HOUSE OF ASSEMBLY

Thursday 12 November

The SPEAKER (Hon. N.T. Peterson) took the Chair at 10.30 a.m. and read prayers.

DRIED FRUITS (EXTENSION OF TERM OF OFFICE) AMENDMENT BILL

The Hon. T.R. GROOM (Minister of Primary Industries) obtained leave and introduced a Bill for an Act to amend the Dried Fruits Act 1934. Read a first time.

The Hon. T.R. GROOM: I move:

That this Bill be now read a second time.

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

Leave granted.

Explanation of Bill

It is the object of this short Bill to extend by a further year the terms of office of the representative (elected) member of the Dried Fruits Board. Honourable members will recall that in 1991 the Government conducted a review of dried fruits marketing legislation which dates from 1934. The exercise consumed more time than anticipated and it became clear that amendments stemming from the review could not be enacted before expiry of the elected board members' terms on 31 December 1991.

In seeking a statutory extension of that term for one year, the Government maintained the view that such action was more sensible than the conduct of an election for a theoretically brief term of office. It was anticipated that amending legislation would be passed in the first parliamentary sittings of 1992, which would have allowed those arrangements to have been revoked shortly thereafter.

Unfortunately, these forecasts have been relegated by discussions between • South Australia, New South Wales and Victoria on harmonised dried fruits legislation. The negotiations, which envisage the incorporation of areas of commonality between the three `dried fruit' States, have delayed the preparation of the South Australian Bill.

The Government again submits that a statutory extension of the three representative members' terms of office is more sensible and economical than the conduct of an election. In this vein, an extension until the end of 1993 is considered appropriate. I commend the Bill to members.

Clause 1 is formal.

Clause 2 amends section 39 of the principal Act by striking out `by one year from the day on which they would otherwise expire' and substituting `until the end of 1993'.

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

ACTS INTERPRETATION (AUSTRALIA ACTS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 13 October. Page 791.)

Mr S.J. BAKER (Mitcham): Before us we have a very complex issue and I doubt that anyone in the House really understands the ramifications of the changes being put forward under the Bill. Certainly, I do not pretend to do so and I suspect that few people in Australia know what will result from the amendment before us. An important change is taking place here, and the amendment provides:

Each provision of an Act or statutory instrument enacted or made, or purporting to have been enacted or made, before the commencement of the Australia Acts is as valid as it would have been, and has the same effect as it would have had, if the Australia Acts had been in operation at the time of its enactment or making or purported enactment or making-

By way of historical background, the Australia Acts came into being in 1986 through legislation at Federal level and joint legislation in England as it was believed that Australia should separate itself from the need to be constitutionally bound to the United Kingdom. That change was prudent as it was appropriate that as a nation we should have control over our own legislation and destiny and that we should no longer rely on the historic relationship that had been derived since colonial days for the imprimatur of the United Kingdom on our legislation. I suppose that this is just one more step in Australia's achieving its own constitutional integrity.

What the provision we see before us attempts to do is overcome perceived problems which may emanate, quite unjustifiably I would suggest, as a result of conflicts between laws that were enacted prior to the Australia Acts and those laws that were prevailing in England. The two areas which have been identified as being of potential conflict relate to repugnance and extra-territorial rights. For the edification of members of this House on the law relating to the consistency between the laws of the colony of South Australia and the laws of England, if there are discrepancies or matters which are believed to be in conflict with the Imperial laws, then there is the suggestion that the laws that we made in this State at some stage could be repudiated. In terms of repugnance it means that if there is a law made in this State which is in conflict with the United Kingdom law and to the point where it conflicts to a major degree, there is the suggestion that that law may be somehow invalidated.

The second item is extra-territorial jurisdiction. We have a very good example of that in relation to the areas offshore and the extent to which the State can legislate to control activities offshore. We know that we have a border with Victoria which was derived by agreement. That agreement does stand in legislative form, but there is some suggestion that the State may not have had the right to determine that matter and therefore that agreement could be seen to be in conflict if it was ever challenged. What the amendment does before this House is to give all previous laws the status as if they were passed as of the time the Australia Acts were passed.

That matter has been subject to considerable debate and we have had the greatest legal minds in Australia turning their attention to the issue. There have been one or two dissenters, including my honourable colleague from another place. As we are all aware, my honourable colleague is a very diligent person and a person who believes that we should understand the laws that we are making and their impacts before we actually agree to them in the parliamentary process.

The question remains and still has not been answered by the Attorney-General in response, or in fact in the papers that I have managed to peruse, as to what happens in the case where someone challenges previous laws made in this State which preceded federal laws which

now take precedence over South Australian law. As everybody in this House well understands, when Australia became a federation it was agreed that the laws of the Commonwealth would take precedence over those of the State where there was commonality. This amendment tends to suggest that the time frame—

Mr Atkinson: It was when there was conflict, not communality, that Commonwealth law would prevail.

Mr S.J. BAKER: The member for Spence has not even read the Bill and he is already commenting. I would suggest he do a little bit of research before he opens his mouth. There is some suggestion that many of the Bills that we passed prior to Federation may be subject to the 1986 provision. This means that if we take the law as at 1986 and then refer' back to the laws that were previously made, if there is conflict, the Commonwealth law takes precedence. However, the laws that were made at the time were duly constituted and properly made. They were made in the absence of a federation. Some of those laws exist on the statutes today, largely unaltered, and there is still a question as to whether this Act will change the impact of those laws.

Mr Ferguson: What is your opinion?

Mr S.J. BAKER: My opinion, with a degree of conservatism, is that we should have a catch-all-a safety net—within the Bill to ensure that there is no retrospective application.

Mr Ferguson: Are you moving amendments along that line?

Mr S.J. BAKER: An amendment was moved in another place, and I am not allowed to refer to that. However, I am simply debating the proposition on the understanding that in a number of the other States this change has already been accepted. I am raising it as an important issue.

Mr Atkinson: Quite correctly.

Mr S.J. BAKER: Quite correctly, as the member for Spence would suggest. From the limited research I have done on this subject, I agree that there is a question to be answered. That question is not satisfied by the wording of the Bill. I refer members to the debate in another place, to ensure that they fully understand what we are debating here today and the potential areas of conflict which may arise as a result of the passing of this legislation. In principle, the Opposition understands the reasons behind this measure, but I would question why laws which have stood the test of time and which have not been deemed previously to be in conflict with imperial law could suddenly be assumed to have some potential to be in conflict and therefore we need this new piece of legislation. My belief is that, before this change was put into legislation, we should have been provided with a chronological list of areas that were deemed as areas that could have been affected.

Mr Atkinson: That would have been a nice little retainer.

Mr S.J. BAKER: The member for Spence says that that would have been a nice little retainer, and it certainly would have been, but we are doing something quite fundamental in this process here today, and it is important that we get it right. It is important that we do not take away the rights and obligations that were bestowed by previous legislation, and I am unsure whether in fact we are not doing just that. Other cases have been quoted in another place that bear reference.

The Opposition generally supports the thrust of this Bill, but it will keep a watching brief. It will wait with interest to see whether lawyers look back through the statutes to find areas where they can take action in the courts, because our right to legislate in those areas may have somehow been affected by the changes that we see here. It is a complex subject, something that titillates those involved in the history of law—in particular, constitutional law—in this country. I will leave it to people with greater expertise than I, but I will be watching with a great deal of interest to see whether it works.

Mr Atkinson interjecting:

Mr S.J. BAKER: We may not know the answer to that in our lifetime, as the member for Spence points out. It may well be that we will have to confirm by legislation in the future that legislation which was previously passed with the proper authority of the Parliament of this State. With those few words, the Opposition supports the thrust of the Bill, but it has some extreme reservations about its impact.

The SPEAKER: If the member for Spence wishes to make a formal contribution instead of an informal one, I will give him the call. The member for Spence.

Mr ATKINSON (Spence): This Bill declares all legislation of the South Australian Parliament enacted before the Australia Act 1986 to have the same effect as it would have had if the Australia Act had been in force at the time the legislation was enacted. If we support this Bill, we are deeming the Australia Act 1986 to have been the law in 1843 when South Australia first obtained the legislature. This is the most thoroughly retrospective Bill the Parliament is likely to see. A short historical narrative is necessary to explain this Bill.

South Australia's Legislative Council cause into being in 1843, when it was authorised to pass laws for the colony of South Australia. In 1 857, South Australia received self government, including a bicameral Parliament and a ministry responsible to it. Many of the laws passed by this Parliament and assented to by the Governor were struck down by a local judge, His honour Benjamin Boothby. Judge Boothby held that most laws made in South Australia were inconsistent with the law of England and invalid to the extent of the inconsistency. The legal jargon for this inconsistency was `repugnance'. Judge Boothby said that South Australian laws were invalid to the extent that they were repugnant to the law of England. Under Judge Boothby's gaze, the infant Parliament of South Australia found it hard not to enact laws that were somehow different from the great corpus of English law.

After an appeal by the South Australian Government, the imperial Parliament passed the Colonial Laws Validity Act in 1865. This Act said that a colony's legislation was not invalid merely because it was different from or inconsistent with the law of England. One section of the Act refers to South Australia specifically and was a savings clause for South Australian laws struck down by Judge Boothby. The Colonial Laws Validity Act went on to say that a law enacted by the imperial Parliament would henceforth invalidate a

colonial law only if the imperial law could be said to apply to the colony. This was interpreted to mean that a colonial law would be repugnant to the law of England only if a subsequent law of the imperial Parliament were expressed on its face to apply to a colony or must apply by necessary intendment having regard to its subject.

There are only three laws of this kind that I can recall from my days at law school and they are: the Merchant Shipping Act, an admiralty or navigation Act, and the Commonwealth of Australia Constitution Act. Our Federal Constitution is, of course, an Act of the imperial Parliament, albeit one that the Commonwealth Parliament and the people can change by referendum.

In 1865, the Colonial Laws Validity Act was a big step towards independence for South Australia from the mother country. The next step in Australia's independence was Federation, and the step after that was the Statute of Westminster of 1931. By that statute, the Imperial Parliament renounced its right to make laws for the Commonwealth of Australia, and it declared that no law of a dominion Parliament would be invalid for repugnance to the law of England. The Statute of Westminster thus repealed the Colonial Laws Validity Act but only in its application to the Commonwealth. The Statute of Westminster was kept out of local Australian law by the Lyons and Menzies Governments. It had to wait for the Curtin Labor Government to adopt it in 1942—and I know that the Parliament did so retrospectively. The Statute of Westminster did not apply to the Australian States.

Section 3 of the Australia Act 1986 enabled the South Australian Parliament to make laws repugnant to imperial legislation expressed to apply to South Australia. The Act did many other things besides. This Act made South Australia formally independent of Great Britain. So much for the narrative. Now we are asked to pass a law that says the Australia Act applied from 1843, not 1986 when it was passed. We are asked to erase our history, to become amnesic as regards our progress towards independence. The Minister says:

> The passage of this measure will add certainty to the law.

I disagree. This measure, being retrospective, derogates from the generality of our law. It undermines the rule of law by attacking the principles of prospectivity and objectivity in legislation. Further, the Minister says:

> No cases have yet arisen where it has been demonstrated that there is any inadequacy in the law. It is considered that the amendment will remove the risk of unwarranted technical objections to laws passed prior to 1986 which have been considered to be valid and have operated and been enforced accordingly.

The Minister is correct in the first sentence of this quote: no case has arisen that calls for the remedy in this measure. If the law works, why try to fix it? Moreover, why enact a fiction if there is no problem for it to remedy. It is more likely that this Bill will create legal problems than fix them. Nearly all Australians want our Parliaments to be independent of the British Parliament: I am one of them. But one has to be carrying a chip on one's shoulder to want to rewrite our legal history to say that the South Australian Parliament was independent of the British Parliament from 1843. Until we as Australians are familiar and comfortable with the fact of our British legal heritage, republicanism will be a neurosis or a child's tantrum and not the sensible political program that it ought to be. There is a difference between a country's cutting the apron strings and a country's denying that it has a mother.

