

This kind of approach is vital. In Australia, the use of refrigeration became standard 40 years ago. However, in large developing countries its use is still uncommon. In China there are now plans for a refrigerator in every household. China wants its 300 million households to have the same kinds of facilities that 4 million Australian households have had for years. However, the implication for CFC use and production would be enormous if the Chinese followed the Australian, British or German model. If China uses existing technologies, its use of CFCs will equal that of the United States by the year 2000.

At the recent London conference Barry Jones raised the moral problem for the Western developed world. He stated:

Can we ask the less developed world to adopt lower standards of convenience and amenity than we do?

The West cannot give up a little and demand that the Chinese, Indians and Africans give up a lot. This makes the pressure for developing CFC alternatives far more urgent.

Large corporations such as ICI and Dupont are making rapid progress in developing alternatives and it is believed these products will be commercially available in Australia in 1991. I am pleased that the Deputy Premier has drawn attention to the opportunity provided to South Australian industry by our moves to drastically reduce CFC production.

I am also pleased that the South Australian Government will provide an incentive to local industry through its Public Service purchasing programs. All South Australian Government agencies will be instructed to give preference to products which contain no ozone depleting substances, those that are manufactured without the use of ozone depleting substances, and those that do not use these substances in their operation. I am certainly heartened by the public's interest in issues such as the threat to the ozone layer and the greenhouse effect. Last year a national poll conducted by the Saulwick market research organisation found that 75 per cent of Australians knew about the greenhouse effect, believed that it would affect them personally, and wanted something done about it.

Worldwide concern about greenhouse and ozone depletion is growing. Last June, the Government of Canada hosted an International Conference in Toronto on 'The Changing Atmosphere and its Implications for Global Security'. More than 300 scientists, Ministers and policy makers from 48 countries, UN agencies, OECD and other international bodies and non-government organisations participated in the sessions. The conference warned:

Humanity is conducting an uncontrolled globally pervasive experiment whose ultimate consequences could be second only to a global nuclear war . . . The best predictions available indicate potentially severe economic and social dislocation . . . which will worsen international tensions and increase the risk of conflict among and within nations. These . . . changes may well become the major non-military threat to international security and the future of the global economy. It's imperative to act now.

The London conference held in March brought the total number of signatory nations to the Montreal agreement to 52. It also strengthened the protocol to ban all chlorofluorocarbon production by 1995. This is an exciting new development and I was interested to hear Barry Jones's comments that nations which thought Montreal went too far two years ago are now anxious to become signatories so that they can play a part in strengthening it.

I mentioned earlier that CFCs can last in the atmosphere for up to 100 years, so we have already bequeathed present and future ozone damage to our descendants. We have a moral responsibility to take the strongest possible action to mitigate the effects of our environmental vandalism. Australian legislation, at the Federal and State level, is an important first step.

The Hon. D.C. WOTTON secured the adjournment of the debate.

COMPULSORY UNIONISM

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

That this House condemns the Government for implementing a compulsory unionism policy in relation to Government contracts and specifically notes that it is discriminatory, breaches international human rights declarations, adds significantly to costs, supports the damaging activities of building industry unions and is in conflict with the development of the State.

(Continued from 8 September. Page 734.)

Mr OSWALD (Morphett): This motion was last debated on 8 September 1988. Let me underline what the member for Mitcham said when he originally moved this motion. First, he said that both the Federal and State Liberal Oppositions are committed to abolishing all forms of discrimination in favour of unions in Australia. Secondly, we are looking for a return to a balance in the industrial relations system in this country. Thirdly, we will be looking to the removal of all closed shop arrangements and preference clauses. Fourthly, we will not tolerate compulsory unionism in any shape or form.

Apart from being a violation of human rights, it is also downright unhealthy to the Australian economy if we have this type of policy being implemented and forced upon us. This is particularly so with the Bannon Government's policy which prevents employers tendering for State Government contracts if they do not have a fully unionised work force. The Premier and his union backers think that the industrial politics of holding employers by the throat and squeezing them until they bleed is smart politics. Is it any wonder, I ask, that the blatant abuse of union power and wage negotiations saw us price ourselves out of the Asian markets and saw us almost relegated to Third World status?

Getting back to the question of compulsory unionism regarding Government contracts, I remind the House of the example raised by the member for Mitcham on 8 September last. It makes for interesting reading. A painter in a country town was actually told by the Bannon Government not to submit a tender for a school painting job unless he had 'signed up' his two employees. When this directive was challenged and the department informed that the cost of painting the school would double if another team was brought in from Adelaide, the painter seeking the original contract was then informed by Sacon on behalf of the Bannon Government that he would not get the contract and it would go elsewhere. In other words, the Government, through the Treasurer of this State (John Bannon), is prepared to condone the wholesale wastage of taxpayers' money to satisfy the policy demands of the industrial wing of the Labor Party on South Terrace.

Let us get this system of policymaking and power sharing, and its implementation and the industrial muscle that backs it up within the Labor Party, clearly sorted out once and for all. At a State level, the Labor Party consists of two divisions. On South Terrace there is the industrial wing of the Labor Party—the United Trades and Labor Council. Here on North Terrace is the political wing, the spokesmen for these faceless men that preside at South Terrace within the UTLC.

Members interjecting:

Mr OSWALD: Members opposite laugh. They know I am absolutely right. They are purely at the beck and call of the instructions that feed out of Trades Hall in South Australia the same way that the Prime Minister is compelled to listen to instructions from the ACTU officers in Melbourne. Do not let any member opposite try to convince me that the ACTU in Melbourne does not have an overbearing impact on the policies of the Hawke Government. In fact, they sit in committee and at Labor Party conventions and discuss policies with them. Do not let any member here tell me that the hierarchy at Trades Hall on South Terrace does not have an influence on the conference floor at Labor Party conventions in South Australia and give riding orders to the line-up.

Most members opposite who have been union secretaries are in this place because of that very system that exists within the Labor Party. It is a stepping stone from the industrial wing on South Terrace, through their unions, and to this place, where they carry out the policies of the industrial wing of the Labor Party on South Terrace.

That is the situation in South Australia, and the sooner the people understand that situation, the sooner they understand where industrial relationships are going in this State. In the paper this morning the Minister of Labour was making great play about the level of industrial disputation in this State and said that consultation takes place. The figures are accurate, but the consultation takes place between the Government and the unions round at South Terrace. Arrangements are set in train, and let no honourable member in this place ever try to tell us otherwise.

Let us go back to this painting contractor who was denied a job because he did not have his men signed up in the union. Using that as an example, we have this disgraceful situation where these faceless people down on South Terrace exercise the power to direct their spokespersons on North Terrace—the Minister controlling Sacon, and Mr Bannon, who controls the Treasury of this State—to write off and waste taxpayers' money to maintain this closed shop policy. It is a fact of life: that is what happened. Sacon, through the Treasurer, instructed the employer that he would not be given the job because he had a closed shop.

If members opposite dispute this, please get up and speak to the motion. Last time this debate came before the House, no-one on the Government benches stood up. Shortly, I will come to the reasons why no-one stood up. I, from the conservative side of politics, took the adjournment on this motion because no Government member was going to stand up and respond.

Members interjecting:

Mr OSWALD: I look forward to the member for Albert Park taking the adjournment of this debate, so that I can then hear his response. Now that members opposite have been bluffed into it, they are responding. The member for Albert Park would not have responded before, but he has been bluffed into it because he knows the odium which will attach to the Labor Party if it does not respond to it. There is no doubt that the direction given to Sacon not to give contracts for the employment of labourers unless the employers employed a union work force involved the Treasurer of this State, because it is a directive which has come from South Terrace to the Cabinet, has been endorsed by Cabinet and endorsed by the Premier of this State.

The Premier/Treasurer did not interfere, although he was aware of that policy. He did not interfere with it because he is in league with the BLF and the BWIU and is clearly happy to condone the arrangements and placate the unions. One really must understand that the arrangement is set in place. Members opposite laugh because they are embarrassed. They know that the arrangement is in place and they know it is Government policy. They will do anything they can to muddy the waters in this place to try to hide the fact that if employers do not have fully unionised workshops they will not obtain contracts.

In this case the Government was prepared to send a painting team from Adelaide to fulfil the contract, at major expense to the South Australian taxpayer, for the sake of the instructions from South Terrace, from the trade union movement, which are set in train on the floor of the ALP conference each year. By this 'join up or no job' policy, the Premier of this State has demonstrated his support for these unions and the tactics they use. No-one can deny that.

I have another question of the Premier: what is his attitude to unions which are vetting confidential tenders to ensure that only compliant contractors receive work? He knows that it is going on but, as yet, he has ignored it, as he has ignored previous questions on this matter. This was very topical in the public arena last year although it has not been raised in this House since, because we have not had the opportunity. However, I raise it now. For too long the Premier and his supporters have hidden behind this facade of claiming that they support a policy of preference to unionists and not compulsory unionism.

This twisting of words to fudge the real policy of the UTLC and the ALP is another example of how this Government is prepared to use the English language to twist reality. This Government is a past master of deceit and deception in many areas, and this is no exception. It is doing it purely to muddy the waters and cover its tracks to the ballot box so that the public thinks that it is only a preference for unionism. We know that it is nothing like that at all; it is straight out compulsory unionism.

During private members' time when members opposite had the opportunity to respond to this motion, no-one responded. I sincerely wonder why. There has always been a longstanding tradition in this place that, when a member from this side of the House moves a motion, someone from the other side will respond. It is fascinating to see that when the member for Mitcham sat down there was absolute deathly silence from the other side because no-one was game enough to stand up and be counted on the issue of the contractor in the north.

I suggest the following reasons why members opposite were too embarrassed to respond: first, they would have had to admit that the policy of compulsory unionism to obtain Government contracts actually existed. They knew the case existed; they knew that the contract did not go up there and someone would have had to stand up and say that that had not happened. I look forward to a response from the member for Albert Park because he has committed himself to a response to this motion. I want to hear how he will worm his way carefully out of this issue.

Secondly, Government members would have had to admit that the case of the school painting contract was absolutely correct. The honourable member would have had to admit that when he responded. That would then have led to embarrassment for the Premier who persists in arguing that this Government has a policy of preference to unionists. When the member for Albert Park responds we will find that he will not be able to deny that the contracts were refused because two members of that painting gang were not members of a union. I look forward to the honourable member's response.

It will be interesting to see whether any members do, in fact, rise; we were jesting across the Chamber that the member for Albert Park will respond. However, whoever responds will be put right in the hot seat because there is irrefutable evidence before this House that the Government, through Sacon and the Minister of Housing and Construction, did increase Government spending by bringing in an Adelaide painting contractor so that it could placate the hierarchy at Trades Hall and follow the policy set down in Cabinet and on the floor of the ALP conference at State level.

With the Premier currently looking at options for an early election, I wonder whether Labor Party members will walk away again today. The Labor Party's policy of compulsory unionism for contracts adds significantly to the costs of contracts; it is discriminatory; it breaches the international human rights declaration; it supports the damaging activi-

ties of building industry unions; and it is in conflict with the development of this State. It is to be deplored.

Mr HAMILTON secured the adjournment of the debate.

FREEDOM OF INFORMATION BILL

Second reading.

Mr OSWALD (Morphett): I move:

That this Bill be now read a second time.

Prior to 1983, the Australian Labor Party seemed to support full freedom of information legislation. Indeed, it was very vocal on the subject. In 1983, the Labor Government established a freedom of information interdepartmental working party. That working party reported in December 1983, and that report was accepted by Cabinet. The report generated a great deal of interest in the media, and those of us who believe in democracy believed in any provision that would provide the public with access to information of importance to them and that this information would, in fact, be forthcoming. At that stage the Attorney-General seemed keen to support the concept.

Since that time his enthusiasm has changed, allegedly on the basis of cost alone. Yet at no stage, I am advised, has the Government investigated the level of charges to make it revenue neutral. Figures have been thrown around by the Government, when resisting the passage of legislation—I refer particularly to this Bill, which originated in another place by the Liberal Party—and it has been claimed that the Liberal Freedom of Information Bill would cost about $1.8 million to administer; yet no study has been undertaken to establish this. We have no proof whatsoever that that figure is accurate.

Later I shall detail many reasons for supporting total freedom of information legislation, not a partial support of the Government's administrative freedom of information instructions for personal records only. Let me set the scene by quoting from a letter from the South Australian Council for Civil Liberties:

> Among the important reasons for supporting this legislation are:
>
> (1) the philosophical principle that citizens of a society should have the right to obtain information held by the Government which they elect;
>
> (2) the clear frustration which now confronts members of the public who seek Government information, only to discover that they are denied access (the recent controversy over the bushfire claims in the Hills is a case in point);
>
> (3) the alienation which results from a perception of Government, and the Public Service, rising above the ordinary citizen.

In 1983 the Labor Party led people to believe that it fully supported freedom of information legislation. It has now gone to water on that promise. The Government's administrative freedom of information is certainly not a halfway house; it is a weak attempt to placate its critics. There is a big difference between administrative freedom of information and going the full way with supporting legislation.

This is the real crux of what I am about to say. The fundamental difference is that the administrative system recently introduced by the Government provides no legislative back-up to force the Government or a Government department to hand over anything to the public. In the absence of legislation, the administration of a freedom of information policy is more likely to be affected by departmental or administrative convenience, such as the availability of resources in records management and information functions. Documents which might well be disclosed may, in the absence of a statutory requirement to disclose, be withheld because their release would be embarrassing or too much trouble. These are not my words or sentiments: they are taken directly from the working party report, and that is important.

They reinforce my personal view, which I have already expressed, that unless we enact full freedom of information legislation which provides legally enforceable rights of access to any documents in departments, statutory authorities or the like, we are not providing to the public access to information which currently is still being held behind closed doors. In determining a case for full freedom of information legislation, it is interesting to refer to the Labor Government's working party report which came out in 1983. On page 8, chapter 3, the report states:

> The case for openness in Government is compelling. The essence of democratic government lies in the ability of people to make choices about who shall govern or about which policies they support or reject. Such choices cannot be properly made unless adequate information is available. Access to information is essential in ensuring that Governments are kept accountable. The accountability of the Government to the electorate is the cornerstone of democracy and, unless access to sufficient information is provided, accountability disappears. Without access to information individuals are unable to participate in a significant and effective way in the process of policy making.

I support my remarks by referring to several of the 32 recommendations and conclusions contained in chapter 2 of the working party's report. Recommendation 1 refers to freedom of information legislation being enacted. It refers to full freedom information legislation and not the administrative instructions that have been given to departments which have no substance nor legislative backing. Recommendations 2 to 7 provide:

> 2. The basic principle to be embodied in freedom of information legislation should be that a person has a legally enforceable right of access to any document in the possession of an agency unless that document is in a category of exempt documents . . .
>
> 3. Agencies should cause to be published information setting out their functions, the information they hold, and their 'internal law'.
>
> 4. The legally enforceable right of access should not apply to a document that is available through other channels.
>
> 5. The legislation should apply to all Government departments and body corporates established for a public purpose by, and in accordance with, the provisions of an Act, or an incorporated body created by the Governor in Council or by a Minister . . .
>
> 6. The legislation should apply to documents in the possession of a Minister relating to the affairs of a department.
>
> 7. The legislation should apply only to the administrative and support services of the Parliament, courts and tribunals.

Recommendation 14 provides:

> 14. An agency should be required to notify a decision on a request for access . . .

Recommendation 16 provides:

> 16. The right of access to a document might be met by allowing the person to inspect the document, by providing him with a copy, by allowing him to hear or view sounds or visual images . . .

It covers all access to all documents. Recommendation 21 lists documents that should be exempt from mandatory access under legislation, as follows:

> Cabinet documents;
> documents containing matter communicated by other states or the Commonwealth;
> internal working documents;
> law enforcement documents;
> documents affecting legal proceedings;
> documents affecting personal privacy;
> documents relating to trade secrets;
> documents affecting the economy;
> documents containing material obtained in confidence;
> documents arising out of companies and securities legislation;
> documents to which secrecy provisions of enactments apply.

Whilst the recommendations are broad, certainly the required safeguards are sitting there to prevent abuse of the system.

Allowing the public to have access to information is a sure way of keeping a Government honest. It is a sure way of making a Government accountable, and I find nothing offensive in that philosophy.

In the *Advertiser* of 4 December last year an article headed 'SA Government lifts lid on personal files' describes how the Government made an attempt to get itself off the hook with pressure building up after the Liberal Bill had been introduced in another place to proceed with full freedom of information legislation. The article states:

S.A. citizens will be given access to personal information held on them by the Government. The move, announced yesterday by the Attorney-General, Mr Sumner, is the first step towards the introduction of freedom of information legislation in S.A. The Government also has announced it has approved in principle the formation of a permanent privacy committee. Access to information will cover any records of a personal nature kept by Government departments including health records, some police records, and Housing Trust records.

Any member of the public reading that article could be excused for thinking that we had freedom of information legislation. I conclude my remarks by reminding members that there is absolutely no legislative backing to force a Minister or a department to abide by the administrative instructions set out by the Attorney-General as indicated in that article. No legislative instruction exists to make the administrative instructions enforceable. This is an important Bill and it should be supported by members. It is imperative that in the interests of open government this type of legislation be enacted and that we take two or three steps forward from the administrative instructions to Ministers and their departments and that we give serious consideration to such legislation in South Australia. I earnestly urge all members to support the Bill.

Mr DUIGAN secured the adjournment of the debate.

WEST BEACH TRAFFIC LIGHTS

Adjourned debate on motion of Mr Becker:

That, in the opinion of this House, pedestrian activated traffic lights should be installed opposite the West Beach Baptist Church, Burbridge Road, West Beach, for the safety and protection of school children attending West Beach Primary School, parishioners, senior citizens, residents and all visitors who use the Scout Hall, Apex Park, tennis courts and other recreation facilities.

(Continued from 16 March. Page 2489).

The Hon. G.F. KENEALLY (Minister of Transport): On 16 March, before I sought leave to continue my remarks, I explained to the House that in my view it was not appropriate that the House determine where pedestrian activated traffic lights should be provided within the metropolitan area. If this became the practice, every member of Parliament would be encouraged to put before Parliament for decision these sorts of traffic matters. At the same time, I acknowledge the right of private members—in this case the member for Hanson—to raise such matters of concern within Parliament. I indicated previously that I intended to amend the honourable member's motion—not limiting the rights of members, although at the same time not giving Parliament the responsibility for something which is very much of a technical nature. Accordingly, I move:

Leave out the words 'pedestrian activated traffic lights should be installed' and insert in lieu thereof the words 'the Highways Department should investigate whether a warrant exists to install pedestrian activated traffic lights'.

The amended motion would thus read:

That in the opinion of this House, the Highways Department should investigate whether a warrant exists to install pedestrian activated traffic lights opposite the West Beach Baptist Church, Burbridge Road, West Beach, for the safety and protection of school children attending West Beach Primary School, parishioners, senior citizens, residents and all visitors who use the Scout Hall, Apex Park, tennis courts and other recreation facilities.

I urge the House to support the amendment—for all the reasons that I outlined when I spoke on this matter on 16 March.

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

COASTAL POLLUTION

Adjourned debate on motion of Mr Oswald:

That this House censures the Government for failing to respond to warnings over the past five years from commercial and recreational fishermen and senior officers and scientists from both the Departments of Environment and Planning and Water Resources and for failing to widen legislation and take the hard decisions which are essential to prevent further increasing pollution and destruction which is occurring to our metropolitan coastal ecological systems including the Patawalonga outlets and adjoining beaches at Glenelg.

(Continued from 16 March. Page 2493.)

Mr ROBERTSON (Bright): In 1964, one of the member for Morphett's counterparts in the United Kingdom, one Enoch Powell, became justly famous for his speech which later became known as his 'Rivers of blood' speech, and now, in the light of the member for Morphett's speech on this motion, I fear that he will become equally famous for his 'Rivers of crud' speech.

Members interjecting:

The ACTING SPEAKER (Hon. D.C. Wotton): Order! The House will come to order!

Mr ROBERTSON: I wish to amend the member for Morphett's motion and, accordingly, I move:

Leave out all words after 'That' and insert in lieu thereof the following:

'this House urges the Government to introduce as early as possible in the next session of Parliament legislation to adequately control point source discharges of pollutants into the ocean or inland waterways; that it recognises that non-point source pollution is a legacy from 150 years of European settlement, involving inappropriate land management practices, drainage of the reed beds and other areas of the Adelaide Plains, and phases of unplanned industrial development; and, further that it urges that strategies be developed to adequately assess the contribution to the pollution load caused by these factors and investigate these effects consistent with the continued use of the Adelaide Plains as the commercial, industrial and residential centre of South Australia'.

Before addressing the direct content of the motion, I wish to refer to one or two matters raised by the honourable member last week and point out some of the inadequacies in his motion. I have to say that the general point of the motion is well taken, that there are areas of concern with respect to both point source and non-point source pollution in South Australia and, specifically, in St Vincents Gulf. I sat here last week listening in rapt amazement to the honourable member talking about E.coli and heavy metals. (Having heard that, I wondered about his taste in rock music, because it seemed that it would be a useful epithet for a pop outlet.) However, on further investigation it turns out that E.coli and heavy metals are of concern, and the only question really is how best to address that concern—not the fact that it is a concern, because that is agreed by all parties.

In his speech the honourable member mentioned that only in the 1970s other States—namely, Queensland, New South Wales, Victoria and Tasmania—had passed laws preventing pollution of the marine and inland waterways. It turns out that the laws in New South Wales, which have

been in place for about 10 years, are so stringent that one can be prosecuted for throwing a stone into a pond and muddying the water. However, that has not stopped the state of pollution at the sewage outfalls along the Sydney coastline from being so severe of late that the New South Wales Government—under our friend Nick Greiner—has had to issue warnings to people not to enter the surf and use that part of the beach. It has given a whole new impetus to the phrase 'going through the motions' when people swim off Bondi.

It is worth pointing out in this context that, although we have problems with the gulf (which is a closed water system as the honourable member pointed out), New South Wales has the whole of the Pacific Ocean with massive circum-Pacific currents which sweep the Sydney coastline for six months of the year, particularly during the six months of summer when the problems arise and those currents are at their strongest.

However, South Australia has to contend with a closed gulf which, as the honourable member pointed out, is almost an enclosed waterway with limited circulation—there is very little inflow and outflow. However, we still do a better job in Adelaide than is the case in Sydney. We do not have to warn swimmers off the beaches; we do not have to go along the beaches picking up hypodermic needles; and we do not have to clean up bits of solid material, because our effluent is treated. The problem with our effluent is not that it is untreated and that human material is being discharged into the ocean—it is that it is treated rather too well. In fact, we discharge effluent that is of a high nutritional value to various kinds of marine plant species.

Therein lies the problem. We are not discharging human effluent into the gulf—we resolved that problem decades ago. We have treated the sewage problem. In fact, we have done what Sydney ought to have done. However, we still have problems with water volumes and nutrient content.

The honourable member also made the point that the short-lived and almost forgotten Liberal Government of the 1979-82 period investigated the drawing up of legislation. As I understand it, the then Minister for Environment and Planning, who is well known to you, Sir, sought and obtained Cabinet permission early in the period of that Government to proceed with legislation to address point source and non-point source pollution of marine and inland waterways. However, nothing happened. After three years as Minister, nothing happened; and, at the end of 1982 when the Tonkin Government went into oblivion, still nothing had happened.

The problem is that this area is a difficult one. You would appreciate, Sir, that there are many contending forces to be brought together when framing legislation of this kind, and many little bureaucracies have to be coordinated. People from Marine and Harbors, E&WS and Fisheries have a clear vested interest in this type of legislation and each has their own barrow to push. Juggling all the contending forces is not an easy matter. The honourable member quoted from the recently released report entitled 'The State of the Environment Report for South Australia'. I quote from the report as follows:

> Major factors identified so far in the dieback—

and we are talking about the dieback of seagrass meadows—

> are changes in discharge of water (quantity and quality), nutrients and treated sewage effluent outflows.

There is no mention of the problem which appears to be the nub of the member's concern—the state of the Patawalonga. That is quite different to the problem of sewage effluent. In my view, the honourable member made a deliberate attempt to confuse those two separate issues—issues with which I will deal separately in a moment.

An honourable member interjecting:

Mr ROBERTSON: Oswald Island—correct. The honourable member implied that the Government had reacted to recent criticism by setting up an inter-governmental working party headed by Gary Stafford of the Environment Management Division. As the honourable member said, the committee met for the first time last month. My inquiries have revealed that meetings of that kind have been going on for years. This testifies to the difficulty of trying to frame this kind of legislation. It has not as yet come out of the mill, as it were—it has not emerged in the form of workable legislation.

There now exists a standing committee of the Chief Executive Officers of Fisheries, Marine and Harbors and Environment and Planning. This group has been trying to ride shotgun over the impending legislation for many months. So, to suggest that the group headed by Gary Stafford is some sort of knee-jerk reaction is quite untrue and patently false. However, it underlines how long this concern has been around, how serious it is and how difficult it is to reach some sort of basis on which to frame legislation that is acceptable to all the contending points of the triangle, namely, Fisheries, E&WS and Marine and Harbors.

I now turn to the substance of my motion: namely, that it be recognised that this is a cumulative problem and that the various sources of pollution need to be treated separately, addressed and perhaps there should be separate legislation. I wish to stress the historical context in which we find ourselves. It is true, as my amendment indicates, that we are here because of 150 years of European history. We cannot undo that history. It just happens that we settled on the eastern half of an enclosed gulf in a subtemperate region on the southern part of *Terra Australis*. We cannot undo that—we cannot suddenly move Adelaide somewhere else. That would be a great solution to the problems of the Patawalonga and other areas, but it would not be very practical.

The other point to recognise is that essentially the problems we are talking about are not widespread. They are peculiar to the Gulf St Vincent because of its enclosed nature and, to a lesser extent, to bits and pieces of Upper Spencer Gulf because of the level of industrialisation in that area. It must be pointed out that 80 per cent of South Australia's population lives on the eastern shore of St Vincent's Gulf, and that is the reason for the problem. It is a problem of history and aggregation of population on the Adelaide Plains. It will not go away easily.

As the honourable member recognised, there are two major kinds of pollution: point source and non-point source pollution. I will deal separately with the difficulties of framing legislation for each type of pollution. To a large extent, point source pollution is covered by a plethora of Acts—the Local Government Act and the Waste Management Act. As the honourable member suggested, the solution is probably one Act to bring all of those bits and pieces together to identify point source polluters and specify various kinds of penalties and measures to prevent that sort of pollution from occurring. For two years officers of the Department of Environment and Planning have been trying to coordinate efforts, including those of other departments, to bring legislation to fruition, I am assured, and the motion states, that every effort will be made to bring such legislation into this place in the next session of Parliament.

I turn to the problem of sewage treatment which, in a sense, is non-point source pollution because it orginates from a number of sources but, in another sense, is point source pollution because it is discharged at a particular point. As I mentioned earlier, officers of the Department

of Environment and Planning have been to other States to look at relevant legislation. New South Wales has had incredibly tight, perhaps draconian, legislation for the past 10 years, but that has not stopped its pollution problems off the Sydney seaboard. Problems arise here because we have an enclosed gulf but Sydney, with the entire Pacific Ocean, cannot sort out its problems, despite its legislation.

It is conceded that the discharge of effluent water from the four treatment works along Adelaide's coastline, namely, Christies Beach, Glenelg, Port Adelaide and Bolivar, has some effect. The latest report on the state of the environment (the EPA report) makes that quite clear, and that point has not been contended. The evidence suggests that up to 2 per cent of the seagrass meadows off the Adelaide coastline has been wiped out by effluent from the various treatment plants and that another 1.5 per cent or thereabouts is threatened and degraded. The fact that 3.5 per cent of the total has been affected is not necessarily a major issue when it is considered that the Adelaide contribution occupies roughly one-third of one side of the gulf, the side where seagrass meadows are most prevalent. That figure of 3.5 per cent for the whole of the gulf effectively means 3.5 per cent of the Adelaide coastline, because that is where most of the seagrass meadows grow.

The other piece of evidence that is emerging is that most of the dieback of seagrass meadows took place almost instantly on the commissioning of the various treatment works. Because of the increased influence of relatively fresh water, the increased nutrient load and a whole range of temperature and other factors, dieback occurred quickly. Evidence suggests that, while it is conceded that dieback of 2.5 per cent has occurred, there has not been much dieback in recent years because the initial shock is what killed the seagrass meadows.

The interesting point to ponder is what are the alternatives to marine discharge of treated effluent water. If the water were treated on land, if it were pooled terrestrially, it would fill a lake 10 square kilometres in area to a depth of 10 metres per year, and that is a daunting prospect. The evaporation rate on the Adelaide Plains is of the order of two metres a year and it is quite impractical to balance off that evaporation against the inflow. At that rate an area of 50 square kilometres would be needed for an inland discharge pond, which is not a workable solution, given the urbanisation of the Adelaide Plains and a lack of any suitable area of that size to take the run-off. It simply cannot be done. It is a problem, granted, but the solutions are difficult.

What are some of the other choices? Possibly the Port Adelaide treatment works could be closed and maybe some of that load could be diverted to Bolivar. That would at least get around the problem in the rather closed system of West Lakes and the Port River—

Mr Hamilton: That would cost about $100 million.

Mr ROBERTSON: Exactly. The Port River is a sort of microcosm of the gulf, in the sense that it is a relatively closed system and is receiving a fairly high load of urban run-off and its share of industrial run-off as well. There is a solution, but it comes at an enormous cost. It could be done if one was prepared to pay the price. I suppose one could fly it to Lake Eyre and drop it there, but that would not be a very effective solution.

One of the more workable solutions would be to extend the discharge pipes at the four treatment works out beyond the seagrass meadows so that they, at least, are not affected. But, in a sense, that then entails the risk of displacing the problem. Despite what the member for Morphett said last week, the other question is how much effect does the degradation of those seagrass meadows have on commercial and recreational fishing. How important are those seagrass meadows in the breeding and nurturing of recreational and commercial fish species? There is some doubt as to their importance. Clearly, they are important, but how important is difficult to quantify. It is quite ludicrous to suggest that what has been done will wipe out, in one sweep, fishing in the gulf.

Another aspect is stormwater treatment which I guess, in one sense, is point source pollution but, in another sense, is diffuse, non-point source pollution. What do we do with stormwater? There are huge volumes to be disposed of. We have destroyed the natural filtering mechanism—the reed beds—in creating the electorate of Henley Beach.

Mr Hamilton: And West Lakes.

Mr ROBERTSON: Exactly, and West Lakes. But, that is history. That has already occurred, and people now live in that area. People will not want to see the Torrens River reed beds recreated. It is not a practical, feasible or politically possible solution. Those reed beds acted as a wonderful filter. What happened was that all the non-point source stormwater from the Adelaide plains and the nearby Hills finished up in the system at the Fulham (Torrens) reed beds, some drained out through the Patawalonga and the Port River, and a good deal of it went back into the underground aquifers to recharge the underground water supplies that were used by so many residents in the middle to inner ring of suburbs—from Brighton right through to the Hills face—around the Adelaide city.

That aquifer does not now recharge in the same way, and it has been degraded considerably. We set that die. 'We,' as a society, made the decision during the 1930s to build the Torrens break-out and drain the reed beds; and we made the decision in the 1950s to convert Sturt Creek into a concrete drain (and I have had something to say about that in the past). Those decisions have been made, and they are not particularly easily unmade.

What are the solutions? Clearly, we cannot reinstate the reed beds. Can we pond? For reasons I mentioned earlier, I suggest we cannot; it is not practical and there is nowhere to do it. Indeed, a solution to the problem of run-off might not be possible. It is a result of 150 years of urbanisation, of made roads, of concrete footpaths, and of people's roofs. The amount of run-off and the silt sediment load in that run-off has increased considerably. The quantity of industrial pollution in that run-off has increased considerably because we have a legacy of nineteenth century industrial planning in some parts of the city. Also in that run-off there is a considerable component of litter that people simply leave on the streets.

How is this problem to be overcome? Clearly, the boom at the Patawalonga has not worked particularly well. There is no easy solution. Despite the honourable member's railings last week, the solution has not yet been addressed. However, I assure the House that at the very first opportunity and as early as possible in the next session of this Parliament, the matter will be addressed. It will represent a continuation of effort that has taken place for some years involving the three departments in question. It is hoped that, after a gestation period of that length, the legislation will be workable and practicable and that it will not cause us to do what the honourable member seems to suggest, that is, uproot Adelaide and move it somewhere else.

The Hon. JENNIFER CASHMORE secured the adjournment of the debate.

COMMUNITY MEDIATION SERVICES

Adjourned debate on motion of Mrs Appleby:

That the Government and in particular the Attorney-General, be congratulated for the increase in financial support to community mediation services and for ensuring the use and participation of these services are evaluated and monitored by the establishment of the Community Mediation Service Evaluation Team.

(Continued from 16 March. Page 2494.)

Mr OSWALD (Morphett): I will speak briefly to this motion today. I believe that the Community Mediation Service is doing an excellent job. I would like to see further expansion of that service. If anything, I would have to say that the success of the Norwood Mediation Service has proved that the service should have been extended many years ago with Government support.

For many years now there has been a feeling of frustration with the economy, and frustration in families. On many occasions that frustration boils over into disputes with next-door neighbours. Recently, a worker in the mediation service was contacted in relation to a situation in which frustrations reached a point where one person said to their neighbour, 'I am going to kill you' and, when the neighbour saw a grave being constructed in the backyard of the person who had made the threat, they decided it was time to enlist the help of a mediation service. That story was related to me by a field worker, and I assume that it has a basis of fact. It is desirable that the service be extended.

At a later date I want to comment on the Opposition's belief that the service can be extended so that it will be more effective. Although the member for Hayward couched her comments on this motion in vague terms purely for political purposes and to demonstrate to the media that she is showing some interest in this area, she did not detail how this service should be implemented and expanded. The Liberal Party has some very positive views and plans for that service that I believe should be placed on record. I intend to do that in the future, so I seek leave to continue my remarks later.

Leave granted; debate adjourned.

FOREIGN OWNERSHIP OF LAND

Adjourned debate on motion of Mr Gunn:

That in the opinion of the House, a select committee should be established forthwith to determine whether or not legislation is required to identify foreign ownership of land in South Australia and, if it is required, what form of public register of all future purchases of land by non-resident individuals or foreigners should be established.

(Continued from 16 March. Page 2496.)

Mr ROBERTSON (Bright): I wish to amend this motion. I move:

Leave out all words after 'That' and insert in lieu thereof 'this House calls on the Federal Government to discuss with the States the establishment of an appropriate uniform mechanism to identify and register foreign ownership of assets in Australia'.

That amendment takes on board some of the legitimate concerns which I believe members opposite—and I imagine members on this side also—have about this matter. In the 1980s it is not inappropriate for Governments of all persuasions in all nations to know something about capital flowing in and out of that country, where it is coming from and where it is going to. I can sympathise with a number of points made by the honourable member last week.

He makes the point that when overseas investors can be taxed at 3 per cent in their own countries, instead of the prevailing tax rate in this country, there is every reason why overseas investors ought to be investing here. Indeed, I suppose that is true. I agree with the honourable member inasmuch as I see no problem with a Federal Government having some monitoring role over the inflow of foreign capital, and that is the reason for the amendment.

The honourable member opposite also made the point that the use of nominee companies was quite common and, indeed, it is possible to displace income to almost wherever you want for the purposes of taxation. I have picked up that issue in this place previously. I have occasionally referred to the Bond Corporation and others who indulge in this practice, and it would be my contention that we are threatened less in many ways by overseas investors moving money into this country for the purposes of making profits and investing in Australia than we are by our own trans-national corporations who insist on moving their taxable income—the positive aspects of their operations—offshore and having tax levied in the Solomon Islands, the Virgin Islands, the Channel Islands or any other sort of islands that act as a tax haven, and displacing all their liabilities onto their Australian subsidiaries. That appears to be the way that companies work in the modern day, and I regret that Australian companies have not seen fit to have the loyalty, patriotism or good sense to play it straight, keep their profits in Australia and pay the requisite tax to this Government.

I repeat: we are more threatened by Australian corporations moving their assets and profits offshore than we are by foreign companies and investors trying to invest in this country. Nevertheless, I take the point made by the honourable member that the situation needs to be looked at. He went on to take a line with which I find myself in disagreement. We had mixtures of emotive language such as, 'We don't want to become tenants in our own State.' It is perhaps good stuff for political pamphlets, and the like, but it really does not become this House.

Mr Tyler: It's good newspaper copy.

Mr ROBERTSON: It is good newspaper copy, but it did not succeed. It did not get a headline so it did not matter. What does not get a headline does not matter. It was purely emotional. It had no basis in fact whatever, and it was straight out rank emotionalism. He then went on to up the ante and make a threat that, if we did not cave into his whims, he would introduce the Queensland legislation. Queensland is the only State in Australia that has introduced legislation. Having made national headlines on the subject by having the legislation passed, Mike Ahern has allowed it to lie without being proclaimed, and there is no indication that it will be proclaimed. The Queenslanders, having got their headline and made their point to foreign investors (although I am not sure that it was a smart point to make), then decided to lie doggo and wait to see what the rest of Australia did.

It is my hope, and I suppose the hope of the member opposite, that Australia will move towards national legislation. That is the purpose of this amendment: to urge the Federal Government to follow that course. It is not atypical of the member for Eyre to make threats of that nature. It is the way that he tends to perform, and I suppose it is not out of character. It is regrettable that, on an issue as sensitive politically and socially as this one is, we had members standing in their place using blatant emotionalism and threats in the way that he did. I wonder what the effect will be of a national register. It seems to me that we might well find, not that we are being overcome by Japanese money, but

that the old silent partners, the UK and US, are the major holders of assets in this country.

Most of use can cast our minds back to the days when Vestey's owned about two-thirds of the land area of the Northern Territory, and the horrendous struggle the Gurinji people had even to get themselves onto award wages, much less address the question of land rights in their own country. We may find, when this register takes effect and begins to list who owns what and where, that the 'baddies', the people we have most to fear, who own most and who own the most strategic property in terms of economic assets and productive land, are in fact the United States and the United Kingdom. I wonder what the honourable member's attitude will be then, when he finds it is not his favourite target—the Japanese—who are doing the investing.

Without national legislation, nothing appears destined to happen. It is quite clear that the only course for a rational and national approach to this problem is for national legislation to be enacted, and it seems that even Queensland has recognised that. As I suggested earlier, the Queensland legislation has not as yet been proclaimed. In yesterday's edition of the *News*, an item in the business pages suggested that the Federal Government is already moving in this direction and that legislation which would give effect to this passed the Senate the day before yesterday. Under that legislation, known as the Foreign Takeovers Amendment Bill 1988, foreign investors can buy Australian companies and businesses where the total assets are less than $5 million and can buy rural property where the investment is less than $3 million, provided that more than half of that investment is not in rural land.

It seems that the problem the honourable member was trying to address is already down the track to being addressed, and that rural land will be controlled. One cannot buy a great deal of rural land for $3 million these days, and it seems that the Keating legislation will control that. The Bill goes on to specify that takeovers of Australian businesses worth in excess of $20 million have to be registered. I am not sure whether that takes the register idea far enough, but I am sure that if legislation is to work it must be national.

As I have suggested, members of the Government Party support that aim and, inasmuch as the honourable member was expressing a concern, we would support that, but we believe that the way to go is with national legislation; therefore I move the amendment I have before the House.

The Hon. JENNIFER CASHMORE secured the adjournment of the debate.

FREIGHT COSTS

Adjourned debate on motion of Mr Lewis:

That this House urges the Federal and State Governments to immediately set about removing the onerous cost burden imposed by legislative protection of the inefficient onshore and offshore transport industries on rural export industries, and the rural communities which depend upon them in particular, all other export industries and the national economy in general.

(Continued from 23 February. Page 2137.)

Mr ROBERTSON (Bright): I oppose this motion because it is quite patently wrong-headed and malicious. The major premise of the honourable member's motion is quite wrong: it urges State and Federal Governments to take action which has already been taken. Federal and State Labor Governments have placed great emphasis on reforming and restructuring the areas of the economy which seem to be of concern to the member for Murray-Mallee, and the area of transport has received a great deal of attention. The other motive, I suspect, for the honourable member moving this is that there have been problems with transport in the eastern States, and it is not entirely fair to suggest that similar problems exist in this State.

Indeed, the performance of Australian National and the rail system in this State is considerably better and more cost efficient than in other States and there is not a good deal of reforming to be done. Indeed, AN has done a remarkably good job over the years in tackling the structural inefficiencies and in that way eliminating the kind of unnecessary costs which have been referred to by the member for Murray-Mallee.

The royal commission into grain handling was set up to address specifically the efficiency and cost burden in the industry. It ill behoves rural members in this place, who seem so keen to preserve orderly marketing schemes for wool, barley, wheat and grain handling, to complain about over-regulation of transport. Members of the rural community in this State and, indeed, members of rural communities throughout Australia, benefit from the orderly marketing schemes—if you like, socialised selling—in its many forms. Members of the Opposition in this State, particularly with their reluctance to see the wheat market deregulated, are not in a very good position to talk about deregulation of the—

Mr Tyler: They are divided on it. They don't know where they are.

Mr ROBERTSON: That is right. They are completely divided; they are at sixes and sevens. Any move to desocialise wheat marketing is met with opposition. Members opposite are often referred to—with tongue in cheek—as rural socialists. In my own small way I am a rural socialist. I believe that many of the handling and marketing mechanisms have brought great benefits to this country. The idea of members opposite is to socialise the liabilities and privatise the benefits. That is the trick of rural socialism. That is what distinguishes rural socialism from its urban counterpart.

The issue of offshore transport is more a matter for the marine portfolio and probably needs to be looked at in that context. However, it is well known that the Australian waterfront is high on the list of Australian Government priorities for restructuring. The Australian waterfront is being looked at quite closely by that Government, which has given a great deal of attention to the issue of union amalgamations on the waterfront and elsewhere. In other words, some of the problems raised by the honourable member will be addressed in due course by union amalgamations and efficiencies on the waterfront.

Road transport is a separate issue and the South Australian Government—which has responsibility for roads—has taken great strides to make the life of transport operators and, thereby, farmers and honourable members' constituents, somewhat easier. The Government has taken many steps to remove the cost burdens of some of these inefficiencies from road transport in this State. It has increased the allowable tonnage which can be carried by transport operators. Of course, that is reflected in the bulk wheat handling and a whole range of other areas. The Government has looked at speed limits for heavy vehicles and has increased those limits, partly for road safety reasons but also for efficiency and effectiveness, and it has spent significant money upgrading rural roads. That is a subject which I plan to address again in future.

However, this Government cannot be accused of sitting on its hands when it comes to road transport because the number of amending Bills which have involved the trans-

port portfolio and the number of Bills which have been aimed specifically at making transport in country areas more effective and, indeed, improving road systems, has been quite significant. Furthermore, the State Government has actively encouraged industry efficiency and has promoted initiatives such as industry training and development schemes in the transport area. The thrust of Government policy has been to increase efficiency across all modes of transport and to achieve, through greater competition, benefit for the whole community.

The South Australian Government remains firmly committed to this approach and it ill behoves the member for Murray-Mallee to single out an area which is quite clearly coming under close consideration by the Governments, both State and Federal. Things are being done. This Government has done more than most to ensure that road systems operate effectively and efficiently and that members of the rural communities benefit, so that their productivity and profitability are thereby increased. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

HOUSING

Adjourned debate on motion of Mr Tyler:

That this House congratulates the Premier on representing the housing concerns of South Australian families to the Federal Government, particularly the need for the Federal Government to offer young home buyers tangible assistance in meeting their mortgage repayments and, further, that this House acknowledges that initiatives over the past six years by the State Government have enabled the housing needs of tens of thousands of South Australian families to be met.

(Continued from 16 March. Page 2500.)

Mr DUIGAN (Adelaide): Private members' time on the last occasion finished before I was unable to complete my remarks in support of the motion originally moved by my colleague the member for Fisher. In that motion he wished to bring before the House a number of important issues relating to the housing situation facing young people, in particular in purchasing their first homes. Indeed, he drew to the attention of the House the actions taken by the Federal and State Governments in this area.

In seconding the motion I was happy to refer to the submission made by the South Australian Government to the national housing summit which was convened by the Prime Minister in response to the increasing cost of land, its availability and the increasing cost of housing and interest rates associated with it.

The South Australian submission had five elements, which I attempted to summarise last time, and I drew attention to a number of interesting features. The two most interesting features are the initiatives being taken by the State Government in regard to the interest rate rebate scheme that has been developed by the Government as a supplement to a housing interest rate relief scheme initially announced three years ago.

The second intiative, to which I gave some prominance, was the State Government's attempt to get some changes in Federal Government policy to make the location of new residences in Adelaide substantially more attractive than establishing houses in Sydney or Melbourne. In Sydney and in Melbourne the pressure is greatest on land prices and land availability and the financial markets are putting the pressure on interest rates. If some of that activity could be diverted to Adelaide it would relieve pressure on land availability and supply and also on construction costs and housing finance.

Those two matters, namely, the diversion of population, from the largest population centres where the pressure is greatest, to South Australia and Western Australia and indeed the whole issue of the relief being provided by the State Government through mortgage relief, will be taken up by the South Australian Housing Minister next week at the Housing Ministers conference, following the housing summit. Undoubtedly the situation in other States is much worse than in South Australia.

As I was concluding my remarks earlier, I referred to an article by Mr Rod Nettle entitled 'Housing in South Australia' which appeared in the magazine *Business to Business* of 6 March 1989. The article contains two interesting charts, one relating to price movements for dwellings in Australian capital cities between December 1987 and December 1988. It simply reinforces the essential point made in South Australia's submission to the housing summit, namely, that the pressure in Melbourne and Sydney is contributing significantly to the housing crisis. It indicates, for example, that in Sydney the percentage increase in price movements for new dwellings between December 1987 and December 1988 was 43.9 per cent and for established dwellings the percentage increase was 85.8—substantial increases indeed.

In Melbourne the increase in the price of housing was 29.5 per cent for new dwellings and 39.4 per cent for established dwellings. In Adelaide, by contrast, there was a fall in the cost of new dwellings for that period of 18 per cent, while for established dwellings in the inner and middle ring of suburbs there was an increase of 10.3 per cent. Adelaide was at the bottom of the index of all capital cities of Australia in terms of the affordability of housing.

The second table in Mr Nettle's article was equally interesting since it reinforced that same point. It gave an index of Australia's housing affordability through an affordability index. The index indicates that South Australia, Adelaide in particular, again is at the lowest end of the housing affordability index; that is, price movements and land availability in South Australia are such that we are more able to provide people with the sort of housing they need prices which have shown the least amount of movement. Sydney is the area in which there has been the most substantial increase in the cost of housing.

Those points were also taken up in a general description of Adelaide's housing situation, which was part of the State Government's submission to the housing summit. It again indicates that Sydney was at the top. By comparing the median prices of established dwellings between December 1987 and December 1988, we note that there was an 86 per cent increase in Sydney from a median price of $91 000 at the end of 1987 to a price of $169 000 at the end of 1988. In Adelaide, there was a 10 per cent change for the median price of new dwellings, from $78 000 to $86 000, again indicating that the pressures in the major eastern seaboard cities of Sydney, Melbourne and Brisbane are far more severe than in Adelaide.

The State Government is taking action through its direct and active involvement in the development of policy by the Federal Government. Continual submissions are being made by the Government for financial assistance to the mortgage relief scheme, and for continued financial support from Commonwealth-State housing agreement money to be made available for public housing. Thus, a major effort is being made by Governments at the Federal and State levels to ensure that people are able to have access to housing of their choice at a price that they can afford.

More particularly, I think it indicates that we in South Australia are not simply resting on our laurels because the problem is not severe here. We are addressing it, trying to maintain the supply and availability of land for private housing development, while at the same time maintaining a range of choice in the public housing area—so that we can in fact realise the sentiments expressed in the member for Fisher's motion, namely, that the housing needs of thousands of South Australian families can be met. I therefore have much pleasure in supporting the motion.

Mr OSWALD secured the adjournment of the debate.

WHEAT INDUSTRY DEREGULATION

Adjourned debate on motion of Mr Gunn:

That in the opinion of this House the Minister of Agriculture should support the stand taken by the New South Wales and Queensland Ministers of Agriculture not to pass complementary State legislation which would allow the Federal Minister for Primary Industry to commence deregulation of the wheat industry in Australia.

(Continued from 16 March. Page 2498.)

The Hon. M.K. MAYES (Minister of Agriculture): I wish to amend this motion and, accordingly, I move:

Leave out all words after 'should' and insert in lieu thereof the words 'evaluate the effects of whatever legislation is passed by the Commonwealth on wheat industry deregulation before determining the course of legislative action which will best protect the interests of growers and buyers'.

Mr Blacker: Before 30 June?

The Hon. M.K. MAYES: That is a relevant question, and I will explain the situation so that we do not run into this hiatus. The situation with regard to deregulation is creating a good deal of anxiety, certainly in the Federal Parliament, and certainly between the National Party and the Liberal Party.

Mr Tyler: Even in the Liberal Party.

The Hon. M.K. MAYES: Yes, even in the Liberal Party, I accept that. The circumstances with the Federal Government's proposal for deregulation is somewhat unclear at this point of time. Certainly, from the latest statements attributed to the Minister for Primary Industry, the Leader of the Federal Opposition and the Leader of the National Party, it is very difficult for me to be able to formulate a position, because of the various negotiations that are taking place between the respective Party leaders and the Government. The motion calls for me to support the stand taken by the New South Wales and Queensland Ministers of Agriculture not to pass complementary State legislation which would allow the Federal Minister for Primary Industry to commence deregulation of the wheat industry in Australia. However, the matter needs to be carefully looked at, and it is not as clear-cut as the motion would suggest.

The member for Flinders has raised the question of what occurs if there is no legislation placed before Parliament, because the Federal Wheat Marketing Act expires on 30 June and, as a consequence, we would be left with a hiatus. However, that is not the case. My advice is that the Commonwealth Wheat Marketing Act 1984 provides for the Australian Wheat Board (AWB) to continue to trade for the 1991 crop season so we would not have a situation where our international trading authority disappeared overnight. The AWB would be able to continue its operations.

I must qualify that with a hypothetical view. It would be horrendous to have that situation occur. It may occur, but I cannot speculate. However, knowing the Federal Minister for Primary Industry, I would not contemplate that he has it at the back of his mind as a bargaining tool, although it is obviously being spread around in political circles as an option. I qualify my statement by saying that there would be curtailed capacity of operations by the AWB if replacement legislation were not passed by the Federal Parliament by 30 June.

In those circumstances the AWB would not have legislative powers to operate the guaranteed minimum price scheme and there would be no Government underwriting. It would be of concern to most people in the community if that situation were to obtain. That would reduce the capacity to trade and leave a hiatus. There would be chaos for Australia on the international market, and that has to be avoided.

There is mixed legal advice on the question of not passing complementary legislation, but my advice is clear, and it is likely that specific complementary State legislation will be required to enable the AWB to engage in intrastate trade. Without that legislation the AWB would be disadvantaged in competing with other traders to the extent that intrastate trade is involved, with adverse consequences to growers and possibly buyers. The State cannot introduce such legislation in isolation from the Commonwealth. What the Queensland Minister said at the February AAC meeting was that, if the Commonwealth deregulated, he would introduce legislation, but that would not be complementary legislation—he would establish his own wheat authority. Our advice is that that would not work.

The Federal legislation overrides the State legislation in that capacity and it would be purely window dressing. It might achieve a warm inner glow for Queensland people involved in the wheat industry, but that is as far as it would go, on my advice. I understand that the failure to adopt legislation complementary to the Federal legislation would, to some extent, be a burden on the AWB's intrastate operations. It is clear that the Federal Government can proceed with its policy irrespective of what occurs with State legislation. I do not have details of the legislation: no-one has it at this time, as far as I know, other than DPI, the Minister and the Minister's office. It can proceed without complementary State legislation. In other words, one can look at the international market, but there is no debate about that, because in my opinion that matter has been resolved.

I am now advised by my senior departmental officer, following discussions with officers of the New South Wales Department of Agriculture, that the New South Wales Minister has recently stated that he is 'waiting to see what the Federal legislation ends up looking like' (I think that is a quote from a press statement made at the time). He has adopted exactly the same position as I have adopted regarding this position. That has probably come about because of advice he has received from his officers on the impact of complementary Federal-State legislation. At this stage we will have to wait and see. I know that that is causing anxiety to a number of people, but to embark upon a legislative process now may commit us to a position which is not workable and has no basic impact.

To adopt the honourable member's suggestion may interfere with the Australian Wheat Board's capacity to operate on the domestic market. The honourable member may argue that what is proposed under the Federal legislation is detrimental to the domestic wheat market, but not having complementary legislation may make the situation even worse. We could place the Wheat Board at a further disadvantage by not proceeding with that complementary legislation.

I want to look at the proposed Federal legislation. I have heard of a number of options. At various stages of the

discussion, the Minister for Primary Industry has come in hard, backed off, come in harder, backed off again and then come in harder still. As a spectator it has been an interesting exercise to observe. However, it is hard to say at this point whether the Minister will opt for the permit system or the complete phasing out of domestic market arrangements, or whether he will propose some other compromise because—and I anticipate this—if the Federal Government adopts this deregulation approach to the domestic market heavy negotiation will ensue.

The comforting thing—and we are talking about 80 per cent of our wheat producers—is that the international market, marketing techniques and capacities will be reinforced by this process. That is one point that was agreed, even though earlier it was suggested that that issue might be partly deregulated as well. Here I am talking about feed lot and milling wheat as processes of the Australian Wheat Board.

I anticipate a broadening of the Wheat Board's capacity to operate on the various markets, and that will be a positive thing for both the board and the industry in general. Options to expand into other areas, including grains and commodities, can only enhance the board's capacity to operate on the international market. Now that the Federal Opposition Parties have thrown in the cauldron the arguments about port charges and transport costs (both on land and at sea), this will mean further negotiation and perhaps further modification of the proposals of the Federal Minister for Primary Industry's proposals for wheat marketing, or it may mean less deregulation. I seek leave to conclude my remarks later.

Leave granted; debate adjourned.

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

PARLIAMENTARY SUPERANNUATION ACT AMENDMENT BILL

His Excellency the Governor's Deputy, by message, recommended to the House of Assembly the appropriation of such amounts of money as might be required for the purposes mentioned in the Bill.

PETITION: HOUSING INTEREST RATES

A petition signed by 147 residents of South Australia praying that the House take action to persuade the Federal Government to amend economic policy to reduce housing interest rates was presented by Mr Olsen.

Petition received.

QUESTION TIME

PAROLE

Mr OLSEN (Leader of the Opposition): Will the Minister of Correctional Services say whether the Government intends to take action to ensure that two men who committed brutal murders are not released from prison prematurely? I refer to the cases of Paul John Wheatman and Paul Addabbo. The Opposition has been informed that both men are due for release by the end of this month. In November 1981, Wheatman was sentenced to life imprisonment with a 12 year non-parole period for the murder of a woman, aged 21, at One Tree Hill.

Police statements at the time of the murder said that robbery was the motive. It was believed about $5 had been stolen from the victim, who died from multiple stab wounds. Before the Supreme Court, Wheatman said he had fully intended to kill her. In passing sentence, Justice Mitchell said the non-parole period did not mean Wheatman necessarily would be released at the end of it, only that he had the liberty to apply for parole. The judge said:

> He would not be paroled until the Parole Board had recommended it and until the Government had decided that parole was appropriate.

The parole system under which Wheatman was sentenced would have prevented his release before 1993 at the earliest. I understand that Wheatman is a psychopath; yet he is to be released well before the trial judge ever intended him to be.

On 9 November 1982 Addabbo was sentenced to life imprisonment with hard labour for the murder of a 41 year old woman at Kersbrook in April of that year. He was given a 10 year non-parole period under the old system, meaning that he would not even have been considered for parole until 1992, and then had no guarantee of release. I understand that there are serious concerns within the correctional system about the timing of these releases because they will reinforce the perception that the present parole system is grossly inadequate and incapable of protecting law abiding citizens.

The Hon. FRANK BLEVINS: The honourable member knows that these offenders, like any offenders in our system, are released according to the law.

Members interjecting:

The SPEAKER: Order!

The Hon. FRANK BLEVINS: The parole laws were changed—

Mr S.J. Baker: You changed the law.

The Hon. FRANK BLEVINS: The parole laws were changed early in the life of the first Bannon Government. There is no question that the changes advantaged some prisoners, and we regret that because it was not the—

An honourable member: What are you running away from?

The Hon. FRANK BLEVINS: We are not running away from anything. I am quite happy to continue answering the question. As the Bill made clear, it was not the intention that, for anyone who was already sentenced under the old system, any alterations would be made to the way the parole laws operated. However, the Australian Democrats disagreed and, at the end of the day, after considerable negotiation and, I believe, a conference of both Houses of Parliament, it was decided, for prisoners who were already in the system, having been sentenced under the previous parole regime, that the method of assessing their sentence would be changed. We regretted that, but it was what Parliament decided.

Members interjecting:

The Hon. FRANK BLEVINS: That is exactly true.

Members interjecting:

The SPEAKER: Order!

The Hon. FRANK BLEVINS: The member for Mitcham says that it is not true. It is a fact, and the record shows clearly that a meeting of managers of both Houses of Parliament made a decision, and the reason for that decision was that the Democrats stood over all of us. It is as simple as that. It was a Democrat amendment that forced the change in the system for those prisoners who were sentenced under the previous regime, to their benefit.

Members interjecting:

The SPEAKER: Order!

The Hon. FRANK BLEVINS: The new system has made a difference. There is no question, as the statistics show,

that the level of penalties for serious crime in this State has increased considerably during the operation of the new parole system. The courts have an absolute right to give any sentence they wish. If the courts wish a prisoner to stay in for life, they have the right to order that. There is no restriction whatsoever on the courts.

That is the system that applies today. I can go through the names of the prisoners who were sentenced under that system. Sentences have increased enormously, and justifiably so. We tested before the courts sentences that we thought were not sufficient in areas such as rape and murder; and we have been successful. The average time that a murderer now spends in gaol under this new system has increased enormously. There are huge sentences, sentences that—

Members interjecting:

The SPEAKER: Order! Will the Minister resume his seat. Regardless of the fact that a certain amount of tolerance over and above that which is given to some other members has been given to the Leader of the Opposition, he cannot say what he likes when he feels like it. He is bound by the same Standing Orders, traditions and practices as everyone else in the House. The honourable Minister.

The Hon. FRANK BLEVINS: The sentences that are now handed out for serious crimes have increased enormously. The sentences and the non-parole periods now handed out in this State exceed anything that occurred before the change, and anything that occurs in any other State. There is absolutely no question that at some time in the future extra high security accommodation will have to be built to contain the prisoners—

Members interjecting:

The Hon. FRANK BLEVINS: Hang on a minute—who are quite properly staying in our system a heck of a lot longer. Why did we change the system? I can tell members why we changed the system. Under the system that operated in this State during the term of the Liberal Government when the present Leader was the Chief Secretary and in charge of this area, things like the following occurred. The *News* of Tuesday 11 December 1979 contained an article entitled 'Parole outcry over killer'.

Mr Olsen: I wasn't the Minister in 1979.

The Hon. FRANK BLEVINS: That is true, but you later joined the Government. You were a member of that Government and you did not change the system.

The SPEAKER: Order! As has been pointed out to others, the honourable Minister cannot refer to other members as 'you'. The honourable Minister.

The Hon. FRANK BLEVINS: I was referring to the outcry that was reported in the *News* of that day about the killer Bartholomew. He served eight years, and I am searching this article to find—

Mr Olsen interjecting:

The Hon. FRANK BLEVINS: Never mind.

Members interjecting:

The SPEAKER: Order!

The Hon. FRANK BLEVINS: Let me refresh members' memories. Under the previous system the Parole Board made a recommendation to Cabinet, and Cabinet had the right to agree to or refuse a particular release. The Deputy Leader, the member for Coles and some of the other backbenchers were members of the Cabinet that released Bartholomew, who served only eight years after being convicted of multiple murders. I cannot remember how many people he murdered.

An honourable member interjecting:

The Hon. FRANK BLEVINS: Bartholomew killed eight people, and he served only eight years. The previous Tonkin Government, when it had the opportunity to refuse to release him back into the community, did not do so. You released him back into the community when you had the option of not doing so. Why did you do that?

Members interjecting:

The SPEAKER: Order!

The Hon. FRANK BLEVINS: Members opposite had the right to say 'No', and they did not. They released Bartholomew. Now, we have taken it right out of the hands of the Parole Board, and we have said that it is the court's role to state precisely how long a convicted person should be kept in custody. As I have said, that has resulted in an enormous increase in the length of sentences. That is what we support.

As I said, some prisoners gained considerably during the transition period and we regret that. If anyone wants to argue about that, they can take up that matter with the Democrats, because they forced it on the Government and on the Parliament in a conference of both Houses. Members opposite may not like it, but that is a fact. No-one in this State is released before serving the appropriate sentence imposed by the courts.

TONSLEY RAILWAY STATION DEVELOPMENT

The Hon. R.G. PAYNE (Mitchell): My question is directed to the Minister of Transport. Has the Government any plans for a development associated with the Tonsley railway station in my electorate and, if so, will he ensure the involvement of the local community at an early stage? I ask this question as a result of reports that I have received and my own observations. There has been a considerable movement of Government cars in the area recently—as indicated by official number plates, anyway.

The Hon. G.F. KENEALLY: I thank the honourable member for his question. I can confirm that there has been considerable activity in the area of the Tonsley railway station—and for a very good reason. I have instructed the Department of Transport to do a study on the Tonsley railway station to see whether there is the opportunity to develop a major interchange. The Department of Transport, in cooperation with the State Transport Authority and the Housing Trust (which also has a development project in the Tonsley area), is looking at the possibilities that are available there. I believe that Adelaide's largest transit interchange could be established at Tonsley, and, in fact, about 700 buses per day could be involved; and there could be a car park for up to 400 vehicles for those people who want to park and ride (or, as it is described, for those who want to kiss and ride).

It would provide a considerable opportunity for people who live south of Adelaide to access the metropolitan area more quickly than is the case at the moment. At present it takes about half an hour to travel by private car from the Sturt triangle to Adelaide; in a bus it certainly takes all of half an hour; on those trains that stop at all stations, it takes 24 minutes; and on an express train, our tests indicate that it takes between 13 and 15 minutes. Thus the opportunity is there to transport large numbers of people from Tonsley. In fact, we believe that the opportunity exists for up to 5 000 commuters to be transferred through the Tonsley interchange.

I have also instructed the department to look at servicing the Flinders University, the Flinders Medical Centre and also the Marion shopping centre from the interchange. I believe a demand exists for Adelaide commuters to access those facilities. The concept that the department is looking at now includes the Housing Trust and some commercial

activity. We would be happy to be involved in a joint venture, if the studies indicate that that option is available to us.

The honourable member pointed to the need to take account of the concerns of the people who live in the area, and that matter is very properly put to me as Minister. Of course, when a proposition is developed to a stage where the Government considers that it is viable and it is of a nature that could be discussed with the local community, we will do so. However, we will not wait until the decision is made and everything is cast in concrete before we talk to the community. We would want to involve the community at a stage where its input would be useful, and we would want to express its concerns.

The whole concept of an interchange means that the present services are better utilised. Buses and trains are not run in competition—they are run in conjunction with each other through the interchange. This is in line with the STA business plan, and it is certainly in line with Professor Fielding's recommendations. My personal view is that there is an exciting opportunity for the STA, the State generally and commuters at Tonsley. I believe we have the opportunity to provide rapid transit for thousands of commuters from the south who currently have to run the risk, I suppose, in peak periods of travel. One of the severe risks of peak travel is delays, and that is unacceptable in a transit system that always attempts to provide the highest level of service to Adelaide commuters.

SOUTH AUSTRALIAN COLLEGE OF ADVANCED EDUCATION

The Hon. JENNIFER CASHMORE (Coles): I address my question to the Minister of Employment and Further Education. Does the State Government support moves to close and sell the Magill site of the South Australian College of Advanced Education as part of a massive restructuring of tertiary education in South Australia and, if not, will it put that view to the Commonwealth Government in view of its support for such a proposal? The Opposition has received a report of a meeting of the University of Adelaide Staff Association held on Monday evening at which the Vice Chancellor of the University of Adelaide outlined the university's plans concerning amalgamation with parts of the South Australian College of Advanced Education. The report states:

North Terrace: The university has plans to set up a centre for health sciences and a centre for the performing arts and to consolidate management education under its control. To achieve these aims it plans to take over all the real estate belonging to tertiary institutions on North Terrace, a scheme which the Vice Chancellor alleges is supported by the State Government.

Underdale: In addition, the university plans to take over the Underdale campus of SACAE which it sees as becoming an institute or university college within the University of Adelaide. Within the Underdale campus, however, some programs are obviously more valued by the university than others: the Art School is viewed as being capable of becoming a fully fledged part of the university almost immediately, but other programs at Underdale would be 'nurtured' until they achieved a status appropriate to allow them to become proper parts of the university.

Magill: The university would need, said the Vice Chancellor, to make a decision about Magill. While it would be possible that the university might set up a school of journalism or centre for media studies, these units would be located at the city. The De Lissa Institute and School of Business would become part of the new Flinders University of Technology. The future of other programs at Magill was not mentioned. The Magill campus would be sold.

A postscript to the report indicated that the Vice Chancellor had subsequently confirmed to the author of the report that:

Courses both from the city and Magill which were not seen as enhancing—

Mr TYLER: On a point of order, Mr Speaker, you made a ruling yesterday in relation to the length of a question and explanation that I was making. I ask that you make the same ruling in relation to the question of the member for Coles.

The SPEAKER: I do not uphold the point of order unless the honourable member is raising it by way of withdrawing leave from the honourable member opposite. The honourable member for Coles.

The Hon. JENNIFER CASHMORE: The report stated:

Courses both from the city and Magill which were not seen as enhancing the university's profile would be relocated at Underdale. Presumably the building program to house these extra students would be funded out of the sale of the Magill campus. The Vice Chancellor claimed during the course of this discussion that he was not alone in supporting the closure of the Magill campus, that this was a view widely held in higher education circles, and was endorsed by the Commonwealth Government. Magill is not seen as having any of the 'access and equity' features which Salisbury, Sturt and Underdale possess.

The Hon. LYNN ARNOLD: The honourable member for Coles has, with a number of her points, imputed statements or beliefs to Professor Kevin Marjoribanks of Adelaide University. I believe that the professor has been most seriously misreported on the information I have in terms of documentation that I have received from him. A number of comments attributed to him with respect to State Government support for certain propositions, set as hares running by the member for Coles, certainly do not have State Government support.

The facts are that I am due to meet Professor Marjoribanks and Dame Roma Mitchell next Monday to hear from them formally what their view is about higher education restructuring in South Australia. This follows a meeting that I had with the heads of all higher education institutions some weeks ago, where each of the institutions put their views to me about what they believe should happen, and at that time Professor Marjoribanks did indicate a view that Magill and Underdale should be included in a new Adelaide University. He made no reference on that occasion to the possible sale of Magill as being part of the plan. I might also say that he made no reference to taking over—and I quote the member for Coles' phrase—'all the real estate . . . on North Terrace'.

I did say to him at the time that I was concerned that his approach had not been one of opening equal partner discussions with other higher education institutions. That is a matter of considerable concern to me. The State Government will not take any pro-active stand on the matter of any restructuring of higher education, but nevertheless I am encouraging institutions to conduct equal partner discussions between each other. I am very pleased to be able to report that both Lew Barrett and Diedre Jordan have been in touch with me to confirm the substantial progress which has now been made between the Institute of Technology and Flinders University. I can also report that Roseworthy Agricultural College is constructively entering into discussions with a number of alternative institutions. I am not yet convinced that Adelaide University has entered into those discussions on an equal basis with other institutions—and that does concern me.

But I want to make the point quite clear: the State Government has not expressed support for any such proposition as mentioned by the member for Coles—and again this is in relation to the hare she has set running concerning the taking over of all real estate on North Terrace. We do not support—because it has not been put to us, and indeed I would argue against it—the sale of the Magill campus. It is

another hare that the honourable member has set running, just to raise fears in the community. She is good for that; that is about all she is good for. But it is totally irresponsible. We do not support that. On another point, I might say that this imputation of Federal support for these matters is totally unsupported by any documentation or reference. The member for Coles just throws in the comment 'which is supported by the Federal Government', without any substantiation of that situation at all.

One other thing that interests me in the reported proposition of the Adelaide University—which matter I will be raising with the university—is that I understand from its point of view the merit that it sees in including Magill or Underdale within the Adelaide University. That is premised, of course, upon the breaking up of the South Australian College, which I think is a move that would have to be considered very carefully indeed, because there are all sorts of implications to that, and I do not think there is necessarily a *prima facie* case for that to be the outcome.

The other point that interests me is that the Adelaide University has not in fact proposed that the Salisbury campus be part of the Adelaide University. It, of course, made a very positive approach towards equity issues last year, when it said that it would target the northern suburbs with its Fairway program. I commended those people involved at the time and I still commend them, because it is a positive thrust towards equity, to reach many in the northern suburbs who do not have equal opportunities in higher education. It seems to me that if they really did want part of the South Australian College a starting point would have to be the Salisbury campus to enable them to effect their Fairway proposal. I will be raising that point, too, with Professor Marjoribanks, next Monday.

As to the many hares that the member for Coles has set running, I think she is irresponsible. It is a shame that that is the way the honourable member chooses to behave. She ought to get down to some really positive and constructive work to support restructuring in this State.

Members interjecting:

The SPEAKER: Order!

Members interjecting:

The SPEAKER: Order! I call the Deputy Leader and the Minister of State Development and Technology to order. The honourable member for Adelaide.

LABOUR MARKET FIGURES

Mr DUIGAN (Adelaide): Has the Minister of Employment and Further Education received the ABS labour market figures for South Australia for the March 1989 quarter? If so, can he advise the House whether there has been an improvement in total employment since the last quarter and how the current quarter figures compare with the same period in 1988?

The Hon. LYNN ARNOLD: I am certainly pleased to answer.

Members interjecting:

The Hon. LYNN ARNOLD: I heard the Leader of the Opposition interject that he wants interstate comparisons, and I will deal with some of those in a minute. The situation is that very pleasing figures have been released today by the Australian Bureau of Statistics. They indicate a strengthening of employment growth in South Australia, but they must always be taken in the climate that over time there are cyclical movements. While we have seen consistent figures month by month of a good nature, it has to be acknowledged that there is always a vulnerability due to international circumstances and the like.

Members interjecting:

The Hon. LYNN ARNOLD: The member for Victoria laughs. I hope he enjoys this information for the sake of all South Australians in respect of the figures coming out.

The Hon. D.C. Wotton interjecting:

The SPEAKER: Order!

The Hon. LYNN ARNOLD: I will come to this serious problem of youth unemployment, for the benefit of the member for Heysen. Over the past 12 months there have been 30 200 additions to the existing job total in South Australia. That brings to 120 000 the number of jobs that have come into existence under the Bannon Government, 30 000 in the past 12 months. In a situation where the participation rate increased, which in itself indicates buoyancy in the market, from 61.9 per cent to 62.9 per cent over the past 12 months, the unemployment rate has fallen from 8.6 per cent in March last year to 7 per cent this year. That is an impressive figure and I hope that all members are pleased about it, because that surely should be good news for South Australians.

Members interjecting:

The Hon. LYNN ARNOLD: The member for Goyder seems to be unhappy and is grizzling about something. However, 4 700 jobs were created in the month of March (between March 1988 and March 1989), the annual total being 30 200 jobs. The growth rate of jobs in South Australia was at the rate of 4.8 per cent, while the national average was 3.3 per cent. We were significantly higher than the national average.The member for Heysen and the Deputy Leader interjected, 'What about young people?'. This Government has been seriously concerned about youth unemployment for many years. We had the YES scheme, which is continuing. We have had a number of significant initiatives in this area, but it is true that one must reveal the figures as they are.

In March 1988 youth unemployment, according to the Leader of the Opposition, was 25 per cent; one quarter of our young people were unemployed. I understand one quarter to be 25 per cent. In fact, the figure was 20.9 per cent—still far too high. That was the position one year ago. I will work my way through the States. In Tasmania the unemployment rate for young people aged 15-19 years in March this year was 22.8 per cent; in Queensland, it was 16 per cent; in Victoria, it was 14.7 per cent; in New South Wales, it was 14.5 per cent; and in South Australia, it was 14.2 per cent—down from 20.9 per cent last year.

I hear the joy from members opposite about how good a figure this is, that we have seen a turnaround in youth unemployment. I know that I should not be answering interjections, but members opposite ask, 'What about young people?' They should be happy at least that so many more young people have jobs in South Australia. They should not see it as a point to constantly grizzle about.

Members interjecting:

The Hon. LYNN ARNOLD: Now they say, 'Tell us about interest rates.' If you do not like the news, change the subject! I believe that 30 000 extra jobs in South Australia and an unemployment rate down to 7 per cent from 8.6 per cent last year is good news about which we should all be pleased.

UNION COMMITTEES

The Hon. E.R. GOLDSWORTHY (Deputy Leader of the Opposition): I would like to change the subject and ask a

question of the Premier. I am sure that it is a subject that the Government will enjoy immensely. Will the Premier immediately instruct the Minister of Health to delay the establishment of union controlled committees that will review major contracts awarded by the major metropolitan hospitals until the National Crime Authority has completed its investigation of allegations that secret commissions and bribes have been paid for the awarding of such contracts?

These committees must be established by 14 April—next Friday. At the Royal Adelaide Hospital alone, they will be dealing with engineering contracts which are worth this year $14 million. It is estimated that in total, for the five major metropolitan hospitals, they will be dealing with contracts worth $70 million for engineering work alone. This does not include contracts for sophisticated medical equipment, which members of the committees may have no expertise to assess.

The guidelines under which the committees will operate are wide open to abuse. Members of the committees will have advance notice of contracts to be awarded, and there is no requirement for confidentiality. In 1987, information was put to the Leader of the Opposition in another place, the Hon. Martin Cameron, that a person employed by the Royal Adelaide Hospital in the allocation of contracts was receiving kickbacks for awarding those contracts to certain companies. That information was passed on to the hospital, and Mr Cameron subsequently was informed that the person involved had been removed from his position. More recently, the National Crime Authority has advertised the fact that it is investigating 'bribes, kickbacks and secret payments' in relation to hospitals as well as roadworks and building rezoning. In the light of that investigation, would it not be wise for the Government at least to defer the introduction of these consultative committees, with their clear potential for abuse, until at least the National Crime Authority—

The SPEAKER: Order! Leave is withdrawn for the remainder, if any, of the honourable Deputy Leader's explanation as he was clearly commenting. The honourable Minister of Health.

The Hon. FRANK BLEVINS: I thank the Deputy Leader for his question. Indeed, I was actually looking forward to it. Regarding the National Crime Authority and any investigation it may or may not make, that is something for the NCA, and something about which I imagine it would not inform me. In fact, it has not done so, nor should I think there would be any obligation on it to do so. Concerning anything that the NCA wishes to investigate, we have put into place the machinery in this State. We have invited the NCA to come to this State to investigate anything that anyone wishes to take up with it. We are delighted that it is looking at some area of rumour and innuendo and we will see eventually what comes out of its investigations. I shall be delighted to look at any of those results, but my suspicion is that members opposite who have been constantly crying about crime and corruption in this State will not be so happy.

Concerning the consultative committees, I wonder where the Deputy Leader of the Opposition has been, because those committees were announced by me as Minister of Labour early in 1988. Indeed, when the member for Mitcham was a front bencher, he dealt with them in the House and I responded at length. However, because this is a program of which this Government is especially proud, I am happy to go through the explanation again for the benefit of the Deputy Leader, who must not have been listening.

The consultative committees have been set up for the good reason that we will not have on State Government sites people who are not covered by workers compensation, who are not being paid award rates, and who are not union members. We make no apology for that: in fact, we are proud of it, because we are proud of the way in which we protect our work force. Why did we do it? I shall go through the history in a few minutes. There has been a trend in this State for an increased use of contractors within the public sector.

We have taken that on, and we have confronted the trade union movement, explaining that there must be a margin for flexibility where private contractors can be used. They have not been happy about this but, to their credit, they have said, 'Okay, but we don't want people doing our work who are not members of the union, who are not paid the appropriate award rate and who are not covered by workers compensation.' The Government agreed with that, because that is fair enough. I received a number of deputations at the time—

The Hon. E.R. Goldsworthy: What about self-employed people?