The Hon. G.J. CRAFTER (Minister of Housing, Urban Development and Local Government Relations): I thank both members for their contributions to this debate. Their contributions indicate a lively interest in this important area of the law. Indeed, one can hold varying views or interpretations about the different approaches that might be taken to bring about certainty in these fundamental laws that apply to the Governments of our nation and our State. It should be said that in 1986, when the Queen visited this State for our sesquicentenary celebrations, she also visited Canberra. At that time she assented to the Australia Acts, and they were historic pieces of legislation from each of the Australian State Parliaments and from the Commonwealth Parliament which, as the member for Spence has said, legally cut those apron strings from our mother legislature, the Parliament of the United Kingdom.

It is important that we stress the significance of that assenting which was carried out by the Queen in 1986, because it did bring about a legal maturity for the Australian legislatures hitherto not enjoyed in this country, and also it saw the conclusion of the final courts of appeal for matters from the Australian State Supreme Courts to the Privy Council. It was generally agreed that, as we moved towards the twenty-first century, that was no longer an appropriate appellate structure to apply in a country as mature as I would suggest our country now is.

As the member for Spence has said, we must now build onto the maturity we have assumed at law in this country, and move on to develop a true identity for this nation. That is the great challenge we have before we celebrate in the year 2002 the centenary of Federation in this country. It is interesting to reflect on the debates that took place in this very Chamber during the Constitutional Conventions of the final years of the last century that brought about Federation in this country, and to reflect on the very slow progress that has been made in this century to bring about a maturity in our governance of this country.

There has been great reluctance to accept that role, particularly on the part of some State legislatures but also, at times, on the part of our Federal Parliament and, indeed, our Federation. But there is now a new spirit abroad in this country, a new search for identity. Perhaps it has been fuelled by post Second World War immigration to this country, but certainly by great advances in educational opportunity in Australia and by a much more mature relationship with our nearest neighbours, our Asian neighbours and, probably, also many other factors.

The legislation before us today will always be controversial and will always be subject to many and varied interpretations. We have seen that in the debate in the other place, where specific examples of concern have been raised and, I believe, answered to the degree that that is possible, and also subject to comment and interpretation in the brief debate in this Chamber. I do not intend to debate the specific matters: they were debated at some length in the other place, but this matter

has come about as a result not of some whim of the Crown officers of this State or, indeed, of the views of the Attorney-General but of concern expressed by the Standing Committee of Attorneys-General and the Standing Committee of Solicitors-General. Collectively, the wisdom of the law officers across this country has made this recommendation. It has been constructed in a form that will provide uniformity across this nation and, to that extent, I disagree with the member for Spence, because I think that is the safest way to provide certainty and stability of the law, rather than having a piecemeal application of it State by State.

The interpretation, if I can put it that way, that we have before us for application into law in this State is in a form that is the best that can be devised, and we need to acknowledge and to accept that, although all law is subject to the rigours of the test of time and of other interpretation, although it has not been the subject of legal challenge. Nevertheless, as we saw with the attempt to provide stability and certainty to this very legislature in the 1860s by way of the Colonial Laws Validity Act, we did have a judge of the Supreme Court, Mr Justice Boothby, who did not accept the status of this legislature in favour of the Parliament of Westminster.

The Colonial Laws Validity Act, rather than solving this problem, in fact turned out to be the source of the subordinacy of the State Parliaments of Australia, and that, of course, caused great difficulty over the years. We saw those difficulties finally removed by this very Act and, of course, by its assent in Canberra in 1986 by Her Majesty the Queen.

So, this is a fascinating historical exercise. It is an interesting study in the growth and maturity of Australian Parliaments, the development of the Federation, the relationship between the States and the Imperial Parliament. I can only recommend this measure to all members as the most appropriate form that can be constructed at the present time. Of course, we will all watch with great interest, particularly during this decade of the 1990s, as we as a nation, I believe, will come to a greater maturity about the identity of this country and the way in which we want to construct our Parliaments and courts in order to give effect to that emerging maturity.

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

SUPERANNUATION (BENEFIT SCHEME) BILL

Adjourned debate on second reading.

(Continued from 29 October. Page 1198.)

Mr S.J. BAKER (Mitcham): The Opposition supports the Bill, which enables a new superannuation fund to be set up to cover payment of the superannuation guarantee. According to the explanation provided by the Minister, it appears that it is necessary to change the arrangements as a result of the Commonwealth Superannuation Guarantee (Administration) Act 1992. Under this Bill the State Government will be revamping its Public Sector Employees Superannuation Scheme (PSESS), otherwise known as the 3 per cent productivity scheme.

Members would be well aware that since about 1987, as a result of trade-offs in salary, public servants have been receiving 3 per cent of their salary in the form of a superannuation payment, or credit, more appropriately, through a special scheme, the PSESS scheme. I must say that I am getting a little bit confused about these different schemes. I would be far more relaxed if we called it the `productivity scheme' or something that people can recognise rather than this stupidity that we have here. So, this is changing the PSESS scheme to the SBSS scheme. When I first saw the SBSS I had—

The Hon. Frank Blevins interjecting:

Mr S.J. BAKER: It is a terrible thing, as the Minister said. I thought State Bank was in there somewhere. I just cannot understand the wisdom of these people who decide to attach names in shortened forms to these things just to confuse us poor parliamentarians.

The Hon. Frank Blevins: But they didn't succeed.

Mr S.J. BAKER: I am not sure that that is true, Minister. Under the arrangement that was made, this productivity payment—the guaranteed payment—was put into the PSESS scheme except for those people who were contributing to a pension scheme.

The Hon. Frank Blevins: The old pension scheme.

Mr S.J. BAKER: Yes, the old pension scheme. Under that scheme there was a deduction of one percentage point of the 3 percentage points to compensate for certain aspects which public servants enjoyed in their pension scheme. We have the situation that all permanent employees within the Public Service have received 3 per cent of their salary in the form of a lump sum credit; and for those who were receiving the pension the figure was 2 per cent—and those credits were placed, as I said previously, in PSESS. Under this new arrangement those people who are enjoying the privileges of the pension or lump sum scheme, which is highly subsidised by the Government, will have their credits placed in the relative schemes; and the remainder who are not contributing to a pension or lump sum will have their guaranteed contributions placed in the SBSS.

The current requirement under the Federal legislation is that all employers will provide a minimum 4 per cent superannuation guarantee. Under the scheme we have here, the 70 000 employees (approximately) who are not either contributing to a lump sum or pension scheme and who exist under the PSESS scheme will become part of the SBSS scheme. They will have the amount of their credits in the former scheme transferred to the SBSS as at 1 July 1992 and all future credits relating to the productivity guarantee will be paid into that scheme.

As I said before, those others who had previously received the productivity payment by way of superannuation will have only that amount standing in their accounts credited to their respective pension and lump sum schemes. There are one or two exceptions relating to those people on lower contributions, but basically most of the 26 000 people who are providing for themselves in some shape or form in the lump sum and pension schemes will have their credits transferred across and no further payments will be made, at least in the short term.

When I saw the change being made I immediately said to myself, `I wonder why the State Government paid the money originally. Given the very high levels of subsidy

that prevail within the State superannuation schemes, why is the Government again contributing to this productivity component?' However, that is a question that I am sure the Minister will be able to answer when we get to the Committee stage.

This scheme may not stand the test of time. We might have to rename it if there is a change of Federal Government. Everybody in this House would recognise that the superannuation arrangements will change if there is a change of Federal Government—but we will have to wait and see what will happen under those circumstances. Whether the SBSS scheme will just be a scheme that holds credits at the point of changeover, with no further contributions being made by the State Government, is yet to be sorted out. So, some of our bureaucrats or public servants may wish to think about the title they would give such a scheme under those circumstances.

However, the Opposition supports the general thrust of the change. It is a requirement of the Federal law and we can do little about it, although we can question the cost of the scheme and the build up of long-term liabilities by the State Government. We should clearly understand that the State Government is not providing sufficient moneys to cover the costs of the productivity scheme, the guarantee scheme, and that is very regrettable. We should clearly understand that the superannuation liabilities are increasing dramatically, and that fact has been debated in the public arena in recent times. A total of $3.5 billion is now in our liabilities. At some stage in the future, on a rolling basis, the State Bank will be required to take from its consolidated revenue such sums as are necessary to meet that liability.

I have commented previously about the need to make greater provision within the Superannuation Fund to ensure that future budgets are not unduly affected by this impost. We have grave difficulties at the moment meeting the interest bill from the State debt, currently standing at $7.3 billion but effectively standing at over $8 billion. We have two very harsh impediments to the future budgeting health of this State in the form of the liabilities accruing and the debt that has escalated in recent times, basically because of the State Bank disaster. We have to get our financing under control because it is the future generations that will pay the price. It is the people who are coming in as new taxpayers who will be required to foot the bills for the mistakes that have been made by this Government.

I make no apology for saying that, somewhere along the line, there has to be a reconciliation or rationalisation of all our finances to the point where we can guarantee that the burden on future generations will be diminished. It has to be diminished. We cannot have increasing shares of our budget dedicated to meeting interest bills and superannuation liabilities, for example. With those few words, on behalf of the Opposition, I support the Bill.

The Hon. FRANK BLEVINS (Treasurer): I thank the member for Mitcham for his support for the Bill and the cooperation of the Opposition in assisting the Bill's passage through the Parliament. The member for Mitcham asked a question and said he would be repeating it in the Committee stage, so I will deal with it then rather than take up the time of the House now. I support totally the views of the member for Mitcham on some of the names of these schemes. They seem to me to be not only confusing but particularly unimaginative.

Mr S.J. Baker: Awful!

The Hon. FRANK BLEVINS: Yes, and I know that the people who deal with superannuation who assist me in this area are not dull and unimaginative people, and I am really surprised that on this occasion they have not used their talents to the full in coming up with a name for these schemes which is meaningful to start with, so that everyone who uses the name of the scheme will know what it means, and which conveys what the scheme is about.

I will press upon them to apply their minds perhaps over the Christmas holidays to a more appropriate set of names for these schemes so the member for Mitcham and I will not have to labour with initials that convey next to nothing or, even worse, as was pointed out by the member for Mitcham, convey a set of initials that, until relatively recently, none of us would have wanted to mention. Having said that, I thank the member for Mitcham and commend the Bill to the House.

Bill read a second time.

In Committee.

Clauses 1 and 2 passed.

Clause 3—'Interpretation.'

Mr S.J. BAKER: In the second reading debate I asked a question concerning my pleasure about the recognition given to the already high subsidy paid by the State Government into superannuation schemes, including the pensions and lump sums scheme. Can the Minister inform the Committee why it was deemed important or essential—and I am delighted about that—to provide a productivity contribution to people who were already receiving some form of subsidy, yet that will now be eliminated?

The Hon. FRANK BLEVINS: Perhaps there is confusion. The people who were getting a productivity benefit will continue to do so. There is no depriving anyone of this benefit.

Mr S.J. BAKER: Just to clear up my confusion, I understand that the credits for people who are in the pensioner lump sum schemes, the credits in the PSESS scheme as at 30 June 1992, will be transferred to the credit in their lump sum and pension accounts. Those same people will now not be covered. I referred to the SBSS scheme, but it is the SSBS scheme—there is confusion. Will no contribution be made in their name under the SSBS scheme?

The Hon. FRANK BLEVINS: It is because they are getting a credit in the pension and lump sum scheme. It has been rolled over. This is a simplification, although I do not think it goes far enough. This is a simplification and consolidation of the various benefits.

Mr S.J. BAKER: Can the Minister inform the Committee which statutory authorities come under the auspices of the SSBS scheme?

The Hon. FRANK BLEVINS: I will get a list for the honourable member. It starts with the incorporated hospitals and there is a large number of such bodies, so it will be an extensive list. I will prepare that list for the member for Mitcham.