The Hon. FRANK BLEVINS: There is no objection to self-employed people. At the time, I received deputations from contractors and I explained that reputable companies in this State were being undermined by what they called in the press fly-by-night operators. By 'reputable companies' I mean those which cover their workers for workers compensation, pay award rates and give workers every protection. I asked how many of their workers were not in a union and these private sector contractors told me that they will not have anyone in their work force who is not in the union. None! I supported their right to do that because the overwhelming majority of substantial companies in this State insist on their workers being members of a union.

Members interjecting:

The Hon. FRANK BLEVINS: Public or private sector companies insist on that, and they are dead right, because what they do not want is what the Government does not want: they do not want industrial disputes on site over non-union labour. It really amused me to see an article in this morning's newspaper and a thundering editorial in the afternoon newspaper castigating the Government for daring to suggest that the people to whom it subcontracts work should be in the union. I guarantee that not one person would get a job at the *Advertiser* or the *News* who is not a member of the union. The owners of those newspapers would not have them on the premises because of the trouble it causes. If it is good enough for the private sector to insist on union membership, if it is good enough for the *Advertiser* and the *News* to insist on union membership, it is good enough for this Government, which protects workers and supports the right of unions, to protect workers.

The cost, if any, of this measure will be minimal. All work on our principal building sites goes out to the private sector—to Baulderstones, Frickers, Multiplex, and other companies. None of the companies which work for the State Government will employ non-unionists on site, so the effect of this measure will be fairly minimal, if there is any effect. No confidential material such as details of pricing, etc., is given to unions, and these committees are half union, half management. A simple look at the companies tendering for work is quite sufficient, because those companies are reputable South Australian companies. They are getting the work and doing it at a fair price. They are not being undercut or having the integrity of their particular area of business undermined by fly-by-nighters who do not pay award rates or cover their employees for workers compensation. They now operate in a fair competition situation, and that is all they ask. The Government has given it to them and makes

no apology for doing so. The Government is proud of what it has done.

NORTH EAST ROAD

Ms GAYLER (Newland): Will the Minister of Transport ask the Highways Department to extend the recent median strip improvements on North East Road to further reduce rear end collisions and delays for north-eastern suburbs motorists? Tuesday's *Advertiser* reported on the 'dangerous dozen Adelaide roads' and showed a 2 km stretch of North East Road where the second highest incidence of accidents occurred in Adelaide. This area has recently been improved. On the next section of North East Road, from Sudholz Road to Wandana Avenue, there are four narrow median openings with no right-hand turn shelters. On the approach to the North East Road/Sudholz Road intersection (where grade separation is needed), morning peak hour traffic banks up daily and rear-end collisions occur with monotonous regularity.

The Hon. G.F. KENEALLY: I thank the honourable member for her question. I will certainly take up this matter with the Commissioner of Highways. I can report to Parliament that the Highways Department and the Government are aware of the traffic difficulties on North East Road. The recent provision of a wide median strip from Fosters Road to Black Road is expected to reduce the number of accidents on that strip of road, which was classed as Adelaide's number 2 black spot (that is, outside of intersection black spots).

All available evidence shows that wide median strips reduce the incidence of accidents by more than 30 per cent. The section between Sudholz Road and Wandana Avenue already has a median strip, but it is much too narrow—there is no storage space—so right-hand turning slots cannot be built into it. This means that there is potential for rear-end and right-hand turn crashes, as the honourable member has mentioned.

The Highways Department is looking at widening the median strip so as to resolve the problem. One of the difficulties that the deptment has is the limited number of lanes that are available. If we widen the median strip we cut into the available lane space. That inhibits the department's capacity to be able to find a simple remedy. However, I assure the honourable member that the Highways Department is aware of the difficulties faced by her constituents and other users of that section of North East Road, and it is trying to find an appropriate solution.

As the honourable member said, wider medians have been very effective elsewhere in Adelaide, and at first the department considered that they would be an appropriate solution. However, they would cut down the lane space, particularly along that section of road leading into the Sudholz Road intersection. So the department needs to look at further options. I will keep the honourable member informed as to the results of the department's investigations with respect to finding a solution, and the timetable for its application.

Mr TERRY CAMERON

Mr S.J. BAKER (Mitcham): My question is directed to the Premier. Following a delay of eight months in the investigation of allegations against Mr Terry Cameron, and the Premier's statement to the House on 21 February—

Members interjecting:

Mr S.J. BAKER: Just listen.

Members interjecting:

The SPEAKER: Order! The honourable member for Mitcham.

Mr S.J. BAKER: I will start again. Following a delay of eight months in the investigation of allegations against Mr Terry Cameron, and the Premier's statement to the House on 21 February that disciplinary action in relation to maladministration or neglect would be taken under section 68 of the Government Management and Employment Act, will he now reveal the following:

1. What action has been taken?

2. Have any public servants had disciplinary action initiated against them and, if so, how many public servants are involved?

3. Have hearings of the disciplinary action been concluded and, if so, what was the outcome?

The Hon. J.C. BANNON: First, appropriate action has been taken to improve the system dealing with responses to parliamentary questions. Secondly, acting in accordance with advice received from the Department of Personnel and Industrial Relations, disciplinary action was taken by the Director-General of the department in respect of a particular employee of that department. I have no further details on the nature of that action.

HOUSING TRUST TENANTS'

Mr FERGUSON (Henley Beach): Will the Minister of Housing and Construction inform the House whether there is any way the Housing Trust can overcome the objections of tenants who feel their privacy is being invaded because they have been forced to sign a document giving the Housing Trust access to Social Security payments? I have received correspondence from a Housing Trust tenant who has objected strongly to her privacy rights being invaded by the South Australian Housing Trust. All occupants in her household are asked to give proof of information or to complete forms giving the South Australian Housing Trust access to information relating to income from Government departments or employers. By filling in one of these forms, a citizen gives the Housing Trust the right to have continual and ongoing access to personal income information. It has been put to me that this is an unnecessary invasion of privacy.

The Hon. T.H. HEMMINGS: I thank the honourable member for his question, and I appreciate his concern and that of his constituents. However, their concern is misplaced because of several reasons. First, I point out the necessity of the trust being able to verify the incomes of those tenants who are applying for a reduction on their rent. The trust currently provides about $85 million annually in rent reductions to about two-thirds of its tenants. This is a significant concession that the trust is pleased to be able to administer at the behest of this Government. Naturally, the community at large needs to be assured that such a large sum is justified and that those who receive it are in fact genuinely in need of it. Such an assurance can best be provided by ensuring that applicants for rent reductions are in receipt of the level of income that they declare. While such a procedure will inevitably offend some of these tenants, the vast majority of whom are scrupulously honest in their income declarations, it is nonetheless necessary to prevent abuse by a small minority. The procedure for verifying the incomes of those applying for rent reductions is, I believe, reasonable and not an invasion of privacy.

First, it is not the case that applying tenants are 'forced' to sign documents giving the trust access to any private information held by the Department of Social Security. Tenants may, if they wish, verify their stated incomes by providing to the trust one of certain relevant documents, such as a current pay slip, a letter from the Department of Social Security indicating the amount of pension received, or an application for continuation of unemployment benefit showing the amount of benefit paid. If a tenant so chooses, he or she may sign a form authorising the trust to confirm the tenant's income. This form does not permit the trust to obtain any information about the person other than the amount of income. In other words, no-one is forced to sign a form authorising the trust to obtain any other information except verification of income. That is, if they choose to sign an authorisation form, the trust is not given access to private files held by any other body.

Tenants are simply allowing the trust to confirm figures that they themselves—that is, the tenants—have provided. I know that the trust is concerned about the misunderstanding that has been created on this issue, particularly by some members opposite. The trust has consequently prepared a pamphlet for tenants which answers commonly asked questions about verifying incomes and lists all the documentation acceptable as proof of income. When those pamphlets are prepared, I will make them available to any members who have Housing Trust properties in their electorates so that they can inform tenants as to their rights.

Mr TERRY CAMERON

Mr D.S. BAKER (Victoria): My question is directed to the Premier. Despite the fact that Mr Terry Cameron has admitted one breach of the Builders Licensing Act; despite the fact that Mr Cameron paid a builder for the use of that builder's licence to have constructed 30 homes in the Willunga area (and there is no evidence that those homes were legally built); despite the fact that there is no evidence that other building activity in which Mr Cameron was involved was properly supervised; despite the fact Mr Cameron has admitted—

The SPEAKER: Order! Will the honourable member resume his seat. The technique which he is using to ask a question is clearly one whereby he is debating the matter without actually getting to the stage of asking his question. If he does not get to the actual nub of the question very quickly, leave to continue will be withdrawn. The honourable member for Victoria.

Mr D.S. BAKER: Does the Premier believe that Mr Cameron's activities have set an example for others in the building industry, in view of the fact that the Premier claims that the report on Mr Cameron's activities exonerate him? Is it still the Premier's intention to refuse to criticise Mr Cameron in any way over the matters revealed in those reports?

The Hon. J.C. BANNON: The honourable member has made certain assertions and they are assertions that I reject. I refer him, and other members, back to the report and I stand by the comments that I have made.

FAMILY INFORMATION SERVICE

Mrs APPLEBY (Hayward): Will the Minister of Community Welfare inform the House how many inquiries have been received by the Family Information Service since it was launched in February?

The Hon. S.M. LENEHAN: I know that the honourable member takes this matter seriously, as I do. The very short answer is that about 4 000 South Australians have made application under the new legislation for information with respect to a child they had adopted out or an adoptive parent. In the same period 50 people have wished to veto the release of information which would identify them. Questions and inquiries are being handled by the Family Information Service at the rate of about 75 a day. As I am sure members would appreciate, this is putting some strain on the Family Information Service. In fact, the department has increased staffing to help meet the demand. In the next stage of the implementation of the legislation, which will be proclaimed in July, is a further publicity campaign which is due to start this month, with the final stage of the publicity and promotion campaign taking place at the end of June. A number of issues will be dealt with by the Family Information Service and I am happy to share those with the honourable member at a later stage.

OCCUPATIONAL HEALTH, SAFETY AND WELFARE ACT

The Hon. H. ALLISON (Mount Gambier): When the Minister of Labour is advised of a safety issue arising in a department for which he has responsibility, and no action is taken to correct it, is that Minister responsible under the Occupational Health, Safety and Welfare Act and subject to the penalties under that Act and, if so, will the Minister launch a prosecution against the Minister of Education for that department's breach of the Act?

Members interjecting:

The SPEAKER: Order!

The Hon. H. ALLISON: Members may have some mirth, but—

Members interjecting:

The SPEAKER: Order! I call the House to order. The honourable member will continue with his question.

The Hon. H. ALLISON: This is the Opposition's method of alerting the House to a problem that exists and it highlights the double standards between Government and private—

The SPEAKER: Order! The honourable member is clearly debating. If he continues in that vein, leave will be withdrawn.

The Hon. H. ALLISON: On several occasions, Unley High School advised the Education Department of safety problems at the school. In particular, a hand rail, torn linoleum (particularly important) and fire tiles were referred to the department. On 15 September last year (some six months ago) the member for Mitcham wrote to the Minister of Education seeking details of action that the department had taken and the Minister was simply asked, as a matter of urgency, to attend to the three items mentioned as they represented a particular hazard. The torn linoleum had already caused a number of accidents, including one broken arm.

However, following the member for Mitcham's representations no action was taken, and in February this year another student broke her arm after tripping on the linoleum. If the Minister is not to be held to have duty of care under the Act referred to, this would then mean that Government departments are not complying with laws to which private employers are being subjected, under threat of heavy fines.

The Hon. R.J. GREGORY: I thank the honourable member for his question and I will have the matter investigated.

Mr S.J. Baker interjecting:

The SPEAKER: Order! The Minister has the call, not the member for Mitcham.

The Hon. R.J. GREGORY: I will have the matter investigated. It is my view that the Chief Executive Officer of the department is ultimately responsible for the action or lack of action of his officers. However, I will have the matter investigated. If anyone should be prosecuted, we will make the determination at that time.

LIVESTOCK CARRIER FIRE

Mr De LAINE (Price): Will the Minister of Emergency Services tell the House who is responsible for the cost of quelling the recent fire on board the Arabian livestock carrier *Om Algora*? Because of the deep-seated and potentially serious nature of the fire, the Metropolitan Fire Service had much equipment and personnel tied up at the ship for many days. The cost of the entire operation must have been considerable, and people have asked about who is paying the bill.

The Hon. D.J. HOPGOOD: From memory, I understand that, under section 69 of the Metropolitan Fire Service legislation, costs can be recovered from the owners, or shipping agents in this particular case, and I understand that discussions have already been initiated with Dalgety Bennetts Farmers. So, my understanding is that there is a fair chance that the costs can be recovered. I take this opportunity to put on record my appreciation of the very fine work done by the officers and the firefighters of the MFS in what were very difficult conditions indeed. Because there was little media interest in this matter, people perhaps are not aware of the very difficult task which our firefighters had and which they were able to carry through magnificently.

PARINGA MARINA DEVELOPMENT

The Hon. P.B. ARNOLD (Chaffey): Will the Minister for Environment and Planning investigate a decision by the Planning Commission to refuse permission for the establishment of a security area and car parking facility adjacent to lock 5 marina at Paringa? The District Council of Paringa regards this as an important development for houseboat and tourist activities which the council cannot provide itself due to lack of land. The proponent is a private landholder. However, his proposal has been blocked by the Planning Commission.

In explaining the situation to the council, the Department of Environment and Planning has virtually advised that if the development had been on council land it would have been approved, but, because it is a private development on freehold land, it has been refused. In this case, what is at issue is not the location of the land but the principle of private or public development, and the council believes that to be an unreasonable and unsatisfactory basis for making the decision.

The Hon. D.J. HOPGOOD: Yes, sir.

PERSONAL EXPLANATION: PAROLE

The Hon. FRANK BLEVINS (Minister of Correctional Services): I seek leave to make a personal explanation.

Leave granted.

The Hon. FRANK BLEVINS: Earlier in Question Time a question was asked about prisoners Wheatman and Addabbo. I have been advised by the Attorney-General that the Crown Prosecutor has already decided to apply to extend Wheatman's non-parole period, using section 32 (6) of the sentencing legislation, and also that the position of Addabbo is currently under consideration by the Crown Prosecutor. I did mislead the House earlier when I said that the life sentence prisoner released by the previous Tonkin Government after only eight years for the murder of eight people was, in fact, sentenced for the murder of his wife and nine other people.

PUBLIC ACCOUNTS COMMITTEE

The Hon. D.J. HOPGOOD (Deputy Premier): I move:

That pursuant to section 15 of the Public Accounts Committee Act 1927, the members of this House appointed to that committee have leave to sit on that committee during the sitting of the House today.

Motion carried.

CRIMINAL LAW CONSOLIDATION ACT AMENDMENT BILL (1989)

Received from the Legislative Council and read a first time.

TAXATION (RECIPROCAL POWERS) BILL

The Hon. J.C. BANNON (Premier and Treasurer) obtained leave and introduced a Bill for an Act to provide for the enforcement of taxation laws of the Commonwealth and other States; and for other purposes. Read a first time.

The Hon. J.C. BANNON: 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

The Bill seeks to introduce reciprocal powers of investigation beyond State borders to combat tax avoidance and evasion. It provides powers enabling investigations by interstate Taxation Commissioners or their delegates into matters relating to the taxation Acts of a participating taxation authority to be carried out within South Australia by the interstate Commissioner or by the South Australian Commissioner on behalf of an interstate taxation authority.

In 1982, the Treasurers of the States and the Northern Territory met with the Commonwealth Treasurer to discuss cooperative measures that might be taken to reduce the scope for tax avoidance and evasion. A working party of State and Commonwealth officers was established which presented a report to Ministers. This Bill is consistent with recommendations made in that report.

The Commonwealth, Victoria, New South Wales, Queensland and the Northern Territory have enacted legislation of a similar nature to that provided in the Bill. In the Australian Capital Territory sections 65 to 67 of the Taxation (Administration) Ordinance have been enacted and deal with the question of reciprocal powers although

not in any great detail. A Bill has been prepared in Western Australia.

Although evasion and avoidance of State taxes occurs mainly within the relevant State, there has been a growing tendency to evade/avoid taxes by operating across State borders, thus avoiding the jurisdiction of a particular State or making detection very difficult. In addition, certain taxation statutes require submission of returns and self assessment of taxes or duties and it is common for these returns to be prepared and submitted from interstate while relating to South Australian transactions. A cooperative approach between States to investigation is seen as a flexible and effective means of identifying and dealing with avoidance/evasion practices as they arise and in ensuring compliance with taxation Acts.

The Bill will apply to the taxation laws of the Commonwealth and participating States and Territories which are declared to be corresponding laws. The Bill provides that in relation to a corresponding law a Commissioner of another State or Territory which has reciprocal arrangements may, in writing, request the South Australian Commissioner to undertake an investigation in South Australia on his or her behalf. The South Australian Commissioner may delegate the power of investigations to permit an interstate Commissioner to carry out investigations in South Australia. In general the investigation would be carried out by interstate Inspectors under the delegation power included in this Bill.

The specific powers of investigation are set out in the Bill. The South Australian Commissioner and interstate Commissioner can agree on terms and the investigation must be undertaken subject to these terms. This agreement can be varied by further agreement between the parties to it or be terminated by either party.

An important feature of the legislation is that by permitting investigation in this State, the South Australian Commissioner would be given reciprocal powers to investigate taxation matters in the other participating States.

The South Australian Commissioner or interstate Commissioner under delegation would have power to require for inspection the production of any records, to enter any place at any reasonable time where it is suspected such records are held, to require a person to give evidence before the South Australian Commissioner or interstate Commissioner, and allow for search warrants to be issued in particular circumstances. There is also power to remove and retain goods or records. Secrecy provisions have been inserted to limit the use to which gathered information can be put.

The inspection and secrecy provisions included in this Bill are consistent with those commonly included in existing South Australian State Taxation legislation. A copy of the Bill was released on a confidential basis to the Taxation Institute of Australia (S.A. Branch), the Law Society, the Institute of Chartered Accountants and the Australian Society of Accountants. Extensive submissions were received which were evaluated and many were incorporated into the Bill. The Government is most appreciative of the contributions made.

Clauses 1 and 2 are formal.

Clause 3 provides definitions of terms used in the Bill. The definition of 'the South Australian Commissioner' accommodates the fact that we have an office of Commissioner of Land Tax being the office responsible for the administration of the Land Tax Act 1936, and an office of Commissioner of Stamps being the office responsible for the administration of all other taxing legislation.

Clause 4 provides the mechanisms for setting up an investigation.

Clause 5 sets out powers of investigation in relation to records. This and the other empowering clauses of the Bill bestow power only on the South Australian Commissioner. However clause 12 enables the South Australian Commissioner to delegate these powers to his own officers or to a corresponding Commissioner who in turn can delegate the powers to his officers. Clause 3 (2) ensures that references to the South Australian Commissioner include references to a person acting under delegation.

Clause 6 provides for powers of investigation in relation to goods.

Clause 7 requires that force can only be used in an investigation pursuant to a warrant and also that premises can only be searched pursuant to a warrant. However a warrant can be dispensed with if the Commissioner has reason to believe that urgent action is required.

Clause 8 sets out general investigatory powers.

Clause 9 is a general provision relating to investigations. Subclause (1) requires a person undertaking an investigation to produce on request a certificate as to his authority to undertake the investigation. Subclause (4) protects a person from the requirement to answer an incriminating question if the answer could be used against that person in criminal proceedings in the corresponding jurisdiction.

Clause 10 provides that an incriminating answer given in the course of an interstate investigation relating to the enforcement of a South Australian Taxation Act cannot be used in South Australia in proceedings for an offence against the law of this State. This provision complements provisions in interstate legislation that correspond to clause 9 (4) of this Bill.

Clause 11 is an evidentiary provision. Clause 12 provides for delegation.

Clause 13 is a secrecy provision.

Clause 14 provides for immunity from liability where the investigator acts honestly.

Clause 15 provides that the offences under the Act are summary offences.

Clause 16 provides for the making of regulations.

Mr OLSEN secured the adjournment of the debate.

PARLIAMENTARY SUPERANNUATION ACT AMENDMENT BILL

The Hon. FRANK BLEVINS (Minister Assisting the Treasurer) obtained leave and introduced a Bill for an Act to amend the Parliamentary Superannuation Act 1974. Read a first time.

The Hon. FRANK BLEVINS: 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

The purpose of this Bill is to make two structural changes to the administration of the scheme. The Bill has no bearing on the existing benefits paid under the scheme. The Bill seeks to change the funding arrangements for the payment of benefits. The new arrangement will result in the Government meeting its liabilities for the payment of pensions and other benefits, from the Consolidated Account. The Government share of benefits paid under the main State superannuation scheme and the police pensions scheme are already met in this way.

Under the proposed arrangement, members of Parliament will pay their contributions to the Treasurer, and all benefits payable under the Act will be paid from the Consolidated Account. This is the same arrangement that applies under the scheme for members of the Commonwealth Parliament.

This new arrangement also has an advantage to South Australian taxpayers in that because all benefits will be paid from the Consolidated Account there will be no State money paid in taxes to the Commonwealth under its proposed legislation for the taxation of superannuation funds. Members of Parliament will continue to be taxed under existing arrangements and will not be eligible for any concessional rate of tax on benefits when benefits are actually paid. The other change is the establishment of a board to deal with administrative matters. The board will consist of the following members—the President of the Legislative Council, the Speaker of the House of Assembly, and a person appointed by the Governor on the nomination of the Treasurer. The board replaces the previous trustees.

Clauses 1 and 2 are formal.

Clause 3 makes consequential changes to section 5 of the principal Act.

Clause 4 replaces Part II of the principal Act with a new Part which establishes the South Australian Parliamentary Superannuation Board. The new board will take over administration of the Act from the existing trustees.

Clause 5 replaces Part III of the principal Act.

Clauses 6 to 14 make consequential changes.

Clause 15 provides that contributions will be paid into the Consolidated Account and that the costs of administering the Act and payments of benefits under the Act will come from the same account.

Clause 16 inserts a transitional schedule.

The Hon. JENNIFER CASHMORE secured the adjournment of the debate.

MARINE ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 15 March. Page 2429.)

The Hon. P.B. ARNOLD (Chaffey): The Opposition will support this measure as a result of discussions with the maritime industry, which believes that the legislation should be supported. The Bill has two main objectives, as indicated by the Minister: one is the regulation of commercial floating establishments and the second is the adoption by regulation of various national and international codes. There are two or three matters on which the Opposition would want assurances from the Minister in supporting the legislation.

One relates to any impact that this legislation will have on recreational boating, the houseboat industry, and certainly the fishing industry in this State, because we are aware of the cost of surveys and part of this legislation provides for regulations relating to construction standards for floating structures such as the proposal for Dangerous Reef, which has been referred to by the Minister. To all intents and purposes that structure will be a floating observation area from which tourists can view fish life.

Dangerous Reef is recognised as possibly one of the best places in the world for viewing the white pointer shark and, as hitherto the average tourist has had few means of observing this unique fish, this facility will be an important acquisition for the South Australian tourism industry. However, at the same time I recognise that at present under the Marine Act there is no provision for such development in South Australia. I do not doubt that the construction of this floating observation facility will be of the highest standards but, since South Australian legislation contains no appropriate provision, no assurance or guarantee can be given in that regard and the Government is responsible to ensure that the public will be protected from any shoddy workmanship and to see that standards are maintained.

Probably, the best known structure of this nature is the floating hotel off the Queensland coast, which was the cause of some concern during the recent cyclone as to how it would weather the storm. Opposition members have a real concern, especially about the impact on recreational boating and certainly on the houseboat industry. Having spoken to the Minister privately on this matter, I have been assured by him that the legislation is not aimed at the recreational boating or the houseboat industry and that it will not increase their costs. In this regard, it must be remembered that, as regards marine surveys, the houseboat industry is a totally different section of the boating industry from the ocean going vessels. The fishing fleet is another area of considerable concern to us because, once again, the viability of that fleet depends very much on the costs imposed on it by the Government.

This comparatively short Bill contains two important clauses. The first of these, clause 4, gives the Government wide powers to make regulations of virtually any type and extent. The same could be said of clause 5, which deals with floating establishments and gives the Government wide regulation making powers under new section 67i. New section 67i *(j)* provides that the Governor may make regulations for or with respect to 'prescribing any matters necessary or convenient to be prescribed for the administration and enforcement of any regulations relating to floating establishments'. This gives the Government wide powers and, when these regulations come before this House, they will undoubtedly be scrutinised closely by members to ensure not only that the boating industry is protected but also that commercial operators are not burdened with undue costs as a result of those regulations.

The adoption by South Australia of the various national and international codes of standards and rules is probably long overdue. In my discussions with the maritime industry, it was put to me that it is bad enough to have laws, such as road rules, varying from State to State, but it must be terribly confusing concerning the sea, which carries international traffic, when not even the States have adopted common national and international codes of safety. There are also the aspects of the construction, equipment, manning, qualifications and other requirements that will be covered by regulation. The Opposition supports this Bill, but it will seek assurances from the Minister concerning the matters to which I have referred.

Mr BLACKER (Flinders): I fully appreciate and understand that the Government should have legislative control over floating structures. In this regard, a principal aim of the Bill is to provide for legislative control over such structures, especially the shark observatory proposed for Dangerous Reef which is the subject of this legislation. I understand from the owner of that project that the structure is now being built to a 1C classification. Although I am not too sure what that means, I have been given to understand that the builder has been working with specifications that have been available from Queensland where similar floating structures are used and that he has been in regular and constant contact with the Department of Marine and Harbors in this State.

So, I hope that there is no misunderstanding about what is happening, because I believe that the owner is certainly acting with the best intentions to ensure that the structure which he is financing meets all the safety and other requirements necessary for such structures. I also understand that, as there is a parallel between the standards required for the floating structure and those required for the service vessel, complementary undertakings will be given concerning manning, because the manning requirements for the service vessel will be similar to those for the floating structure.

I am also given to understand that the floating structure will have no superstructure initially. It is proposed to be placed on site to ensure that it is a workable proposition before the superstructure is placed on it. The Bill relates to the ability of the Department of Marine and Harbors to formulate a set of regulations under which vessels or floating platforms of this kind can be regulated. I do not disagree with that, because I believe that there should be a set of regulations as I foresee that, with the tightening, if it happens, of the shack site policy—so that by 1999 more owners are obliged to remove their shacks from Crown land lease areas—there could be a growing interest in floating structures which could be moved from time to time. So, I see the more sheltered inlets and bays of lower Eyre Peninsula becoming sites for such floating structures.

I do not know where the line is drawn between a houseboat and a floating platform which could become an observatory, as has been suggested. However, a regulatory program must be developed to accommodate that. My interpretation of the Bill is that the proposed floating platform could be like a floating dock such as the one at the Port Lincoln marina, which could also be incorporated under this piece of legislation. I ask the Minister to explain whether that is the intention of the Bill and whether it is proposed to draft regulations to cover such floating structures. Perhaps the Minister can clarify also whether this legislation refers to all structures, from concrete floating docks to the platform proposed for Dangerous Reef. If such a range of floating platforms is contemplated, will it include a houseboat that is suitable for sheltered seawater?

Because this piece of legislation is specifically directed towards the project at Dangerous Reef, will the Minister give an undertaking to the House that the builders of the Dangerous Reef platform will be closely consulted in the drafting of the regulations? I have had nothing but cooperation from the owners in trying to meet the necessary public safety requirements. I appreciate that this is a new type of operation and that the problem is not so much the structure but the means of anchorage, and that is where the greatest risk lies. Existing legislation or regulations probably cover the building requirements of such a structure to a seaworthy standard. In his reply, I ask the Minister to explain the range of regulations that are being considered and whether it is envisaged that the builder of this project will be involved in the consultation process.

Mr PETERSON (Semaphore): It is important in the maritime industry that there be international and Australian codes and, although Australia uses a uniform law, there are differences in its application between States. For instance, it is not unusual for a vessel that is purchased in Queensland or some other State to have to be modified before it can be plied in South Australian waters. Although the States follow the same code, there has not yet been total acceptance of all of the qualifications. Until this legislation is passed, we will not have formally accepted what I assume to be the Australian standards code. Although it has been accepted in principle, there is some difference in the application of those rules and standards.

The member for Chaffey mentioned that this Bill has two main points: the regulation of floating platforms and the application of the code. I was surprised when referring to the code that it does not contain a specific reference to floating establishments. There are various qualifications, and the member for Flinders mentioned classification C.1, which I will touch on in a moment. Port Adelaide has an oiling barge which I assume is covered under a standard, although it is not covered under the Australian uniform shipping code, so we have a little way to go with respect to recorded standards in this State.

The Minister's second reading explanation referred specifically to the proposal to moor an underwater viewing platform adjacent to Dangerous Reef on Spencer Gulf. This Bill will allow for regulations to be drafted to cover such a construction, for which a new classification must be created.

Members interjecting:

Mr PETERSON: Mr Deputy Speaker, I am having a little trouble concentrating.

The DEPUTY SPEAKER: Order! I ask the House to come to order.

Mr PETERSON: A new classification will be created to cover this type of floating establishment. Section 8 of the uniform shipping code refers to the stability of vessels of various types which are covered under classifications C.1 to C.16. However, none of those classifications covers the type of floating establishment about which this Bill is concerned. I am not aware of any stability criteria that can be applied, so I ask the Minister to refer in his response to the criteria that will be applied to this type of vessel and to supply the source of those criteria.

The concept of a floating platform at Dangerous Reef is certainly interesting. The only reference to it that I have seen appeared in the *News* of 14 February this year under the headline 'Sharks to be tourist bait'. Let us hope that it is not the other way around. The article speaks of a $600 000 underwater shark observatory to be moored at Dangerous Reef. It will be ready next year and it will consist of an underwater dry viewing platform and a caged area in which people can dive to be nose to nose with white pointers. Given the proposed location, I checked the uniform standards code for the classification of water in that area. That code provides classifications of water conditions for each State. For South Australia, the waters are defined as partially smooth water limits and smooth water limits, but this location is not classified. I seek clarification of the classification of the water in the location where the observatory will be moored. It could be coastal or middle waters, restricted offshore waters or unlimited waters.

In addition, I am interested in what will be the standards of construction and safety for this platform. Stability will be important. As the member for Flinders mentioned, also of great importance is the method of securing this craft when it is moored at Dangerous Reef. The size of anchors and cables is covered in the code but I am not quite sure how they will apply to an unpowered vessel. Again, I would like to know what standards will be applied to this type of craft.

There is no doubt that problems can occur with any vessel, whether or not it is at sea. For example, the dredge in the Port River turned over a few years ago, the department's vessel rolled off the slip at North Arm, and there is the current oil spill near Alaska. It is common for large fishing vessels moored at Port Lincoln to break their moorings and be washed onto the beach, as occurred only last year or the year before. The examples that I have cited

illustrate that the way in which this vessel is moored or fixed is very important.

The importance of Spencer Gulf to the South Australian maritime trade must be considered in relation to this large vessel, which will cover some 30 metres by 12 metres. As yet, we have no idea whether it will be anchored or secured to the reef, and if it broke loose it would be a danger to shipping in the gulf.

All ports in the gulf are major shipping ports. During 1987-88, Port Bonython had a total of 50 overseas, interstate and intrastate vessels, Port Lincoln had 131, Port Pirie 95, Wallaroo 37, and Whyalla had a total of 105. If this vessel were to break loose, there is a danger that it could blow on to Spilsby Island, back into Port Lincoln or across the gulf, thereby endangering the bulk loading facilities at Wallaroo.

In his reply I would like the Minister to address various aspects of this venture. How will this floating establishment be held in position? Will it have recognised lighting and navigation lights, or will it be the same lighting that applies for Dangerous Reef? Will this unpowered vessel have standards in relation to manning? Will it need a captain, officers and crew and, if so, what will their ratings be? Will the crew have to be members of the Seamen's Union? Will this vessel be permanently manned with a full crew, or at times will it have only a caretaker?

I am sure that this vessel will be constructed to world standards. Will the Minister explain what these are? Can we guarantee that this vessel will be securely moored so as not to endanger shipping in Spencer Gulf? If the weather turns bad and the vessel breaks loose, it will be very difficult to retrieve it. I would like the Minister to take those questions on board in his response.

The Hon. R.J. GREGORY (Minister of Marine): The member for Chaffey referred to the houseboat industry. I make it clear that the Bill does not require privately owned houseboats on the Murray to be surveyed. Houseboats on the Murray that are hired out are already surveyed, and that will continue.

Mr Lewis: What about those hired out on the black market?

The Hon. R.J. GREGORY: If officers of the department detect breaches of boating or marine legislation, the perpetrators will be prosecuted to the full extent of the law. If the honourable member has any information about people who illegally hire out houseboats, I would appreciate it if he would pass that on to me so that I can have departmental officers investigate and, if prosecutions are warranted, I guarantee that action will be taken. If we find out that the penalties are not adequate, we will move amendments to increase them.

The member for Flinders referred to floating structures in inlets and bays. This Bill is intended to encompass these matters because we do not want a proliferation in the sea of vessels that do not comply with the current Australian uniform shipping code. As the member for Semaphore rightly pointed out, there is some deficiency in this area.

The member for Semaphore asked a question about the standards of construction and the operation of this floating establishment. Many of those matters will be determined by the principal naval surveyor when we write the regulations. In respect of floating docks, I think that the member for Flinders referred to pontoons in the Lincoln Cove marina and, in fact, in all marinas. It is not our intention to survey them. They do not go to sea and, in any event, if they sink or become non-buoyant, they are secured between a couple of poles and will not create much danger to life and limb (although I could imagine someone being injured if one was to sink rapidly).

We are talking about deficiencies in the Marine Act that were brought to light when plans were announced to anchor a floating establishment (or pontoon as it was called) at Dangerous Reef, which, I think, is about 13 nautical miles due east of Port Lincoln. The area can be quite dangerous in heavy weather so, if this floating establishment is not secured to the seabed adequately, it could break loose and create a nuisance, if not a danger. Presently we do not have any power in relation to this, but I am confident that that will change when the Bill passes both Houses and the regulations are drawn. We will suggest that the anchoring system for this floating establishment be tested in Australia to see whether it will withstand the projected forces to which it will be subject. Our principal interest is to ensure that people who visit the platform, or those who work or stay on it, are as safe as one can be when at sea.

Bill read a second time.

In Committee.

Clause 1 passed.

Clause 2—'Commencement.'

Mr BLACKER: What dialogue has there been between the builders of this project and the Department of Marine and Harbors? I understand that this project is under construction. I have been told that there has been some dialogue, but I wonder where we go in relation to proclamation, and whether there is a likelihood of difficulty, although personally I do not envisage that. Will the proclamation occur as soon as possible?

The Hon. R.J. GREGORY: There have been discussions between the builders of this floating establishment and the department. At this stage the department and its officers envisage no difficulty in relation to further discussions that will take place during the building of the vessel. The people building the vessel have been most cooperative. We will try to have the Bill proclaimed as soon as possible.

Clause passed.

Clause 3 passed.

Clause 4—'Regulations.'

The Hon. P.B. ARNOLD: How will this floating establishment operate in respect of international codes? From where will the regulations be drawn? Is it a very broad base of any legislation or accepted international legislation?

The Hon. R.J. GREGORY: I hope this satisfies the member for Chaffey. If the uniform shipping laws code that is available and used in Australia does not provide regulations or standards, it is common for the States and the Commonwealth to use standards established by international bodies such as Lloyds. In this instance, if there are no standards under the shipping laws code, our principal naval surveyor will consult international bodies in the various classification societies, principally Lloyds, for advice and guidance in that matter.

Mr BLACKER: In my contribution to the second reading debate, I asked whether the department would allow an input from the present builders in the drafting of regulations. I was requested to seek that information. My understanding and my dialogue with them so far is that they are endeavouring to do their best in this matter. They seek some input in the drafting of the regulations from the builders' side as well as the owners' side.

The Hon. R.J. GREGORY: My advice is that the owner of this floating establishment or pontoon, whatever it is called, has not had any contact with the department at all. The contact has been with the builder. As I said earlier, the regulations for the design and structure of the vessel will be such that either they comply with the uniform shipping

laws code or, if that is not available, we will use international classification societies such as Lloyds. My advice from officers of the Department of Marine and Harbors is that they have had frequent discussions with the person building this floating establishment. All discussions have been amicable and fruitful, and there has been no disagreement. All requests from the department have been carried out. When we have regulations with respect to the construction, I cannot see that the processes will be any different in the future.

The department will be seeking to have the anchorage of this floating establishment tested to ensure that it is adequate to withstand the forces that will occur from time to time. I visited this area on four occasions in three days in late January and conditions were reasonably calm on each occasion. Advice I have received from persons in Port Lincoln with considerable experience of the dangerous reef area is that those quite calm waters can become very rough with high seas from quarters which would mean that, if the vessel was anchored inadequately, the anchorages could lift, shift or break, and the vessel could be driven onto the rocks. It is our intention to ensure that the anchorage is such that only in unforeseen circumstances could that possibly happen. We want to make this as safe as one can achieve at sea.

Mr BLACKER: Will this floating platform be required to have shipping lights?

The Hon. R.J. GREGORY: Naturally, it must have lights on it to determine its location, as it is stationary, even if it was in the shadow of a navigation light.

Clause passed.

Clause 5 and title passed.

The Hon. R.J. GREGORY (Minister of Marine): I move:

That this Bill be now read a third time.

I commend the Bill to the House.

Bill read a third time and passed.

SOUTH AUSTRALIAN HOUSING TRUST ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 8 March. Page 2248.)

Mr INGERSON (Bragg): In supporting the amending Bill, we note that it provides that people who have a particular interest in non-profit associations are able to participate as members of the board, and that includes those who have specific qualities and qualifications such as land agents who sell trust properties. We also note that occupier tenants can be members of the board, and we support that concept. We would encourage any extension of public boards to involve those who have a specific interest. We recognise that most of the non-profit associations are charitable organisations. We believe that the opportunity should be made available to any person who would like to be a member of a board and is so nominated by the Government. We have no other concerns with this Bill, but I will ask a few questions in Committee.

Mr LEWIS (Murray-Mallee): I have the same views about this matter as expressed by the member for Bragg, with one addition. I certainly hope that the extension of the board in this instance enables us through the board to pay far greater attention to what I believe has been a commonsense policy that has been ignored for years. The Housing Trust ought not to continue to create welfare ghettos in the way that it has in the past. Moreover, decisions of the board relating to the location of dwellings in the midst of other communities, as part of the total community, ought to include a more serious consideration of rural towns.