Mr S.J. BAKER: Can the Minister—

The CHAIRMAN: The honourable member has had three questions.

Clause passed.

Clause 4—'Membership.'

Mr S.J. BAKER: Can the Minister explain the impact of subclause (5), which provides:

Where the employer contributions to a scheme of superannuation established for the benefit of employees of an agency or instrumentality of the Crown is not sufficient to reduce the charge percentage under the Commonwealth Act to zero, the Governor may, by regulation declare—

(a) that the employees concerned are members of the superannuation benefits scheme; and

(b) the amount of the charged percentage in respect of those employees for the purposes of this Act.

It is intended that, when the contributions to the other schemes are of an insufficient nature, employees become eligible. What are the cut-off points and at what stage do those people become eligible to receive a benefit under the Superannuation Benefit Scheme?

The Hon. FRANK BLEVINS: Although a person's benefit might be at the same level as the superannuation guarantee charge is now, at some stage the superannuation guarantee charge will be higher than the benefits that are accruing to that individual. This clause permits the additional payment to be made. It is a safety net clause.

Clause passed.

Clause 5 passed.

Clause 6—'Employer contributions.'

Mr S.J. BAKER: In this formula, `S' is the amount of salary paid by the employer to the member during the period to which the direction relates. Is it a fortnightly or monthly period?

The Hon. FRANK BLEVINS: Monthly.

Mr S.J. BAKER: In relation to the previous clause and to this clause, I note that, under the definition of 'CP' in the formula, (b) provides, `in the case of a section 4(6) member—3'. What is the impact of that? I presume it is the original 3 per cent.

The Hon. FRANK BLEVINS: The member for Mitcham is absolutely correct.

Clause passed.

Clause 7 passed.

Clause 8—'Annual superannuation benefit.'

The CHAIRMAN: I draw the attention of the Committee to a clerical error on page 7. The symbol in the bracket should read 'CP minus N all over 100'. 1 intend to make that clerical adjustment.

Clause passed.

Clause 9—'PSESS benefit.'

Mr S.J. BAKER: In relation to clause 9(3)(a), can the Minister explain the impact of the wording `Interest in respect of the 1992-93 financial year (or part of that year where the benefit is credited before the end of the year) at the rate prescribed by section 10 (1) on the PSESS benefit will be credited to the account on the assumption that the PSESS benefit had been credited to the account on 1 July 1992'?

The Hon. FRANK BLEVINS: I am advised that provides for when the PSESS scheme is late in getting its balances out. We hope that that would never occur.

Clause passed.

Clauses 10 to 14 passed.

Clause 15—'Termination of employment on invalidity.'

Mr S.J. BAKER: As members would understand, one of the new initiatives taken in the SSBS scheme is that there should be provision for invalidity and death, which was not previously associated or part of the PSESS scheme. It has been explained by the Minister that there shall in fact be some offset within the benefits that will be paid under the scheme for the cost of providing invalidity and death cover. There is also an important rider that in this scheme eligibility should not be automatic, given that we know that if a person goes into a superannuation scheme in the private sector, for example, and they have death cover, that cover may be consequential upon the premium and certainly some of the conditions may be consequential upon the health of that particular person, as we are all aware; whereas now we are actually granting an automatic right to that cover, and there are some dangers associated with that, as the Minister would well understand.

I have two questions. I could not quite pick up in the formula in the benefits how the additional benefits to members in terms of invalidity and death cover were going to be offset in the scheme. Were consultations conducted with some of our assurance companies on this issue prior to this benefit being included in the legislation?

The Hon. FRANK BLEVINS: As regards the second point, costings were done with independent actuaries. If the member for Mitcham turns back to page 7 of the Bill, in clause 8, the 'N' in that formula is the cost of the additional insurance for that particular benefit. So, the members are paying themselves for that additional benefit.

Mr S.J. BAKER: Will the Government be reviewing this Act in terms of whether the costs of providing that death and invalidity cover are covered by that measure over the next few years to ensure that we are not imposing an additional burden on the taxpayers?

The Hon. FRANK BLEVINS: The answer is, `Yes, we most certainly will.'

Clause passed.

Clause 16 passed.

Clause 17—'Payment of benefits.'

Mr S.J. BAKER: This clause deals with the payment of benefits to the spouse of a deceased member. Does the Minister believe that the two-year limit is sufficient?

Again, I refer to the question I asked about the costs not being recognised previously but now being recognised as we are bringing in a new benefit. Does the Minister believe that the two-year embargo on the claim against this new provision is sufficient?

The Hon. FRANK BLEVINS: The answer at this stage is `Yes'; clearly, we do. The point made by the member for Mitcham is valid. I assure him that the Government will keep all these benefits under very close observation to see whether any further adjustments are required. If they are required, they will be brought before the Parliament very quickly.

Clause passed.

Remaining clauses (18 to 30) and title passed.

Bill read a third time and passed.

SUPERANNUATION (SCHEME REVISION) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 29 October. Page 1200.)

Mr S.J. BAKER (Mitcham): The Opposition also supports this Bill. I have one or two reservations about certain technical aspects, but they will be pursued in Committee. As I mentioned in the debate on the Superannuation (Benefit Scheme) Bill, these two Bills should be seen as one complete measure. This Bill basically caters for people who are contributors to the lump sum and pension schemes. It allows their credits in the productivity scheme to be transferred into the lump sum and pension schemes. It provides a range of changes which I will relate to the House.

Some of the proposed changes include modification of lump sum and pension benefits dealing with people at risk, such as smokers. There is a proposal that in particular circumstances new entrants will be restricted from receiving disability pensions in the first five years of joining the scheme. I alluded to that matter in the previous debate. Contributors will be able to reduce their contributions during the financial year in the event of financial hardship. The pension and lump sums will be increased initially by a small percentage, but growing as the productivity contribution increases, with the maximum pension payable at age 60 being 75 per cent of salary.

That compares with the figure at 30 June 1992 of 66.6 per cent and at 1 July 1992 of 67.6 per cent. At age 50 there is a fairly significant change in the benefit that will be available if this Act succeeds, and it is envisaged that, by the age of 55; the benefit will be 56 per cent of salary, compared with 50 per cent at 1 July 1992 and with some 45 per cent at 30 June 1992. The Act ensures that the high level of benefits will only apply to those who resign after 1 July 1992, when the new arrangements come into place. The Act provides that there will be a capacity to change from the pension scheme to the lump scheme, should a member so desire.

There have been several technical amendments to the Bill. One is in relation to proposing a method for determining the actual salary of a contributor when that salary is not evident or is difficult to identify. The scheme allows some more flexibility in relation to people who may be on contract or who may be working for a period, who have time off from the Public Service and who then re-enter. Under the old arrangements, contributing members were deemed to have resigned after a three month non-contributory period. That period has now been extended to 12 months.

There is a preservation provision in the event of termination of the right to contribute to a State scheme, and there is a change in the board's delegation powers and account keeping requirements laid out in the Bill. As I said previously, under the new Commonwealth rules, regarding contributory schemes in which the employer subsidy is greater than the minimum requirements specified by the Commonwealth, the employer is now not required to meet the guarantee whilst that subsidy exceeds the minimum.

My reading of the Bill is that in effect that means for the next few years the State Government will not need to make guaranteed payments on behalf of the 26 000 employees in the State pension lump sum schemes, thus saving millions of dollars. It is my contention that we do need a very sound explanation of the leap in the benefit relating to retirement at age 55. Under the Act it is proposed that the former rate of 45.5 per cent will shoot up to 50 per cent, basically in the space of a day and, given that the State Government owes $.35 million or has $3.5 million of liabilities, I have difficulty in accepting that we could increase those liabilities by the proposal that we have before us.

I would also like the Minister to tell us what is going to happen with the moneys. I meant to ask this question in relation to the previous Bill. What will happen to the moneys that are already standing in the credit of the PSESS account? Will they be divided and commence to fund the pensions lump sum schemes or will all the moneys be transferred to the SSBS scheme? I would also appreciate the Minister's direction as to what level of delegation is intended by the board and what these changes mean in terms of the overall liabilities currently standing at $3.5 million.

In the Committee stage, I will ask the Minister to explain at what point under the guarantee by the year 2002 or 2003, if this scheme remained, which is pretty doubtful, would employers, including the State Government, be required to pay 9 per cent of salary into the SSBS scheme? On my calculations, we would also then be required to make a contribution on behalf of many contributors to the pension lump sum scheme.

The Opposition supports in general the thrust of the Bill, although some questions remain unanswered, which I am sure the Minister will answer in Committee. Matters concerning calculations in relation to how the funds in the PSESS scheme will be transferred to the credit of the account of those involved in the pension and lump sum scheme and whether the formulas contained in this Bill are overly generous will be canvassed in Committee. With those few words, recognising that this is basically a Committee Bill, the Opposition supports its thrust.

The Hon. FRANK BLEVINS (Deputy Premier): I again thank the member for Mitcham for his indication of the support of the Opposition for this Bill. I would also like to commend him on the degree of effort that he has put into this Bill. His questions are valid and interesting, and I look forward to the Committee stage so that we can deal with them during that period of the Bill's passage.

Bill read a second time.

In Committee.

Clauses 1 and 2 passed.

Clause 3—'Interpretation.'

Mr S.J. BAKER: How will the moneys standing to the credit of the PSESS scheme be distributed?

The Hon. FRANK BLEVINS: For pension scheme members, the aggregate of all balances will be rolled over and put into the fund. The amount will not be shown as a separate balance against an individual's name, because they will be aggregated, but I assure the member for Mitcham and the Committee that the members of the fund have gone through this with a fine toothcomb and agree with that procedure.

Mr S.J. BAKER: That did not answer my question. How much money currently stands in the PSESS scheme at, say, 30 June 1992? How will that money, by way of special deposit account, be distributed in the SSBS scheme, and how much will be put in as a credit against the pensioner lump sum scheme?

The Hon. FRANK BLEVINS: I do not have that figure, but it can be made available. When I get it, I will give the member for Mitcham an exact breakup of where the money goes and how it is shown.

Clause passed.

Clause 4 passed.

Clause 5—'Delegation by the board.'

Mr S.J. BAKER: What is intended with this new power of the board to delegate? Will the Minister outline why this delegation power has been inserted? What are its ramifications? How will the current arrangements be affected?

The Hon. FRANK BLEVINS: The provision is there to enable the secretary to deal with routine medical reports.

Clause passed.

Clause 6—'Contributor's accounts.'

Mr S.J. BAKER: Clause 6 provides:

...and each account will state whether the contributor is an old scheme contributor or a new scheme contributor.

My terminology for `new scheme contributor' is those people who contribute to the lump sum scheme. We also know that there are old scheme contributors and older old scheme contributors. The older old scheme contributors enjoy a subsidy of well over 80 per cent of their future pension benefits under the terms in which they took up superannuation. Is there a need for differentiation between those in the old scheme and those in the older old scheme?

The Hon. FRANK BLEVINS: No.

Clause passed.

Clause 7 passed.

Class 8—'Entry of contributors to the scheme.'

Mr S.J. BAKER: This is one of the interesting aspects of the Bill, and I do commend the Government in its attempts to bring the legislation within some level of commercial reality and make it somehow parallel to some of the private sector schemes. This clause provides that the entry of contributors to the scheme will not necessarily be restricted. The clause provides:

If it appears to the-board—

(a) that an applicant's state of health is such as to create a risk of invalidity or premature death;

(b) that the applicant has in the past engaged in an activity of a prescribed kind that increases the risk of invalidity or premature death;

The board may accept the application but with certain restrictions. How will this provision be used? It is of considerable interest that we will be testing people for their capacity to see out their time in the Public Service without being invalided out earlier than expected and, therefore, being of considerable cost to the taxpayer. Will the Minister explain what the Government intends in relation to this clause?

The Hon. FRANK BLEVINS: I am advised that it is the intention to proscribe smokers. The managers believe that there is sufficient evidence to show that smokers die earlier or are invalided out earlier, and that is the intention, although there may be some further debate on this.

Mr S.J. BAKER: I could go through a list of social evils to see whether this applies to excessive drinking or to those people who visit other countries for nefarious purposes. There are a number of what we could class as risky activities. Do they extend to those people who like to sit in the sun for an overly long time? I presume from what the Minister is saying that the primary target is smokers. It would be interesting to determine whether someone who has smoked in the past and who has recently given up is regarded differently from someone who is still smoking, and it might depend on how long it has been since someone has given up and at what age. It raises some interesting questions as to how that will be handled. I do not necessarily have any strong opposition to the proposal but merely an interest in how it will apply.

The Hon. FRANK BLEVINS: I am advised that the power is already there to deal with people who drink to excess but, apparently, for some reason that escapes me at the moment, the power is not already there to deal with someone who smokes. As regards the question of how long it is since someone gave up or whether someone has given up for this week or for Lent and has then fallen off the equivalent of the wagon, I am not quite sure, but everyone is entitled to know that. They are quite legitimate questions and I will certainly ask my advisers to obtain a full answer to them, in order to see how this will operate.

I understand that when you are dealing with superannuation or, more particularly, with insurance, there is an imperative for the managers to assess risk; that is the whole basis of it. However, I hope that no-one in this place would want some of these things to be determined by those forces I call the moral police rather than on true actuarial bases with very clear and scientific guidelines. There are some very large questions there, which I thank the member for Mitcham for raising. I find them very interesting. I undertake to obtain a very full report on the question and make it available to the member for Mitcham and to anyone else who is interested—which includes me.

Mr S.J. BAKER: Is it intended that there be any retrospective application of subclause (5)(a)?

The Hon. FRANK BLEVINS: No.

Clause passed.

Clause 9—'Contribution rates.'

Mr S.J. BAKER: At the Minister's convenience, can he provide some indication of the number of contributors who are currently contributing at a rate of less than 4.5 per cent of salary if they are contributors to the lump sum or the pension scheme?

The Hon. FRANK BLEVINS: I will examine that question and I thank of member for Mitcham for allowing me to respond at my convenience. I will see what information can be provided.

Clause passed.

Clause 10—`Retirement.'

Mr S.J. BAKER: This clause concerns me, because there is an assumption-if I have read the formulas correctly, and I spent considerable time going through them—that, in 25 years from 1 July 1992, as a result of the credit that applies to a member within the PSESS

scheme, actuarially that person will have standing to his or her credit something like 85 per cent of salary. My mathematics did not quite come up with that result. I question why we do not, under the circumstances, work out the credit at 30 June 1992 standing to each member and whether that credit is within the lump sum or pension scheme, accumulating the rate of investment earnings which is appropriate to the scheme.

The Hon. Frank Blevins interjecting:

Mr S.J. BAKER: But under this we do have a prescribed result, which will be of great assistance to those who are upwardly mobile but perhaps not to those who do not have such an increase in their position during their service with the Government. Can the Minister provide an actuarial explanation of this form, because I have some reservations about it?

The Hon. FRANK BLEVINS: Certainly, I will do that. I can assure the member for Mitcham and the Committee that the provision has been costed and costed conservatively, and I am advised that there is no advantage to the upwardly mobile or disadvantage to those who I suppose are the opposite—those not upwardly mobile or those who are in the disastrous position of being downwardly mobile, which happens from time to time. But I will get those costings for the member for Mitcham.

Mr S.J. BAKER: The formula does not seem to differentiate in respect of those people who are more recent entrants to the Public Service. If I have my timing right, in 1987 we started making productivity payments.

The Hon. Frank Blevins: January 1988.

Mr S.J. BAKER: In 1989 the pension option—

The Hon. Frank Blevins: It was 1986.

Mr S.J. BAKER: So, those people who are more recent entrants would not have had four years contribution into the PSESS scheme—although it does not affect this particular formula as it does later formulas. Yet, these formulas are predicated on that four-year contribution.

The Hon. FRANK BLEVINS: It is not predicated on their being there for four years. It is merely an accrued benefit being rolled over for the lump sum scheme.

Mr S.J. BAKER: Assuming maximum contributions and the minimum qualifying period have been sustained, why will the benefit at age 55 leap from 45.5 per cent to 50 per cent, and what is the cost to the Government of that change?

The Hon. FRANK BLEVINS: I am advised that there will be an increase from 45.5 per cent to 50 per cent because new actuarial costings have been done which warrant that level now at no additional cost.

Clause passed.

Clauses 11 to 15 passed.

Clause 16-`Retirement.'

Mr S.J. BAKER: I did some calculations on new section 34. I took the case of a person who started at 20 years of age and retired at 58 years with a final salary of $1 000 per fortnight. Under this formula, because of the change in the scheme, that person will get a 12 per cent increase in benefit, and that appeared to me to be excessive when compared with the fact that the basic pension scheme goes from 66.6 per cent to 75 per cent and the 55 year retirement age ostensibly goes from 50 per cent to 56 per cent, which is more or less in line with what we have here (although the lump sums are somewhat less). I worked through a formula with that case and it seemed that the ultimate benefit was excessive in terms of the relative contribution.

The Hon. FRANK BLEVINS: I am advised that it is the result of an actuarial revaluation. It has been argued by some that we have been ripping off people, but I do not accept that. An actuarial revaluation has indicated that that is an appropriate level of benefit. Again, what I will do is to make available to the member for Mitcham information as to how that was arrived at, because it is an important question.

Mr S.J. BAKER: Pages 14 and 15 of the Bill set out new formulas which are very difficult to understand, but I did work through them. Will the Minister provide to the House, at a more convenient time, the average increase in the benefit envisaged under both those formulas?

The Hon. FRANK BLEVINS: Certainly.

Clause passed.

Clauses 17 to 20 passed.

Clause 21—'Exclusion of benefits under awards, etc.'

Mr S.J. BAKER: Does clause 21 absolve private employers from continuing their superannuation contributions? What is the impact of clause 21?

The Hon. FRANK BLEVINS: Clause 21 prevents an employee from going to the Industrial Court for a productivity benefit because a productivity benefit has been paid already.

Clause passed.

Clause 22 passed.

Clause 23—'Amendment of schedule 1.'

Mr S.J. BAKER: This clause relates to retirement at age 55. When referring to the minimum requirements under the Act, clause 23 (b) provides, '...within one month after first becoming entitled to receive the pension'. Who will advise whom when a person becomes eligible, or is there an understanding that everyone would wish to make the delegation immediately upon turning 55?

The Hon. FRANK BLEVINS: Individuals will be aware that that option is available because they all receive an annual statement.

Mr S.J. BAKER: Will the Minister give an assurance that eligibility is advised to all members as a specific item when they are advised about their credits and ultimate benefits which will come out as a yearly advice? Will he give an assurance also that members will be made aware of when they become eligible?

The Hon. FRANK BLEVINS: I am advised that they are already notified very clearly of the option.

Mr S.J. BAKER: If a person is making the maximum contribution towards their lump sum or pension scheme, when will the State Government have to recommence contributing to the productivity guarantee?

The Hon. FRANK BLEVINS: People will have to make a decision in about 1996. I am advised that in about 1996 a few contributors will fall into the category of having elected to pay only 1.5 per cent of salary. The decision will have to be made by those individuals at that time.

Mr S.J. BAKER: Clause 16(3) in the first schedule provides:

The conditions (if any) limiting the benefits payable to, or in relation to, the contributor under the old scheme will apply in relation to the contributor under the new scheme.

Are there any tax implications in that?

The Hon. FRANK BLEVINS: There are no tax implications for the individual.

Clause passed.

Clause 24—`Repeal of schedule 3.'

Mr S.J. BAKER: My final question relates to the impact of these changes on liability. The Minister is aware of the 10 per cent increase in superannuation liability between 30 June 1991 and 30 June 1992. Can the Minister advise what impact these changes will have on that superannuation liability?

The Hon. FRANK BLEVINS: I am happy to say that there will be no increase in the liability whatsoever.

Clause passed.

Title passed.

Bill read a third time and passed.

DAIRY INDUSTRY BILL

Adjourned debate on second reading.

(Continued from 28 October. Page 1146.)

Mr D.S. BAKER (Victoria): First, I wish to pay a tribute to the Minister. This Bill has had a long gestation period under at least two Ministers and been the subject of a white paper and massive negotiations behind the scenes not only with dairy farmers but also with dairy processors. In my second reading contribution I want to outline several of the negotiations and what has had to take place.

Interestingly, this Bill repeals the Dairy Industry Act 1928. Naturally, since that time the legislation has become slightly outmoded. The Bill also repeals the Metropolitan Milk Supply Act 1946. The State has totally controlled dairy farming and the processing of dairy farm products since 1946, as well as the dairy farming industry since 1928. There is no question that it was high time that a review of these Acts took place.

It is very difficult when there are in the State areas in which one can produce milk and one is not allowed to shift that milk to other areas. There was the absurd situation that, if farmers produced milk in the north of South Australia or in the South-East, they were not allowed to bring that milk into the metropolitan area. That led to great anomalies in the industry.

One anomaly was the protection of people who supplied fresh milk to the metropolitan marketing area. To overcome that a way had to be found so that dairy producers, wherever they were in South Australia, received a fair and equitable price for the types of milk that they sold to whatever market they supplied. Of course, dairy farmers supply the milk and the processors decide into which market that milk goes.

There are three basic uses. In South Australia about 136 million litres of milk are produced annually for the fresh milk market, and that is the milk that goes onto breakfast tables every morning and the milk in the coffee in Parliament House when we sit past midnight. Approximately 400 million litres of milk are produced in South Australia. If we extract from that the 136 million litres that are used for fresh milk, it can be seen that a substantial proportion of the milk is used for manufacturing purposes to produce cheese, butter and, importantly, flavoured milk. Given the way things have evolved in this State over the past 60 years, we have to try to unravel them and ensure that the consumers of South Australia get fresh milk.

The Hon. T.H. Hemmings interjecting:

Mr D.S. BAKER: I know that the member for Napier has an interest in this because of the dairy farms in his electorate! There are two parts in this very regulated market. First, there is the fresh milk market, which provides milk for consumption across the State, and the same thing occurs in all the States of Australia. The dairy farmer is paid 44.6c a litre for that milk. For producing the milk that is used for manufacturing cheese, butter and other products, the farmer receives about 20c a litre. Given the protected local market, which will continue to be protected with the farm gate price, and the export market, the dairy farmer gets an average price. It is interesting to note that Australia exports about $4 billion worth of dairy products. We are one of the most efficient dairying nations in the world, and that is a tribute to the dairy farmers in South Australia and Australia, including those in the electorate of Napier.

One class in the manufacturing milk market is particularly important from the processors' point of view, and I refer to the flavoured milk market, which has been developed by some major companies in Australia and which has become a large portion of the soft drink market in this country. It is a very good product, which is sold in Parliament House and drunk by many members. Perhaps it should be drunk by more of them more often.

The Hon. T.H. HEMMINGS: I rise on a point of order. This is not intended to be a frivolous point of order, but, I understand that, under Standing Orders and the practice of the House, members are not allowed to advertise.

The SPEAKER: Order! the honourable member will resume his seat. There is no point of order.

Mr D.S. BAKER: One of the reasons that that market has been developed is that the processors around Australia have been buying that milk at manufacturing price (approximately 20c a litre), and that has given them the margins to put advertising into the product and has allowed them to sell the product at a price that makes flavoured milk competitive in the soft drink market. That is very important in the overall scheme of the milk industry in Australia, particularly South Australia because both major producers in the State are *very* active in the flavoured milk market and their brand names are well known.

Beginning with the Kerin plan at least 10 years ago, attempts have been made to rationalise the dairy industry Australia-wide, and I welcome those attempts. Nationally, we are looking at a farm gate price, which the producer will be guaranteed for his fresh milk, and there will be a negotiated price for manufacturing milk. That will not vary much around the major dairying States in Australia.