Mr Deputy Speaker, you and I both know that it is possible to live in a country town, such as Lameroo, on very much less cash and with a good deal more self esteem amongst your peers in that community than in an eastern suburb of Adelaide, for instance, Glenside, or for that matter, south of Adelaide in places where there are now thousands of Housing Trust homes, such as Noarlunga. I have often been a critic of the policies of the trust in perpetuity where it has created the kinds of ghetto problems that have existed in Smithfield Plains and Elizabeth—that is, Elizabeth once upon a time, not so long ago to a greater extent than at present, and Smithfield Plains now, where there are simply too many people who have lifestyles associated with the same kinds of problems that cause them to have to rely upon welfare for their sustenance. That is, they must rely on other taxpayers for their sustenance. No matter what we wish to say about that and how compassionately we may regard the circumstances of those people who need to be—

The Hon. T.H. Hemmings interjecting:

Mr LEWIS: I ask the Minister not to interject out of his place.

Ms Gayler interjecting:

Mr LEWIS: And I thank you to keep your mouth shut too.

The DEPUTY SPEAKER: Order!

Mr LEWIS: Well, Mr Deputy Speaker, if members opposite are allowed to interject on me, then I will deal with them without your protection if that is the way this place is to be conducted.

The DEPUTY SPEAKER: I ask the honourable member to resume his seat. Before this debate goes any further, I want to assure the member for Murray-Mallee that the Chair will accept no reflections upon it and, if he continues along those lines, the Chair will have no hesitation in naming him. The Chair has been generous in the three minutes that the honourable member has been speaking in allowing him to digress from the Bill in front of him. I ask the honourable member for Murray-Mallee to come back to the the Bill now before the House. The member for Murray-Mallee.

Mr LEWIS: One hopes that the board, as it will be constructed, will enable a breadth of opinion to be expressed that has not hitherto been contemplated or expressed by previous boards or the existing board. It is on the basis of that hope—that belief—and the expressed need which was canvassed directly in the Minister's second reading explanation that I direct my remarks as they relate to the circumstances of my electorate. I believe that we can do a great deal to help the plight of those people who need public housing and who may otherwise need income support or who are totally dependent on the taxpayers for their welfare and sustenance; we can help them to live in better surroundings than they could otherwise obtain.

Previous boards made decisions to create whole suburbs comprised of Housing Trust homes, concentrating particular social groups in those homes, for example, single mothers dependant on welfare not only for their housing but also for income for themselves and their children. It is not a healthy situation. It is not the kind of thing that makes for good health. I hope that the board, comprised as it will be of this more diverse group of people, will take into account what I see as the sensible option of expanding the number of dwellings in townships such as Lameroo and indeed, any town of that size throughout the length and breadth of the State, where people in the circumstances to which I have

referred would be able to live with greater dignity and less expense than is currently the case where they live cheek by jowl with one another and have no support.

It is well known that, regardless of income source, people will be able to win places in teams to play sport on the weekends and in school. Children will attend a school with a range of children from families and backgrounds, as they are not able to do in the circumstances of the ghettos that the trust has, for better or worse, created in the past. That is not to say that the trust was wrong in doing what it did at that time or that it had the ability to discern that that was the case; it is just that we now have the evidence to make more sensible decisions.

Mr M.J. EVANS (Elizabeth): This Bill, as other members have observed, directly affects the board of the Housing Trust. Of course, it will allow a greater diversity of membership of that board. The board is charged with the administration of the South Australian Housing Trust Act and, therefore, with a substantial part of the administration of very large sums of money, both in terms of historical capital value and in terms of ongoing recurrent costs. The trust also has charge of a great many policy areas both in terms of social policy, as the member for Murray Mallee has observed in his own way (and I will deal with that in a minute), and in terms of substantial commercial considerations.

I believe that, in looking at this issue, we must examine both aspects of the question. The member for Murray-Mallee has drawn attention to certain aspects of the trust's policy in the 1930s, 1940s, 1950s and 1960s. They are aspects which I doubt the trust would repeat, given the same opportunity. Indeed, one has only to look at statements made by Housing Trust board members and senior executive officials of the trust to see that they do not intend to continue building exclusive suburbs for the Housing Trust but, rather, to integrate Housing Trust housing with private housing to ensure that the broadest kind of social mix is achieved in the planning of future Housing Trust suburbs.

Indeed, one need only look at the experiment with medium density housing in some areas of my own electorate to see that the Housing Trust entered into projects in the past that might well be redesigned if contemplated the future. It is inevitable that organisations such as the trust, which has such a large social role to play, will do things in one era which they would not do in another era. I believe that the comments made by the member for Murray-Mallee are not particularly helpful in that respect, because many aspects of the trust's current policy are directed specifically at remedying some of the problems that have emerged from policies which were entirely appropriate in their day but which have changed in context, given the socio-economic circumstances of the 1980s and, I am sure, the 1990s.

The trust's policy (which was very successful in my electorate and, I am sure, in the Minister's electorate) of selling double units and Housing Trust rented properties to the sitting tenants has shown a remarkable degree of success and will go a long way towards redressing that balance, as will the Housing Trust's decision to purchase land in other districts and to create a wide social mix of housing developments in settlements such as Craigmore, Golden Grove and so on. I am sure that the member for Newland is also appreciative of that policy.

As I have indicated, the Housing Trust Board has substantial responsibilities for large sums of money. When any Government or statutory authority is charged with the administration of such substantial sums of taxpayers' funds, be they State, Federal, or tenants' funds (because well over $100 million of Housing Trust funding comes from tenants), it is important that such organisations are fully accountable to the public and Parliament of South Australia for the way in which they spend that money. I am sure that the Housing Trust Board and the Minister would not disagree with that observation.

Of course, the Parliament insists under various Acts it passes that boards are made up of members who do not have a direct or indirect personal conflict of interest in the decisions that come before them. Since its formation in 1936, the South Australian Housing Trust Act has been particularly strong in this respect. Prior to this date a member was not allowed to have any interest whatsoever in any matter before the Housing Trust Board; that person was not allowed to be a member if that was the case. They were entirely excluded from membership. That might have been an appropriate policy in 1936, but times have changed, and they have certainly changed in relation to the question of conflict of interest.

We must remember the large sums of money involved and the very diverse nature of commercial activity these days, and indeed of the social infrastructures, such as housing cooperatives and tenants associations, and the very diverse nature of tenants in the trust. The intention now is to broaden the board's representation to include such groups as well as provide the potential to include people with an interest in a public company, where that public company's interest is less than substantial, which of course is still a significant threshold. For representatives, shareholders or officers of such companies to be able to be on the board does add a new dimension indeed to the Housing Trust's board membership.

It is a significant change in policy, as the Minister has observed. I certainly support that change, because it will add a diversity to trust board membership, which it has not had in the past; it will add a flexibility to that membership which it has not enjoyed in the past, and I believe that the State and the board will benefit as a result. However, we must be particularly careful with such legislation to ensure that we do not create a loophole through which a conflict of interest can slip. Having looked with some care at this proposed legislation, I believe that it does have some deficiencies in this respect, and I intend to outline them during debate on the Bill in Committee.

That should not be taken to imply in any way that I believe that any current or past member of the board has such a conflict of interest. Indeed, to date that has been impossible. They have been entirely excluded from membership of the board to date in such a situation. Nor should it be taken to imply that I think such conflicts might arise in future. It also does not imply that in relation to the Government's bringing forward other legislation before the House covering such organisations as the Health Commission or municipal councils, or any such organisations. Indeed, members of Parliament have had considerable legislature pressure brought to bear in relation to the declaration of our own interests in these matters.

I believe that the public has that right to know, and I am sure that the Government would indeed want to ensure that the public does have that right to know. The Government would not wish any allegation to be raised in future that some unknown, secret or hidden conflict existed which had not been brought to its attention. As the Premier has observed during Question Time in this House, smear campaigns are all too easy. I believe it is important for these matters to be out in the open, where all the members of the public, of this House and of the Government can see them.

I support the Bill at its second reading, but I indicate to the House that I will move certain amendments to the Bill in Committee, designed to enhance the accountability of the board and to ensure that the public is fully informed where the potential for such a conflict does arise.

The Hon. T.H. HEMMINGS (Minister of Housing and Construction): I thank the members for Bragg and Elizabeth for their contributions and support for the Bill. As to the member for Murray-Mallee's remarks, I will simply make the observation that I doubt whether the views that he espoused in his contribution to this debate would be shared by his colleagues on his side of politics. I find it rather sad and unfortunate that in this day and age there are still people who hold responsible positions as elected members of Parliament and who are prepared to turn their back on people who, in many cases through no fault of their own, need help. The South Australian Housing Trust, one of the finest organisations in this country, and I would venture to say in the world, provides solace and relief in relation to people's housing needs when they are in difficult situations.

However, there are still those in the community who, in effect, say that we should turn our back on those people. The Party to which the member for Murray-Mallee belongs, in an attempt to gain votes—mainly in the Federal sphere and not so much in the State sphere—has made a quite definite pitch on the value of the family. But the member for Murray-Mallee's view of a family is that it comprises a couple with two or three boys and girls, with both parents working or with one working and getting a good wage. If a family comprises a single supporting parent, and this could involve a deserted wife, a widow or a widower, then apparently they are rejected and we should do nothing at all to help them. All I can say is, if that is the view held by the member for Murray-Mallee and if that view is shared by his colleagues (and I do not think it is), then God help the community of South Australia.

Bill read a second time.

In Committee.

Clause 1 passed.

Clause 2—'Disqualification from membership of trust.'

Mr M.J. EVANS: I move:

Page 1, line 15—Leave out 'section is' and insert 'sections are'.
Page 2, after line 16—Insert:

Disclosure of interest

9a. (1) A person holding office as the chairman or a member of the trust, whether on a permanent or an acting basis, who is directly or indirectly interested in a contract, or proposed contract, made by, or in the contemplation of, the trust is guilty of a summary offence unless the person—

(a) as soon as practicable after becoming aware of the contract, or the proposal to make the contract, discloses the nature of that interest to the trust;

and

(b) refrains from taking part in any deliberations or decisions of the trust with respect to that contract.

Penalty: Division 6 fine.

(2) A disclosure under this section must be recorded in the minutes of the trust.

(3) Where a person makes a disclosure of interest in respect of a contract or proposed contract in accordance with this section—

(a) the contract is not void, or liable to be avoided, on any ground arising from the person's interest in the contract;

and

(b) the person is not liable to account to the trust for any profits derived from the contract.

The amendments seek to ensure that where a person has a conflict of interest, that conflict of interest is made known to the Housing Trust Board and that that person refrains from taking part in any deliberations or decisions of the trust in respect of that matter. I believe that it is a fundamental principle that, where a person has an interest in a matter before a Government agency or a statutory authority, that statutory authority and the public should be aware of that interest and that that person should not participate in that discussion.

Members will recall that I have often spoken on clauses of this kind in Bills that have been before the House. I happen to believe it is a very important question. Until now, of course, any potential conflict of interest on the part of trust board members has been effectively excluded, because they have not been eligible for membership of the board in the first place. Therefore, the whole question has not arisen in that issue beforehand. However, now the Minister is proposing that we should create three very reasonable exemptions from that, in effect, which would have the consequence that, if the Bill as proposed was adopted, people could in fact have a potential conflict hidden within the categories, as stated here, and not have to do anything about that conflict.

I do not make this as an allegation or as a suggestion of impropriety on anyone's behalf, but the amendment is merely a legislative safeguard to ensure that these things cannot arise in future. To give an example of that: the first exemption, if you like, from the disqualification of a conflict of interest arises under new section 9 (2) *(a)*, which provides:

A person is not disqualified as referred to in subsection (1) by reason only of the fact that—

(a) the person has an interest in shares in a public company that is interested in a contract made by the trust, provided that the person's interest does not amount to a substantial shareholding in the company.

In other words, what this is saying is that it is all right to have a conflict of interest provided that the conflict is not so large that it amounts to a 'substantial shareholding' in the company. Of course, 'substantial shareholding' is defined in the Companies Code, and it is a very complex business. But let me assure the Committee that 'substantial' means substantial, and in fact a very significant interest could be held in a company but could amount to less than a legally defined substantial interest. In other words, one could hold 5 per cent of a very large and major public company which was, as the amendment says, interested in the contract before the trust, and yet one would not be required to disclose that interest, even though the company in which one has less than substantial shareholding has a contract with the trust.

For example, a large public company could enter into a contract to lease and/or purchase a large shopping centre from the Housing Trust. That might be entered into in competition with a large number of other such public companies, and such examples exist within the recent history of the Housing Trust. The board itself must make a selection between the various companies involved, and while the board member who held that 5 per cent of shares, for example, might have no influence with the large public company, that is obvious, and that is what this amendment is designed to protect.

Obviously, someone with just a few per cent interest in a company like, say, Coles-Myer, or some other large public company in this country, such as BHP—any of these large public companies—would have no way of influencing the board of that corporation. I fully accept that.

Of course, because their 3 per cent, 4 per cent or 5 per cent shareholding would amount to many millions of dollars of value to them, although it is trivial to the public company, it is far from trivial to the individual who is a potential board member. That person would then be in a position to derive substantial personal gain by nudging the decision of the board in a certain direction, but they would

not have to declare that interest to the board under this Bill.

They would be able to fully participate in the decision to nudge the board towards that direction, and no-one would even know. What is more, it would be perfectly legal in any event under the amendment before the Committee. That represents a significant deficiency. While the amendment that the Minister proposes certainly addresses the question of a shareholder not being able to influence the board, the Government has not addressed the question the other way around, and I believe that that difference needs to be addressed.

It is also the case that a person could be a debtor, for example, to one of the housing cooperatives which now exist, and they are specifically contemplated in relation to this amendment. That person would have a significant interest in nudging the trust towards certain decisions about cooperatives, but that person would not have to declare his interest.

A person might be a member, indirectly, of a housing cooperative suffering adverse times, and there are such organisations around. Such a person would not have to declare that interest and would be able to speak on the very matter in which they are interested. That is fundamentally in conflict with the principle that the Minister is putting before us. In support of that proposition I draw the Committee's attention to several recent examples in legislation passed both in this Chamber and in another place.

For example, one need look no further than the South Australian Health Commission Act, which contains a provision in relation to the disclosure by members of the board of interests that they may have. Section 14 (2) provides:

A member of the commission who is in any way directly or indirectly interested in a contract made by, or a proposed contract in the contemplation of, the commission—

that is, the Health Commission—

shall not take part in any decision of the commission with respect to that contract.

The penalty for breaching that provision is $2 000. I now turn to the provisions of the Local Government Act, which was substantially amended by this Chamber, and one finds a requirement under section 54 (1), as follows:

A member of a council who has an interest in a matter before the council or a council committee of which he or she is a member must disclose the interest to the council or committee.

Penalty: Ten thousand dollars or imprisonment for one year.

That is a substantial penalty indeed. If this Bill passes unamended, not only is there no penalty but there is no requirement to disclose the interest; there is no penalty for non-disclosure. This serious deficiency needs to be rectified, not because I believe that such things are in immediate danger of occurring, just as I did not when I supported the Health Commission or local government legislation, but the trust deals with sums of money vastly in excess of those dealt with by any local council in South Australia and their importance guarantees that they must be above suspicion in such matters.

The Hon. T.H. HEMMINGS: The member for Elizabeth is being a little over cautious in his comments and concerns about membership and the disclosure of interests and representation involving an aspiring board member. However, the Government is willing to go along with the amendment. I would hope that the interests with which we are dealing in regard to contracts that could possibly be won by companies on trust buildings, or anything else related to the trust, would be such that the person concerned would freely stand down or refuse membership, or that the selection process would weed out that person.

The Government is only too pleased to accept the amendment. Perhaps as a slightly older member I can offer a word of advice to the member for Elizabeth: have a little more faith in those people who are requested to serve in a capacity such as the people serving on trust boards. The honourable member may find that his fears, although supported in this case by the Government, are unfounded. We support the amendment.

Mr M.J. EVANS: I was very pleased with the Minister's response until he implied that I had a lack of faith in members of the trust board. I had taken some pains to say deliberately that my amendment is not contemplated in the sense that I have any lack of faith in such people: no more than the Minister of Health, his own colleague, has a lack of faith in members of the Health Commission board, when he proposed to this Committee two years ago amendments to the Health Commission Act to provide a penalty of $2 000 to members of the Health Commission board who contravene such provisions. Of course, the Minister voted for that amendment. And I have no more lack of faith than the Minister of Local Government. I recall that the Minister of Housing and Construction was once the Minister of Local Government and at that time he also supported the amendment which provides a penalty of $10 000 and 12 months imprisonment for a member of a council who is guilty of such impropriety. He has faith in those trust board members, but does he have no faith in local government in South Australia?

I do not recall anyone here alleging that the Minister of Local Government had no faith in local government in this State when he proposed 12 months imprisonment for any member of a council who breached such a condition. While I am grateful for the Minister's concurrence in this amendment, I certainly reject that it is motivated through a lack of faith. While I accept that he is older than I am, I do not accept that he has a monopoly on faith in people involved in public service.

Amendment carried.

Mr M.J. EVANS: I move:

Page 2, after line 16—Insert:

Disclosure of interest

9a. (1) A person holding office as the chairman or a member of the trust, whether on a permanent or an acting basis, who is directly or indirectly interested in a contract, or proposed contract, made by, or in the contemplation of, the trust is guilty of a summary offence unless the person—

(a) as soon as practicable after becoming aware of the contract, or the proposal to make the contract, discloses the nature of that interest to the trust;

and

(b) refrains from taking part in any deliberations or decisions of the trust with respect to that contract.

Penalty: Division 6 fine.

(2) A disclosure under this section must be recorded in the minutes of the trust.

(3) Where a person makes a disclosure of interest in respect of a contract or proposed contract in accordance with this section—

(a) the contract is not void, or liable to be avoided, on any ground arising from the person's interest in the contract;

and

(b) the person is not liable to account to the trust for any profits derived from the contract.

Amendment carried.

Mr INGERSON: What is the principal reason for this clause? What is the history behind it? What possible expansion of membership does the Minister see from the passage of this clause?

The Hon. T.H. HEMMINGS: I will deal first with why we picked up the membership of a governing body of a non-profit organisation, which is a party to a contract with the trust. I was notified by the present Chairman of the

trust board that he had an honorary position with a charitable organisation which did work for the trust and, rather than lose an eminent Chairperson of the trust board, the Government decided to amend this part of the Act, but not only for that reason.

It was fairly obvious that many of the kinds of people who are attracted to the trust board are successful businessmen who do valuable community work. The Government felt it was inappropriate for those people to be barred from board membership. In fact, when one looks at the work the board has to undertake on behalf of the trust and the South Australian Government, it is a fairly onerous job and I have nothing but admiration for those participants. I will not go back on old ground because I might revive the member for Elizabeth. Those people do a valuable job for the Government and we should applaud them and give them every encouragement.

Clause as amended passed.

Title passed.

Bill read a third time and passed.

ROAD TRAFFIC ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 16 March. Page 2518.)

Mr INGERSON (Bragg): I support the Bill. The mass limits applicable to heavy vehicles in South Australia have been a problem for industry for 10 years or more and a committee, which the Minister set up at State level, has considered this problem for some time. Two significant Federal studies have been conducted, in 1982 and in 1985, and other significant studies have also been conducted by the National Association of Australian State Road Authorities.

Opposition members support the Bill because, in principle, it recognises mass limit standards that apply around Australia. We further believe that recognition of those standards will remove the difficulties and hassles that have occurred between those policing the regulations and individual proprietors and drivers. Many hassles concerning mass limits occur on the roads. At times questionable action is taken by inspectors and at other times the owner-driver or driver drives a vehicle that is well over the limit.

We need to recognise that any weights over the limits that are carried on our roads do extreme damage to those roads and, as the development and maintenance of the road infrastructure is important to the transport industry and to the community at large, it is absolutely necessary that adequate standards be imposed and that they be well policed. Although most sections of the industry will welcome this legislation, two groups, the waste management group and the cement carrying group, will face significant changes. Operators in those two groups, who operate mainly in single axle trucks, will face a significant change to their method of operation. I understand that the Government, recognising that problem, will enable such operators to continue to use their present vehicles, provided that such vehicles are kept in a roadworthy condition.

Opposition members have no problem with that concept. We believe that, if mass limit regulations or any other regulations are changed significantly, the people currently in the industry must not be legislated against selectively. In this regard, I understand that the regulations will provide specifically for those two groups of operators.

It is important to note that the change to the maximum mass limits will remove a problem that has occurred especially in respect of those people who have had permits issued over the past five or 10 years and who, when penalised for carrying excessive loads, have had the penalty applied back much further than the permit limit itself. I understand that these regulations will remove that anomaly and therefore make for a fairer situation in that regard. Although I shall ask the Minister questions in Committee, in principle Opposition members support the Bill, which will enable the regulations to be introduced.

The Hon. G.F. KENEALLY (Minister of Transport): I thank the member for Bragg, the Opposition spokesman, for his support of the Bill. The honourable member's explanation of the content of the Bill is correct. True, we will provide for waste management and cement truck operators whose vehicles will be non-standard under the new regulations. They will be given an annual permit for as long as their present vehicles can carry the appropriate tonnages and so long as they are inspected annually to ensure appropriate maintenance standards. The other comments made by the honourable member were also correct.

Bill read a second time.

In Committee.

Clauses 1 to 7 passed.

Clause 8—'Disposition of axles and axle groups.'

Mr INGERSON: Regarding the permit system, I understand that certain operators will still be able to get permits for loads in excess of the mass limits and permits will be given to people who are exceptions, such as tip-truck operators. The matter of permits has been a major issue. Although there has been a significant improvement in the permit system and in the attitude of both sides, the departmental officers and applicants, a few administrative areas need attention. There are still a considerable number of complaints concerning this provision. Can the Minister say whether permits will be given for loads over the specified limits and, if so, how they will be issued?

The Hon. G.F. KENEALLY: The capacity to provide permits for non-standard loadings will be needed on any number of occasions where transport companies and industry generally would want to transport a heavy load or a high or long load from one part of South Australia to another. On those occasions, of course, a permit will have to be applied for and provided.

The honourable member expressed some concerns about the permit section, but he was fair in saying that there have been problems on both sides. In my early days as Minister of Transport, the permit section of the Highways Department received a large number of complaints. I am happy to say that an engineer who has responsibility for that section (Mr Robin Ey) has done a remarkable job in improving the relationship between the department and the industry generally. While there may still be complaints, they are much rarer than they were, so considerable progress has been made and that is a credit to the people involved.

I inform members that the industry can now obtain permits by fax, and that improves the efficiency of the organisation. With respect to non-standard loads that fall outside the mass limits, operators may apply for and obtain a permit, and the application system will be the same as presently exists.

Clause passed.

Clause 9 passed.

Clause 10—'Substitution of ss. 146, 147, 149 and 150.'

Mr INGERSON: Proposed new section 146 (2) sets out the penalties that will apply if there is a contravention of this section. How will those new penalties relate to existing penalites?

The Hon. G.F. KENEALLY: It is important for the Committee and the industry to understand that there has been no change in the level of penalties. Whereas the legislation has changed in relation to mass limits, the penalties are exactly the same.

Mr INGERSON: This change is of great significance to the transport industry, so what sort of notification will they receive? The Minister is aware that, in the past, changes have only been gazetted, the assumption being that the industry would note them. The *Gazette* is a bit like *Hansard*: very few people take the trouble to read it. I plead with the Minister for thorough promotion of this important change.

The Hon. G.F. KENEALLY: I agree with the honourable member. There will be continuation of the presentations that I as Minister, the shadow Minister and all components of the industry have received. Advertisements will appear in the press and in appropriate industry magazines. As far as possible, the Highways Department will contact all interested organisations within the industry which, in turn, can notify individual members. The honourable member can rest assured that every effort will be made to advise the industry as a whole of these changes.

Clause passed.

Remaining clauses (11 to 14) and title passed.

Bill read a third time and passed.

The Hon. G.F. KENEALLY (Minister of Transport): I move:

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

Motion carried.

EDUCATION ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 16 March. Page 2520.)

The Hon. H. ALLISON (Mount Gambier): I am not sure whether the Minister of Transport will preside over this Bill, but one would assume that the Minister of Education is responsible for it. However, as a very reasonable person, I will expand on the Minister's second reading explanation and, should he not be in the House by the time I begin to ask questions in response to his explanation, I may move that the House adjourn or I may draw attention to the state of the House, giving the Minister time to come into the Chamber.

The Hon. G.F. Keneally interjecting:

The Hon. H. ALLISON: It is important that the Minister of Education attend, because I have specific questions to address to him during the second reading debate rather than in Committee. This Bill seeks to amend the principal Act in four main areas. First, I refer to the appointment of presiding officers of the Teachers Appeal Board, now recommended to come from the ranks of Industrial Court judges or magistrates. Secondly, acting appointments to promotion positions in schools will not have to be undertaken using the provisions of section 53 of the existing Act, which currently apply for substantive appointments. For example, an external selection panel would not have to be used for a short-term appointment, that is, an appointment of under 12 months.

Thirdly, there is the requirement to provide an appropriate framework for non-government schools to be able to accept full fee-paying overseas students. A code of practice approved by the Australian Education Council is included as part of the changes. As an aside, I welcome the Minister of Education to the House. Fourthly, the regulation making provisions are amended to allow changes to the regulations to increase the powers of school councils. In the main, those changes are claimed only to validate certain school practices that have been in operation for a number of years. For example, some councils have been in the practice of using council funds to employ additional ground staff for a number of hours or specialist teachers such as music teachers.

I agree with the Minister that, for the most part, there is general support from within the community and groups associated with education for the provisions in the Bill. While I do not propose to move any amendments during the proceedings of the Bill in this place, I point out that the Opposition reserves the right, following the reception of the Minister's response, to take further action in another place.

Having completed the preamble to my remarks based upon the Minister's second reading explanation, I will alert the Minister to a number of areas in which he has two alternatives. I would like the Minister to note the areas of concern that I and other people in the community have about the provisions of this Bill. I ask the Minister to respond to these concerns during his second reading reply. In the absence of satisfactory responses from him, obviously the Committee stage might be extended. Since I was somewhat reasonable towards the Minister, who arrived late, I am simply asking him to be reasonable in return and to recognise that I will have a limited opportunity to question him on the clauses during the Committee stage. So, perhaps the Minister will respond during the second reading debate and obviate the need for me to expand at length during Committee. That is the Minister's discretion but, being reasonable men, I do not think we will have any great problem.

We see no problem with clauses 1 and 2. In relation to clause 3, I wonder, in view of the fact that the Minister and members of the Opposition have received alternative suggestions about how this matter might be dealt with, why the Minister chose the President of the Industrial Court to deal with appeals. I would like the Minister to give a reason for this. Clause 4 amends section 46 of the Act. Subsections (1), (3) and (4) deal with the removal of members of the appeal board. I notice that in the Bill those reasons for removal are no longer considered to be relevant. Therefore, with what will they be substituted? For example, clause 4 (6) inserts a new subsection, as follows:

This section—

that is, the old section 46 after subsection (5)—

does not apply in relation to presiding members of the Appeal Board.

Why does that provision no longer apply to presiding officers? In relation to clause 5, I have quite a number of problems—but they may not really be problems, depending on the Minister's advice.

I refer to the promotion list, which is still referred to in the Act (and one would assume it would still have some substance). I understand that the Minister was provided with a Crown Law opinion (and I mention in passing that there was no ground for appeal in the old Act), as follows:

. . . a promotion list in which the order of ranking is determined having regard to the various qualities specified in the definition of 'merit' in the GME Act would satisfy both the requirements of regulation 59 and section 6 (1) *(a)* of the GME Act. This can be achieved—

and here we have the question of merit versus the time of service—

by the department amending its assessment guidelines so that the order in a promotion list was determined by merit (as defined in the GME Act)—

which of course is current—

and not as at present based in part on years of service or years since initial assessment. Alternatively, direct competition for each vacancy could be introduced by amendment to the education regulations 1976 and to section 53 of the Education Act 1972. In the meantime, it is open to the Minister to give notice to the Institute of Teachers in accordance with regulation 60 (1) and proceed to utilise the provisions of section 53.

Personally, I see problems of unwieldiness associated with that latter proposition. Will the Minister explain why Crown Law advice was not taken, otherwise I might have to take up that matter during the Committee stage?

Will the Minister provide to the Opposition—and not necessarily for me to peruse during the debate today (I do not want to prolong the House in any way)—a copy of the latest changes that he proposes to the selection panel clause. In relation to clause 5, I have a query about the Minister's communication to the South Australian Institute of Teachers on a series of limited tenure provisions in regard to the promotion provisions. What is the current Government policy in regard to that, and what are the reasons for that policy?

My next point refers to the promotion list and, as I said a few moments ago, reference to the promotion list has been retained. Does this inhibit in any way any move towards the Minister's intended limited tenure for promotion positions, or is there another provision in the legislation that might prevent the Minister's intended move? For example, is there a need for further legislative change in order for the limited tenure provisions to be fully effective? Of course, these matters can be considered in another place, depending on the Minister's response.

What procedure will exist in schools for the appointment of acting positions (and I assume that those would be acting positions for less than 12 months)? Will an appeal be possible against those acting position appointments? Over the past few years has the Government complied with the provisions of section 53 of the Act and with the associated regulations in relation to making substantive promotion position appointments? In relation to section 53 (3) of the Act, does the Minister make the final appointment, or is it his intention to delegate that responsibility to the Director-General of Education?

I recall, when I was Minister, that section 53 (3) of the Act was used in only a limited number of cases for relatively senior appointments. It occurs to me that, if the Minister is to invoke increasingly section 53 (3), he will appoint himself as the umpire. When I was Minister I would rather have run a mile than sit in as umpire on a whole host of appointment positions when somebody else might have been able to perform that function. And, in fact, that is only sensible, because it allows the Minister to get on with far more important ministerial responsibilities. This could be an unwieldy provision which might inhibit the Minister from performing more important duties. I hope that the Minister realises that in asking these questions I am trying to be more constructive than critical of the intentions behind the amendments.

We have no real argument with clauses 6 and 7. Clause 8 is important from the point of view of the non-government school organisations. I assume that the Minister would have a copy of the code of conduct for non-government schools. Is that a code of conduct specifically derived from advice given by senior advisory officers of the South Australian Education Department or is it the code of conduct promulgated by the very select membership of that club, the Australian Education Council, comprised of the Ministers in each State and the Federal Minister, which document has been passed around all State ministries? Is this code of conduct the AEC code to which I referred or is it for some reason a South Australian variation and, if so, how significant are those variations and why would South Australia choose to diverge from what has already been promulgated as a national code of conduct?

The code of conduct applies to non-government schools and naturally there has been some consternation from Government schools across Australia and, more specifically, in South Australia (since we are dealing with a South Australian Act) questioning whether Government schools are to be bound by that same code of conduct. That would seem to be a very important document if it is to bind all non-government schools. If Government schools are not to be bound, will the Minister explain why? Is there some sort of tacit assumption within the Australian Education Council that non-government schools are above having such a code of conduct imposed upon them, or is compliance with that code of conduct implicit rather than explicit? If so, why? Why should not all schools in Australia be aiming at a common standard of behaviour within school executives and staff?

The code of conduct is generally promulgated by notice by the Minister in the South Australian *Education Gazette*, and there is some suggestion from the non-government schools that there may be unfair discrimination against non-government schools should that not be binding on Government institutions. That could be overcome simply by having the code of conduct binding on all Government and non-government schools.

Referring to proposed new section 72ia subsections (5) and (6), should there be an allowance for an appeal and, if not, will the Minister explain why he believes there should not be grounds for appeal?

With regard to clause 11 realating to the regulations, the Bill provides:

> Section 107 of the principal Act is amended by inserting after paragraph *(s)* of subsection (2) the following paragraphs:
>
> *(sa)* the constitution, powers, functions, authorities, duties or obligations of school councils or any other matter relating to school councils or their operations;
>
> *(sb)* conferring on the Minister power to determine any specified matter relating to the constitution of school councils, power to enlarge the functions of school councils or power to resolve disputes between head teachers and school councils.

I would have some hesitation in delegating the power to the Minister if only because the Minister of Education is surely one of the busiest Ministers in Government, spending as he does about one-fifth of the State's budget (it used to be about one-third) and having a tremendous amount of work to do each evening. Here he is being delegated as umpire twice, when I thought he would have had plenty to do.

That power could be delegated, and my opinion is suported by the Primary Principals Association which no doubt has been in touch with the Minister expressing its preference that, as has been the custom in the past, the Director-General of Education might be the more appropriate person to resolve disputes between head teachers and school councils. I question the necessity to have two separate paragraphs when paragraph *(sa)*, being very comprehensive, might already cover the matters referred to in paragraph *(sb)*. Perhaps the Minister can say why those two paragraphs have been included when one might have been adequate and when there have been requests from the Primary Principals Association for an alternative course of action to be taken.

Those questions are not exhaustive and, as I said, I would like the Minister in his second reading reply to enlarge upon his answers at some length. Dependent upon his responses both in this stage and in Committee, and as I said at the outset, the Opposition reserves the right to take further

action and possibly move further amendments after the Bill has passed this House and is being debated in another place. I repeat that at this stage the Opposition does not intend to move any amendments but awaits with great interest the Minister's responses to those questions.

Ms GAYLER (Newland): I want to take this fairly rare opportunity of a debate on the Education Act to make a contribution. This Bill is an important move, giving parents and school councils a stronger say in the future and input in important decisions about the local school which their children attend. In my electorate, parents are passionately concerned about the quality of their children's schooling. They are determined to see that their children get the very best, from their first years in pre-school right through primary school to secondary school, in relation to the quality of teachers, good facilities, opportunities for their children, special help if they need it and firm but fair discipline. Parents want to see their children well equipped for the future, having a broad education, acquiring good reading, writing and mathematics skills, an understanding of science, and the ability to handle computers, and being given the opportunity to learn a second language and develop other skills such as music, as well as having the chance to be involved in school sport.

In essence, parents want their children to come out of the education system well equipped for work and further education, and confident, competent and responsible young citizens. By giving parents more say in the running of the local school through the school council, the wishes and priorities of parents will be better served.

The regulations proposed in clause 11 of this Bill, as amendments to section 107 of the Education Act, are designed for this purpose. The regulations covering school councils will give those councils more flexibility to decide on important issues, such as: whether to have before and after school care programs for their children and others in the neighbourhood; whether to employ extra support staff for the teachers; school council preference in the selection of local school principals where a vacancy occurs; whether a school uniform should be introduced to foster school identity and high standards; and which specialist subjects are to be the priorities for the local school? The days of parent involvement being limited to fund raising, with their having no say in the real school policies affecting their children, are over. No longer will all the major decisions be taken by the top rung of the Education Department, regardless of the wishes of local parents. After all, their children's education is a matter of vital concern to the individual family.

In the Tea Tree Gully schools, hundreds of parents are involved in supporting and guiding their local school policy. Some parents are participating in the learning assistance program (LAP), or helping children with reading and writing and a variety of other educational needs. Other parents are looking at the school's aims, education priorities and where money should be spent. Many parents are coaching sporting teams and helping to set the school's development plan for the future. Many parents have recently been involved in the protective behaviour program for young people and deciding on non-violent toys policies for their kindergartens or child-parent centre. It is clear that parents rights to have a real say in and influence over the direction of their local school must be strengthened and fostered.

This legislation will pave the way for that to happen increasingly, recognising the extent to which it is already a feature of my local schools. It comes at a time when many important moves are under way, and I would like to mention a few of them. First, to make sure that school performance is up to scratch, the new education review unit will evaluate school effectiveness to see that educational goals are being met. This will make the State school system more accountable to the parents and school council for their children's education. Parents will be able to have greater confidence that their local school measures up well and delivers top quality education. Secondly, the unit will make sure that the small percentage of students who have behaviour problems do not disrupt the classroom for others. This means bringing in effective ways of dealing with irresponsible behaviour and emphasising firm discipline and high standards amongst young people.

An expert in student behaviour management is helping schools to develop strong and practical means of dealing with the disruptive few. To assist schools in that work, this year the State Government has doubled the number of school counsellors in primary schools so that 50 focus schools now have a network of staff able to help schools in the local area to get on top of any behaviour problems. This approach has worked well in my local school—Banksia Park—with a very effective system of counsellors. I am pleased that the scheme is being extended progressively to primary schools. Children with severe behavioural and social problems will be dealt with by a separate specialist service through the Child and Adolescent Mental Health Service and DCW at a cost of about $360 000.

Another matter of great importance to the parent community is the establishment of focus schools for literacy, English, Maths and so on. I am pleased that Tea Tree Gully Primary School and St Agnes Primary School have been designated as focus schools not only for their own students but for schools in the neighbourhood. I am also pleased with moves in the area of school assessment and the expansion of foreign languages, which has already taken place and which is set to grow again this year. I know that Ridgehaven Primary School is anxiously waiting (and is at the top of the list for the northern area) the appointment of an Asian language teacher. I also know that Fairview Park Primary School is keen to engage a foreign language specialist.

The moves to build greater links between school and industry is an interesting and important innovation, which is being given special emphasis this year. I am delighted that the school retention rates—that is, the proportion of students staying on to complete their high school education through to year 12—has increased. I note that Banksia Park High School, in my electorate, has a year 12 retention rate of 78 per cent, which is very well above the national average. That is a dramatic improvement and indicates a better future for those young people.

I would also like to comment very briefly on the education facilities in my area and to pay tribute to the Education Department and the Government for the very real physical improvements that have been made in my local schools. I am pleased that Banksia Park High School has been allocated $160 000 this financial year for new senior secondary accommodation. I am also pleased that a new library and resource centre in being constructed at the Surrey Downs Primary School at a cost of approximately $65 000. In a number of other schools in my area significant improvements have taken place: Ridgehaven Primary and Junior Primary Schools have had a welcome coat of paint and repairs; and Houghton Primary School has just been painted and ceiling fans have been installed to help in hot weather. The program of repairs, school improvements and physical development is proceeding well in my electorate.

I will be interested to see the details of the new regulations relating to school councils, as will the members of school councils in my area, and I applaud the direction that the Minister is taking in giving school councils and the parent communities a greater say and a broader influence in the schooling of their own children.