Mr Meier interjecting:

Mr D.S. BAKER: If this Bill becomes an Act and if, in a few years time, our market in South Australia is deregulated completely, it will also include South Australia. What we are trying to achieve in Australia is a

common farm gate price so that milk can move freely across borders. At present in South Australia there are three distinct areas and it cannot move amongst those. But the aim around Australia is that fresh milk and manufacturing milk can move. Flavoured milk, which will become a bigger part of our daily diets in the future, will be bought at a price that makes it competitive. At the end of the day, with all of that deregulation going on, if it is done in a common sense way, the dairy farmers in Australia, most decidedly in South Australia and Victoria, will receive an average farm gate price that makes their industry viable, not only on the local market but also to make us very competitive in the export market.

Under the Bill, instead of having three distinct areas in South Australia, it will take the boundaries of those areas right away to the boundaries of this State. That cannot be done overnight because some people will be disadvantaged. You cannot take away or alter the market shares of the major producers or manufacturers overnight because that will cause disruption to the market. So, it is proposed that we will have what is called an equalisation scheme and it will take two years, until 1 January 1995, until that equalisation scheme finds a level that will allow the Government of the day to deregulate the wholesale price of milk.

After 1 January 1995 there will be a farm gate price set by the Minister for market milk; there will be a negotiated manufacturing price; but there will be no controlled wholesale price of milk. In fact, nationally, the aim is that, by the year 2000, the farm gate price for market milk will be taken away and the industry will then be completely deregulated. That is sensible. Not only am I very much in favour of deregulation but it must be done in an orderly fashion, and that is a sensible proposition for dairy farmers and their representatives to work towards with the Governments, Federal and State, towards the year 2000.

In this State this Bill will give an equalisation to farmers throughout South Australia to receive a common farm gate price for market milk, which is the fresh milk supply, before the wholesale price is deregulated. To fund that the wholesale price of milk will rise in two lots of 1c to make sure that that is funded. That is reasonable—and the Minister no doubt will comment on that when he closes this debate— because we have at present the lowest wholesale prices for milk of any State in Australia. That, of course, has been controlled. We have had total controls on wholesale and retail prices in South Australia and those controls have got us out of kilter with the rest of Australia. This lc rise each year will in fact bring us more in line with what is happening in other States.

It is interesting that the authority set up under this Bill will determine the farm gate price, which is 44.6c a litre at present, but it will determine that price taking into consideration what the farm gate price is in Victoria. So, that manages to level out what is being paid in both States and gives the industry a much better basis on which to organise itself. It also, most importantly, allows a freer flow of milk between States because, if the market price is the same, 'there may be producers in the South-East that choose to send their milk to Melbourne, Warrnambool or wherever; to me that is very important.

With all of this in place, for this Bill to be enacted, it has one other thing that must happen. There must be an agreement in the interim period leading up to 1 January 1995 between the two major processors in South Australia. They are Farmers Union Foods and Dairy Vale Co-operative. Those two companies and the South Australian Dairyfarmers Association have been trying to negotiate an agreement which this measure will allow them to go on with in the interim period. As market shares are involved, a lot of behind the scenes negotiations have been going on with regard to what should go into the Bill which will finally become the Act. That has caused a tremendous amount of work for the Minister and his staff and SADA. I pay tribute to the Minister and his staff for the way that we have been able to cooperate to ensure that we get in the Bill something that is acceptable to all parties. I think that we are getting very close. I know that the Minister has quite a few amendments, which I have just received, and I put some on file yesterday which will be moved when we get to the Committee stage.

The agreement between the two companies and the South Australian Dairyfarmers Association has not been signed at this stage, but it is important that I should put it on the parliamentary record so that we know the agreement that they are working towards. We think that there are a couple of minor sticking points, but they should be resolved within the next few days. Mr Speaker, I seek leave to insert the agreement in *Hansard.*

The SPEAKER: Is it purely statistical?

Members interjecting:

Mr D.S. BAKER: Yes. Would you like to have a look? Do you want me to read it in, Terry?

I will read into *Hansard* the tentative agreement, because this is one of the many things that the Bill is about. It states:

Industry recommendations to the South Australian Minister for Agriculture following Cabinet approval for new legislative arrangements:

1. The increase in the processor margin in line with the Minister's decision goes into a separate industry pool.

2. The separate industry pool is to be used to provide processors with the funds to pay the full farm gate price to farmers by no later than 1.1.94.

3. Any surplus funds remaining in the separate industry pool are used to make additional payments to farmers in the Barossa, Mid-North and the Riverland (if it is necessary) to ensure they are no worse off than their current position.

4. Any further surplus funds remaining in the separate industry pool will be distributed equally amongst all farmers in the State.

5. In order to distribute funds as per 2 above, the calculation for each processor will be based on the difference between the farm gate price and 34.49 c/h from 1.1.93 and the difference between the farm gate price and 35.13 c/L (ie 9.47 c/L) from 1.7.93 until 30.6.94. From 1.7.94 to 30.6.95 the rebate will be the difference between the farm gate price and 35.68 c/L (i.e. 8.92 c/L). The maximum rebate a processor can receive at any point in time will be 10.11 c/L (i.e. the difference between the farm gate price and 34.49 c/L at 1.1.93). The maximum volumes on which rebates are to be paid are the market milk volumes for each region in the 1991-92 year (ended 30 June).

6. Dairy Vale and Farmers Union Foods will be reasonable in their negotiations over equity in equalisation.

7. This agreement will operate initially until 1.1.95. However, during the previous year, industry sectors will negotiate any extension.

8. Neither Dairy Vale nor Farmers Union Foods will have any liability to make up for any unforeseen shortfalls in the proposed pool.

It is proposed that that will be signed by Dairy Vale for and on behalf of Dairy Vale, Farmers Union Foods and the SA Dairy Farmers' Association. I know that negotiations are going on at this very minute and there could well be some variations-there could well be some variations to item 7—but that is one of the main areas that it has to enact.

I turn now to the Bill, which we will be moving to amend. There are three or four areas that I wish to take up with the Minister. I do believe in deregulation and in cutting out the two old Acts, namely, the Metropolitan Milk Supply Act 1946 and the Dairy Industry Act 1928, but I think it is time, as we are going into the 90s, that we made sure that the Bill is aimed only towards dairy farmers producing milk from cows. So, the first amendment that we will move is that the definition of `milk' means milk from any bovine animal. I think that, in other areas where animals are milked (for example, goats, sheep or alpaca), what happens should be subject to any other legislation that is deemed to be appropriate. As was intended in those early Acts when only cows were milked, I think it is important that we state very specifically what we want to include in this Act.

The provisions for the authority concern me, because under this Bill a quorum shall be two, with the Chairman having a casting vote. There are three members on the authority. Therefore (and I know there is room for proxies), when the presence of only two people makes a quorum and the Chairman has the casting vote, if someone is away it matters not what the other member feels about the situation; it automatically goes through. I am all for getting meetings through quickly and hurrying proceedings along, but I think that is a dangerous precedent to have. In fact, I note that that provision did not apply under the Metropolitan Milk Supply Act. If there were only two out of three present, they had to come back and meet when there were three present. I think that is a sensible way to look at things, especially when proxies can be allocated and people do not have to be there.

Referring to the provision in Dairy Industry Act 1928 relating to the transfer of licences, I note that all dairy farms will be licensed, and I think that is appropriate, as much as I do not like licensing. But, when they are licensed and a dairy farmer carrying on a business wants to transfer that licence, I cannot see why he should need the consent of the authority.

An honourable member interjecting:

Mr D.S. BAKER: As the honourable member interjected, why not? It is his business. There are quite strong regulations as to the cleanliness of the operation. When he sells the property, if he has to get consent from the authority to allow that milking operation to continue when the next purchaser takes over, I think that is an impediment to trade, and I do not think it is necessary.

An honourable member: It is negative.

Mr D.S. BAKER: Yes. It is interesting to note section 7(10) of the 1928 Act, under which a licence issued in respect of dairy farm, factory, milk depot, store or creamery may be transferred to any person who becomes, by purchase or otherwise, the owner of such dairy farm, factory, milk depot, store or creamery. If it was allowable in 1928 and if we are desperately trying to deregulate, I question the need for the consent of the authority. If the chairman of the authority has the casting vote but does not want to transfer one of those licences, it might make it quite difficult. We must look at this in a sensible fashion.

The whole of this Bill is designed to deregulate a very regulated industry. I support the thrust of the Bill. The Opposition has one or two amendments which we believe should improve the Bill. Over the next two years, as things settle down, whatever happens the Minister will have to be prepared to negotiate with the major processors to make sure that they, together with the Dairy Farmers Association, are not disadvantaged, because the implementation of this legislation will not be simple. As with all transition periods, there could be some hiccups.

We must obtain the goodwill of the major processors and get them to sign this agreement or something very close to it in the next few days. We must also obtain the assurance of the Minister that, up until 1 January 1995 when the wholesale price is deregulated, he will be prepared to hear of any of the problems that arise, so that we can rationally work our way through them. If that goodwill is forthcoming from all parties, all people in South Australia, including the consumer, will benefit. At the end of the day, the consumer wants milk which can be produced at the cheapest possible cost (at a profit) and delivered anywhere in South Australia to his or her table—and that is what this Bill proposes.

The Opposition has some further amendments, but one area that particularly concerns me involves clause 2(3) of the schedule which provides:

The authority must dispose of any herd testing equipment to which it becomes entitled under subsection (2) as directed by the Minister.

Herd testing is a very important part of not only the dairy industry but also the cattle industry, because there are many dual purpose breeds, the herd testing of which is very important. If the production of a cow is properly recorded, it is possible to select only from the best cows and the best bulls. Of course, you do not milk the bulls (some of my city colleagues might jump in and say something to that effect).

It is terribly important in upgrading the milk production of a cow that the facts concerning that cow's milk production are known, and it is also important to know whether that cow's sire can pass on those genes to other cows. Therefore, the herd testing authority must have integrity, because the facts and figures that are fed into the authority's computers in South Australia are, quite naturally, linked by computer to herd testing authorities throughout Australia and the world.

The situation in South Australia has become a little disjointed, because testing of milk samples is performed by the Metropolitan Milk Marketing Board but collection of the samples is done by HISCOL—in fact, the computer is owned by HISCOL. That is the purpose of clause 2(3), because at present the Milk Marketing Board owns some herd testing equipment and HISCOL, the collector of samples, owns the computer. We have to find

some way in which those things can be combined. I strongly believe that we should form a body such as Herd Testing (South Australia) Pry Limited, which would be paid for partly from a licence fee for dairy farmers in this State. It would be a totally independent organisation that would carry out the testing of milk samples and transfer those results via computer or some other method to other Australian and overseas herd testing authorities.

The collection of those samples from the cows should be deregulated to allow competition, because at the end of the day that will be cheaper, it will give us a more efficient collection service and it will make it cheaper for the dairy farmer. At present there is an anomaly with which I do not agree in that much of this is funded (and our city colleagues will prick up their ears) by the consumer through a levy of .17c per litre on milk.

It is in the interests of South Australian dairy producers that they fund their own independent herd testing scheme which has integrity. That is a cost that should be passed back to them, and it can be done quite simply. It has been left very wide in the Bill, and my plea to the Minister is—and we will move an amendment to this effect—that he has negotiations with representatives of the dairy industry to make sure that we set up in South Australia the best herd testing authority in Australia, with the greatest integrity and at the cheapest price to our dairy farmers.

Mr Becker: What happens with herd testing in other States?

Mr D.S. BAKER: That is exactly what happens in other States.

Mr Becker interjecting:

Mr D.S. BAKER: It is because we have had these unusual regulations in South Australia and zones around the State between which you could not move milk, and many practices grew up that were not in the best interests of dairy production in all areas of South Australia. We all understand that these anomalies have grown up, and this Bill attempts to start breaking down those barriers and start getting this whole industry into the twentieth century.

I support the Bill with the amendments that we will move during the Committee stage. In the next two years, I believe the Minister should have a very close handle on the process as we get to a point where the wholesale price is deregulated to make sure that everyone is treated fairly and that, above all, South Australian consumers receive a high standard of service from the dairy industry and a high standard of product.

The DEPUTY SPEAKER: I have been asked by the Speaker to express concern about the document that the member for Victoria wished to insert into *Hansard.* The Chair asked the honourable member whether he could give an assurance that the contents were purely statistical. In the first instance, the honourable member gave that assurance. In the event, no statistics at all were involved in the document. I have been asked to express to the member for Victoria the concern of the Chair because, when the Chair poses a question to a member as to whether the contents of a particular document are purely statistical, the Chair expects that member to provide a truthful answer. If that is not the case, the Chair has no alternative but to take action against that member.

Mr D.S. BAKER: On a point of order, Mr Deputy Speaker, the Chair should note that I offered to show him the table.

The DEPUTY SPEAKER: There is no point of order, and there is no availability for members to show documents to the Speaker. The Speaker must be able to rely on the truthfulness of the answers to the questions he poses.

The Hon. T.H. HEMMINGS (Napier): I will not dwell too long on this Bill, although my support for it is very full. I see this as a positive example of the restructuring that has taken place within the whole area of primary industry in this State, and I wish the Minister well. If this is the first indication of what is coming through with respect to restructuring, it bodes well for agriculture in this State. Nor will I touch on the pricing structure, because the member for Victoria covered that quite adequately, and I was very impressed with his intimate knowledge of the dairy industry in this State and in this country. I refer to the Minister's second reading explanation where it states that provision is made for codes of practice to be administered by various industry segments. It is in that area that I wish to place on record my appreciation of the codes of practice that have already been set in place in a voluntary way by the South Australian Dairy Farmers Association, even before this Bill was considered by the House.

Over the past 20 years there has been a significant reduction in the number of dairy farmers in this State and, in particular, within the Mount Lofty Ranges. Those dairy farmers working in the Mount Lofty Ranges are a unique part of the dairy scene inasmuch as South Australia would be the only State which, within its major catchment area, has all types of industry, whether it be grazing, crops, orchards, dairy farming as in this case, or even residential properties. It is unique, and the pressure that has been placed on the dairy industry to get its act together, as it were, to ensure that the quality of water going into that catchment area is maintained has been immense.

I should like to note on the record the work that the South Australian Dairy Farmers Association, in conjunction with the Engineering and Water Supply Department, has done in setting up voluntary codes of practice to ensure that all run-off is maintained. The examples I have had the pleasure of seeing over the past two or three months have impressed me. Without regulation by authorities, that voluntary code of practice has been put in place after being worked out with other Government departments. This has been done at a cost to individual dairy farmers.

As I say, the significant reduction in the number of dairy farmers has occurred for various reasons but, in the main, a dairy farmer is forced to expand, become more efficient or leave the industry. The member for Victoria has covered quite adequately the concerns that the industry has had over the years in regard to ensuring a fair return for the product they produce for the State. The cost at the moment is being borne by the individual dairy farmers in the Mount Lofty Ranges. The Mount Lofty Ranges Management Plan, which this Government and this Parliament are currently considering-which means that I cannot go down that path-is such that it is

possible that even greater restrictions will be placed on dairy farmers.

Therefore, I should like to put some form of plea to the Minister that, whilst this Bill does not cover any form of levy, although I understand that there is a levy in effect that will cover the cost of administering the authority, some consideration be given by the Government (through the authority and in conjunction with other Ministers responsible for the quality of water going into our catchment areas) to alleviating in some way the cost currently being borne by individual dairy farmers in the Mount Lofty Ranges.

I do not intend to canvass today whether that support is provided through a trust or through a levy on water users, or milk consumers, because I think it is an area that needs to be explored in depth by all Government agencies that have some input. However, I would ask the Minister to consider at a later date the setting up of a voluntary code of practice to improve not only the industry but also the side effects of that industry which could result in problems regarding the water supply from the Mount Lofty Ranges. I would like to be assured that it is on the Government's agenda.

The Hon. H. ALLISON (Mount Gambier): I support the aims of the Bill. It appears to me that this debate has been going on for an extremely long period of time. It was one of the first items that came across my desk in 1975 when I became the member for Mount Gambier and was invited to hold meetings with Allan Rodda, the former member for Victoria, the then board of the Mount Gambier West Cooperative cheese and dairy factory, the directors of which wished us to determine how to get a fair farm gate price for all South Australian dairy farmers, particularly those of the South-East who were at that time completely prevented from participating in Metropolitan Milk Board sales and therefore profits.

Equalisation was subsequently won, as members will recall; about $2.3 million was made available by way of equalisation payments for rural dairy farmers. However, an equitable, State-wide farm gate price has always been the ultimate aim of regional dairy farmers who really saw that dichotomy between suppliers to the Metropolitan Milk Board and suppliers to rural factories as a barrier to what they considered was future fair trading.

It is obvious that any State-wide scheme in South Australia must proceed on the basis of mutual coexistence. That means that dairy farmers have to succeed and the factory owners have to get a fair price for their products' too. Thanks to lengthy negotiations between the Minister, the manufacturers, the processors, the Opposition and various dairy farmer groups, I think we are all nearer to that realisation of a State-wide farm gate price and to a reduction of ministerial and Government control over the industry.

There is potential in the legislation for the industry ultimately to be completely self-regulatory, but that is still subject, within the present legislation, to the right of the Minister to intercede in certain circumstances. I know that the Bill has substantial support from the South-East Dairy Farmers Association and that negotiations further to improve the Bill have been continuously under way. In fact, as the member for Victoria said, they are under way even at this very moment. All that has occurred since the Minister first tabled the legislation in this House just a few weeks ago.

As the member for Victoria said, the transferability of licences was always a feature of past legislation. I support the member for Victoria and South-Eastern diary farmers who would like to see that right of transfer left in the legislation rather than at the discretion, or maybe even the whim, of a less responsible Minister than we have at the moment.

The number of amendments on file and the fact that negotiations are under way indicate that the Committee stage might be a little protracted. However, I believe that the Bill creates a situation which considerably improves the lot of South Australian diary farmers in general, allowing for a small price increase to be declared by the Minister. That price increase is to be paid by the consumer and is to create an industry fund from which a guaranteed fixed minimum farm gate price may be paid to the farmer.

I would like to see proper audit provisions within the Bill—I know the authority has a number of rights and duties, but there is no specific mention of a proper audit facility—to determine annually how much manufactured milk has been produced and sold and how much has been paid into the trust fund by the various factories. I am not asking that that should be carried out on a strictly regional basis so that it is itemised on a factory by factory basis, but it should be undertaken simply to determine the ultimate funds to be placed in that pool.

The question of existing contracts presents certain problems which are still under negotiation, and these might ultimately have to be settled by negotiation or ministerial fiat if the current negotiations do not succeed. It is essential that this extremely important industry—and it is a $4.5 billion industry nationwide—should continue to flourish, and that will be guaranteed only if all diary farmers are treated fairly and if they all have a return on effort that will ensure their continuing farm viability.

Interstate manufacturers, I remind members, are already wooing South-Eastern diary farmers with a promise of higher farm gate prices than they can currently obtain. It is essential to fix proper and viable farm gate prices if South Australia's diary industry is to survive in its own right and not simply to be exported to interstate interests. Kraft—that huge multinational conglomeration which could probably buy Australia let alone the Australian dairy industry, it is so huge—already intends to close its factory at Mil Lel in April 1993, leaving only its Philadelphia cheese factory at Suttontown.

We cannot afford to lose more factories from South Australia. We have already lost hundreds of diary farmers throughout the State over the past decade or so. In the South-East, the number of diary farms has been reduced from 800 plus to around 200, although I must say by way of reassurance that the productivity of those diary farms has continued to expand with improved efficiencies.

I have another concern regarding the future of herd testing in South Australia, and I make patently clear, as did the member for Victoria who was leading the debate for the Opposition, that I prefer control of the Metropolitan Milk Board's existing equipment to rest with the statutory authority, with an independent body and with independent herd testing so that independent herd testing groups such as HISCOL, the South-East

Herd Improvement Association Inc, the Independent Herd Test Association and others can continue to utilise that equipment on a user-pays or probably industry—contributes basis. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

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

HARBORS AND NAVIGATION BILL

Her Excellency the Governor, 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.

PETITIONS

MODBURY INTERCHANGE

A petition signed by 229 residents of South Australia requesting that the House urge the Government to establish at the Modbury interchange reinforced glass shelters to protect commuters from the elements was presented by Mrs Kotz.

Petition received:

TEA TREE GULLY POLICE STATION

A petition signed by 84 residents of South Australia requesting that the House urge the Government to maintain the 24-hour service presently provided at the Tea Tree Gully police substation was presented by Mrs Kotz.

Petition received.

MODBURY HOSPITAL

A petition signed by 116 residents of South Australia

requesting that the House urge the Government to increase funding to restore previous levels of staffing and bed numbers at Modbury Hospital was presented by Mrs Kotz.

Petition received.

RAFFLES

A petition signed by 180 residents of South Australia requesting that the House urge the Government to enable small clubs to raise further funds by permitting raffles in bingo sessions and jackpots as prizes was presented by Mrs Kotz.

Petition received.

DRUGS

A petition signed by 45 residents of South Australia requesting that the House urge the Government to increase the penalties for drug offenders was presented by Mrs Kotz.

Petition received.

QUESTIONS

The SPEAKER: I direct that the following answer to a question asked during Estimates Committee A, as detailed in the schedule I now table, be distributed and printed in *Hansard:*

TOTALIZATOR AGENCY BOARD

In reply to **Mr OSWALD (Morphett)** 24 September.

The Hon. G.J. CRAFTER: The reply is as follows:

1. I am advised that no direction was issued by the TAB Board or Management to Radio Station 5AA not to report any news concerning the investigation into the alleged management practices. When the initial allegations were released, however, on Wednesday 9 September, 1992, the General Manager of Festival City Broadcasters instructed Radio Station 5AA News Department not to report allegations, only facts.

2. SA TAB must maintain and continuously enhance its services to its customers, particularly when it faces increasing competition from other forms of gambling. It is required, therefore, to incur infrastructure and operational costs for those services, irrespective of any changes in the value of individual customer transactions-

SA TAB 1991-92 profitability to turnover was 8.49%, slightly below the average for the period 1987-88 to 1991-92 of 8.96%.

During the 1980's, TAB adopted an aggressive approach to marketing its products and services with a number of new initiatives being introduced. For example, during 1987-88, the following major initiatives were introduced:

- Agreement finalised with the *Advertiser* for the publication of a comprehensive daily racing coverage.
- Sky Channel satellite racing coverage introduced into TAB staffed agencies.
- TAB Teletext and racing information system developed in conjunction with ADS Channel 10 (previously ADS 7) and introduced throughout that station's viewing area.
- Opening of Australia's first TAB Betting Auditorium on North Terrace.

To take advantage of potential increased business offered from the availability of Sky Channel satellite racing telecasts and TAB Teletext, the number of race meetings covered by SA TAB and the number of TAB agencies established on licensed premises has increased accordingly. This is illustrated by the following table:

Years	Meetings Covered
1987/88	1,420
1988/89	1,548
1989/90	1,659
1990/91	1,849
1990/92	1,932

Because of the introduction of the initiatives outlined above, and the expansion of meeting coverage and TAB agencies on licensed premises, SA TAB has experienced significant growth in the volume of business during the past five years.

The following increases have occurred:

Turnover	56.91%

Customer Transactions	73.67%
Betting Tickets Issued	43.81%
Race Meetings Covered	36.06%
Number of Cash Selling Outlets Established	66.27%

SA TAB COST AND EFFICIENCY CONTROLS

The following controls provide an opening framework for TAB to control costs, ensure efficiency and, importantly, maximise profit returns to the Government and the Racing Industry:

1. Reviews by Audit and Efficiency Division
2. Departmental/Divisional/Corporate Plans/Objectives
3. Corporate Plan
4. Departmental/Divisional/Corporate Budgets
5. Profit/Liquidity/Capital Expenditure Reporting
6. Sales Outlet Review
7. TAB staffed Agency Business Hours Review

In summary, SA TAB has advised that it operates in a cost-effective manner providing a lean, high quality, productive level of service with an objective to primarily minimise costs, and secondly, maintain costs within Consumer Price Index levels.