Mr GUNN (Eyre): I am pleased to have this chance to make one or two comments in relation to the amendments to the Education Act, because I was a member of Parliament when the legislation was passed originally. That decision was taken in some degree of haste, the Bill being rushed through. I am particularly interested in the responsibilities of school councils. I have two concerns relating to schools in my district. These matters have also caused concern and inconvenience to those schools.

First, I refer to a letter I received from the Karcultaby Area School Council, concerning new procedures for ongoing maintenance and the minor works program. The letter, dated 21 March 1989 and addressed to me, is as follows:

The school council has some serious concerns about the provision of minor new works and maintenance to our school. The school has been asked to submit for only two projects out of minor new works and its total maintenance needs. This is asking the school to choose between continued development of the curriculum and ordinary maintenance. We have always understood that maintenance was a standard Government responsibility, and we see this latest move as trying to pass the buck back to the schools, something we strongly oppose.

The letter is signed by the Secretary of the school council. I have a letter from the Chairman, which states:

Further to our telephone conversation, please find enclosed a copy of the letter from the Education Department Western Area Office which may be of some assistance regarding maintenance and minor works. There should be a letter from the Secretary of the Karcultaby School Council in the near future. If you have any queries, please contact me.

A cause for concern is a circular to principals of schools in the western area concerning the 1989-90 area works program. It states:

Schools are invited to submit applications for minor works projects for possible action in the 1989-90 financial year.

Since the formation of areas it has been established procedure in the Western Area and most other areas for schools to apply for minor works once a year and then these requests have been mutually prioritised by the superintendent of schools in the field group and then finally prioritised across the area.

Using this information the minor works program has been established by the Area Facilities Committee.

Two significant changes have now occurred regarding this procedure. They are as follows.

This year the Government and Treasury have placed the programmed maintenance funds previously allocated to Sacon in with the minor works allocation.

As you are aware, minor works have covered basically any new work and improvements required in a school. These have been predominantly directed towards health and safety, security issues and providing for the extension of curriculum.

Programmed maintenance has been work identified by Sacon building inspectors and in the past has included items such as repair and painting, carpet and floor covering replacement, electrical switchboard upgrades, heating and cooling replacements, sewerage pipe replacements, re-roofing, irrigation systems, etc.

1988-89 is an interim year where the minor works and the programmed maintenance will operate under one budget but still consist of two separate lists of priorities.

In 1989-90 these two lists will be amalgamated into one programme and will be known as area works. The priorities will be set by the Education Department. Consequently, it is now requested that not only do you identify the typical minor works type projects required in your school for 1989-90 but you also include in these priorities any programmed maintenance type work you are aware of needing attention.

Sacon inspectors would be able to assist you in this matter if you have any doubts.

It is essential that all work is identified as once the program is established no additiional requests will be accepted. Requests received after the program is determined will be returned.

What will happen if the sewerage system breaks down or something fuses? Will a school have to make a special application or will the school council have to raise the revenue and accept the reponsibility? In isolated communities it is difficult enough to get some of this work done. Fortunately, the schools in isolated communities have a very strong parent involvement and they have the support of parents who are always willing—but there is a point beyond which they cannot go. The circular continues:

The procedures used in the past to prioritise schools' requests will be modified to take into account these changes. Sacon personnel will also have to be used more, as their expertise in matters of maintenance is essential.

I will not read the rest of the circular. It concludes that submissions should reach the Western Area Education Office by 14 April 1989 and be marked for the attention of the Facilities Clerk. I think the Minister will hear a great deal more from the school councils. This is obviously just hitting the deck. I do not know how many other school councils have received this circular, but obviously this matter will exercise the attention of school councils over the next few weeks and months. Obviously, there will be a drastic reduction in the amounts of maintenance carried out on school buildings. It is the only conclusion that one can draw. We are all aware of the shortage of funds, but one must appreciate that it is essential that ongoing maintenance must be continued.

I now refer to the second matter which is concerning school councils. I am one of those people who believe that school councils play an exceptionally important role in schools. Education is one of the most important matters that this Parliament addresses, and the budget alone indicates that. I believe that every opportunity should be given to country people, to country children, and those in isolated areas, to have access to the best education possible.

The education system should be organised so that it is effective and efficient and so that it can provide a range of curricula to give people in rural areas the opportunity to have access to tertiary education. To give effect to these objects, it is essential that schools know when there are going to be changes to the teaching staff, and that teachers appointed at the beginning of the year be given sufficient time to get themselves settled in. I now refer to a letter I received from the Jamestown Primary School. The comments in this letter are very perturbing. The letter, addressed to me, is as follows:

On behalf of the Jamestown Primary School Council we write to inform you of the staffing difficulties our school has had and to express our serious concern.

Three new teachers (note that we have only seven classes) have experienced the following specific incidents. Please note that they have not volunteered this information: it has emerged as the days have gone by. It appears that the power of the system has humbled these people into being obedient servants.

Teacher one (2 term contract):

Appointed Monday 23 January. This allowed two days to take up the appointment, leave family in Adelaide behind, find accommodation, arrange transport of furniture etc. On returning to Adelaide for the long weekend a member of her family reported that they had taken a phone call from a staffing officer offering her a position!! This continues to play on her mind. Was it a longer appointment, was it closer to home (and husband), was it a position she had specifically trained for and not her second choice? Calls were made to the Staffing Officer on Tuesday 31 January, and Wednesday 1 February to investigate further—they were not returned.

Teacher two (4 term contract):

Appointed to a school 80km away from Jamestown and found private accommodation on Wednesday 25 January. (We understand teacher housing was unavailable). Her parents came from Victoria to help set up house, etc. On the 26 she was informed that her position was no longer available. After several phone calls that night and Friday morning and many anxious hours she was appointed to Jamestown. This exercise incurred lost rent, lost

money in telephone connection, motel accommodation for her family and additional travel. We trust that the Education Department will not hesitate to pay reimbursement of those expenses.
Teacher three (4 term contract):
Was appointed on Friday 27 and arrived Sunday (with a dependent child) to start a housing search and to prepare her classroom etc. After three nights motel accommodation she secured an unfurnished house and is living without household effects, for example, fridge, washing machine, wardrobes, pending making economical removal arrangements. We trust that the department will provide reimbursement in this case too.
We make the following observations:

1. Our vacancies were known in early December.
2. All of these teachers, because of their late appointments, have been unduly subjected to recognised stresses, for example, suddenly leaving family and friends, desperation to find suitable accommodation, suddenly starting a new job, personal costs beyond their control.
3. Our Principal was on duty most of the long weekend to separately assist the new staff to prepare for the start of school.
4. Our staff were unable to proceed with group meetings and school planning on the scheduled Thursday and Friday and have subsequently held extra meetings to catch up.
5. We were aware from first hand information of two other staffing mishaps involving primary school teachers in Jamestown. From second-hand information we understand that our local high school has also had late appointments.

We make the point that five personal experiences is a clear indication that personnel practice and/or policy must be seriously in error. We find the difficulties and trauma that our new staff have been subjected to are totally unacceptable.

We make the following recommendations:

1. Appointments should be started and finished much earlier.
2. On appointment, contract teachers should be clearly informed of the Education Department's liability for costs.
3. There should be more than three teacher houses in Jamestown for a teaching force of 25+ teachers.
4. A furnished house (or flat) should be permanently available as there are numerous contract appointments to Jamestown each year.
5. The three year plan should address personnel issues as an urgent priority.

I have received many complaints from other schools in my district. One school was concerned about a number of people who were appointed to replace contract teachers who had been well accepted and who had proved to be excellent teachers. Some of the teachers appointed permanently refused to go to that country location. One teacher said that he would take four years leave without pay and go into the private teaching system. I suppose that that is his right, but it is grossly unfair on the other teachers who go to the country to fulfil their duties.

Such a situation certainly disrupts the school program and it is unfair on those contract teachers who were willing to take a permanent position in the area. The Government has a responsibility to address this matter seriously. If someone is employed as a police officer, as a bank official or with a stock firm, and is requested to transfer, that person is not given the right to take four years leave without pay to join the opposition and then come back when it suits them. That is unfair to the rest of the staff and the community. It is an outrageous situation and it is obvious that the matter has to be addressed. The school to which I refer is a large and good school with a good community, although I will not name it.

This problem caused many difficulties and concerns for the principal and his staff in respect of the to-ing and fro-ing and not knowing whether one person would accept or not. Certainly, the placing of about 16 000 teachers in schools in South Australia is a difficult jigsaw. Everyone realises that, and there will always be problems. I do not know how many schools are in the western region, but I have over 40 schools in my district, and this is the difficult matter. Placement should start late in November or early in December so that everyone knows the position.

Mr Groom interjecting:

Mr GUNN: I do not know what the honourable member is grumbling about. All I am doing is trying to bring to the attention of the House a matter of concern. If the honourable member is not concerned about the problems of education in rural areas, I am surprised. It ill behoves him to make what amounts to particularly unfortunate and rude interjections when I am trying to address a serious matter.

Mr Groom interjecting:

Mr GUNN: I did elaborate. Obviously the honourable member was not listening. I could make further comments, but it is not necessary.

Mr Groom interjecting:

Mr GUNN: I do not know whether the honourable member wants to have tea here and for me to keep the debate going, which I do not want to do, but I am particularly concerned about the problems encountered by some schools in my district. I have raised these two matters because I am concerned about urgent ongoing maintenance being restricted and about the need for a better arrangement for the placement of teachers in schools at the beginning of each year.

The Hon. G.J. CRAFTER (Minister of Education): I thank the Opposition for its indication of support for the Bill. I note the many questions that the member for Mount Gambier raised and I will do my best in the second reading reply and in Committee to provide that information and, where that is not possible, to provide it between consideration here and another place, so that the information sought can be put on record. However, I suggest that, as there are current discussions within the education system about the tenure of persons occupying leadership positions, that issue is somewhat of a side issue to the matters in the Bill, although I will comment on that matter in passing.

The member for Eyre raised a number of issues that are not directly related to the Bill. I suppose that they are issues of concern to many members, and this is as good an opportunity as any to get them raised. I will reply to the matters raised by the member for Eyre in an appropriate way when I have considered them. I can say that the department is concerned to provide adequate education opportunities for young people in South Australian country areas. Indeed, I am very proud of the quality of education that is being provided in country areas. There is more that we can do, yes, and we have not only the motivation to do that but also many initiatives now under way in that area as more young people stay on to complete 12 years of education in primary and secondary years, and as many more young people want to conclude those 12 years of education in country areas for a number of reasons.

That requires some fundamental restructuring of our schools in those country areas. That is proceeding. Also, the provision of some boarding facilities in country areas is in hand. For the first time we have boarding facilities available at Burra this year, and we are hoping to establish facilities of a similar kind in the near future in other country centres. With respect to the late notice given to some of the country appointments, due inquiries will be made. I will make inquiries about the case to which the honourable member referred in Jamestown.

There are reasons why that has occurred. As unfortunate as it is for the individual and the school concerned, wherever possible we avoid those circumstances but it is unavoidable from time to time and there is predominantly a fundamental reason for it. We are protecting the rights of other teachers who may have been placed in a position and who want to change that position for one reason or another. There are a myriad reasons why people cannot accept or want to change an appointment. Opportunities arise and

new circumstances occur within their family situations, and the like. All those matters defer the placement of teachers to schools each year and, unfortunately, there are situations similar to that which the honourable member referred. There may be some areas of practice and policy where we can improve.

As a department, we have 22 000 people employed at any given time. It is a large task that our officers perform and we do it well, I believe. However, there are ways that perhaps we can improve and, if our investigations given by case example show that, we will do our best to bring about those changes. The honourable member refers to contract positions and, before he asserts that there are some simple solutions to overcoming the difficulties that the department has with respect to contract appointments, I point out that they are very much due to circumstances where we find a steep enrolment decline, particularly in our secondary schools.

We have to replace persons who are absent from duty for a variety of reasons. It may be that they are taking some form of leave of absence for a short or a long period, up to four years for teachers unwilling to serve in country schools. However, it is interesting to note that no primary school person was directed to serve in the country this year. The number of enrolments in the primary years has increased this year, whereas there is still a substantial decline in the secondary years because of the movement of that age cohort of young people through our school system. It is in the secondary years where we have those difficulties and need to make further contract positions. Yet, for the first time we have been offering four-year contractual positions to teachers, so there is the provision of that stability in the staffing of country schools and it is pleasing that many teachers have accepted those positions. This is appreciated not only by the individuals who have that stability in employment but also by school communities which can program their activities around that staffing aspect.

Regarding maintenance matters, there has been no proposal to diminish funds. In fact, we have been increasing the expenditure on our maintenance (minor works) programs in recent years and I hope that expenditure in those areas will continue to increase. It is well recognised that we have an enormous task ahead of us to maintain our school properties. We have almost $3 billion worth of departmental properties on 1 000 sites throughout the State and we are building new schools rapidly. Yet, despite our steep enrolment decline of 45 000 students over the past decade, we have discontinued the use of very few school premises.

I want to dispel any fear that the member for Mount Gambier may have that there may be an attempt to reduce the funding for minor works programs or to pass such responsibility on to school communities or school councils. Indeed, it is encouraging to see the number of school communities that are concerned to ensure that there is a safe, pleasant environment around our schools and to help in many maintenance and care matters and the general upgrading of school-grounds. We could not exist without that help, and that degree of generosity and commitment is very much a part of the ethos of our schools in South Australia. It is appreciated and I hope to see it entrenched. Indeed, the major amendment in this Bill provides for that status for parents and indeed the role of school councils in the governance of schools in this State.

I believe that that is well recognised in South Australia compared to its recognition in other States, but it has also been sought by parents and parent organisations for many years. It has come about as the result of a long consultative process which began formally with the year of parents and students in 1986 when 200 000 copies of the draft policy were distributed to school communities and many replies to it were received. Through the Parents and Students Committee (the PAS Committee), there was the synthesis of a final draft policy for the involvement of parents in our schools. That will form part of the regulations under the Education Act, and the head power of that is in the Bill before us.

Concerning the specific questions raised by the member for Mount Gambier as to the presiding member of the tribunal referred to in clause 3, we are trying to have the tribunal sit contemporaneously, so that it can hear a number of matters at the same time. There have been long delays and that has been unfair to the appellants and to the education system. These matters need to be resolved more speedily. We intend to convene a series of meetings simultaneously, so that flexibility will be needed to provide for separate presiding officers. It is for that reason that the amendments are before us.

The President of the Industrial Court has been included by Parliamentary Counsel as part of the definition of 'member of Industrial Court'. It is a matter of appropriate drafting. The member for Mount Gambier has commented on the Crown Law opinion, but it is a matter of interpretation. The honourable member has placed one interpretation on it and I guess that that would suit one interest group, whereas another opinion could be given to satisfy other groups. We are advised that the department has been complying with the Act in the past, but it has been seen appropriate that this matter be given greater clarification and flexibility for the efficiency and appropriateness of acting appointments. Therefore, this matter is currently before the House.

The Opposition sought a copy of the latest changes by the department to selection panels and, if such a document is available or indeed if any other information is available, I will get the precise wording for the Opposition in due course. The Opposition also asked about the current Government policy on limited tenure positions. This is a matter not just for the Education Department but for the whole public sector. The basis of appointment is that appointments shall be made on merit. In fact, the Education Department is well behind the rest of the public sector in implementing that policy. We still have appointments being made from lists of persons established on a basis other than merit. Those lists are now long. Indeed, I think that for the position of deputy principal in primary schools persons who were assessed over 15 years ago are now reaching the top of the list, and I believe that anyone operating in private enterprise would not choose senior management in that way.

We are delivering a fundamental, important service to the community and we are required at present and in special circumstances to make decisions appropriate to the current time and to those special circumstances. Each school has special circumstances and we must make an appropriate appointment at that time to meet the needs of those respective communities. That is now being provided for and we are moving, albeit slowly some would say, to establish that principle of merit and to embody, within that, limited tenure to those positions. That is now well established practice in the public sector and it has been in the private sector for some time: that is, to appoint persons to limited tenure contractual positions. That is not to say that they will not enjoy security of employment, but the tenure of the individual's position is subject to review after a certain period. That was recommended in the Yerbury report on personnel practices in the Education Department to apply to all teaching positions, not only leadership positions. That matter is

subject to discussion with the South Australian Institute of Teachers.

The member for Mount Gambier asked whether further legislation was required to achieve this and the answer is that, of necessity, amendments will be required to the Education Act. Indeed, the Act is being reviewed at present as current negotiations and discussions are being concluded, so as to ensure that that matter comes before the House at an appropriate time.

Concerning the procedures that will apply in respect of acting positions in the schools, the honourable member sought an assurance that there would be appeal rights. There has been an exchange of letters with SAIT which provides the required undertaking concerning appeal rights in respect of these appointments. In general, they are appointments based on school decisions, although the circumstances vary from school to school with respect to those appointments.

The honourable member also sought some clarification about whether the Minister would be the employment officer. That is not the case. Although the Minister is ultimately responsible under many pieces of legislation, it is a properly delegated function to those in the Education Department vested with that final responsibility. With respect to the matter of registration of non-government schools which provide full fee-paying programs for overseas students, the code of conduct that has been established for application across Australia has been promulgated by the Australian Education Council. It is not such an exclusive body as the member for Mount Gambier might believe.

It simply comprises the Education Ministers of each State and the Commonwealth. Sometimes they believe that they are exclusive, but it seems to be a fairly hard working and ordinary ministerial council to me. That body has brought down a code of conduct and has asked the States to embody it in legislation, which is what this Bill does. It is not true to say that the States or departmental officers have not been involved, because the AEC working party which devised the code of conduct included representatives of the States.

It is implicit that such a code of conduct would apply to State schools. I suggest to those who have some fear in this regard that it is unfounded because it suggests that a great more public accountability is placed on public schools than on non-government schools. There always has been and there always will be because, being totally public funded, State schools are subject to many checks and balances, given that the responsibilities are vested in the Education Department under the Education Act. The honourable member and those who made representations to the Opposition need not fear that there is one provision for Government schools which discriminates against them in some way.

The normal appeal processes that currently apply through section 72 *(m)* will remain. With respect to the construction of the clauses, I can only suggest that the advice received was that this was the most appropriate and comprehensive way to provide for the powers and functions of school councils. Of course, the regulations that are brought before the House will be the subject of scrutiny by the Subordinate Legislation Committee and, where appropriate, by the Houses of Parliament. In that way I do not think that there should be any fears about the extent or any other aspect of paragraphs *(sa)* and *(sb)*. I am confident that they will ensure that the work that is done by school councils and parents generally in our schools is entrenched. This is the first time that it will be acknowledged in the Education Act and it is the source of authority that is required for that work to be entrenched in our education system.

That covers all of the issues raised by the member for Mount Gambier and the member for Eyre. In addition, I thank the member for Newland for her comments. I know of her keen interest in schools and of her participation and that of other members in school councils; it is very much appreciated. I thank the Opposition for its support of this measure.

Bill read a second time.

In Committee.

Clauses 1 and 2 passed.

Clause 3—'The Teachers Appeal Board.'

Mr S.J. BAKER: I have two relatives who are in the teaching profession and, like a very large number of teachers who are trying to provide a very good teaching service, they have become more frustrated year by year by the way in which the service is being managed. The Minister would be well aware of the problems that have been created by non-growth in its strict sense. He would also be aware that the South Australian Institute of Teachers has been intransigent in the way it has handled industrial relations matters and issues such as promotions and transfers. Some of the areas that remain within the system are anachronistic in terms of providing a professional, highly skilled and satisfied teaching work force.

Both of my relatives, who I believe provide a very good educational service, have been severely disadvantaged in the past 10 years. One of them went to the country for what was supposed to be a period of three years and finished up staying 10 years, not being able to come back to the city because of various manipulations and changes that have taken place along the way. Another relative served in an acting position for a considerable time. When the position became open for applications, he was told that he could not apply because it was an equal opportunity position. Will the Minister explain, if there is to be promotion on merit, whether equal opportunity positions will continue to be designated in the system?

The Hon. G.J. CRAFTER: Neither of those matters really has anything to do with the Bill before us.

Mr S.J. Baker: It relates to appeal.

The Hon. G.J. CRAFTER: The Bill refers to appeal in different circumstances from those raised by the honourable member. First, there is a fundamental right for teachers to return from the country after four years service there. Obviously, the person concerned did not want to return to the positions that were being offered in the city, choosing instead to remain teaching in the country.

Mr S.J. Baker interjecting:

The Hon. G.J. CRAFTER: They are the decisions that people have to take—whether they want to return to the city and in what circumstance they want to return. It is similar to the question that the member for Eyre raised earlier, that is, does one want to distinguish the rights of existing teachers and provide new rights for new teachers who are seeking work on a permanent basis? That is something that the Institute of Teachers has not resolved as to which group it wants to favour, on balance, in relation to the limited number of positions that are available. People cannot have their cake and eat it too, as much as we would like to be all things to all people and provide the degree of powers that they seek. Obviously, people want to achieve a higher status, higher salaries and professional challenges. In many cases these do not meld, and when they do not people become disgruntled. Unfortunately, I think that that sometimes distracts them from the otherwise very good teaching service that we have which is so important in our community.

I admit that there are not many equal opportunity exemptions in relation to teaching positions in the department, although, as we are a large employer, there is perhaps more in our department than in other agencies. These exceptions are determined by the Equal Opportunity Tribunal, and they have to be applied for. So, it is not an internal decision of the department. They apply in relation to specific areas where I think it is well accepted in the community that such a position should apply, for example, with respect to Aboriginal education.

Obviously, the tribunal considers those positions on their merits on the evidence that is before it. In my experience there has not been much objection to either that process or the filling of those positions from a more select group of people. It is very important that education is relevant and that persons who occupy key positions in our department, particularly in key policy areas in our teaching service, have the qualifications that are relevant.

The Hon. H. ALLISON: Do the new provisions derogate in any way against women being accelerated on the promotion list? When I put this matter before the court in 1982, it decided in my favour. That gave the Education Department the right to accelerate to the top of the list a woman who was down at number 152 or 153 to a school that needed a female deputy head. Will the power of discrimination now proposed to be given to the Industrial Court to decide on a merit basis derogate or enhance the opportunities of women in relation to promotion positions? I think that this would be a matter of concern amongst female members of the teaching profession.

The Hon. G.J. CRAFTER: I guess that no one can draw a firm conclusion, but I believe that, where positions are called and chosen on the basis of merit, we will see more women occupying leadership positions in the Education Department. We have a disproportionate number of women in non-leadership positions in the department and I believe many women are competent, committed and keen to advance into those positions. When they are opened up on the basis of merit, I believe that we will see more women occupying them.

During my second reading reply I omitted to foreshadow the amendment that has been circulated to members. It is simply a drafting amendment that was recommended by Parliamentary Counsel to clarify this area of the Bill. It is suggested that the Bill be modified in this way to put beyond doubt capacity of the board to sit simultaneously to hear separate appeals which, after all, is what I explained to the Committee as being the reason for this amendment.

There was a belief that the Bill, as it stands, allowed appeals involving a teacher employed under the Education Act and an officer employed under the Further Education Act to be heard simultaneously. However, there may be some doubt, as it is not clear that contemporaneous hearings can occur with respect to teachers employed under the same Act. To put that beyond doubt it was decided to redraft that part of the Bill in this way. Accordingly, I move:

Page 2, lines 4 to 9—Leave out all words in these lines and insert:

(f) by inserting after subsection (4) the following subsections:

(5) The Appeal Board, separately constituted under this section, may sit simultaneously to hear separate appeals.

(6) In this section—

'Member of the Industrial Court' means—

(a) the President of the Industrial Court of South Australia;

(b) a Deputy President of the Industrial Court of South Australia;

or

(c) an Industrial Magistrate.

The Hon. H. ALLISON: Does the Minister envisage that this clause and amendment will create a substantial additional workload for the Industrial Court with a corresponding reduction elsewhere? Has any costing been done on this by the department?

The Hon. G.J. CRAFTER: I do not have any precise details, but I understand that the work of the Industrial Court has been winding down because of the new workers compensation legislation. So, maybe this work will occupy some of that time of the Industrial Court. There is a very considerable delay in hearing these appeals, and I think that that is not a good situation—justice delayed is justice denied. This provision is designed to speed up the process and have matters disposed of as quickly and appropriately as possible.

Amendment carried; clause as amended passed.

Clause 4—'Terms and conditions of office of appointed members.'

The Hon. H. ALLISON: During my second reading contribution I put to the Minister a question that I do not recall him responding to. Sections 46 (1), (2) and (4) of the Act have been added to almost all Government legislation, providing the powers to remove members of boards for a variety of easily recognisable and responsible reasons. New subsection (6) provides that this will not apply in relation to presiding members of the appeal board. This section is an integral part of most legislation providing for the appointment of boards. The Minister has not explained why it will not apply to presiding members of the appeal board. It really means that, unless the Minister intends to substitute an alternative that is not included in the Bill, he will be hard pressed to remove a presiding member should that person default in a way in which other members have defaulted, so causing their removal.

The Hon. G.J. CRAFTER: I understand that this provision, which applies with respect to presiding officers, is now unnecessary because presiding officers, under their substantive appointment, are subject to a similar provision in another Act.

Clause passed.

Clauses 5 to 10 passed.

[Sitting suspended from 6 to 7.30 p.m.]

Clause 11—'Regulations.'

The Hon. H. ALLISON: The inclusion of paragraphs *(sa)* and *(sb)* seems to me to be duplication. I would have thought paragraph *(sa)* would confer quite adequate power for the purposes of the Minister. However, paragraph *(sb)* confers on the Minister additional powers. Why have both paragraphs been included, each of which seems to be comprehensive in its own right?

Further, it has been brought to my notice by a number of parents who are members of school committees that, increasingly in South Australia, representation on school councils has comprised a predominance of teachers. This has been done essentially in two ways: first, through the natural entitlement of members of the staff to be part of school committees and, secondly, because of the fact that many school teachers are also parents of schoolchildren. There has often been an overloading of teachers directly involved with the school. However legitimately they might have been represented on the school council, nevertheless there has been a tendency for parents of schoolchildren to be in a minority.

It would seem obvious to anyone who has examined the Minister's second reading explanation that ostensibly the main reason for his bringing forward this Bill, (and it is a widely publicised reason if one reads the popular press) was to enable parents of schoolchildren to assume a much wider influence and exercise much greater control over school affairs. If school councils are to be predominantly controlled

by members of staff, that would seem to be defeating the Minister's purpose.

More importantly, as a teacher of 16 or 17 years standing at a South Australian high school, I believe that it was always to the school's advantage to ensure maximum involvement of parents and support for the school by parents by ensuring that they had the maximum representation on the school council. In that regard, several basic assumptions are made. First, school teachers, by the very nature of training and profession, go to primary school, secondary school and college, and from college they go back into schools as teachers, but they have been given no training in business administration.

They have had very little opportunity to acquire business acumen and, therefore, it would seem commonsense for the teachers to encourage parents who come from a wide range of occupations, very often with substantial business expertise, to join the school council so they can bring their outside education experience to the administration of the school. This is even more important when one realises that, ever since the Education Department was founded, it has been the practice to escalate school teachers through to principals, through to administration in regional and head offices, and for those people to have a minimum rather than a maximum of outside business training and experience.

Therefore, one cannot over-estimate the importance of having parents with their broad experience of community needs, community life and business involvement brought in to be a part of the school council. Therefore, will the Minister give serious consideration, if not in this legislation, at least in the legislation under the Education Act, to ensuring that there is really a limit on the number of school teachers who can take part in school councils?

The CHAIRMAN: Order! There is too much conversation in the Committee. I suggest that, if members are to have conferences, they go outside the Chamber. The member for Mount Gambier.

The Hon. H. ALLISON: Thank you, Mr Chairman. I appreciate your concern. I ask the Minister whether by regulation, he will stipulate a maximum number of teachers who can be appointed in their own right as teachers at the school or as complementing those teachers as both teachers and parents of students, so that parents with business acumen, a wide experience of community interests and, of course, an intimate local knowledge of community affairs which itinerant teachers can never bring to a school community can be included on the school council. As I said at the outset, from my own experience it has been to the tremendous advantage of school councils that a large number of parents of students be involved because, in that way, they bring their fundraising interests and their wide range of experiences to bear to the advantage of the school, the children and the staff, who these days are constantly asking for increasing amounts of money to be put into the school.

The encouragement and involvement of parents in school council affairs can only be to the betterment of State school education in South Australia, a fact which is well recognised in the non-government school sector where all parents are involved. It is constructive criticism that I make, criticism that has been made to me repeatedly over the past few years—that parents should be more involved and teachers should not be allowed to dominate school councils.

The Hon. G.J. CRAFTER: I thank the honourable member for his comments and for raising them in the Committee. It is certainly true that there is some concern within the community (the extent of which I am not quite sure) that the role of school councils may in some way be influenced by persons within the teaching service or the educational community generally in the way to which the honourable member refers. It has been put to me that one association of teachers was in fact encouraging its teachers to join school councils in order to influence school policies with respect to, in that case, the teaching of a particular language.

It would be unfortunate if school councils were seen to be manipulated or used, or were subject to that sort of influence. They have a much broader and a more important role, which should be preserved and protected. How one can protect that without denying rightful access by the broad parent community, some of whom are teachers and some of whom work in the Education Department and the like, I am not quite sure. The department is currently considering that matter and, if appropriate, it can be the subject of regulations under this legislation, indeed, under the proposed new section inserted by this clause.

Earlier this afternoon the member for Mount Gambier raised the question of the requirement for the Minister to be the person who resolves disputes between head teachers and schools councils and questioned why this role should not be vested in the Director-General of Education. I understand that the Director-General has received representations along similar lines. It is seen as important that for school councils that are in dispute with, perhaps, not only a head teacher but the department's response to that dispute (and that matter may go all the way up to the Director-General) have access to someone outside the department. Only on rare occasions would the Minister resolve the dispute, but the Minister could have the authority to delegate the power to determine matters to someone who could then resolve that conflict. That person would have the confidence of the parties. It is for that reason that it is seen as appropriate to include paragraph *(sb)*. This paragraph provides for the traditional powers that have been vested in the Minister, for example, the power to expand the composition of school councils or to take such other decisions that are appropriate. Some schools do have a student body which comes from a specific geographic location, and therefore the school council is comprised in a different form. The powers are vested in the Minister and sometimes they are delegated to responsible officers of the department. However, of course, the Minister has that ultimate sanction and is also accountable within the Parliament for actions taken, and explanations can be given—and appropriately so.

In addition, the Director-General does not have authority to delegate any responsibilities to school councils. There is good reason for that. The Director-General's delegation is limited to officers of the Education Department. Therefore, there is that separation, that division of roles, and lines of authority. It is for those reasons that there is this separation regarding the Minister's role with respect to the bringing down of these regulations and their effect in our schools.

Clause passed.

Title passed.

Bill read a third time and passed.

CRIMINAL LAW CONSOLIDATION ACT AMENDMENT BILL (1989)

Second reading.

The Hon. G.J. CRAFTER (Minister of Education): 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

The provisions of this Bill clarify the rights of appeal of the Crown and defendants when applications are made for stays of proceedings on the grounds that they constitute an abuse of process. They also clarify the right of a court to reserve a question, relating to an issue antecedent to trial, for consideration and determination by the Full Court.

An application for a stay of proceedings is made by motion to the trial judge. At present there is doubt whether either the Crown or the defendant has a right to appeal from the decision made.

If the accused claims that the trial judge has wrongly refused a stay he or she could, probably, appeal against any conviction on the grounds that the trial should not have proceeded. However, it may be inconvenient to force the defendant to wait until the trial is completed.

If the Crown complains that the judge wrongly granted a stay it is doubtful whether there is any right of appeal.

When the Crown complains of an acquittal the Attorney-General may, pursuant to section 350 (la) of the Criminal Law Consolidation Act, require the court to reserve a question of law arising at the trial for the consideration and determination of the Full Court. It is doubtful whether a decision to grant a stay could be regarded as an acquittal.

Section 350 (1) empowers the presiding judge at a trial, in his discretion, to reserve a question for the Full Court. However, that power only arises if a question of difficulty 'in point of law' arises 'on the trial or sentencing of any person convicted on information'. Because of the manner in which applications for stay are dealt with it is doubtful whether a point arising on such an application can be said to be 'a point arising on the trial of the person accused'.

Section 50 of the Supreme Court Act deals generally with appeals to the Full Court. Until recently, there was doubt as to whether the Crown or a defendant could use this section to appeal against a decision in respect of an application for a stay of proceedings where it is alleged that the proceedings constitute an abuse of process of the court. However, in *Queen v Garrett* (1988) 141 LSJS 288, the court held that there was no right of appeal in such a case. The proposed amendments seek to address these issues.

Clause 5 of the Bill amends section 350 of the Act to empower a court of trial to reserve for consideration and determination by the Full Court any question of law on an issue antecedent to trial or affecting the trial or sentencing. The term 'issue antecedent to trial' is defined to include a question as to whether proceedings should be stayed on the ground that they are an abuse of process.

The Bill provides for a defendant on obtaining leave to appeal against a decision not to stay proceedings even though the trial has not commenced or has not been completed. Leave can only be granted if there are special reasons why it would be in the interests of the administration of justice to have the appeal determined before the commencement or completion of the trial. The defendant has not been given an automatic right of appeal as the right to appeal might be used as a means of delaying the trial.

The right of the Crown to appeal against a decision of a judge on an issue antecedent to trial is also clarified. New section 352 (2) *(a)* gives the Crown a right of appeal on questions of law alone. In addition, the Crown may seek leave to appeal on any other ground. It is important that the right of the Crown to appeal against a decision of a judge to grant a stay of proceedings is acknowledged as the decision would put an end to the prosecution.

Section 357 of the Act dealing with the procedure for initiating an appeal has also been amended. Under the present provision a convicted person who wishes to appeal, or to obtain leave to appeal, must do so within 10 days of the date of conviction. The Act does not prescribe a time limit for the institution of appeals by the Crown. The revised section 357 provides for appeals to be made in accordance with the appropriate rules of court.

There is an increasing use of applications for stay of proceedings on the grounds that they constitute an abuse of process. It is important that the right of appeal by the Crown and the accused be clarified. I commend this Bill to members.

Clause 1 is formal.

Clause 2 provides for commencement of the measure on a day to be fixed by proclamation.

Clause 3 amends section 348 of the principal Act which is an interpretation provision. Terms used in the new provisions of the principal Act inserted by this Bill are defined.

Clause 4 makes a minor consequential amendment to section 348a of the principal Act which empowers the Attorney-General to delegate powers under Part XI of the Act to a legal practitioner in the service of the Crown (for example, to apply for the reservation of a question of law, to appeal against sentence, etc.).

Clause 5 amends section 350 of the principal Act which deals with the reservation of questions of law. The amendment is designed to ensure that the court of trial is empowered to reserve for the Full Supreme Court's consideration and determination any question of law on an issue antecedent to trial or affecting the trial or sentencing. An issue antecedent to trial is any question (whether arising before or at trial) as to whether—

(a) an information or a count of an information is defective or should be quashed;

or

(b) proceedings on an information or a count of an information should be stayed on the ground that the proceedings are an abuse of the process of the court.

The amendment gives the court of trial power to stay the proceedings until the question has been determined by the Full Court. The amendment also enables the court of trial, on application of the Attorney-General (where a person is acquitted) to reserve a question of law arising before or at trial.

Clause 6 amends section 351 of the principal Act to give the Full Court power to quash an information or any count of an information or to stay proceedings on an information or a count of an information. The clause also makes some other minor consequential amendments.

Clause 7 repeals section 352 of the principal Act and substitutes a new provision. This section sets out in what circumstances there is a right of appeal in a criminal case. Subsection (2) deals with appeals from decisions on issues antecedent to trial. If a decision is adverse to the prosecution, the Attorney-General may appeal against the decision, as of right, on any ground that involves a question of law alone or, on obtaining leave to appeal, on any other ground. If a decision is adverse to the defendant and the trial has not commenced (or has commenced but has not been completed) the defendant may, on obtaining leave to do so, appeal against the decision.

Leave to appeal before completion of the trial can only be granted if it appears that there are special reasons why

it would be in the interests of the administration of justice to have the appeal determined before commencement or completion of the trial. Except as so provided, a defendant cannot appeal against a decision on an issue antecendent to trial but if the person is convicted, the person may (subject to subsection (1)) appeal against the conviction asserting as a ground of appeal that the decision was wrong.

Leave to appeal against a decision on an issue antecedent to trial, if sought before the commencement or completion of the trial, can only be granted by the court of trial (unless the effect of the decision is to prevent the trial from proceeding). Where leave is granted, the court can stay the trial until the appeal is determined.

Clause 8 amends section 353 of the principal Act which deals with the determination of appeals. The amendment sets out the powers of the Full Court where there is an appeal against a decision on an issue antecedent to trial.

Clause 9 repeals section 357 of the principal Act and substitutes a new provision. The new section provides that appeals to the Full Court and applications for special leave to appeal to the Full Court under the Act must be made in accordance with the appropriate rules of court. The Full Court may extend the time allowed for making such an appeal or application.

Clause 10 is a transitional provision. The clause makes it clear that the amendments to the principal Act do not apply in relation to informations laid before the commencement of this Bill. The existing provisions continue to apply as if the Act had not been amended. The amended provisions apply only to informations laid on or after the commencement of this Bill.

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

CHILDREN'S PROTECTION AND YOUNG OFFENDERS ACT AMENDMENT BILL

The Hon. G.J. CRAFTER (Minister of Education) obtained leave and introduced a Bill for an Act to amend the Children's Protection and Young Offenders Act 1979. Read a first time.

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

That this Bill be now read a second time.

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

Leave granted.

Explanation of Bill

This Bill amends the provisions of the Children's Protection and Young Offenders Act 1979 ('the Act') dealing with the enforcement of orders made by the Children's Court. It also provides for the detention of young offenders in emergency situations.

The Criminal Law (Sentencing) Act 1988 and the Statutes Amendment and Repeal (Sentencing) Act 1988 came into operation on 1 January 1989. Prior to the enactment of these Acts, the powers of the Children's Court in relation to the enforcement of pecuniary sums and the power of the Children's Court to award costs against a young offender derived from the Justices Act 1921.

The Statutes Amendment and Repeal (Sentencing) Act 1988 repealed Division VI of Part IV of the Justices Act 1921 dealing with the enforcement of pecuniary sums. It also amended section 77 of the Justices Act dealing with costs. The Criminal Law (Sentencing) Act 1988 makes provision for the enforcement of pecuniary sums in Division III of Part IX. It also includes a provision enabling a court to award costs against a defendant. However, the definition of 'court' for the purposes of that Act expressly excludes the Children's Court. Therefore these provisions do not automatically apply to the Children's Court.