The significant capital expenditure which has been undertaken by the TAB to maintain market share, now and for the future, will in itself provide an increased profit for the TAB in the future.

PAPERS TABLED

The following papers were laid on the table:

By the Minister of Housing, Urban Development and Local Government Relations (Hon. G.J. Crafter)—

Evidence Act 1929—Report of the Attorney-General relating to Suppression Orders 1991-92.

Corporation by-law—Hindmarsh—No. 25—Keeping of Poultry.

QUESTION TIME

AUTOMOTIVE INDUSTRY

The Hon. DEAN BROWN (Leader of the Opposition): My question is directed to the Premier. Why has he taken action which is contrary to the recommendations on taxes and charges of the Automotive Industry Task Force, which he chaired? I have obtained a leaked copy of a damning draft report dated July 1992—

The SPEAKER: Order! The Leader will not comment in questions.

The Hon. DEAN BROWN: —by the Automotive Industry Task Force which was chaired by the current Premier. The report shows that the South Australian Labor Government has seriously worsened the car industry's competitiveness through years of big tax increases which have been needed to fund the Government's excessive spending relative to the other States.

An honourable member interjecting:

The Hon. DEAN BROWN: It is in the report. If the honourable member listens, he will learn that the report recommends that the Government submit itself to a globally competitive discipline and agree to a continuous reduction in all costs of at least 3 per cent per annum in real terms through rigorous reforms in the public sector and the development of a workers compensation system that is consistent with international best practice in terms of costs and benefits. Contrary to the recommendations of the report, the Premier has increased taxes recently, including the fuel tax and stamp duties.

The Hon. LYNN ARNOLD: That leaked document to which the honourable member refers is not yet a report from the automotive task force.

Members interjecting:

The SPEAKER: Order!

The Hon. LYNN ARNOLD: There are some things that will be amended in that report because, quite frankly, some of the figures were wrong. For example, some of the figures relating to payroll tax in that report are wrong; they do not take account of the fact that this State is the only State in Australia to have reduced payroll tax twice. They do not take account of the fact that the cost last year of that reduction in payroll tax was $15 million and the cumulative cost this year is some $25 million. That does not show in that report.

There are some other figures in relation to Government charges that again are quite wrong. Some of the figures on WorkCover, as acknowledged by the authors of the report, are not correct. That report—which was not a report of the task force but a draft report—has been sent to members of the task force for them to react to the report and it will be further considered at the next meeting.

The reality is that this Government has been one of few Governments in Australia that has been interested in the motor industry. Although Joan Rimer was interested in the motor industry, many other Governments were not. This Government has led the defence of the motor industry in this country, whereas the Opposition would want to abolish the car industry. That is what their policies would lead to.

Members interjecting:

The SPEAKER: Order!

The Hon. LYNN ARNOLD: They have even been quite happy to support the importing of secondhand cars into this country. They somehow think that is good for the motor industry. They are happy to reduce any form of support for the industry by wiping out tariffs to a negligible figure by the year 2000. Somehow or other they do not think that will have any effect. Then, they draw upon some statement, which incorrectly reflects what this Government has done with respect to payroll tax-and remember that automotive firms do pay payroll tax; by and large, they are the larger companies that are in the payroll tax-paying area and have therefore been saved large amounts of money as a result of the actions of this Government. What members opposite really need to do is line up behind us also to support the motor industry and recognise that we have been the ones working with the motor industry on that task force, for example.

It is worth noting just what industry thinks about our role in this matter. We invited all the major fully-built car producers to join us on that task force and various representatives of the component industry in this country. At first we did not actually get a full muster of the fully-built up car makers in this country, but as the task force got moving, as its work got under way and it started to look at the real issues facing the car industry in this country, we got a full muster. They knew the South

Australian Government was honest and committed to the motor industry, and that is why they came along to join us. We have had very productive meetings of that task force and I look forward to working with that group directly and also through the Minister of Business and Regional Development, who will take responsibility for that task force.

As I say, some elements of that draft report to the task force—not a report of the task force—have been acknowledged by the authors of the report to have been factually incorrect, and they will be addressing that. Other points certainly have to be listened to and this Government will listen to those points. They are the kinds of issues we have listened to as we have worked over the years to keep electricity prices down in real terms. What has happened this year, for example, about electricity tariffs for industry? They have gone down in real terms. That is quite a different achievement from that of the Tonkin Liberal Government, of which the Leader of the Opposition was a member—

Members interjecting:

The Hon. LYNN ARNOLD: Members opposite do not like to think about the previous member for Kavel's work—very special work, indeed—on electricity tariffs. They want to forget all about that. We will not let them forget about that: those three wasted years when they were in power.

Members interjecting:

The SPEAKER: Order! The Premier will resume his seat.

Mr BRINDAL: Mr Speaker, I rise on a point of order. The Premier is debating the answer and I believe that that is against Standing Orders.

The SPEAKER: Order! The Premier.

The Hon. LYNN ARNOLD: With respect to the automotive task force, industry has been willing and happy to work with us on this issue. I am convinced that it would not be willing to work with the policies of the likes of Ian McLachlan which they know will simply abolish the car industry in this country.

INDUSTRIAL RELATIONS

The Hon. J.P. TRAINER (Walsh): Can the Premier advise the House of the latest figures in respect of the number of days lost through industrial disputes and what this reveals about long-term trends in South Australia?

The Hon. LYNN ARNOLD: The figures are very good, because South Australia generally under this Government has had a good industrial relations record.

Mr Hamilton interjecting:

The Hon. LYNN ARNOLD: They are much better than Victoria. I will be interested to see the Victorian figures for industrial disputation and days lost in the coming months. They will blow the Australian average out of the water, which I might say will have an effect on Australia's reputation overseas because it will affect the national average. Here in South Australia we are doing what we can to keep that level of disputation down. In 1991-92, 86 days were lost per thousand employees in this State.

In 1981, which. is the year that the Leader of the Opposition was responsible for industrial relations in this State, the figure was 320—nearly four times more than the present figure. I can say that the figures get even better for this Government, because the figure for July, the most recent month available and the first month in the 1992-93 financial year, shows that at 24 South Australia had the best result in Australia. Compare that with the average of 320 under the previous Leader when he was the Minister responsible for industrial relations.

I was a bit amazed to hear the Leader talking about his apparent expertise in industrial relations, because the other night on the *7.30 Report* he said:

> People must take me at face value. I have been an industrial Minister before—

he was actually proud of this loss of 320 days a year—

> and I understand the environment well and I know even the trade unions have said to me that I did not break my word in the three years previously and they will accept that.

The first general strike of public servants in this State was brought about by him. That is his record as Minister of Industrial Affairs in this State. He brought that on South Australia. A number of statements were made about him. Members should go back and read the *Advertiser* and the *News* in February and March of 1982. They should read all the statements and find out whether or not they agree with Dean Brown's statement that, `I did not break my word'. The reality is that he did break his word, and that is why we in South Australia have to be careful about any statement he makes when he tries to separate himself from Jeff Kennett. I do not blame the Leader for being deeply worried about 100 000 people or more in the streets of Victoria, after the Kennett Liberal Government totally changed what it was going to do. I do not blame him for being worried.

Members interjecting:

The SPEAKER: Order!

The Hon. LYNN ARNOLD: The Leader gets on the *7.30 Report* and says this really wishy washy stuff that we get out of him these days. In fact, he said:

> To a general sense there is a certain consistency of philosophy between the Liberal Party right around Australia, but in terms of the details of the policy we are our own masters. We will decide our own policy and it is different from that in Victoria.

The last time he had a chance at it, it was no different. He had them out in the streets in their thousands—and they were against him, not with him. He had them out there in the streets demonstrating their concern for what he was doing to break the rule books and change the direction. That is what he wants to visit on this State again. The best he is able to offer us at this stage is that he will come out with a policy at some point in time—

Members interjecting:

The SPEAKER: Order! The Premier will resume his seat.

Members interjecting:

The SPEAKER: Order! The member for Newland.

Mrs KOTZ: I rise on a point of order, Mr Speaker. I seek your ruling on the use of the words `he', `his', and `him' when referring to another member in this House.

The SPEAKER: I uphold the point of order. It is totally against Standing Orders. I ask the Premier to draw his very long response to a close.

The Hon. LYNN ARNOLD: Yes, Mr Speaker, I take your ruling on that and apologise for the use of `he', `his' and `him'. The reality is that the Leader has said

that he will come out with a policy, and he owes it to South Australians to come out with that policy. It is not good enough to say that he is different from Kennett, when at the same time he acknowledges there is a general philosophy right around the country that he shares.

TAXATION

Mr INGERSON (Deputy Leader of the Opposition): My question is to the Premier. Why did his Government increase taxes in the budget by 10.4 per cent when he had been warned of the severe impact that tax increases are having on key industries like the car industry? The report by—and not to, as mentioned by the Premier—the Automotive Industry Task Force, which the Premier chaired, said that .taxes and charges in South Australia accounted for a higher proportion of manufacturing costs in South Australia than the national average mainly because of electricity and workers compensation charges. Labour-related levies like payroll tax and workers compensation also tend to have a greater impact on manufacturing costs and employment in South Australia due to the greater labour intensity of industry.

In addition, on-road costs for cars added 5 per cent to their retail price, which is the highest of any State and a major disincentive to sales. The report recommends not only that there should be no new taxes but that there should be a progressive removal of all taxes that reduce industry competitiveness. On page 16 the report says:

Figure 5 below clearly indicates that both South Australia and Victoria have a history of poor performance relative to the other States in respect to work and compensation costs, South Australia in particular being the worst.

The Hon. LYNN ARNOLD: The Deputy Leader again chooses not to recognise the achievements of this Government in the taxing area.,

Members interjecting:

The Hon. LYNN ARNOLD: What achievements? The achievements in payroll tax. Let us revisit that again. I do not mean to be repetitious, but the actual cash in hand benefit to manufacturers in this State of the payroll tax reduction last year was $15 million, and this year cumulative $25 million cash in hand benefits will go to employers in this State. That cannot be ignored. The Deputy Leader wants to ignore it, but it cannot be ignored. In these very difficult financial times there have had to be tax increases in a number of areas. That is not something that this Government relishes, but we have tried to keep those tax imposts as far as possible away from the productive areas of activity in the economy. That is why we have had the reduction in payroll tax and we have had the reduction in real terms in electricity tariffs in this State, and that cannot be disputed. We have also had improvements in marine and harbor charges, which are critically important for manufacturers in the automotive area.

I have to acknowledge that we have put up some taxes, but I make the point that it seems to me, from my understanding, that cars do not smoke. Some cars may be badly tuned and may let out fumes from the back, but they do not smoke cigarettes so they are not paying the increase in the cigarette tax. Cars do not normally drink too much beer or alcohol, so they are not paying any of those taxes. Those taxes are having no effect whatsoever on the manufacturing industry. But what is having an effect is the reduction in real terms in electricity charges, marine and harbor charges, payroll tax rates and in other areas. The economic development package, announced by the member for Ross Smith in June this year, of $40 million and other areas—

The SPEAKER: Order! The Premier will resume his seat. If the Deputy Leader displays that chart one more time, I will warn him. The Premier.