The effect of the repeal of the provisions of the Justices Act 1921 dealing with the enforcement of pecuniary sums is to create an hiatus with regard to the enforcement of orders for the payment of pecuniary sums imposed by the Children's Court.

This Bill seeks to restore the powers of the Children's Court to enforce the pecuniary orders made by it. It also provides for an award of costs against a young offender. The provisions are largely modelled on those set out in the Criminal Law (Sentencing) Act 1988. The main differences are:

(i) the new provisions do not empower the clerk of court to issue a mandate against the child for non payment. This power is to be retained by the Children's Court.

(ii) the period of detention fixed for default in payment cannot exceed three months, whereas the Criminal Law (Sentencing) Act 1988 provides for a maximum period of six months imprisonment.

(iii) the Children's Court is not empowered to issue a warrant for the seizure of land; and

(iv) the scheme in Section 99a of the Children's Protection and Young Offenders Act providing for periodic detention on default is retained. However, section 99a has been repealed and the schemes reinserted in proposed Section 75j.

The Bill also inserts a new section into the Act to provide for the detention of young offenders in emergency situations. Currently the Act provides for the detention of young offenders in a training centre. However, it does not provide for alternative accommodation where an emergency situation arises which makes it impracticable or impossible to detain the child in a training centre.

The new provision clarifies the law and enables the Minister to arrange detention in a police prison or police station, watch house or lock-up approved by the Minister. The new provision requires that steps be taken to keep the child from coming into contact with adult prisoners. Similar provisions already exist in the Act with regard to the apprehension and detention of young offenders outside the prescribed area.

In summary, the Act does not presently provide an alternative when an emergency arises which makes detention in a training centre impracticable or impossible.

During the recent industrial dispute at the Youth Training Centre, residential care workers had refused to admit new detainees to the centre. As a result, the new detainees were held in police cells. The Act, as currently worded, does not authorise such detention.

The provisions of this Bill (other than Schedule 1 which deals only with statute law revision amendments) are retrospective to 1 January 1989. This is to coincide with the date of operation of the sentencing legislation. The retrospective operation will validate the issue of mandates and warrants and acts done in execution of them from that time, as well as acts done in relation to the detention of young offenders in police cells. I commend this Bill to members.

Clause 1 is formal.

Clause 2 provides for the commencement of the Act to be back-dated to 1 January 1989 (except for Schedule 1 which contains statute law revision amendments).

Clause 3 provides definitions of 'pecuniary sum' and 'prescribed unit' that are substantially the same as those in the Criminal Law (Sentencing) Act.

Clause 4 is consequential on the insertion of new Part IVA—all matters relating to enforcement are covered by that Part.

Clause 5 inserts a provision empowering the Children's Court to award costs against a guilty defendant. The Court formerly relied on the Justices Act for this power.

Clause 6 is also consequential on the insertion of new Part IVA.

Clause 7 repeals a section that dealt with the non-application of the Offenders Probation Act to children. This section is now redundant since the repeal of that Act.

Clause 8 inserts new Part IVA which deals with enforcement of orders made in the Children's Court criminal jurisdiction.

New section 75a provides that the whole of a pecuniary sum falls due on non-payment of an instalment.

New section 75b gives the Court the power to order default detention for a child, or default imprisonment for a surety, in default of payment of a pecuniary sum. The default sentence can be imposed at the time of original sentence or subsequently.

New section 75c gives the Court the power to order sale of goods in order to satisfy an unpaid fine or other pecuniary sum.

New section 75d provides for recovery of the costs of issuing and executing process.

New section 75e provides an opportunity for a person in default to pay the outstanding amount to the person who is executing the mandate for detention or warrant of commitment or sale.

New section 75f gives a clerk of the Children's Court the power to suspend or postpone mandates or warrants unconditionally or subject to conditions.

New section 75g gives the Court the power to remit a pecuniary sum in cases of hardship.

New section, 75h provides for the making of orders in the absence of the person in default. Such orders must, if for detention or sale of goods, be served personally on the person in default.

New section 75i provides for the proportionate reduction of periods of detention or imprisonment if the person in default pays the outstanding amount, or part of it.

New section 75j provides that a child in default may serve a period of default detention on a periodic, non-residential basis. The periodic detention will be spent in performing community service. This provision is a direct repeat of section 99b of the principal Act which is to be repealed.

New section 75k provides that a person cannot diminish a civil liability (e.g. for compensation) by serving a period of detention or imprisonment under this Division.

New section 75*l* provides that the Children's Court may enforce a non-pecuniary order (e.g. for restitution of stolen goods) by sentencing a child to detention for a period not exceeding three months.

Clause 9 inserts a new provision that enables a child to be detained in a prison or police lock-up in cases of emergency. If this occurs, the child must be kept apart from adult prisoners wherever possible.

Clause, 10 repeals section 99a which is now dealt with in Part IVA.

Clause 11 is a consequential amendment.

Schedule 1 contains various statute law revision amendments. All fines are expressed in divisions. The fine for failing to comply with section 93 (restriction on reporting proceedings involving children) is taken up from $5 000 to Division 5 ($8 000) which is the nearest division.

Schedule 2 contains necessary transitional provisions. Clause 1 provides that the new enforcement provisions extend to all defaults whether occurring before or after the commencement of the Part. Clauses 2 and 3 preserve the validity of enforcement orders made since 1 January 1989 but before the assent to this Act. Clause 4 relates to the change in terminology from 'recognizance' to 'bond'.

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

RACING ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 5 April. Page 2709.)

Mr INGERSON (Bragg): Last evening I referred to a newspaper article in the *News* of 4 April 1989. I was quoting the comments of the Chairman of the Bookmakers League. The article stated:

> Chairman of the Bookmakers League, Michael Webster, was a member of the committee which formulated the Wright report. 'The working party was obliged, for the purposes of the Wright report, to accept all estimates of turnover and profitability as estimated by the TAB,' he said. 'This statement should be borne in mind when noting the fact the TAB wished to introduce into the system, incorporating each-way and place betting at a quarter of the win odds.'
>
> Under current proposals, punters will receive one fifth of the win odds for a place bet. In terms of fixed-odds betting a quarter of the win odds for the place would have been akin to somebody lighting a match to check the level in a drum of petrol at Port Stanvac', said Webster. 'The Bookmakers League, when considering the future of the racing industry in this State, is very concerned about three of the TAB estimates.'
>
> They are the estimate of the amount of money transferred from the pari-mutuel pool ($80 million); the total new money from fixed-odds betting ($120 million); the estimated gross profit margin on turnover, of 12½ per cent.
>
> 'The report correctly states these estimates may be difficult to achieve.'

Mr Gunn, who is also a bookmaker, also commented; the same article stated:

> A prominent South Australian bookmaker has angrily condemned the proposed introduction of TAB fixed-odds betting. Granstand fielder Robert Gunn said the proposed legislation smacked of double standards. 'The Government banned betting shops because it was bad for the people and created an unwholesome atmosphere', he said. 'And it will not only be the racing codes and TAB which are liable for any losses. They will be playing bookmaker with money that goes to the hospitals fund. And that is not treasury money, but hospital money.'

I have cited those comments because one of the members of the Wright committee, Mr Michael Webster, has now seen fit to make comments which seem to me to be contradictory to the stance presented by the Wright report on the issue of viability. Obviously, that is something that we will deal with in Committee.

What about the future of racing? I suppose that is what this is all about. The Wright report made specific mention of the effect on attendances of the introduction of fixed odds betting. I believe that that matter was not taken lightly. It refers to the trends now occurring on the racecourse, and it is something that Parliament needs to consider before it makes any further decision. We need to bear in mind that the fixed odds system is not the only factor affecting on-course attendance today. Important and significant improvements have been made by the TAB in the past few years involving its extension into hotels, the introduction of Sky Channel which has had a significant impact, the introduction of Teletext, and the expansion of the now well-known auditorium effect of TAB operations. The Liberal

Party has supported all of that strongly and publicly. Indeed, we oppose none of those issues, nor have we done so previously.

We have always considered that that sort of expansion and novel improvement was something that we should encourage the TAB to undertake. However, those changes have had a significant impact on racecourse attendances. If we are to have a racing industry in future we need to consider the important impact that any system will have on-course. As I mentioned earlier there is no doubt that the Wright committee was concerned about any movement to fixed odds in regard to on-course attendance. I received from the South Australian Jockey Club on 3 April a letter referring to the introduction of a fixed odds system on-course, as follows:

> Introduction on-course:
> The three codes acknowledge that the system should be thoroughly tested in the off-course environment before it is introduced on-course but believe that should the system produce the accepted results for a satisfactory period, then similar legislation must be introduced for on-course implementation. We believe that an evaluation period of six months would be reasonable. I also would like to advise you that we have now initiated a working party to study the implications for the introduction of the system on-course.

The S.A. Jockey Club, as the controlling authority in the galloping industry, has put forward its concern about the impact of off-course fixed odds betting and has requested, through me, that I make the position clear to Parliament. As I said last night, I am most concerned about the lack of information contained in the Bill. I went so far as to describe this Bill as the scrappiest legislation that has been presented to Parliament. It is almost as if the Minister was not concerned about getting the fixed odds betting system through Parliament.

Another aspect totally omitted by the Minister is the concept of selling the system interstate and overseas. There is no mention of that at all, yet I understand from conversations with people in the industry and in the TAB that one of the significant spin-offs of the system is its marketability interstate and overseas. This aspect is not mentioned at all by the Minister, who has made no attempt to put this aspect before Parliament, which has to decide whether the proposal is acceptable in terms of the total new direction for the TAB. Indeed, I could go on and on about the matters left out of this legislation. I wonder what it is all about. Last night I talked a little about the uniqueness of the system. There was reference in the report, in this place and outside, to the uniqueness of the system, but it is unique in only one sense, that is, that it is a computerised bookmaking system. It is not unique because it is a bookmaking system—it is unique because the TAB has developed a system which enables it to produce fixed odds betting via a computer.

I would like to take up the question of the cost of the system. No mention is made of this in the Bill and there has been no attempt by the Minister to provide information to Parliament about it. We are asked to consider a system but we do not know the cost. We have to assume that all the cost is to be taken up by the TAB from its reserves. None of that information is given to Parliament. Why not? It would have taken only a few seconds to ask the TAB about the cost and to make reference to it in the second reading explanation and advise Parliament of what is going on. But nothing like that has been done. I am amazed that we are asked to consider a system which will virtually change the direction of the TAB and perhaps change the total direction of the Government in its attitude to the way it permits gambling activities in South Australia if this approach is adopted.

I would like to summarise my comments over the past hour, and I refer, first, to the secrecy of the Wright report. It is the most incredible thing, and there is absolutely no justification for the report and the appendices not being provided to Parliament and the public, especially the racing industry in South Australia. If that information had been provided, many of these problems would have been more appropriately discussed and considered by Parliament.

Secondly, it is clear that under this legislation the Government is now a bookmaker. As the Wright report says, it is a gambler in this sense: it is taking a gamble on fixed odds for the first time ever. As members know, the current system, known as pari-mutuel, is one whereby, for every dollar it takes on the win and place system, it provides a fixed return of the order of 14 per cent, whereas under the new fixed odds system it would not be doing that. It is taking a risk and, as the Wright report clearly sets out, the Government is involved in a gambling operation.

The public received the Wright report late on Monday evening, but more importantly I as shadow Minister obtained it late on Tuesday because I asked for it—not because it was sent to me, but because I telephoned the Minister's office and asked for it to be sent to us. If I had not asked for it, we would still not have the report—we still would not know what was going on, yet we would still be expected to debate the system as it has been put before Parliament in the Minister's second reading explanation. Many decisions made in the report were assumptions. Those assumptions were clearly accepted and had to be accepted by that committee because no other official data was available. The three issues that we are concerned about, because we believe that they need to be answered, involve, first, the size of the pool involving the $200 million referred to in the report.

The sum of $200 million is important because it is also a reference that affects very much the profitability talked about later on. The sum of $80 million will come from existing pools and $120 million will be new money. The 12.5 per cent gross profit that has been included has been questioned by the Betting Control Board, as it has also been questioned today by the Bookmakers League in terms of a reasonable profit to be expected. These issues have not been explained and would not have been explained had the report not been available. Under the heading 'Uniqueness', there is an important reference in the report, as follows:

> The proposed fixed odds betting system is unique in the sense that nowhere else in the world has it been implemented. Therefore, there is no comparison against which estimates can be measured or tested. The working party is obliged therefore for the purposes of this report to accept all estimates of turnover and profitability as estimated by TAB in the attached proposal document (Appendix IV).

Where is appendix IV? Why is it Parliament, which must decide where we are going in this area, cannot see it? Why is it so important that this Parliament cannot see a vital document that is attached to this report? Why is it available to eight or nine people but not to all the controlling bodies, because of a secrecy imposed on the committee? Why is it not available to this Parliament? After all, Parliament should be concerned about this issue.

Finally, we are told of an increase of $11.1 million in profit, which relies heavily on the two figures already referred to. The Wright report continues to talk about the manipulation by off-course punters and says that this is less likely to occur under a TAB fixed odds system than it is in any other area. However, I do not accept that. If anyone wants to get involved as a major punter in manipulating a fixed odds system, that person can do it either on-course or off-course, whether the system is run by the TAB or by bookmakers. If a professional group of punters want to manip-

ulate the system, they can do it either on-course or off-course.

There is a comment about quarter odds being unprofitable and the decision to go to a fifth. Parliament would not have known anything about that had not the Wright report been published. I knew about it. The report states:

> Fixed odds betting, as disclosed by TAB, would involve an element of risk or gambling . . .

This is stated clearly in the report and one does not have to be a Rhodes Scholar to know what it means. The report continues:

> Projected TAB estimates of profitability associated with fixed odds betting may be difficult to achieve, considering the gross and net margins historically achieved by bookmakers.

I have already commented on that because, as the report states, the general figure of 12.5 per cent has been questioned. However, there are not figures to substantiate what are the break-even points and what may be loss points and all those things. Why has that not been put into the second reading explanation? The report continues:

> The transfer of funds from existing pools could be more than estimated.

The report state that this will reduce any new money pool as a consequence. It concerns me that any system which we are setting up and which may not be as profitable as the existing system, whether in the short term or in the long term, can be quoted in the sense that we may take away from a profitable existing system. The report refers to the adverse effect on on-course attendance, about which I have talked, and the fact that the lay-off system may create difficulties.

The South Australian Jockey Club talks about lay-off procedures in a letter to me, as follows:

> If large sums from the fixed odds system were laid off onto the South Australian parimutuel system, the resulting wide fluctuations could damage public confidence in that parimutuel system. Accordingly, our view is that the South Australian TAB not be permitted to lay off from the fixed odds system to the South Australian parimutuel system and that such a prohibition be written into the South Australian TAB rules applicable to fixed odds betting.

There is no mention of that in the report. There are plenty of stories around about what could be and should be done. I hope that the Minister will explain what has been proposed and what can be done in that area. The Wright report states that the estimates of profits are questionable and, really, it is amazing when one thinks about it. None of those comments are mine: they all come from the Wright report. It states that the impact on bookmakers is expected to be significant. The codes have estimated that the drop in turnover will be about $9.2 million and the BCB about $15 million.

We all know what is the current situation of bookmakers. I have spent a long time in this debate stating our concerns and, more importantly, the way in which we believe this Bill has been handled by the Government. As the Opposition member responsible for recreation and sport, specifically racing in this case, I find that this Bill is the most disgraceful presentation that has been put before Parliament.

The Hon. TED CHAPMAN (Alexandra): I support my colleague the member for Bragg in his opposition to the Bill. This Bill, as indicated by the Minister's second reading explanation and by my colleague's remarks, is at dramatic variance to the activities of the Government in relation to punting, betting and gambling within the area of racing. I refer especially to new section 84o of the Bill which, headed 'Betting unit for fixed odds betting', provides:

> Subject to the approval of the Minster, the Totalizator Agency Board may, by notice published in the *Gazette*—
>
> *(a)* fix the amount that constitutes a unit in relation to off-course fixed odds betting on any form of racing;
>
> *(b)* determine the minimum number of units that may constitute a bet for the purposes of off-course fixed odds betting on any form of racing;
>
> and
>
> *(c)* vary or revoke a notice previously published under this section.

This is a blatant example of dictatorship as to what shall happen without any regard to those engaged in the industry and others who may be affected by such a move. In this respect, I agree with my colleague that there has clearly been a lack of consultation and an absence of opportunity for those who may be potentially affected to consider this subject. Only this evening I have had a quote drawn to my attention. The South Australian Jockey Club, which should have been at least the first authority on behalf of the racing public to consider this subject, is only now, after the introduction of the Bill, about to set up a working party to consider its implications.

It is not very often in this place that we see a Minister or, for that matter, a naive private member, introduce a Bill before the implications have been sorted out. For example, if the subject matter concerns potential damage to the environment, an environmental impact study is undertaken before the legislation is introduced. In this instance one would have thought—

The Hon. M.K. Mayes: You are wrong.

The Hon. TED CHAPMAN: The Minister keeps telling me that I am wrong. I have been wrong before, but not very often. I think 1955 was the last time that I was wrong, and I do not like admitting that I might be wrong in this instance. So far this evening I have simply quoted my colleague's remarks with respect to a letter from the SAJC. As I heard it, the signatory to the letter indicated that that worthy organisation is about to undertake its own study. The Minister says that the SAJC is wrong, that my colleague is wrong or that they are both wrong.

The Hon. M.K. Mayes: You have got it mixed up.

The Hon. TED CHAPMAN: Well, I do not know whether I have got it mixed up. It alarms me that a quite dramatic change in the Government's involvement in the racing industry should occur with such haste. It also alarms me that the Government should even desire to be a competitor in the gambling arena beyond that in which it is already involved. I just cannot understand why, unless it wants to get rid of bookmakers, or unless it wants to take the real colour and activity out of the industry.

The Hon. M.K. Mayes: It is a good line.

The Hon. TED CHAPMAN: It might be a good line, but it also happens to be my impression of what this Government is all about. A similar move was attempted in New Zealand, without success in the first few rounds but, ultimately, the Government of that country won and eliminated bookmakers. Now it is a colourless, cold, sterile climate, if I may say so, on the racecourses of that country. I have been there and have experienced that feeling.

I have been to racecourses in the East and in Europe, including the UK. I have experienced the climate that prevails at several places around the globe and I know what I feel about the presence of bookmakers: they make the event. Without those people, racing would be as dull for me as is a cricket match. God bless old Gil Langley, a former Speaker and great cricketer, but that sort of sport does not turn me on, and neither would racing without the colourful and exciting climate that is cultivated by, and prevails around, the bookmaker's stand at a racecourse.

Whether it be greyhound racing, harness racing or galloping, or other fields of gambling, mark my words, take away those people and we will have yet another eroded, sabotaged, collapsed and colourless sport at our racing venues. It worries me when legislation or administrative attempts by Governments or the bureaucracy are signalled in such a way that means, or could mean, the death knell of such a practice.

Members interjecting:

The Hon. TED CHAPMAN: Is there any suggestion that I do not enjoy this industry or sport? I love it. Members assembled this evening should also recognise that I do not know whether I would bother to go to the racecourse if there were no bookmakers. I have the highest respect for them in places such as this and on the field but, immediately I enter the racecourse, they are the enemy and they remain that way until the last race is run and, hopefully, until I have collected. This situation is real and we must face up to the fact that these people make the day, they make the event. It is even better in the UK where the tick-tack principles and practices are still adopted and the system of sending messages across the ring and beyond is really quite exciting for patrons. I have been there, done that and I enjoyed it and I hope for the rest of my time that I will be able to enjoy the presence of on-course bookmakers in South Australia.

I am still curious as to why the Government has set itself up in this way to be involved in yet another tier of gambling. The Minister's second reading explanation does not explain the purposes for which he sees it necessary to be so involved. It does not identify the areas of support that the Government has had signalled to it to indulge in this sort of extended and dehumanised gambling practice. Nor does it identify the organisations with which it has consulted to the point at which it should do so on behalf of those who are dependent on the industry. I wonder whether the trainers, jockeys, strappers and all those thousands of other people, or their representatives, who are employed in the industry have had time to think about the implications of this exercise and whether or not it may affect them. Have those people who have to make ends meet financially from the conduct and operation of respective courses been consulted? If they have, I pose the question again: why did the SAJC write to my colleague on 3 April this year and signal to him that it was about to set up a working party to investigate the implications of the Government's action?

The Hon. M.K. Mayes: It has nothing to do with this.

The Hon. TED CHAPMAN: What do you mean, 'It has nothing to do with this?' It looks as though I will have to read the letter again. I will stand to be corrected in this. I am not that hard to get on with so that, if I make a mistake, I cannot be corrected but I reckon that I can hear and I certainly trust my colleague—

The Hon. M.K. Mayes interjecting:

The Hon. TED CHAPMAN: Let there be no doubt about my trust for the member for Bragg's capacity to perform honestly and capably in this and other places. On this subject one has only to read through his speech, which I did earlier this evening. I was home in bed when he was yapping about it last night. One has only to read his speech to recognise that he has done a lot of work. He has prepared himself very well and he should be very proud of his contribution on behalf of the Party. I will not canvass the details and go into the stuff that he has researched. I trust him. I accept what he has said and it is in that context that what he said about the correspondence from the SAJC concerns me.

The other interesting snippet of information that has come to my attention tonight is that the matter was canvassed publicly in the press today and this evening and there will be further articles tomorrow, I gather. It has been drawn to my attention that the Bill is heading for collapse, in any event, in another place, which is a matter about which I cannot speak in detail at this point in the debate. However, we can signal our awareness that it is heading for a hole, that it is finished, that it is falling over. In that respect, one ought not take up a lot of the time of the House, except to say again that a very significant ingredient of the racecourse is the bookmaker's role. Any move to further inhibit the activities of bookmakers and to make it more difficult for them to operate and survive, especially in respect of unfair competition, should be opposed until at least the homework that I have identified is done and those who are affected directly, as well as the public at large, have a chance to investigate the implications.

I would be very interested to know whether I have misheard or misunderstood the content of the letter referred to by my colleague. If I have, I will readily apologise; but if I have not, and the Minister is wrong, I would expect that during the Committee stage he will hasten to apologise not only to this House but also to the signatories of that correspondence. I support the position put by my colleague on behalf of the Liberal Party and look forward to it being supported by our colleagues in another place.

Mr S.J. BAKER (Mitcham): I support the remarks of the member for Bragg, who outlined to the House the large number of areas in which we do not have answers. As my colleague commented, the Bill is very sloppy. It is almost as if the Minister is trying us on and is really not interested in passing this legislation. If salesmanship counts for anything, he gets zero out of 10. If I did not have some concern for the future of the racing industry, I would probably say, 'Let's support the Bill and see how it turns out.' This measure, to me, is a mathematical exercise. It is an exercise on how the TAB can increase its turnover and, thus, its return to the Government. We should not let this occasion pass without congratulating the TAB on its exceptional success over the past five or six years, where its turnover has probably tripled. In fact, the money coming from racing has continued to rise at a rate well in excess of inflation, that money being returned to the Government for spending on its various areas of activity.

A number of beneficiaries have gained from the endeavours of the TAB. The TAB started well behind the 8-ball in the 1960s. If one looks at the way in which it has been managed, with the right sort of personnel, I do not think that anyone could be critical—in fact, one should be most congratulatory of its efforts. If the TAB was a private enterprise operation it would return enormous dividends to its shareholders. Well done to the TAB—it has adquately fulfilled its role.

Somebody in the TAB asked, 'What is the next step? We have to continue the successful role of the TAB.' It has fulfilled the role in the past, and it has come up with a new proposition, for which I congratulate it. It has used entrepreneurial flair and has come up with a system that will increase its turnover. It found a heartland in the Labor Government. It is the misguided belief of some people that the total socialisation of the betting system will return to the Government greater and greater profits, given that the bookmakers appear to return so little in the form of turnover tax. So, we have the bringing together, if you like, of two absolutely opposite and diverse directions.

On the one hand, we have this entrepreneurial effort that we would like to see in many Government departments and, on the other hand, we have a desire to socialise the system. As the member for Alexandra pointed out, bookmakers are important. It is my contention that bookmakers make Australia's racing industry one of the strongest fraternities in the world.

Mr Rann interjecting:

Mr S.J. BAKER: We will not talk about New Zealand. It breeds racehorses very well, but its racing is not very good. As most people will appreciate, Australia is recognised as having the strongest racing industry in the world or, as my colleague the member for Davenport would say, probably the strongest gambling fraternity in the world, short of the Chinese. Most countries in the world have an all-tote system and do not have bookmakers on-course as a form of competition.

If one looks at the intention of the TAB and that of the Government, one can draw the conclusion that it must be to the ultimate elimination of bookmakers. If Australia has one of the strongest racing industries in the world, and a very important part of that industry is the bookmaking fraternity, I question the long-term future of the industry without that fraternity. I am a bit like the member for Alexandra, who said that bookmakers are the enemy. I think they are the enemy from two points of view. I can remember that in 1982 bookmakers put a large amount of money into Labor's coffers to ensure that it was elected to Government. I now find it ironic that they paid for their own demise. From that point of view there is probably some justice in the system, if this measure succeeds. But, I am not here to be vindictive about the misguided money that was placed with the ALP.

Mr Lewis: Misguided political affection.

Mr S.J. BAKER: Yes, misguided political affection. I think that bookmakers are now paying the price for their indiscretion and, if this Bill passes, they will pay the ultimate price. Even though I did not like it, that was their choice at the time. They are the enemy from another point of view, because punters have to beat them. Every punter wants to beat the odds and ensure that they walk out of the racecourse a little richer than when they went in. As we all know, that is not always possible.

I reiterate the point made by the member for Bragg and the member for Alexandra who both said that bookmakers are an essential part of racing in Australia. The Bill does not analyse what will occur if it brings about the demise of the bookmaking fraternity. I believe that that is an important facet of the contemplation of this Bill. We would like to know the bottom line. Without a bookmaking fraternity there is no need for fixed-odds betting, because the tote will control the system. In relation to viability, a slight movement of the odds can make a lot of difference.

Whilst the TAB says that it can live comfortably alongside bookmakers, the reality is that, with a small percentage change in the take, we can effectively rid all racing, greyhound and trotting courses of bookmakers. The TAB understands that principle. Nothing in the Bill provides that the new system has to be viable. If the TAB took a short-term loss for three or six months and bet over the odds, it would provide the Government with a long-term profit that would far exceeds its imagination because, instead of collecting 2.07 per cent on local races and 2.67 per cent on interstate races, the TAB could charge whatever it wanted as there would be no bookmakers left.

We know, for example, that at a racecourse a bookmaker will bet between 120 per cent to 125 per cent on average. The bookmakers assure me that on average over a year the gross profit on turnover is around 5 per cent (that is an average over all bookmakers). With betting at 120 per cent to 125 per cent, they do not fill their book properly otherwise they would have a gross profit of 20 per cent or 25 per cent. The reason they do not fill their book properly is that certain races attract a large amount of money and it is easy and professionally simple to fill a book such that they can get up to 120 per cent and cover all possible losses. That is on large races.

On smaller two year old races where the form is a little less known and the chance of a race being fixed is somewhat higher, bookmakers get into difficulty, because it only needs one horse to be backed at a reasonable price and the bookmaker cannot cover the loss. Again, the Betting Control Board has set minimum limits and—

The Hon. J.W. Slater: I have never seen any walking home, though.

Mr S.J. BAKER: The former Minister said that he has never seen any walking home. If the Minister does an analysis of bookmakers who have been on-course over the past 20 years, he will find that the number has more than halved. They are probably down to around about one-third of their former strength.

The Hon. J.W. Slater: Natural attrition.

Mr S.J. BAKER: Some have died on the stands, as we well know. One would expect that, if the racing industry and bookmaking was so profitable, the numbers would not have declined. The statistics suggest that bookmaking is not as profitable as it once was. Regarding the 120 per cent to 125 per cent and the system described to us by the TAB in our briefing, we know that it is possible to make a book a lot lower than that. The TAB does not have to set a minimum bet. It can say that it will take $1 000 and no more or bet to a total loss of $1 000, $500, $5 000, or whatever. If someone walks up with a certain amount of money the TAB can say that the computer system will not allow it to put on that money. The TAB manager would certainly confirm that the TAB one can be controlled more easily than bookmakers can control their system.

Many bookmakers, because some of their clientele may be large bettors, will take very large bets, as the former Minister well knows. Therefore, they do suffer substantial losses as well as taking substantial gains. At the end of the day if they are betting 120 per cent to 125 per cent on average—perhaps 135 per cent on the Melbourne Cup and 115 per cent or 110 per cent on a four horse race (and they are subject to those variations), they are making only 5 per cent gross profit. After paying taxes and employee wages, they are making only 1 per cent, so we can see that a movement of those odds can be quite critical—very critical indeed.

Currently the TAB takes 14.5 per cent on a win and place from the tote, and from that it has a 9.5 per cent profit. About 5 per cent goes into the cost of running the system. A larger proportion of that goes in employee wages than occurred initially. If that 5 per cent represents the cost of running the system on turnover, and if there is a larger turnover, the overhead cost could be reduced to 4 per cent of turnover. I do not think we will be putting up more establishments in the process or engaging more staff. I guess that overall the TAB could operate on a 4 per cent cost basis in respect of turnover.

A betting tax of 2.07 per cent applies at local races. We could say that, at the 6.07 per cent mark, it is no better or worse off than the bookmaking fraternity. We also know that if the TAB can set a book at 110 per cent to 115 per cent instead of 120 per cent to 125 per cent, it will be in a better position than the bookmakers. A simple movement

of odds can have a dramatic effect on the ability to compete. The trick to the whole thing is that initially this system will operate only on those races which have a propensity to fill a book well, that is, the larger races on which most of the money goes during the day. Three or four races per day have the large fields and carry the greatest amount of turnover. So, it is on a bet to nothing and can reduce those odds. It could increase the odds, take out more money, and leave the bookmakers lamenting.

If it was possible to implement this system across the board, we could see the total elimination of bookmakers within six months. It is not feasible or highly likely, but no doubt exists in my mind that this is the beginning of the end for bookmaking in this State. It is so infinitely simple to make it impossible for a bookmaker to operate a book. The tote does not have to make a profit in a particular period. Over a six month period, if someone could grab all the business, they might indeed in the longer term generate massive profits because they are cornering the market. Who is to say that the TAB will not set its odds according to its desire to get rid of the bookmakers?

My mathematics suggest that, even if the tote runs legitimately, it will still cream the bookmakers, because it will not have to try to bet 120 per cent or 125 per cent. Therefore, the punters in the first instance get far better odds than they would from the bookmakers. If that system expands itself across a whole race meeting and into country race meetings, where it will be much harder to set the odds, if it goes into all these areas where bookmakers are operating today, whether greyhounds or trotting, the bookmakers simply will not be able to compete. I am concerned because I have said that bookmakers are important on the one hand and, secondly, I have said that this proposal has the potential to take bookmakers off the courses of this State. Racing will be the major loser and as a result I believe that what started as a seemingly good idea will suddenly reduce the amount of money that people are willing to put into the system. I have a number of concerns, which the member for Bragg has outlined adequately and those matters will be tested in Committee.

Mr S.G. EVANS (Davenport): I oppose the Bill in principle, because I have never believed that the opportunity for gambling should be expanded. Most people associated with the gambling industry, if you can call it an industry, know that. The Casino is losing clientele, and there is no doubt that it has its feelers out for poker machines. There is also no doubt that, immediately after the election, if the present Government wins, it will move in that direction. So, I suppose the Government thinks it is not a bad idea to go to the fixed odds system through the tote and broaden the opportunity for people to gamble.

We can use Sky Channel and the other agencies in the community to get to the people. We do not necessarily have to worry about how many people go to the races. Watching the races does not have to be the sport; gambling is the industry. It seems strange that, with a Federal ALP Government and a State ALP Government which is supposed to be a very strong unit, the key Federal people are saying that Australians are not saving enough; we are spending too much money. Yet, here is a way of using back door taxation to make sure people spend more. That is the truth. It is not a moral argument; it is a factual argument. I am not saying that people should not gamble if they want to.

I like the English system. If one wishes to gamble, it is there but it cannot be advertised. It must be sought out. It is not a moral judgment. No-one says 'Thou shalt not gamble.' It is making sure that Governments do not use another agency to encourage people to gamble so they can get a bit more tax. That law will prevail in this country eventually. We all know of instances involving those who have gambled, and the most recent one I know of involves a family business which the accountant has skittled for $190 000 or thereabouts. The owner of the business has nothing. He has mortgaged everything. People might say that there are always a few bad ones—I know that, it has always been the case—but must we increase the opportunity for that?

When it happens, do we as Parliamentarians all run around squealing and saying, 'What a pity for the wife and kids' or feeling sorry for other small business people caught up in the system? Yet the very same people—those who run around saying it is a bad thing—are living off the earnings that are made from that system. It is a parasitic system, there is no doubt about that. It creates no productivity in the community at all. It is similar to Don Dunstan talking about people like the Murdochs, the Holmes-a-Courts and the Bonds who move money around the world or out of the country and who do not worry about their country. It is exactly the same principle.

I have nothing against the racing industry, as it is called. I call it the gambling industry, but some people get upset with me when I say that. It is the truth. My family was involved in it quite deeply in my father's generation. In fact, one of their horses won the St Leger but had it taken away from them because of a matter of four ounces in 1937 or 1938. I saw the industry as a boy. As a man in business, I employed men who spent everything on it. They would ask for an advance on the Monday after being paid the previous Thursday to help their family get through until the next fortnight's pay. That is not a judgment I make tonight: my judgment is that it is not the Government's job to get into a further risk industry which it is doing with this form of betting.

I have a couple of axes to grind with bookies. I will not proceed with them tonight. The first one was 1969—they know what the axe is. There were moves to introduce gambling on the dogs and we were within a short period from an election. Certain people were running around talking to both major Parties. The other matter relates to the early 1980s. It is up to the Parties to make their judgment. If political Parties want to take their hand-out and give guarantees in that field, so be it. That is part of the system where graft starts, but, it does not stop there.

I have respect for the bookies in that at least they have to play the odds. If they play the odds, they may lose everything, as some have. Others have struggled to survive, but at least they saved their home, got out of the industry and did something else. Very few have lost everything, and that is because of their good judgment and, to a degree, it has been a closed shop. One has even smelt a rat at times when licences were given to new operators because someone knew someone who knew someone else who knew it was possible to put their hand behind their back and catch material (that might have been called money) that fell out of the sky. Whether or not that is the truth, I do not know, but they are the sorts of allegations made by those wanting to get into the system. That is no reflection on those who are in it. I am not an anti-gambler totally. I have been there. I do not say that I have ever won. The casino owes me $48 after five visits, so it is cheaper than going to the local theatre. However, I do not think I will ever get it back.

As the member for Alexandra said, the bookmakers are part of the entertainment scene. I have no doubt that many people get a lift from being in that ring and being where the bookies are. If we get rid of them, automatically we get

rid of part of the attendance. I know that if the tote gets more opportunity to invest through fixed odds, it has a chance of making more money. However, it also has a chance of losing a lot more. Maybe the industry would be no worse off. It might lose a bit on the bookies who passed by the wayside and disappeared. As I said earlier, I have no reason to be in love with bookies for what they have done in the past. However, I hope I can be fairer than their judgment proved to be.

Everyone knows that, if this legislation is passed, whether there is on-course or off-course betting with Sky Channel and all the other agencies that go with fixed odds betting, people will not bother getting dressed up to go to the racecourse when they can shuffle down and have an ale in the front bar and work from a system like that. Surely we all know that. Therefore, we would be better off withdrawing all bookmakers' licences within five years. That would be a better title for the Bill. At the same time, it would make the industry truly a gambling industry and leave the entertainment aspect out of it altogether. That is the end result. There would be one benefit—there would be less pollution. There would not be as many carparks. The inside field of the racecourse could be used for other sports, because people would not attend courses. Traffic hazards to and from the race course would be eliminated, making it better for other people going home from the football, the soccer or whatever. We know in our own minds that the bookmakers are the ones who will suffer.

Further, the Government is moving into an area of risk that I believe it should not move into. I do not believe that our society needs to encourage any more areas of gambling. People in the community are all struggling to get a bite at the cherry and they are asking for extra ways to do it, be it by poker machines or whatever.

About 12 months ago the Government told us that it was important to pass a Bill because people were rigging the bingo system. The Government admitted that there was skulduggery in the system. It failed to bring down the regulations because it knew one of their pet companies was bringing in machines from overseas. The regulations would be brought in so that only that company could successfully tender according to the conditions of the regulations, and other companies hoping to win the tender would not be considered. We could have had a system similar to the system in Tasmania where they are protected.

That is the attitude of this Government—hang the bookmakers or the individuals concerned! The company that I am talking about prints many cheques and instant cash tickets for the Lotteries Commission. When that company has installed the machines and is ready to operate, that is when the Premier will say that the regulations are gazetted, so that only one company can get the tender. Surely no one would believe any Minister who has been a party to such skulduggery. That is how I see this Bill. It is a backdoor method to get rid of bookies, and I oppose it.

Mr BLACKER (Flinders): I oppose this Bill. The number of gambling opportunities that have crept into this State over the past 15 years has increased many times. That is of some concern to me because not long ago an article on the front page of the *Advertiser* listed the amount of money that this State Government is able to collect—in the vicinity of $80 million—from the various gambling codes. Of course, I choose these words very carefully, because there would still be some illicit gambling that the Government is unable to tax. It could be said that another form of Government-controlled gambling might lessen the amount of money spent in illicit areas. However, that does not alter the fact that the Government is becoming very heavily dependent on gambling as a revenue earner for the State. I am opposed to that, because I think that every move that the Government makes in becoming involved in this area adds credibility, in a *de facto* way, to the gambling industry.

That in itself is wrong. I am not reflecting on the racing codes and the sports of horse-racing and dog-racing, but the gambling associated with it and the State's dependence upon the gambling industry as a revenue earner is something with which I cannot agree. The Government is wrong in heading down this track. I, probably like most other members of Parliament, have received a letter from a bookmaker setting out a number of points which clearly indicate that bookmakers would be severely disadvantaged in this area. To that end we, as members of Parliament, should make up our minds whether or not we will support the bookmakers or whether, in fact, we will allow the bookmaking industry to be wiped out. I do not believe that I can support the Government in this measure because it is ill conceived and the wrong way to go. I oppose the Bill.

The Hon. M.K. MAYES (Minister of Recreation and Sport): This saga of fixed odds betting has been interesting. I have never seen anyone do so many turns and twists in my brief time in this Parliament. The member for Bragg qualifies as being able to turn more quickly on a threepenny bit with than anyone I have ever known. From last night to tonight he has done a complete turnaround on this issue. We have put before the Parliament some amendments which not only would have introduced fixed odds betting off-course but would have totally opened up on-course betting immediately. What an extraordinary position. Last night the member for Bragg entertained this series of amendments; tonight he has indicated that he is opposed to it. He has done the most amazing about face.

The Hon. R.G. Payne interjecting:

The Hon. M.K. MAYES: His track record is pretty bad; in fact, it is nigh on appalling. I have never seen a more uncomfortable television interview than the one I witnessed tonight when the honourable member was interviewed on the ABC. He found it very difficult to hold a straight face when asked about the Opposition's position. This fixed odds betting debate has emanated from the industry and has been promoted for its benefit. The Opposition has been indicating to various individuals in the community that it is in favour of the Bill and would support it, but at the eleventh hour it does an about face. What has happened to change the Opposition's mind in the past 24 hours? We now have the situation where a Bill which has been promoted by the industry, and for the industry, is now being dumped by the Opposition, and that makes me very cynical and suspicious. From the antics of the member for Bragg in the past 24 hours, it makes one wonder. There are people in the industry who are upset and quite disturbed by the Opposition's lack of consistency.

Opposition members were given a full briefing on the system about six months ago, and they were invited to observe the operation of the system. Someone was listening; at least the member for Mitcham—and it would be rare for me to pay credit to him—must have been awake during the briefing, because he is the only person who has bothered to relay the details of the fixed odds system or who seems to have a fairly reasonable understanding of it. Therefore, in many ways, the honourable member has already answered the questions that he might have asked during the Committee. It is quite extraordinary that there are these accusations of lack of consultation when, in fact, a briefing was offered approximately six months ago.

We can talk about risk: the risk can be carefully managed and the program was outlined by me and by statements made by TAB. It has been outlined to the industry clearly as to how the program would be phased in and if that assessment proved to be not as successful as the trials or the Wright report indicated, it could be withdrawn instantly. That option is available. The risk will be minimal, and in terms of the opportunity provided to the industry, which is what we are concerned about, Parliament should seriously consider this measure.

Several members opposite have referred to the intention to remove bookmakers, and that is extraordinary. There is no way in the world that this Government is contemplating such a thing. The process with which we have been involved at this stage has included discussions with the industry and bookmakers and considering measures that both the industry and the Government could adopt by way of supporting bookmaking in this State.

If the member for Bragg pursues his amendments in Committee without having further consultation, or if he looks carefully at what he has proposed, he will realise that he is going against what the industry has sought. I am sure that he has not looked carefully enough at his amendments. Hopefully, we will have an opportunity to explore this matter in detail and to enlighten him about the impact of his amendments. His system would allow the TAB immediately to go on course, which is not what the industry wants at this time, and I am sure that the people concerned will outline in greater detail to the member for Bragg their views on that aspect.

The Opposition's amendments would circumvent or ignore the SAJC's proposals: they would open up the whole system of fixed odds betting in this State and the TAB would be the only body in control of fixed odds betting both on course and off course. I advise the member for Bragg that I am sure that that would not please the industry at all. Various Opposition members have suggested that we intend to remove bookmakers from the industry, but that is such a cheap political point that I do not want to address it any further. Bookmakers know that that is not the case. We are looking here at a serious package that will ensure their continuation. The Government will continue negotiations with the industry and bookmakers. The member for Bragg made the point that the Government should not be involved in taking a risk. He sees that as the corner-stone of the Opposition's argument. Where did this argument come from in the past 24 hours?

Mr Ingerson interjecting:

The Hon. M.K. MAYES: The Wright committee supports the introduction of fixed odds betting: that is obviously in the report. Suddenly the taking of a risk becomes the crux of the issue. The member for Bragg has clung to this aspect like a drowning rat, hoping that he will win the argument because the Government is involved in taking a risk and the Opposition has pointed this out to the community. Why has this arisen over the past 24 hours? We heard nothing but positive signs from the Opposition over the past 12 to 16 months about fixed odds betting. I am sure the industry will be interested to know the source of this sudden awakening of the member for Bragg.

What of his arguments about a lack of consultation? The Wright committee comprised people representing codes and industry ogranisations who explored the whole process thoroughly and examined all questions arising on fixed odds betting. The committee membership was as follows:

Chairperson, Hon. Jack Wright
Department of Recreation and Sport
Director
Totalizator Agency Board
Mr Barry Smith (General Manager)
Betting Control Board
Mr Paul Morrissy
Racing Codes
Mr Bob Linke (Vice-President, SAJC)
Bookmakers League
Mr Michael Webster (Alternate Mr Jim O'Conner)
Consumer Representative
Mr Kevin Vaughan
Executive Officer
Mr Denis Harvey

The Hon. Jack Wright is well known in the racing industry for his support over the years. Members would have to go a long way to find a group better informed than those personnel on the needs of the racing industry in this State. The committee examined the industry thoroughly, and brought expert evidence before it. It met on nine occasions, from 1 July 1988 to 20 September 1988. Members can examine the report, which I released to the community for examination, and can see that the committee examined the issues in detail. It explored the ramifications of fixed odds betting in the industry, as well as the community.

The report provided Cabinet with a useful working tool to consider fixed odds betting in this State. I reiterate again that the consultation involved came through those people who unanimously endorsed the introduction and viability of fixed odds betting. They recommended finally that the South Australian TAB should be able to introduce fixed odds betting, as follows:

> In these circumstances . . . recommend that any legislative measures that are necessary be undertaken as soon as practical so that the South Australian TAB is able to remain in the vanguard.

It is extraordinary to look at the personnel and the organisations represented and to consider their background and experience involved. I refer, for example, to the consultation with the Bookmakers League, whose concerns about the impact on bookmakers were expressed in the report. That matter has been and is being addressed.

Negotiations have commenced with the industry, with bookmakers and the Government, and there will be benefits from the introduction of fixed odds betting. I have said that any legislative changes would not be proclaimed until those necessary measures have been adopted and put in place. We would see the whole mechanism being made available to the community, particularly bookmakers, who are attuned very much to the basis of this legislation.

Much righteous indignation was expressed by the member for Bragg about disclosure, and so on, and skulduggery was mentioned by the member for Davenport. It is pretty cheeky of the Opposition, particulary the member for Bragg, considering some of his antics over the past three years, to suggest skulduggery and sly behind-the-scenes activities on the part of officers of the department, the TAB or myself.

I am still awaiting for that apology from the member for Bragg about his accusation of fraud, but I think that I shall be waiting until I peg out and am put in a grave because it will never come. The honourable member accused me of fraud and he has not been man enough to front up and say, 'I'm sorry and I apologise.'

Mr Ingerson: You're too sensitive.

The Hon. M.K. MAYES: The honourable member accuses me of fraud, yet says that I am sensitive. That is extraordinary. If I had been in the wrong, I should have fronted up and apologised.

Mr Ingerson: Section 50.

The Hon. M.K. MAYES: What about section 50—trying to save a 200-year-old gum tree? The honourable member should talk to the Unley council, the developers and the residents about that.

Mr Ingerson: Come back to the Bill.

The Hon. M.K. MAYES: I am happy to come back to it, but I am dealing with the honourable member's accusations about the way in which the Government has dealt with this. He has the gall to suggest that I have not consulted and that there is something devious about the way in which we have handled the Bill. The matter of the southern regional clubs is another one. There were complaints to my department about officers involved in the industry and about bully boy tactics, ringing up and saying, 'We don't want you to support this facility development committee.'

Mr Ingerson interjecting:

The Hon. M.K. MAYES: It is not. When the member for Bragg had an opportunity to deny it, he did not take the opportunity. We know that it is not. We know what was said, yet he did not have the courage to stand up and deny it. So, the honourable member makes accusations about the Government. Two important members of the harness racing industry have yet to receive an apology from him about the way in which he slandered their reputations and impugned their names in the community. The honourable member slandered two individuals, one of them a long-term mate. I am sure that he has reflected on that since—mates like that you do not need.

With righteous indignation the member for Bragg accuses me of sly methods and underhanded techniques regarding the industry. Surely that takes the cake—fair dinkum! One must sit back and wonder when one is attacked by the honourable member. Members opposite have not had a good day today. Randall Ashbourne set it up for them with a great article at the weekend and told Opposition members where to put their punches, but they could not put the punches in the right place. The press is bitterly disappointed because the Opposition members missed again today. They have now decided to have a little fun and muck around with the racing industry. Unfortunately, however, the racing industry will be the loser and it will express a percentage on Opposition members when it has the opportunity.

An important aspect not raised by the Opposition generally, although it was raised in passing by the member for Davenport as a sort of throw-away line at the end of his speech, is that of SP bookmaking, which has been a major problem in this country. Who knows how much money does not go through legal channels, irrespective of the Government in power, because of SP bookmaking? In this regard, I am not sure about the Opposition attitude, although I suspect that the Opposition would deal with the problem by throwing it open.

Mr Ingerson interjecting:

The Hon. M.K. MAYES: *Hansard* will bear the true record. The member for Bragg failed to mention this matter in his speech, so it is important that we put on record one aspect that we hope to address. Indeed, I am sure that the racing industry has drawn to public attention the matter of SP bookmakers, those parasites who make no contribution to the racing industry.

Mr D.S. Baker interjecting:

The Hon. M.K. MAYES: The member for Victoria says that I am talking about his mates. I rest my case on that. No contribution is made to the industry by SP bookmakers. Indeed, they live off what all the other people pay for. This area needs to be addressed, and it has been addressed seriously by this Government. In fact, much of the proposed new money that has been referred to will come from that area. It is important to note that the Opposition failed to draw attention to this issue, probably because it has been under pressure and feels that it is under stress. It has not got its notes and speeches together, and it is important that I record its omission.

Before the House goes into Committee and I deal with the amendments to be moved by the member for Bragg, I point out that another important aspect is the issue of the Government's involvement in gambling. Members would do well to consider the words contained in the report of Frances Nelson's committee, which considered the industry as a whole. An interesting sentence in that report sums up what the public expects from the industry and from gambling, as follows:

> It is this element that attracts Government interest and scrutiny because of the need to regulate it for reasons of public order because of public revenue implications.

The element referred to there is licensed betting. That in itself indicates an important reason why the Government is involved in this area. It is nothing new. The Government has been deeply involved, in this State in particular. We all know the protestant ethic with which most of us have grown up in this State—that we should not gamble or participate in any of the other so-called evils. We were educated along those lines as children. That has led to this State's having a clear view about the Government's role in regulating betting.

So, it is important that that be recorded as a reason for Parliament's dealing with this Bill, which is important to the industry. Indeed, the industry has been keen to see this opportunity taken up, given the technology, the mechanisms, and the safeguards that can be built into the process. I find it extraordinary that the Opposition has done a 180 degree turn on this issue. Because of that, the loser will be the industry not the Government, because the industry is looking at this as an opportunity to see a new horizon and to pursue that horizon for the sake of the industry itself.

Bill read a second time.

In Committee.

Clauses 1 and 2 passed.

Clause 3—'Interpretation'.

Mr INGERSON: I move:

Page 2, line 3—Leave out 'off-course'.

I have moved my first amendment so that it may be taken as a test, my other amendments being consequential on this one. The reason for my amendment is simple. Opposition members believe, as the South Australian Jockey Club states, that the decision to put the fixed odds betting system on-course should be made by the Government now.

If the amendment is accepted, the Government will be able to make that decision without having to come back to Parliament to amend the legislation. It is a simple amendment giving the Government of the day the choice as to when it puts a fixed odds system on-course. The Opposition has consulted the South Australian Jockey Club and other codes, which wanted an amendment to enable the system to be introduced on-course at the discretion of the Government and at the club's request. That is what this amendment seeks to do.

As I understand the Bill, it does not mean that the system must be introduced on-course or off-course at once. As it stands, the system can be introduced only off-course. It should not be the case that the legislation must be amended by Parliament in six or 12 months time because the S.A. Jockey Club, the Greyhound Racing Control Board or the Trotting Control Board asks the Government for the system to be placed on-course as well as off-course.

The Hon. M.K. MAYES: I made reference to this amendment in my reply at the second reading stage. It is a key amendment, but what it proposes is not what the Jockey Club wants. I am happy to explain exactly why that is so. My understanding of the amendment is that it would lead to the introduction of full on-course facilities. The Jockey

Club has set up a working party, or a committee, to look at on-course application, and that is where the member for Alexandra was confused. My advice from discussions that have taken place between officers of the department and the Jockey Club is that this amendment is exactly what the Club does not want. It wants on-course betting but it wants the decision as to who should run on-course betting to be a matter of discussion.

Mr Ingerson interjecting:

The Hon. M.K. MAYES: It cannot, because the amendment provides that it will be the Totalisator Agency Board that will have the conduct of on-course or off-course fixed odds betting in relation to races held within or outside Australia. Therefore, the amendment is ineffective and does not achieve what the industry wants. The club has an AWA system and wants the option to make the decision, so I imagine that the industry would be opposed to this provision. The club has written to me and, presumably, to the Opposition stating that it wants the system introduced in six months.

I have said that the Government will review it on the basis of its progress and success. I imagine that there will be considerable negotiation and discussion between the industry, bookmakers, the Government, the TAB, and the Bookmakers Licensing Board with regard to the impact and application of the system. I imagine that the working party which is now under way under the banner of the SAJC will look very carefully at its impact on the club.

At this stage I am not prepared to accept the introduction of an on-course system. The member for Davenport and the member for Alexandra said that the Government is going too far. The amendment that has been moved by the Opposition goes further than my proposition, so I am a little confused as to where we stand. Is the Opposition opposing it? I must go from what has been said tonight by the member for Bragg both in this place and on television. I understand that the Bill will be opposed in the other place. I fail to see the purpose of this amendment, which opens it up without any control from the Government. The affect of the amendment is that the TAB, not the Minister or the Government, will make the decision, and although we might have a great deal of confidence—

Mr Ingerson interjecting

The Hon. M.K. MAYES: Yes, it does. I have had this checked. That is what we discovered when looking at the amendment.

Mr S.J. Baker interjecting:

The Hon. M.K. MAYES: Oh, the member for Mitcham! Is it? Well, it is not here.

Mr S.J. Baker interjecting:

The CHAIRMAN: Order!

Mr S.J. Baker interjecting:

The CHAIRMAN: Order! The Minister will resume his seat. I mentioned this situation to the member for Mitcham previous to this debate. If he continues to shout over and above the Chairman when the Chairman has called for order, I will name him. This Committee will be conducted properly in the way in which Committees should be conducted.

The Hon. M.K. MAYES: Thank you, Mr Chairman. I apologise if I got involved in that discussion. As the member for Bragg indicated, the other amendments that he has foreshadowed flow from this amendment as a consequence. The Government believes that it must retain the right to consider the impact of off-course fixed odds betting. My officers have had discussions with the Bookmakers League, so it would be a radical departure from those discussions to suddenly accept such an amendment and embark on this course of action. If Mr Gunn is concerned about off-course betting, he will freak out if he sees this amendment being accepted.

What I am saying is that, in six months time, it is the Government's desire that Parliament will consider the question of on-course fixed odds betting, and that is appropriate. It would be irresponsible of me, because of other relationships with the industry and from a parliamentary point of view, to embark on this action, given that I have been talking only about off-course betting.

Mr INGERSON: I accept what the Minister says because it is the Government's decision as to whether or not it accepts the amendment. The amendment states very clearly that the TAB may conduct on-course and off-course fixed odds betting in relation to races held within or outside Australia.

The advice I have been given is very clear, and it revolves around the word 'may'. It is the S.A. Jockey Club's decision whether or not it does it. This amendment will enable the S.A. Jockey Club to negotiate with AWA and/or the TAB. This Bill does not provide that the TAB will conduct off-course and on-course betting, it provides that it 'may' do it. My advice from counsel was that there was no need to change that clause to enable the TAB to do it on-course as it relates to the S.A. Jockey Club. The option is still available to the S.A. Jockey Club, because it decides whether to go with AWA or the TAB. That is exactly the same as the Trotting Control Board, which decides whether it has the TAB through jet-bet or anything else; and the Greyhound Control Board, if it wishes to have jet-bet and the TAB or any other system.

Our amendment will enable that if it is desired by the Jockey Club. As I said, it is entirely up to the Minister to say whether or not he accepts the amendment, but that was the advice that Parliamentary Counsel gave me today.

The CHAIRMAN: I am not admonishing the member for Bragg, but I point out that the parliamentary record is sprinkled with decisions from the Chair, going back to last century, that Parliamentary Counsel must not be mentioned in debate. I cannot allow the honourable member to continue on that course. I hope that in future debates he will remember that Parliamentary Counsel must not be mentioned. The Bill and the amendments are in the hands of members. They may do what they wish with them; they may change the wording, delete it, or add to it. The honourable Minister.

The Hon. M.K. MAYES: Irrespective of the advice, to which I will not refer, I cannot see any mention of the SAJC having any role in this decision at all. The honourable member should reflect on that. It is clear from the amendment that the TAB may conduct on-course and off-course fixed odds betting. The Minister and the SAJC have no say.

Mr Ingerson interjecting:

The Hon. M.K. MAYES: The Hon. Terry McRae instructed me in this, too many years ago that, I care to remember, when I was studying statutes interpretation as part of a law course I did at the university. To me it is clear that the control of this aspect would be with the TAB. I do not argue that it is not for the TAB to decide it. The amendment provides that no-one else—not the Minister or the SAJC—but the TAB may conduct on-course or off-course fixed odds betting in relation to races held within or outside Australia.

The options are there. The SAJC might want the AWA to purchase the system from the TAB so that it can implement that system, but this amendment will not allow that because it provides that the TAB may conduct this betting. That means that it is limited by the legislative process, and

of course that would be applied. I do not think that the amendment achieves what the industry wants.

Irrespective of that, certain views were expressed and certain understandings were given in discussions with the industry. If I accept this amendment it will mean that certain people have been given understandings to which I would not be committed. I cannot, in all good conscience, change my position on that. I make no reference to my advice regarding that, but it is clear that the amendment will not achieve what the industry wants which is what it expressed in its letter dated 3 April addressed to me and others.

Mr S.J. BAKER: After listening to the Minister, one would think that he is the bookies' friend. What he ignores is that the amendment is designed to facilitate the decision on on-course betting, and the decision, I guess, relates to on-course attendances.

I understand that the SAJC is concerned about what will occur on-course if this fixed odds betting system is adopted. It is reasonable that the SAJC will be thinking that it will lose a large amount of patronage, and that will not be good for racing. If the Government is committed to this initiative, those turnstiles must somehow continue to turn over. I imagine that that is what has been said, and I am sure that the Minister can confirm that the SAJC is concerned about attendances. We are expressing a point of view with this amendment which says that, when it is competent to do so, we can introduce it.

The Minister may say that, in principle, he can accept what we are saying and if that is what he wants to do he can redraft it and have it proclaimed at the appropriate time. We do not have to be too pedantic about how good or bad the amendment is, or how suitable it may be. During my six years in this Chamber I have seen some pretty sloppy, uncaring legislation. The Minister mentioned studying law. I think that I got a credit and the Minister got a pass in statutes law, if we go back into that history. If he wants a lecture about how to write legislation, that is fine, but let us have someone here who has more experience than the members in this Committee.

I support the amendment. If the Government says that, on the one hand, it will keep the bookies happy and somehow keep this off-course and, on the other hand, that the SAJC must maintain the number of people it gets through its turnstiles, it does not fit. Obviously, the SAJC wants those people coming through its turnstiles. Racing is a glamour occasion for certain people. The more crowds, the more successful the meetings. It is a very important component of racing, particularly in Australia.

What the member for Bragg suggests is perfectly proper. If the Minister does not accept it, it is on his head. He can no longer say to the bookies, 'Don't worry about it. You will not see it on-course', and tell them that they will lose only $5 million, $10 million or $15 million in terms of those people who will sit in TAB parlours rather than go on-course. He will have to be fair dinkum for a change and tell them that they will probably lose half their turnover in a very short space of time. That is the bottom line. It is all about honesty. I support the amendment.

The Hon. TED CHAPMAN: The Minister's remarks a moment ago said it all. He said that he was not introducing provisions in this specific part of the Bill in which he had any say, nor did the SAJC or anyone else other than the board. That is the frightening thing about this legislation: it dictates what shall happen without having regard to the parties that he represented to the House.

In a matter that involves public participation to the extent in which racing involves the public at large, and especially those who are interested in gambling, on-course and off-course, he should consult with and have regard to the view of those other parties—and those other parties are the patrons of racing. Surely it is important that we try to maintain their interest and, of paramount importance, their attendance on the course.

Unless that attendance is maintained with interest facilities on-course, the racing industry generally will deteriorate and the income to the racing fraternity as it applies to those who are dependent upon it and work the operation of racing must deteriorate with it. I am concerned from that viewpoint. The Minister hit the nail on the head when he explained the level and extent of disregard for all the other interested parties in identifying the board only as being the authority and stated that neither he nor the SAJC (nor anyone else) has any say in what occurs in relation to the subject generally and in particular this clause.

Amendment negatived; clause passed.

Clauses 4 to 9 passed.

Clause 10—'Insertion of Part IIIA.'

Mr INGERSON: The Wright report contained specific mention of the turnover figures which were used to establish the viability of this system. The figure of $200 million projected turnover was cited. Regarding the breakdown of that $200 million, $80 million may be transferred investments from the pari-mutuel pool and $120 million worth of new money from fixed odds betting would be generated. What is the basis of those figures? Those figures are critical to the whole exercise. It is the sort of information we would have expected to find in the second reading explanation to ascertain how the system could be viable.

The Hon. M.K. MAYES: The information presented to the Committee was based on estimates recorded in the Wright report at point 2.7 on page 3. The estimate of fixed odds betting turnover is $200 million. These figures, from information provided to me by my officers and TAB officers, come from market surveys and capital investment in the industry in other States. An assessment was provided for the Committee. So, the figures are based on the collection of all available information presented by TAB officers to the working party. That estimate was then worked on by the working party as further comments in the report indicate. The members assessed the reliability of those estimates and their impact.

When I talk of the impact and the transferred investment from the pari-mutuel pools, obviously that is an estimate based on the market survey and information regarding capital investment here and in other States. That is the foundation of the information provided to the Wright committee. When I asked the same questions, that information was provided on that basis.

Mr INGERSON: The Minister said that market surveys were carried out. How were the market surveys carried out, who was interviewed, how many people were interviewed and on what basis was it established that a transfer of $80 million would occur? The Minister did not talk about the $120 million worth of new money. He mentioned it in passing in the second reading reply. Some could come from SP bookmaking. We need to know a little more about how the figure of $200 million was arrived at. We are not talking about a small figure; we are talking turnover that is half the existing TAB turnover. The current turnover is of the order of $400 million. We are talking about a 50 per cent increase in turnover in the first year. All those figures dropped out of the air on Monday night. We ought to have more detail than simply that it was done by market survey. Somebody must have worked it out.

Will the Minister also refer to the $120 million? Whilst the market survey may be able to tell us that $80 million could be transferred from pari-mutuel, I am intrigued that $120 million will suddenly drop out of the air when we are told that the majority of gambling dollars today are really transfer dollars. If we get a significant increase in the TAB and/or the lotteries, we suspect that there will be a considerable drop-off in the Casino or *vice versa*—or any one of those combinations. To suddenly label $120 million as new money really ought to be explained more clearly.

The Hon. M.K. MAYES: This involves the confidential information provided to the committee. A good deal of information in this report is highly confidential to the system. I am happy to share that information. This is one of the issues in relation to the saleability of the system and one of the things on which I am accused of not placing emphasis. The issue confronting the Parliament at this time is the impact on the industry in this State. The benefits that flow from it can be speculated upon, but the legislation should be dealt with as I present it to the Parliament. My obligation is to answer questions as to how it relates to the industry. The major communication has been from the industry to members of Parliament and rightly so. During November 1987 a major marketing research study was undertaken with TAB clients by McGregor Marketing Pty Ltd to ascertain client demand for computerised win-placed fixed odds betting and the likely impact on existing totalisator win placed pools.

Two specific questions were included in the study. Approximately 2 500 people were interviewed in TAB outlets. It was a large survey, as I indicated, conducted during November. The questions would come as no surprise. They concerned win/place betting:

(1) Which of these alternatives do you prefer? (2) If computerised win/place fixed odds were introduced, would you invest more or less at the TAB?

I am happy to share the results. Under the first question were two subcategories:

(a) Current tote dividends;
(b) Alternative fixed odds at the time of placing bets.

Result: 43.5 per cent prefer tote dividends; 56.5 per cent prefer fixed odds.

The results of the second question were:

35.6 per cent would invest more; 59.4 per cent would invest the same; 5 per cent would invest less or unsure.

I now turn to the honourable member's second question in relation to the issue of the $120 million new money for fixed odds. To say that the money has been transferred is not so. The honourable member praised the activities of the TAB and its growth. Subagencies in the period 1986-87 incurred a growth of $6.236 million in the metropolitan area. In 1987-88, the growth was $26.79 million. We would argue very strongly that there is not a growth in transfer but a growth of new money. The TAB turnover is up 30 per cent on last year and it is probably largely as a result of the expansion of TAB subagencies throughout the State. It must be argued that it is not transfer money but largely new money. As I said earlier, the information is based on the analysis provided by the TAB to the Wright committee and to Cabinet of the $120 million, which fits into 2.73.

Mr INGERSON: I thank the Minister for that information but it really does not tell us anything. Basically it tells us that 56.5 per cent of the people surveyed said they would like to bet with the fixed odds system. That still does not tell us how this figure of $80 million was established. Unless it can be established with some sort of firmness, we just have to believe that the comment made by the Wright report is accurate. That comment is, 'We had to accept the facts put forward by the TAB because no other estimates were available.' It just seems to me that we ought to be able to establish that figure a little more accurately.

In relation to the second figure of new money, quickly looking at it, this year there was a 30 per cent increase. If $400 million is multiplied by 30 per cent, the result is $120 million. That may not be the way it was done. In listening to the reply just given one would expect that that is the sort of growth worked out. We still need a little more factual information or a statement that says, purely and simply, that it was a couple of guesstimates and stabs by the TAB with a fair amount of knowledge. I do not have any difficulty in accepting that. We are invited to infer that it was done with a fair amount of pretty accurate research. If the Minister is prepared to say that it was a couple of damn good stabs and we reckon that is what we will get, that might be a bit more accurate.

The Hon. M.K. MAYES: I have endeavoured to outline the basis of it. I would have thought the computation was fairly straightforward from the information provided in the second answer to the questionnaire, given the existing levels of investment within the peri-mutuel system. It was based on what might be considered a fairly conservative figure with the results provided by the questionnaire, to the effect that 35.6 per cent would invest more. I will read the report and hope I am not disclosing anything that would embarrass the TAB in its marketing of this product. It is worth recording the basis of this calculation for the sake of the Committee as a result of the member for Bragg's question. It is not a guesstimate as such. It is based on the results of the survey which indicate a basis of calculation. I refer to paragraph 2.6 on page 3 of the Wright report. It is not based on a figure that suddenly struck the General Manager as he munched on his breakfast the morning before he appeared before the Wright committee. It is based on statistics and, through transposition, worked on the existing turnover figure. It reads:

In reality it is unlikely that these respondents would only utilise the fixed odds system. This point is confirmed by the fact that 35.6 per cent of respondents indicated they would invest more if a fixed odds system was introduced. Therefore, for the purpose of this report, it is considered that, if a turnover of $200 million is achieved in the first full year of operation, $80 million or 40 per cent would come from existing win place totalisator turnover and $120 million would be new money.

That is the basis of the calculation provided in the estimates. Let me refer back to paragraph 2.6. The honourable member has provided something of a potted version of paragraph 2.6 in the Wright report in his explanation of the basis of those figures presented in paragraph 2.7 at page 3 in that report, which states:

The proposed fixed odds betting system is unique in the sense that nowhere else in the world has it been implemented. Therefore, there is no comparison against which estimates can be measured or tested. The working party is obliged, therefore, for the purposes of this report to accept all estimates of turnover and profitability as estimated by TAB in the attached proposal document.

That document I have referred to is part of appendix 4. That is the explanation.

Mr Ingerson: How about tabling appendix 4?

The Hon. M.K. MAYES: No, because it includes confidential information.

The Hon. TED CHAPMAN: Who will actually fix the odds should this system be accepted? Who or by what method is the laying off to be performed?

The Hon. M.K. MAYES: Three betting control operations officers would be employed by the TAB. They would be reponsible for the control of the fixed odds betting. That is the mechanism which would initiate the process.

The Hon. TED CHAPMAN: Obviously the Minister did not understand. Who fixes the odds? Who determines the odds? Who makes a book?

The Hon. M.K. MAYES: Those officers.

The Hon. TED CHAPMAN: Who determines who will lay off the bets that are necessary to lay off as in the overflow that applies in an ordinary bookmaking sense, recognising that the board is the bookmaker? What testing method would be used to determine the qualifications of any new person entering the field to carry out this function, recognising that, at the moment, officers of the TAB need no experience whatsoever in order to operate the TAB in this State? One could presume that, unless they had worked for a bookmaker or acted as a bookmaker, they are currently without training in the field of fixing odds for the purpose of betting. Recognising that, to date, those officers—as competent as they maybe, collectively or individually—have relied on calculators and computers to carry out the functions of the board's current operations.

This is a new venture and one does not pick up the necessary skills in a flash. I would probably be gambling, to say the least, if I was to say that no member of this Committee could do the job, that there would be few, if any, who even understand how a book is made on a racecourse. By what method does the Minister hope to provide, or seek to cultivate, the skills required with respect to the sensitivity and horse judgment that go towards making a book? These are all skills that his officers would be required to have in order to carry out the functions that he is proposing.

The Hon. M.K. MAYES: I am sure what the honourable member has said about the ability of members in this place is quite accurate. However, it is not something over which I, as Minister, would have a direct overview, given the general powers that exist for the Minister of Sport and Recreation with regard to the operations of the TAB. That is something for the TAB Board to manage and control. My understanding of the advice that I have received in relation to the criteria that will be set for the appointment of these officers is that they will be quite horrendous. In fact, I would say that only a handful of individuals in Australia would qualify on the basis of their experience, knowledge, capacity and exhibited depth and skill in the industry.

Mr S.J. Baker: They would have to have their hands clean.

The Hon. M.K. MAYES: That would be a primary consideration: their record would have to be very clear. The system will be absolutely tight, and there will be absolute security.

The Hon. Ted Chapman: The Minister might consider employing a few of the current bookmakers.

The Hon. M.K. MAYES: Obviously, those people who have exhibited the capacity to make a book would have the right numeracy skills and would have exhibited those skills in the industry. That is the criterion. From the explanations that I have had—and members may have asked questions about this during the display conducted by the TAB—the security within the system would be second to none. There would be nothing within a bull's roar of it. The whole process would be completely locked up. Obviously, the TAB will be buying betting advice throughout the country.

The Hon. Ted Chapman interjecting:

The Hon. M.K. MAYES: I am not able to identify any SP bookmakers who would be interested in the position. Perhaps the member for Alexandra would be able to, but I do not have any knowledge of that. The honourable member probably comes closest to the criteria. Very tight and strict criteria are required in terms of an appointee's personal standing in the community, their status, skill, capacity to exhibit their knowledge of the industry and their background. As I understand it, the salary which would be offered if these positions are created—if the Bill goes through—will certainly be very high, in order to attract those people and to maintain their interest in the position.

An honourable member interjecting:

The Hon. M.K. MAYES: I hope the Bill does go through for the sake of the industry. I have seen some remarkable turnarounds in the past 24 hours. Given the statements made by the member for Mitcham, there is no reason why I could not see another one in the next 24 hours. I have seen various Bills despatched to another place with a covering note to the effect that they would not go through and yet they have. The situation is very fluid and I look forward with interest to the debate in another place because there are other forces at work in the community. I am sure that the industry is not resting idly by while we debate this Bill. I am sure the phones are running hot.

Mr S.J. BAKER: I have some technical questions with which I hope the Minister can come to grips. I am rather interested in the figures brought before the Committee because they indicate that something is wrong with communications. I was told—and I will not reveal any confidential information—that the system would operate on races where the potential for getting it right was greatest. That means, the system would initially work on the larger races where the form was very well known. I would have thought that it would operate on that basis for some time.

We have wiped out the proposition of country race meetings, dog meetings and trots meetings in the process. However, what the Minister has said tonight, and he has applied it to the total turnover of the TAB, is that these percentage figures have been based on TAB turnover. Will the Minister tell us whether this system will be based on all race meetings, as these figures obviously seem to have been? Or, indeed, is my briefing note more appropriate whereby there will be selectivity in the way the system operates? That is obviously unfair to bookmakers but, at least, one has the ability to get it right and make a decent profit out of it. What is the situation?

The Hon. M.K. MAYES: The system will operate initially on a phase-in program. Obviously, that will see the TAB focussing on selected races. Later there would be a full coverage of TAB races as currently operate on the calendar. Therefore, it would be a foundation for the figures which were presented in the Wright report and which I have referred to in the Mcgregor survey, which are on a 12 month basis. So, those figures are based on a 12 month turnover, but there would be a phase-in on selected races. Of course, that is part of the undertaking which rests with the industry. In terms of on-course operations, we would look at that successful phase-in period, and then it would be reviewed.

Mr S.J. BAKER: I appreciate the Minister's response, because it could be up to nine or 12 months before all race meetings are covered. These figures are based on what would happen when the system is fully fledged and operating on all meetings. I hope the Minister's statistics are better than mine. The TAB now gets 9.5 per cent from the pari-mutuel pool. If all the new money went to the TAB and there was no transfer, the TAB would be in front if it had a gross profit margin of 6.06 per cent on most races, given overheads and the like. That will not be the case because there will be a loss from the pari-mutuel pool and there will be some new money.

I accept the Minister's figures whereby perhaps in 1990-91 the potential fixed odds betting turnover will be $200

million, with $80 million coming from the pari-mutuel and $120 million from new betting. As we have a potential loss of 9.5 per cent, what is the break-even percentage at that stage, and what must the TAB be betting? Bookmakers might normally set 135 per cent on the Melbourne Cup and 115 per cent on a four horse race. On average they set between 120 per cent and 125 per cent. What is the break-even point and, to achieve it, what must they be betting?

The Hon. M.K. MAYES: I will answer what I understand to be the question. The honourable member referred to the 9.5 per cent profit that the TAB enjoys under the pari-mutuel system. The break-even point is about 6 per cent, as presented to the Wright committee and based on the total fixed odds turnover of $200 million. The TAB estimates its profit to be more than that—in fact double what it sees as the break-even point. So, there is a fair bit of flesh in terms of its opportunity to improve on the 9.5 per cent.

Mr S.J. BAKER: Those figures cannot be right. In referring to the 6 per cent, I presume that the average overhead costs and wages amounted to 5 per cent at the moment. Given good management with respect to the existing or new facilities, that could come down to 4 per cent. The Government gets 2.06 per cent from the bookmakers turnover tax (and we are talking about the net impact on the Government revenue and not necessarily what the TAB will get out of it). If we take the 6 per cent and then say that we are forgoing the amount coming in at 9.5 per cent, we are not breaking even at 6 per cent because we have forgone that higher level of revenue. What is the figure?

It would be interesting to the bookmaking fraternity in a statistical sense because if they have a potential of 12 per cent, what will they set their book at to achieve that figure? It makes a big difference to the competitive aspect of the system. If one can buy good software, you can achieve 12 per cent with a 16 per cent overload betting at 116 per cent. The bookies would not last long at all because everyone would know where to obtain the best odds. People will know that they will be 9 per cent in front of the bookmakers on-course. It is critical that we know how the odd system is structured and what the TAB will be aiming at when it sets its book.

Bookmakers have told me that at 120 per cent they are making only 5 per cent gross. I will not ask what limitations will be put on the system because, if I knew two essential parts of the system, I could beat it. If someone within that group of three was paid, say, $200 000 a year, he could make a far greater fortune by knowing two essential aspects of the system. That causes further concern if information was provided to large punters who knew the timing of certain changes in the system. I am concerned about how straight people are who have been in the industry all their life. Where are people with the experience of all the manipulation on racecourses who can also stand up to be totally clean and beyond taking large bribes? I am concerned about how the system can be got at. My question relates to the percentage points, because I would like to know what bookmakers are facing.

The Hon. M.K. MAYES: The honourable member is having some difficulty distinguishing between gross and net.

Mr S.J. Baker: No, I am not.

The Hon. M.K. MAYES: It appears to me that the honourable member is experiencing confusion. Therefore, I would be happy to provide to the honourable member a computerised win-place fixed odds betting gross profit or turnover table as attached to the report because it will explain the situation. The terminology is unclear between what he understands and what I am saying.

Clause passed.

Clause 11—'Interpretation'.

Mr INGERSON: What will the system cost and how will it be funded?

The Hon. M.K. MAYES: That information can be found in the table that has been provided. If the honourable member wants further explanation, the TAB officers will be happy to supply it. The funds would come from capital funding to provide the equipment, and the turnover would be the same in the sense of the accounting process. So, the cost would be met on that basis. One could make assessments on the various levels of gross profit and the associated cost, as well as a gross and net percentage based on turnover.

Mr S.J. BAKER: The TAB is a purely risk taking betting establishment although, as a result of the system, the odds are stacked in its favour much more than they are in the case of the bookmaker. How can the TAB make the gross profit estimated? It seems to be impossible. The percentage point is critical.

The Hon. M.K. MAYES: The figure is set on profits. It is set race by race and meeting by meeting. I should be happy to let the officers concerned brief the members for Mitcham and Bragg, if they so desire.

Clause passed.

Clause 12 passed.

Clause 13—'No offence under other laws in respect of betting under this Act.'

Mr INGERSON: Can the Minister explain the reason for the simple addition of paragraph *(b)*? The other paragraphs are already in the legislation.

The Hon. M.K. MAYES: It has been inserted to protect the rights of the bodies mentioned therein and to maintain the existing system.

Mr S.J. BAKER: I note that the capital fund amortisation is set at $1.2 million per annum. What is the total cost of the system with respect to new capital equipment and software development?

The Hon. M.K. MAYES: Just over $1 million.

Clause passed.

Title passed.

The Hon. M.K. MAYES (Minister of Recreation and Sport): I move:

That this Bill be now read a third time.

Mr INGERSON (Bragg): Throughout the debate the Opposition has been concerned about the detail that has been placed before Parliament during the second reading and Committee stages of the Bill. The Opposition is not concerned about the introduction of fixed odds betting if it is in the best interests of the industry but about the way in which the Government has provided information on its operation. It has been extracted gradually and the Opposition believes that there is more to come. It is disappointing that the Minister has been forced to have this information drawn out. It is with regret that the Opposition opposes the Bill at the third reading.

Mr S.G. EVANS (Davenport): I did not support the Bill at the beginning and I do not believe that any information could convince me to support it in any way with respect to increasing the scope for betting by fixed odds. I oppose the Bill at the third reading.

The House divided on the third reading:

Ayes (21)—Mr Abbott, Mrs Appleby, Messrs Crafter, De Laine, and Ferguson, Ms Gayler, Messrs Gregory, Groom, Hamilton, Hemmings, Hopgood, Keneally, and Klunder, Ms Lenehan, Messrs McRae, Mayes (teller), Payne, Rann, Robertson, Slater, and Tyler.

Noes (12)—Messrs D.S. Baker, S.J. Baker, and Blacker, Ms Cashmore, Messrs Chapman, Eastick, S.G. Evans, Goldsworthy, Gunn, Ingerson (teller), Lewis, and Wotton.

Pairs—Ayes—Messrs L.M.F. Arnold, Bannon, Duigan, M.J. Evans, and Peterson. Noes—Messrs Allison, P.B. Arnold, Meier, Olsen, and Oswald.

Majority of 9 for the Ayes.

Third reading thus carried.

CREDIT UNIONS BILL

Received from the Legislative Council and read a first time.

The Hon. M.K. MAYES (Minister of Agriculture): 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

The purpose of this Bill is to provide for the registration, administration and control of credit unions; and to repeal the Credit Unions Act 1976.

As the financial system becomes less regulated, as a matter of prudence and for competitive equity, credit unions need to offer a greater variety of financial services to their members.

The 18 credit unions registered under the Credit Unions Act 1976 with total assets of more than $679 million, have expanded their roles over recent years to supply additional services by way of financial counselling, insurance and travel, etc.

In the present competitive financial environment amidst the continuing changes resulting from technological development. credit unions need to move with the times to remain viable. They must provide the financial services demanded by a public increasingly knowledgeable about available investment opportunities.

The formation of the Credit Unions Review Committee in 1985 to review the 1976 Act, was a reflection of the rapidly changing environment in which all financial institutions compete for funds. The Committee recommended legislative changes that it considered necessary to ensure the continued success of the credit union industry by redrafting the legislation to take cognisance of developments in the deregulation within the financial sector. The Bill takes into account the submissions made by credit unions and credit union auditors and solicitors.

Underlying the framework of the Bill are the twin objectives of member and creditor protection. Prudential standards and controls in the Bill are intended to maintain and in some cases, increase the current protection afforded to these persons. At the same time the Bill ensures that credit unions remain viable within the competitive environment. The prudential standards prescribed by the Bill are similar to those prescribed in other States particularly New South Wales and Victoria. Credit unions in South Australia will not be at a competitive disadvantage to interstate credit unions which will be required to be registered as foreign credit unions if they trade in South Australia. The emergence of interstate trading by credit unions has also been reflected in the Bill by clarifying the power of a South Australian credit union to carry out its operations in another State.

The current legislation places minimal requirements on a credit union to achieve sufficient operating surpluses and has no requirement to achieve a certain level of reserves. Reserves play an indispensible role in providing a margin of safety for depositors and the Bill contains provisions for an adequate level of reserves. In this regard it is consistent with the recommendations of the Campbell Committee and Martin Review Group. The Credit Unions Review Committee recommended that credit unions attain 3 per cent reserves within three years of the commencement of the new Act and thereafter they will be required to appropriate a percentage of assets each year to reserves until 5 per cent reserves are reached. In acknowledgement of the force of the committee's recommendations the level of credit unions' reserves have increased since the publication of the committee's report. The industry has accepted the value of attaining the reserve levels prescribed in the Bill.

Under the current Act a credit union can invest funds up to one per cent of its defined liabilities in shares of individual companies or other body corporates. A provision in the Bill will limit this type of investment to investments in subsidiary companies whilst at the same time limiting the aggregate amount that may be invested to 5 per cent. This is intended to enable credit unions to supply additional competitive services to their members. Credit unions should be able to provide their services similar to other financial institutions whilst the unique cooperative nature of credit unions is maintained in the parent body and members are provided with a measure of protection due to the limitation of risks in the subsidiary.

The traditional business of credit unions and in fact their very existence has been as a consequence of offering a secure environment for members to deposit funds and to receive consumer loans. With the advent of deregulation the simple consumer loan is still their mainstay. However, negatively geared investment loans have been made available as have housing and low-equity loans. Following the success of these lending developments, credit unions have embarked on limited commercial lending. The Bill provides controls which limit the amount of commercial lending in which a credit union may engage. The extent of commercial lending allowed is related to the level of reserves held by the credit union. The Bill also provides for a reporting mechanism to the Credit Unions Deposit Insurance Board (formerly Stabilization Board) in relation to large exposures.

Rationalisation through mergers has strengthened the credit union movement in South Australia. Some of the mergers have been at the direction of the Credit Unions Deposit Insurance Board. The Board has played and will continue to play an essential role in promoting the financial stability of credit unions. The Bill provides for streamlining amendments in relation to the Board's functions and powers.

The accounts and audit provisions have been redrafted to be similar to provisions for a company including compliance with applicable approved accounting standards. Where credit unions have subsidiary companies, they will be required to prepare group accounts of the credit union and its subsidiaries. The Commission and the Credit Unions Deposit Insurance Board may inspect a subsidiary of a credit union or any other corporation with which a credit union has invested its funds. To maintain uniformity with the Companies Code annual general meetings are to be held within five months of the end of a credit union's financial year, and the annual return is to be lodged with the Commission within six months of the end of the financial year. The present period of both annual general meeting and annual return is four months. The schedule of accounts to be prepared under the Regulations will adopt such requirements of the 7th schedule under the Companies Code as are applicable to a credit union.

The proposals contained in the Bill have been discussed at length with the credit union movement and they are fully supportive of the Bill proceeding. The Opposition has been alerted over the past few months to the proposals.

In summary this Bill in encompassing some deregulation as well as some re-regulation provides a basis upon which credit unions can continue to service their market niche by operating on a more competitive basis. I commend the Bill to members.

Clause 1 is formal.

Clause 2 provides that the measure will come into operation on a day to be fixed by proclamation.

Clause 3 sets out definitions of terms used in the measure.

Clause 4 provides that except as otherwise expressly provided by or under the measure the provisions of the Companies (South Australia) Code, the Companies (Acquisition of Shares) (South Australia) Code and the Securities Industry (South Australia) Code do not apply to or in relation to a credit union or association. Subclause (2) provides that the regulations under the measure may apply specified provisions of the Codes to credit unions or associations subject to such modifications as may be prescribed.

Part II (comprising clauses 5 to 8) deals with administration.

Clause 5 provides that the Corporate Affairs Commission is, subject to the control and direction of the Minister, responsible for the administration of the measure.

Clause 6 requires the Commission to keep certain registers and make them available for public inspection. Documents registered by or filed or lodged with the Commission may be inspected and the Commission is required to furnish certified copies or extracts from such records.

Clause 7 provides for annual reports by the Commission and their tabling in Parliament.

Clause 8 provides that the Commission's powers of inspection under the Companies (South Australia) Code extend to credit unions, foreign credit unions and associations of credit unions with such modifications, exclusions or additions as may be necessary or as may be prescribed by regulation. The powers of inspection also apply to a corporation that is a subsidiary of a credit union or with which a credit union has invested funds or to a body corporate prescribed by regulation.

Part III (comprising clauses 9 to 36) deals with the formation and basic features of credit unions.

Clause 9 makes it an offence punishable by a Division 4 fine (a maximum of $15 000) if a person or body carries on business as or holds itself out as being a credit union unless registered as a credit union or foreign credit union. The clause defines what constitutes carrying on business as a credit union and provides for a power of exemption and exceptions in the case of banks, building societies and friendly societies.

Clause 10 sets out the objects of a credit union. They are as follows:

(a) to operate as a financial cooperative;

(b) to raise funds by subscription, or otherwise, as authorized by the measure;

(c) to apply those funds, subject to the measure and the rules of the credit union, in making loans to members of the credit union;

(d) to provide such other services to its members as the credit union believes would be of benefit to the members.

Clause 11 provides for the formation of a credit union by 25 or more persons. The clause contains provisions governing the formation meeting, adoption of rules and initial subscriptions for shares.

Clause 12 provides for the registration of a credit union and its rules by the Commission. Under the clause, a credit union is eligible for registration if its rules are not contrary to the measure, there are reasonable grounds for believing that not less than $500 000 (or the prescribed amount) will be held by it as deposits within three months of registration and that it will be able to comply with the requirements as to liquidity, reserves and future losses and there is no good reason why the credit union or its rules should not be registered.

Clause 13 provides that, on the registration of a credit union and issue of a certificate of incorporation, the credit union is a body corporate and has, subject to the measure and its rules, the legal capacity of a natural person and the power to sue and be sued in its corporate name.

Clause 14 sets out the general powers of a credit union. These include, *inter alia*, power to form or acquire subsidiaries for the carrying out of its objects and power to operate as a credit union in another State or a Territory of the Commonwealth (but in no other place) and for that purpose to secure registration or recognition as a credit union in such State or Territory.

Clause 15 provides that the Commission must not register the rules of a credit union unless they contain the prescribed provisions and otherwise conform with the requirements of the measure.

Clause 16 provides that the rules of a credit union bind the credit union, its members and all persons claiming under them.

Clause 17 requires a credit union to furnish any member or person eligible to become a member with a copy of its rules on payment of the prescribed fee.

Clause 18 provides for the alteration of rules of a credit union and registration of such alterations.

Clause 19 empowers the Commission to require alteration of a credit union's rules to achieve conformity with the measure or where it is of the opinion that an alteration should be made in the interests of the credit union's members.

Clause 20 provides for an appeal to the Supreme Court against a decision of the Commission to refuse to register a credit union or its rules or a requirement of the Commission that a credit union alter its rules or an alteration made by the Commission.

Clause 21 provides that the members of a credit union are those who sign a membership application on its formation or who are subsequently admitted to membership under its rules. The clause provides that a member incurs no liability by reason only of membership of the credit union.

Clause 22 provides that a minor may be a non-voting member of a credit union subject to its rules.

Clause 23 provides for corporate members of credit unions.

Clause 24 provides that members are entitled to one vote only.

Clause 25 provides for the joint holding of shares in a credit union and for the voting rights of joint holders.

Clause 26 deals with the share capital of a credit union. Shares in a credit union must be of the same nominal value and of one class ranking equally. Each member of a credit union is required to hold the same number of shares. Shares issued after the commencement of the measure are to be withdrawable. No shares in a credit union are to be sold or transferred at more than their nominal value or without the approval of the board of the credit union.

Clause 27 provides that a credit union has a charge over the shares of a member in respect of any debt due from the member.

Clause 28 deals with the names of credit unions.

Clause 29 makes provision in relation to the registered office of a credit union.

Clause 30 makes provision with respect to publication of the name of a credit union.

Clause 31 is an interpretation provision providing definitions of terms used in subsequent clauses relating to the amalgamation of credit unions.

Clause 32 provides for applications for amalgamation. Application may be made to the Commission for an amalgamation of local credit unions, or local and foreign credit unions, under which a new local or foreign credit union is formed or an existing local or foreign credit union absorbs the other credit unions party to the amalgamation.

Clause 33 provides for the determination by the Commission of applications for amalgamation.

Clause 34 provides for the transfer of property and rights and liabilities from a local or foreign credit union dissolved as part of an amalgamation to the amalgamated credit union. Under the clause, stamp duty is not payable in respect of any transfer of property pursuant to an amalgamation of credit unions.

Clause 35 provides for the transfer of members on an amalgamation of credit unions.

Clause 36 empowers the Commission to grant conditional or unconditional exemptions from any of the requirements relating to amalgamations.

Part IV (comprising clauses 37 to 54) contains provisions governing the financial activities of credit unions.

Clause 37 provides that a credit union must not accept money on deposit from a person who is not a member of the credit union. The Commission is empowered under the clause to grant an exemption from this requirement for a specified period.

Clause 38 requires a credit union to ensure that its total borrrowings (disregarding money held on deposit) do not exceed 25 per cent of the sum of its reserves and its share capital and deposits not included in its reserves. The Commission is empowered under the clause to approve borrowing beyond that limit. The clause requires that a credit union must not borrow money or undertake to repay money otherwise than in Australian currency. Credit unions are required to furnish the Commission with returns as to their borrowings in accordance with the regulations and the Commission is required by the clause to keep a register containing prescribed information in relation to the borrowings of each credit union.

Clause 39 requires a credit union to furnish a disclosure statement containing prescribed information to its members before or at the time of making any offer or invitation relating to the issue of securities whether or not being securities of the credit union. The clause excludes from this provision offers or invitations relating to the credit union's own shares or, subject to the regulations, money to be accepted by it on deposit and offers or invitations in relation to which a prospectus or statement is required to be registered with the Commission under the Companies (South Australia) Code. Further exceptions may be made by regulation. The clause creates offences designed to ensure the accuracy of information provided in any such disclosure statement.

Clause 40 makes provision for civil liability for loss or damage suffered as a result of a false, misleading or incomplete disclosure statement.

Clause 41 provides that, subject to the other provisions of the measure, a credit union must not make a loan to a person who is not a member of the credit union.

Clause 42 provides that the Minister may, by notice published in the *Gazette*, fix a maximum rate of interest in relation to any loans, or loans of a particular class, made by credit unions.

Clause 43 provides that the Minister may, by notice published in the *Gazette*, fix a maximum for the amount that may be lent by any credit union, a particular credit union or credit unions of a particular class, either under any loan or under loans of a particular class.

Clause 44 provides that a credit union may, subject to its rules, lend money to any of its officers or employees who are members of the credit union. Where a loan is made by a credit union to a director of the credit union who is also a member, the director is not required to report the loan to a general meeting of the members except where there is a rule of the credit union requiring that the loan be reported to the next annual general meeting of members.

Clause 45 regulates commercial loans by credit unions. 'Commercial loan' is defined as any loan made for a purpose connected with a business conducted or to be conducted by a member or associate of a member of the credit union where the amount lent exceeds $30 000 (or a prescribed amount) other than—

(a) a loan fully secured by a guarantee or indemnity granted by an insurance company;

(b) a loan not exceeding $100 000 (or a prescribed amount) secured by a registered first mortgage over a dwelling house or a charge over authorised trustee investments where the amount borrowed does not exceed 85 per cent of the market value of the house or investment;

or

(c) a loan to a subsidiary of the credit union.

The clause fixes a maximum for the total amount of the principal that may be outstanding at any time under commercial loans made by a credit union and places a limit on the total amount that may be lent by a credit union to any member, or to members that are associates of each other. The clause provides that no commercial loan may be made by a credit union to an officer of the credit union. The clause provides that commercial loans may be made by a credit union only with the prior approval of a member of its staff who has successfully undertaken a course of instruction of a prescribed kind. Credit unions are required under the clause to make certain reports to the Credit Union Deposit Insurance Board in relation to commercial loans and loans to officers or employees.

Clause 46 provides that a member under 18 years of age is not entitled to obtain a loan from a credit union unless it is made jointly to the minor and his or her parent or guardian and so that they are jointly and severally liable on the contract.

Clause 47 prevents a credit union from making any loan if the credit union holds insufficient liquid funds according to the formula set out in the clause. Under the formula its average liquid funds over the month must not be less than seven per cent (or a prescribed percentage) of the sum of its paid up share capital, its deposits and the total amount of its borrowings outstanding (disregarding amounts raised by overdraft).

Clause 48 provides for the maintenance of reserves by credit unions.

Clause 49 requires each credit union to establish and maintain an account making provision (at not less than a specified level) for doubtful debts.

Clause 50 prevents a credit union from acquiring real or personal property or carrying out improvements to real property except as reasonably required for the establishment

of premises from which it will conduct its business or for the proper and efficient management of its business. The clause requires a credit union to obtain the approval of the Credit Unions Deposit Insurance Board for any such transaction the cost of which exceeds a specified limit.

Clause 51 limits investments by a credit union to authorised trustee investments, deposits with an association of credit unions, withdrawable shares of a building society or investments of a kind prescribed by regulation. The clause requires the approval of the Credit Unions Deposit Insurance Board before a credit union may allow the total of the amounts applied by it towards a subsidiary and in prescribed investments to exceed a specified limit. A credit union is required by the clause to notify the Credit Unions Deposit Insurance Board before it directs money to a subsidiary or makes prescribed investments.

Clause 52 provides that any property to which a credit union becomes absolutely entitled by foreclosure, surrender or extinguishment of a right of redemption must, as soon as practicable, be sold and converted into money.

Clause 53 makes provision with respect to dormant accounts.

Part V (comprising clauses 54 to 61) deals with associations of credit unions.

Clause 54 provides that, subject to the regulations, no credit union may be a member of a body whose objects include any of the objects of an association as set out in clause 55 unless the body is registered as an association under Part V.

Clause 55 provides for the formation of associations of credit unions. The objects of an association are, under the clause, to include such of the following as are authorised by the rules of the association:

(a) to promote the interests of and strengthen co-operation among credit unions and associations;

(b) to render services to and act on behalf of its members in such ways as may be specified in, or authorised by, the rules of the association;

(c) to advocate and promote such practices and reforms as may be conducive to any of the objects of the association;

(d) to co-operate with other bodies with similar objects;

(e) to promote the formation of credit unions;

(f) to encourage the formulation, adoption and observance by credit unions of standards and conditions governing the carrying on of their business;

(g) to supervise the affairs of its members in accordance with the rules of the association;

and

(h) to perform such other functions as may be prescribed.

Clause 56 provides for the registration and incorporation of associations.

Clause 57 provides that the members of an association are the credit unions by which it is formed and any other credit unions admitted to membership in accordance with the rules of the association. The clause permits credit unions formed and registered in the Northern Territory to become members of a South Australian association.

Clause 58 provides that the share capital of an association must be divided into shares in accordance with the rules of the association. The clause limits the shareholding of any member credit union to not more than one-quarter of the total share capital of the association.

Clause 59 provides for the powers of an association to accept deposits from member credit unions, to borrow money and give security in respect of any borrowing, to lend money to its members, or its officers and employees or to the members, officers or employees of its members and to apply its funds in futherance of its objects. The clause contains a provision corresponding to that relating to loans to directors of credit unions. The clause requires an association to maintain liquid funds in accordance with its rules. The Credit Unions Deposit Insurance Board is empowered by the clause to require an association to report details of its monetary policies from time to time.

Clause 60 makes provision with respect to meetings of associations.

Clause 61 applies specified provisions relating to credit unions to associations. These are the provisions of Part III relating to rules, appeals in respect of registration or rules, names and offices and amalgamation, the provisions of Part VI relating to management of credit unions (other than those relating to meetings), the provisions of Division III, Part VII relating to supervision of a credit union by the Credit Unions Deposit Insurance Board, and the provisions of Parts VIII and X relating to winding up and miscellaneous matters.

Part VI (comprising clauses 62 to 99) deals with the management of credit unions.

Clause 62 provides for boards of directors of credit unions.

Clause 63 ensures the validity of acts of a director notwithstanding a defect in his or her appointment or qualification.

Clause 64 provides for the appointment of directors.

Clause 65 provides for the qualifications of directors and vacation of office as a director.

Clause 66 provides for disclosure by a director of a credit. union of any direct or indirect interest in a contract or proposed contract with the credit union.

Clause 67 provides that an officer of a credit union must not, without the approval of a majority of the directors, engage in any specified dealing with a member of the credit union funded (in whole or part) out of a loan from the credit union and that an officer must not himself or herself borrow money from the credit union.

Clause 68 provides that a director of a credit union must not be paid any remuneration for his or her services as director other than such fees, concessions and other benefits as are approved at a general meeting of the credit union.

Clause 69 regulates meetings of the board of directors of a credit union.

Clause 70 provides that a person, other than a director, must not purport to act as a director of a credit union and that a director must not permit such a person to purport to act as a director.

Clause 71 creates offences with respect to dishonest or negligent acts or improper use of information by officers or employees of credit unions. The clause provides for recovery by the credit union of any profit gained by the officer or employee or loss or damage suffered by the credit union as a result of any such misconduct.

Clause 72 regulates meetings of credit unions.

Clause 73 provides for voting at meetings of credit unions.

Clause 74 makes provision for special resolutions at meetings of credit unions.

Clause 75 requires a credit union to keep full and accurate minutes of every meeting of the board of directors and every meeting of members of the credit union.

Clause 76 requires a credit union to keep the following registers:

(a) registers of its directors and its members and the shares held by each member;

(b) a register of all loans raised, securities given, and deposits received, by the credit union;

(c) a register of all loans made, or guaranteed, by the credit union and of all securities taken by the credit union in respect of such loans or guarantees;

(d) a register of investments made by the credit union; and

(e) such other registers as may be prescribed.

The registers must be kept in such manner, and contain such particulars, as may be prescribed by regulation.

Clause 77 requires a credit union to keep at each of its offices for inspection without fee by members of the credit union, persons eligible for membership of the credit union and its creditors—

(a) a copy of the Credit Unions Act and the regulations;

(b) a copy of the rules of the credit union;

(c) a copy of the last accounts of the credit union, together with a copy of the report of the auditor; and

(d) the register of directors or a copy of that register.

The clause requires a credit union, on request by a member of the credit union, to furnish the member with particulars of his or her financial position with the credit union and to allow the member to inspect registers and records kept by the credit union containing information required in connection with the calling and conduct of meetings of the credit union.

Clauses 78 to 86 contain provisions relating to the accounts of credit unions and their subsidiaries that correspond to the accounts provisions of the Companies (South Australia) Code that apply to companies incorporated under that Code.

Clauses 87 to 96 contain provisions relating to the audit of accounts of credit unions and their subsidiaries. These provisions (apart from clauses 94 and 95) correspond to the audit provisions of the Companies (South Australia) Code.

Clause 94 provides for a final audit of the accounts of a credit union dissolved as part of an amalgamation of credit unions.

Clause 95 provides that the accounts of a subsidiary of a credit union must be audited in accordance with the same provisions as apply to the credit union notwithstanding that the subsidiary may be exempt from the audit requirements of the Companies (South Australia) Code. Under this clause, where a subsidiary has not appointed an auditor itself, the auditor of the holding credit union is to be also auditor of the subsidiary.

Clause 97 makes provision for certain returns to be furnished to the Commission by credit unions.

Clause 98 deals with the form in which accounts and accounting records are to be kept by credit unions.

Clause 99 confers on the Commission power to make orders relieving directors, a credit union or an auditor from compliance with provisions relating to accounts or audits.

Part VII (comprising clauses 100 to 122) deals with the Credit Unions Deposit Insurance Board.

Clause 100 provides for the establishment and constitution of the Board. Under the schedule to the measure, provision is made making it clear that the Board is the same body corporate as the Credit Unions Stabilization Board established under the Credit Unions Act 1976, and has the same membership.

Clause 101 provides for the constitution of the Board.

Clause 102 provides for the term and conditions of office as a member of the Board.

Clause 103 provides for allowances and expenses for members of the Board.

Clause 104 regulates proceedings at meetings of the Board.

Clause 105 makes provision with respect to the validity of acts of the Board and immunity of its members.

Clause 106 sets out the functions of the Board. These are as follows:

(a) to establish and administer a fund to assist in maintaining the financial stability of credit unions;

(b) to encourage and promote the financial stability of credit unions—

(i) by providing advice to credit unions generally on matters pertaining to the business of credit unions;

(ii) by appropriate supervision of credit unions;

(iii) by assisting officers of credit unions to administer the affairs of the credit unions in a proper and businesslike manner;

(c) otherwise to advance the interests of credit unions; and

(d) such other functions as may be prescribed.

Clause 107 provides the Board with a general power to require reports from a credit union.

Clause 108 provides for delegation by the Board of any of its powers or functions to a member, officer or employee of the Board.

Clause 109 makes provision with respect to the staff of the Board.

Clause 110 provides for the establishment of the Credit Unions Deposit Insurance Fund. Again, a provision in the schedule makes it clear that this is the same fund as the Credit Unions Stabilization Fund under the Credit Unions Act 1976, and consists of the same money as in that Fund. Under the clause, each credit union is required to keep on deposit with the Fund the prescribed percentage of the aggregate of its withdrawable share capital and the amount held by it on deposit. The Board is empowered to reduce that amount if there is a sufficient amount in the Fund to meet all likely claims or demands on it. The Board is also empowered to grant an exemption to a credit union from compliance with provisions of the clause. The percentage prescribed for the purposes of the clause may vary according to the size of a credit union or any other factor.

Clause 111 empowers the Board to require additional deposits if the balance of the Fund has diminished to such an extent that this is necessary in the opinion of the Board.

Clause 112 provides that the Board may, in its discretion, grant financial assistance to a credit union by making payments from the Fund (by way of a grant or a loan), or by charging the assets of the Fund as security for liabilities of the credit union. Financial assistance to a credit union may be granted on such security, if any, and on such terms and conditions as the Board thinks fit.

Clause 113 provides that a member of a credit union is entitled to claim against the Fund where the credit union fails, on demand of the member, to satisfy any liability to that member in relation to withdrawable share capital or money lodged on deposit with the credit union. Under the clause, where the Board makes a payment out of the Fund, the Board is subrogated to the rights of the member against the credit union in respect of the claim.

Clause 114 provides for the borrowing powers of the Board.

Clause 115 provides for investment by the Board.

Clause 116 provides for the accounts and auditing of the accounts of the Board.

Clause 117 provides for an annual report by the Board and its tabling in Parliament.

Clause 118 empowers the Board to place a credit union under its supervision where—

(a) the credit union is unable to pay its debts as and when they fall due;

(b) the Board is satisfied—

(i) that the credit union is financially unsound;

(ii) that the affairs of the credit union are being conducted in an improper or financially unsound manner;

(iii) that the credit union is recording revenue deficiencies at any time;

(iv) that the credit union has failed to maintain adequate reserves;

or

(v) that the credit union or an officer of the credit union has committed any other serious irregularity that indicates the desirability of supervision;

(c) the credit union has failed to lodge any document with the Commission or the Board as required; or

(d) a credit union has requested the Board to declare it to be subject to supervision by the Board.

The clause also confers appropriate powers of inspection and powers to secure information required to determine whether a credit union should be placed under supervision.

Clause 119 provides that a credit union remains under supervision until the Board releases it, either of its own motion or on the application of the credit union, or until the credit union is wound up.

Clause 120 provides for an appeal to the Supreme Court against a decision of the Board to place a credit union under supervision or to refuse an application that it be released from supervision.

Clause 121 provides that where a credit union is under the supervision of the Board, the Board may—

(a) exercise the powers of the Commission with respect to the credit union;

(b) supervise the affairs of the credit union and make inquiries from its officers, members and employees;

(c) order an audit of the affairs of the credit union by an auditor approved by the Board at the expense of the credit union;

(d) require the credit union to correct any practices that in the opinion of the Board are undesirable or unsound;

(e) prohibit or restrict the raising or lending of funds by the credit union or the exercise of any other powers of the credit union;

(f) appoint an administrator of the credit union (whose salary and expenses must unless the Board otherwise determines be paid out of the funds of the credit union);

(g) direct the credit union to take all necessary action to amalgamate with another credit union or to sell to another credit union all or part of its assets and liabilities or direct that the credit union be wound up;

(h) remove a director of the credit union from office;

(i) exempt the credit union, by notice in writing addressed to the credit union, from all, or any of the provisions of clauses 38, 47, 48, 49 and 50 for such period as may be specified in the notice;

or

(j) stipulate principles in accordance with which the affairs of the credit union are to be conducted.

Clause 122 provides that an administrator appointed for a credit union has the powers of the board of directors of the credit union, may order any officer or employee of the credit union to leave, and remain away from, the offices of the credit union and must make reports to the Board and the Commission. The clause provides for the remuneration of an administrator and for termination of the appointment of an administrator.

Part VIII (comprising clauses 123 to 126) deals with winding up of credit unions.

Clause 123 provides that a credit union may be wound up voluntarily or by the Supreme Court or on a certificate of the Commission. The clause applies Part XII of the Companies (South Australia) Code (relating to the winding up of companies) in relation to a credit union. Under the clause, the Commission may issue a certificate for the winding up of a credit union if—

(a) the number of members of the credit union has fallen below 25;

(b) the credit union has not commenced business within a year of registration or has suspended business for a period of more than six months;

(c) the registration of the credit union has been obtained by mistake or fraud;

(d) the credit union has, after notice by the Commission of any breach of or non-compliance with this measure or the rules of the credit union, failed, within the time referred to in the notice, to remedy the breach;

(e) there are, and have been for a period of one month immediately before the date of the Commission's certificate, insufficient directors of the credit union to constitute a quorum as provided by the rules of the credit union;

or

(f) an inquiry pursuant to this measure into the affairs of a credit union or the working and financial condition of a credit union discloses that in the interests of members or creditors of the credit union, the credit union should be wound up.

The Commission may not issue a certificate under paragraph *(c)*, *(d)*, *(e)* or *(f)* unless the Minister consents to the issue of the certificate.

Clause 124 empowers the Commission to fill a vacancy in the office of liquidator of a credit union if in the opinion of the Commission it is unlikely to be filled in the manner provided by the Companies (South Australia) Code.

Clause 125 provides for the remuneration of a liquidator.

Clause 126 provides for cancellation of the registration and dissolution of a credit union that has been wound up.

Part IX (comprising clauses 127 to 132) deals with foreign credit unions.

Clause 127 makes provision with respect to an application for registration as a foreign credit union. Under the clause a foreign credit union is eligible for registration by the Commission if—

(a) the name under which it proposes to carry on business in South Australia is not misleading, undesirable or likely to be confused with the name of any other body corporate or registered business name and conforms with any directions by the Minister as to the names of credit unions;

(b) there are reasonable grounds for believing that the credit union would be able to comply with the same requirements as to liquidity, reserves and future losses as apply in relation to local credit unions;

and

(c) there is no good reason why the credit union should not be registered.

Clause 128 provides that a foreign credit union must have a registered office in South Australia.

Clause 129 contains requirements relating to the names of foreign credit unions.

Clause 130 requires a foreign credit union to notify the Commission of certain changes affecting its operations as a foreign credit union in this State.

Clause 131 requires a foreign credit union to lodge its balance-sheets for each financial year with the Commission and, if the Commission so requires, to furnish further information relating to its financial affairs.

Clause 132 requires a foreign credit union to notify the Commission if it ceases to carry on business in the State.

Part X (comprising the remaining clauses) deals with miscellaneous matters.

Clause 133 is an evidentiary provision.

Clause 134 places a limitation on the doctrine of *ultra vires* in relation to credit unions and foreign credit unions.

Clause 135 abolishes the doctrine of constructive notice with respect to the rules of credit unions and foreign credit unions and documents registered by or lodged with the Commission by credit unions or foreign credit unions.

Clause 136 provides that if before a credit union or foreign credit union is registered any person takes any money in consideration of the allotment of any shares or interest in, or the grant of a loan by, the credit union or foreign credit union, the person is guilty of an offence.

Clause 137 provides that a credit union that has continued for one month or more to carry on business after the number of its members has fallen below 25 is guilty of an offence.

Clause 138 creates offences relating to the taking of any commission, fee or reward in connection with a transaction with a credit union and provides for the recovery of any amount received in contravention of a provision of the clause.

Clause 139 provides that the consent of the Commission is required to the issue of any advertisement relating to a credit union that is proposed to be formed or registered and that a credit union must submit the first advertisement proposed to be issued after its registration for approval by the Commission.

Clause 140 empowers the Credit Unions Deposit Insurance Board to require credit unions to insure against such risks and to such extent as the Board stipulates.

Clause 141 provides that the Commission may give directions—

(a) prohibiting the issue by a credit union or foreign credit union of advertisements of all kinds;

(b) prohibiting the issue by a credit union or foreign credit union of advertisements of any kind specified in the direction;

(c) prohibiting the issue by a credit union or foreign credit union of any advertisements that are or are substantially in the same form as an advertisement that has been previously issued;

(d) requiring a credit union or foreign credit union to take all practicable steps to withdraw any advertisement specified in the direction;

(e) requiring that in advertisements of any specified kind or invitations to invest in or lend money to a credit union or foreign credit union, there is included a statement giving any information stipulated by the Commission with respect to the credit union or foreign credit union.

Clause 142 provides for offences relating to false or misleading information in documents required by or for the purposes of the measure or lodged with or submitted to the Commission.

Clause 143 provides for offences with respect to the provision of false or misleading information by an officer of a credit union or foreign credit union relating to the affairs of the credit union.

Clause 144 confers on the Supreme Court special powers to prohibit the payment or transfer of money, securities or other property and to make other orders on the application of the Commission in connection with misconduct or suspected misconduct related to the affairs of a credit union or foreign credit union. The clause corresponds to section 573 of the Companies (South Australia) Code.

Clause 145 provides for the obtaining of injunctions by the Commission or any other interested person in connection with misconduct related to the affairs of a credit union. The clause corresponds to section 574 of the Companies (South Australia) Code.

Clause 146 creates a general offence for non-compliance with any provision for which a specific penalty is not provided or, in the case of a credit union or foreign credit union, for non-compliance with its rules. The clause also provides a default penalty for continuing offences.

Clause 147 provides that where a credit union or foreign credit union is guilty of an offence against the measure, each officer of the credit union or foreign credit union is guilty of an offence and liable to the same penalty as is prescribed for the principal offence.

Clause 148 provides that in proceedings for an offence against the measure, it will be a defence if the defendant proves that in the circumstances of the case there was no failure on the defendant's part to take reasonable care to avoid commission of the offence.

Clause 149 provides for the proceedings for offences against the measure, that is, whether an offence is to be dealt with summarily or on indictment. The clause provides that a prosecution for an offence may be commenced by the Commission, or an officer or employee of the Commission, or with the consent of the Minister, by any other person, and that it must be commenced within three years after the date on which the offence is alleged to have been committed or such further period as the Minister may, in a particular case, allow.

Clause 150 provides that where a credit union or foreign credit union procures the issue of a policy of insurance over any property that provides security for a loan to that member, the credit union or foreign credit union must, within one month after the date of issue of the policy, forward to the member the policy, or a copy of the policy, or a statement of the risks covered by the policy.

Clause 151 provides for a special meeting of a credit union or an inquiry into the affairs of a credit union on application to the Commission by not less than one-third of the members of the credit union or at the direction of the Commission given of its own motion or on the recommendation of the Credit Unions Deposit Insurance Board.

Clause 152 provides for the making of regulations.

The schedule provides for the repeal of the Credit Unions Act 1976, and contains necessary transitional provisions.

The Hon. JENNIFER CASHMORE secured the adjournment of the debate.

SUPPLY BILL (No. 1)

Returned from the Legislative Council without amendment.

DOG CONTROL ACT AMENDMENT BILL

Returned from the Legislative Council without amendment.

ANIMAL AND PLANT CONTROL (AGRICULTURAL PROTECTION AND OTHER PURPOSES) ACT AMENDMENT BILL

Returned from the Legislative Council without amendment.

ROAD TRAFFIC ACT AMENDMENT BILL (No. 2)

Received from the Legislative Council and read a first time.

The Hon. M.K. MAYES (Minister of Agriculture): 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

In recent years, some local authorities, with assistance from the Department of Transport, have been undertaking local area traffic management schemes. Such schemes have arisen primarily from the concern expressed by residents relating to the perceived dangers associated with an unacceptably high speed of vehicles in their area.

Physical devices, such as road humps, plateaus and roundabouts installed in local streets are effective in reducing vehicle speeds and tend to discourage a proportion of through traffic from using local streets. A natural adjunct to these local area traffic management schemes is a lower speed limit within the treated area.

Existing legislation under the Road Traffic Act does not provide for the application of a speed zone over an area such as a residential precinct. Speed zones can only be applied along a length of road.

To provide for the speed zoning of a local precinct would, under present legislation, require each street to be zoned individually with speed restriction and end restriction signs at the beginning and end of each street, and after every intervening intersection or junction.

Under the proposed concept, speed restriction signs with appropriate symbols need only be installed at access points around the perimeter of the area. The treatment at the perimeter will also indicate to drivers that they are entering a different driving environment. End precinct signs will be installed at all egress points with appropriate physical devices strategically located within the precinct to induce lower operating speeds.

Before local area traffic management schemes incorporating lower speed limits are implemented, councils will be required to consult with ratepayers, emergency services, public transport operators and the like and to submit detailed proposals to the Minister. Councils cannot introduce speed limits over an area without the specific approval of the Minister of Transport which will only be given when all appropriate traffic management measures have been taken.

Whilst initially it is likely that the areas zoned would be residential, the proposed legislation also provides for area speed limits to be imposed for other types of precincts, that is, industrial areas and recreational areas.

In all cases, the proponent would be required to consult with residents and major users of the facility before seeking approval from the Minister. The purpose of this Bill is to provide the legislative framework to enable the Minister of Transport to approve a common speed limit for all roads within a designated area. I commend the Bill to honourable members.

Clause 1 is formal.

Clause 2 provides that the Act will come into operation on a day to be fixed by proclamation.

Clause 3 amends section 5 of the principal Act which is an interpretation provision. The definition of 'speed zone' is expanded to include a speed zone established under section 32 of the principal Act.

Clause 4 repeals section 32 of the principal Act and substitutes a new provision. The new section provides that the Minister may designate an area as a speed zone. The Minister may also fix a speed limit for a designated area, as well as for a road or portion of a road, or a carriageway or portion of a carriageway. Speed limit signs erected for a designated area must be placed at or near the boundary of the area on every road providing entrance to or exit from that area. In any other case they are to be placed at or near the beginning and end of the speed zone and all speed limit signs are to comply with such requirements as are prescribed.

Mr INGERSON secured the adjournment of the debate.

ADJOURNMENT

At 10.37 p.m. the House adjourned until Tuesday 11 April at 2 p.m.