The Hon. LYNN ARNOLD: On the matter of other areas, this Government is committed to reducing the cost on business as circumstances best provide. No-one can deny the serious financial problems that we have had, and I believe that we deserve credit for what we have achieved in this financial year. Let me read what was said in the KPMG Peat Marwick consultancy as part of the A.D. Little study. That talked about the South Australian business climate. That study, I note, was quoted by the Leader and his team in their little fictional effort yesterday, so they obviously believe in this document. Let us see what it says about State taxes and charges:

Nevertheless, in terms of State Government imposts at least, South Australia is a low tax State. The perception and the reality do not gel, however. Payroll tax is seen as particularly pernicious, yet only Queensland charges lower rates than South Australia. The payroll tax burden is also somewhat lower in South Australia because of the State's lower average wage rates. If State taxes and charges are a major business concern, this is more a reflection of the business climate than what caused it. Entrepreneurial endeavour will not be impeded by minor difference in payroll thresholds or in FID rates.

CHAIN REACTION PROGRAM

Mr De LAINE (Price): Will the Minister of Education, Employment and Training say whether the employment program in the western suburbs called Chain Reaction for disadvantaged young people has been successful?

The Hon. S.M. LENEHAN: I thank the honourable member for his continuing interest in youth and, of course, in their training and employment. Chain Reaction, as it is called, is a campaign in the western suburbs aimed at improving the employment and training opportunities for disadvantaged young people. The campaign involves both private and community sectors and is run cooperatively by the State Department of Youth Affairs and the Commonwealth Youth Access Centre. Approximately 50 vacancies a month are being advertised through the program from the Port Adelaide office.

I am pleased to inform the honourable member, as an example of the success of this program in the western suburbs, that from April to September this year 137 vacancies have been advertised, 72 of which have been filled by local Port Adelaide residents—I am sure, Mr Speaker, that you will be delighted to hear that—and a further 27 vacancies have been filled by other western suburbs residents. The Youth Access Centre runs a six week youth access course under the Chain Reaction

campaign, which concentrates on upgrading the participation skills in the JobSearch program.

Elements of the course include such things as learning how to write a resume, interviewing skills, canvassing employers and—and I think this is probably the most important part—a two week work experience program with two different employers. In a recent course, 11 of the 15 participants found work. This campaign is just one example of the way in which the Government is working with the Federal Government and local communities to target young people to give them confidence through proper training and to ensure that they find employment. It certainly is a very successful campaign.

GOVERNMENT BORROWINGS

Mr S.J. BAKER (Mitcham): Has the Government through SAFA and its subsidiaries or any other direct or indirect means either in Australia or overseas ever breached its Loan Council global borrowing limits established since 1984.

The Hon. FRANK BLEVINS: I have not actually been to a Loan Council yet—I have attended, but not as a member— and certainly not since 1984, so obviously I would have to ask those who were there. However, my information in general is that the answer is, `No; South Australia has never breached the Loan Council global limits.' The one occasion when we had to ask for an increase in our global limits was a result of the State Bank, and the other States readily agreed to that. That is my information, and I think I have given that to the House a couple of times, but in the interest of going back even further I will ask Treasury officers whether they have any knowledge of such an occurrence.

SOUTH AUSTRALIAN CERTIFICATE OF EDUCATION

Mr FERGUSON (Henley Beach): Is the Minister of Education, Employment and Training aware that in a press release yesterday the Hon. Rob Lucas called for `an investigation into the claims by a consultant psychiatrist that many year 11 students were suffering stress caused by the SACE workload', and does the Minister agree with the article headed `Students made suicidal by new exam says M.P.' published in today's *Advertiser?*

The Hon. S.M. LENEHAN: I thank the honourable member for raising this matter, because it is serious and important. It deals with an issue that every member of this Parliament would take as being very serious and vitally important to young people in our State. However, I have to say that, notwithstanding the importance of this issue, the timing—the raising of such a spurious allegation at the beginning of the examination period—and the way in which it has been dealt with demonstrate nothing short of total insensitivity.

I do not have to remind this House, but I am sure that it would not hurt for us all to remember the periods of our own examinations, and those who have children who are old enough to have been through exam time would also know that it is an extremely difficult time. I just cannot express my astonishment and absolute outrage that anyone would have such insensitivity as to raise this matter publicly just as we are coming into the first week of the examination period, as a member in the other place has done. If the honourable member were genuine about his concerns, surely he would have raised the matter with me privately to see whether the allegations have any basis or foundation. I am sure every member knows that that age group is particularly impressionable in terms of this copycat approach, where people copy this type of behaviour, particularly with respect to suicide.

I am also extremely disappointed with the *Advertiser* in terms of the way in which it has dealt with this story. Any young person glancing through that paper and reading that article would have to start to ask, `Well, goodness, is it me they are talking about? Am I supposed to be in this category?' I should like to put on the public record that I would be happy to discuss the introduction of the new South Australian Certificate of Education at any time and with anyone who is serious about having an informed debate or discussion. Certainly, I should like to do so without the emotional context that is now surrounding this issue at this time. It does demonstrate the gross insensitivity of the Opposition spokesperson.

The title of the article is misleading, as in the first year of the SACE students are undertaking the equivalent of year 11, where the only examinations are internal ones, marked and set by the school. So, again, we have had no attempt to find out the facts of the matter. Secondly, it was agreed in 1991 that with regard to year 11 this year would be a transition period for implementation. It was also possible for schools to defer implementation of the non-compulsory subjects until 1993. Very few schools took up that opportunity which was offered. During 1991-92, an extensive program of training and development was also funded by the Government at a cost of $2.7 million. The workload of students was recognised by SSABSA as an issue in the first semester. Advice was provided by SSABSA to schools in the form of a report, which focused on student workload. Workload limits and other criteria were provided to schools, and the issue of student workload has not emerged as a significant one in the second semester.

In conclusion, I understand that the psychiatrist's report referred to in the *Advertiser* actually acknowledges all this information. So, what we have had is the selectively picking of something from a psychiatrist's report in what I think is one of the most unscrupulous beatups that I have seen in many a long day. It is just a blatant headline grabbing tactic by the Opposition spokesperson on education. Every decent and fair-minded parent in this Chamber and in the community will absolutely reject this approach to try to use, at the critical examination period for students, a cheap political point-scoring exercise.

ENGINEERING AND WATER SUPPLY DEPARTMENT

The Hon. D.C. WOTTON (Heysen): My question is directed to the Treasurer. Is the Government deliberately under-reporting the profits it is making from the E&WS to conceal the size of its rip-off of water consumers? The latest issue of the *New Accountant,* released on 29

October 1992, contains a special article by accountancy professor Bob Walker on the deliberate under-reporting of the profitability of Government water utilities.

After detailed analysis, Professor Walker shows that the worst offender is South Australia's E&WS which, he says, is really making net profits per employee of $60 000, about 20 times the average for Australian companies listed on the Stock Exchange. Professor Walker's conclusion is that `Consumers might well regard part of their water bills as being, in substance, a form of State taxes.'

The Hon. FRANK BLEVINS: I did not read that article. However, I saw a report of the article and I can tell you that, as Treasurer, I was very interested in it.

Members interjecting:

The Hon. FRANK BLEVINS: I am, I can tell you, because if that is the case, I want some of it. I have not seen a great deal of it to date. Certainly, I am having that article looked at because, as I said, I hope it is true.

The Hon. D.C. Wotton: You hope it is true?

The SPEAKER: Order! The question has been asked.

The Hon. FRANK BLEVINS: I hope that the profitability per employee is correct. There is certainly some scope for the State to get a return on its assets. I know that the former shadow spokesperson in this area, the member for Victoria, has expressed a view that these public utilities ought to provide to the taxpayer a return of something in the order of 7 to 9 per cent on their assets. I happen to agree with him. That is a perfectly reasonable rate of return, and I think the taxpayers should demand no less.

The E&WS has never returned that, or anywhere near it, to the State, and this is possibly the first year that the E&WS will not be taking from consolidated revenue. There just may be some return to consolidated revenue from the community's assets that are at work in the E&WS. I certainly intend having this article and the figures examined to see if this is the case. If it is the case, there is certainly a great deal of scope for a reduction in the price of water and for a decent return on investment to the taxpayer, and we would all welcome that.

However, I have seen these articles before—numerous articles—and I am quite sure that, under analysis, I will be disappointed and that this apparent watery pot of gold just is not there. Nevertheless, I am always the eternal optimist, and will work very diligently with the Minister of Public Infrastructure, particularly when we are putting together the budget, to see if any of these figures that have been put together by this author have any validity. If it appears to be the fact, I am sure there will be some fairly significant negotiations between me and the Minister of Public Infrastructure.

OIL EXPLORATION

Mrs HUTCHISON (Stuart): Can the Minister of Mineral Resources advise the House of any impact, or potential impact, on South Australia—

Members interjecting:

The SPEAKER: Order! Would the honourable member ask that question again? The Chair could not hear it over interjections. The member for Stuart.

Mrs HUTCHISON: Can the Minister of Mineral Resources advise the House of any impact, or potential impact, on South Australia from exploration work being carried out off the South Australian coast?

The Hon. FRANK BLEVINS: I am very happy to be able to announce that Lakes Oil Limited has been given approval to look for oil in part of the Otway Basin off the South Australian coast. Lakes Oil has been granted a permit covering an area of 235 square kilometres in the off-shore Otway Basin, extending out to the three-mile nautical limit of State territorial waters abutting the Victorian border. I am also pleased to announce that the amount of money to be spent by Lakes Oil is estimated at $11.6 million, a very significant amount for an exploration company to outlay.

It will also, as a by-product, give a greater understanding of the geology and the petroleum potential of the Otway Basin-and it is expected to be quite high. I mention in passing that this is in addition to the exploratory work being carried out in that region by BHP Petroleum, SAGASCO, Cultus and Ampolex, which collectively are expected to spend around $20 million in that area. So, petroleum exploration is really on the move in the Otway Basin. I hope everyone has noticed that over the past couple of weeks a very large drilling rig—the Byford Dolphin—has arrived in South Australian waters from northern Europe, and that rig is starting a very large drilling program in here, in the South-East and Victorian waters. That involves a further $30 million in exploring the Duntroon Basin west of Kangaroo Island.

So, we have seen in the past couple of months an absolute explosion of commitment by the mining industry and, in particular, the petroleum section of that industry, in taking up the challenge that has been thrown out to it by this Government and by the Department of Mines and Energy. In particular, we have pointed out huge areas that are highly prospective, particularly for petroleum. This Government has put up a very significant amount of money in the last budget, as I mentioned before, for geophysical work, and already the enthusiasm is extremely high and that seeding money from the Government is certainly paying off.

QUESTIONS

Mrs KOTZ (Newland): Will the Treasurer tell the House why he has not answered the questions without notice put to him last month which he was unable to answer at the time?

Members interjecting:

The SPEAKER: Order! The member for Newland will repeat that question.

Mrs KOTZ: Grammatically correct. Why has he not answered the questions without notice put to him last month which he was unable to answer at the time and to which he promised replies? The unanswered questions during October include: a full up-to-date report from the State Bank on Pegasus; the State Bank's harsh treatment of the Lovering family on Kangaroo Island; a full report on any State Bank Group sale deal, including the Henry Waymouth building; the circumstances of a letter written by Mr Emery seeking a Federal bail-out before the last

budget and the Federal response; the Treasury's revenue estimates before and after the Treasurer's backflip on stamp duty; an explanation of the State Bank's $110 million losses to Guan Holdings and Gumflower Pty Ltd; full details on the $52.5 million paid to the Tax Office in respect of Luxcar Leasing and the status of Federal Police inquiries; a report on any gaming machine monitor licence; full details of the deposit of unused indemnity money paid to the State Bank; the total write-off and current provisions for the Remm-Myer Centre; the State Bank's exposure to the Raptis Group; and whether the Treasurer is satisfied with the good bank having 63 per cent of its loan exposure interstate and overseas.

The SPEAKER: As briefly as possible, will the Treasurer please answer.

The Hon. FRANK BLEVINS: If I have to be brief-

Members interjecting:

The SPEAKER: Order!

The Hon. FRANK BLEVINS:-I will say to the honourable member that I will get a report.

Members interjecting:

The Hon. FRANK BLEVINS: One of difficulties with these questions is actually to try to find a question in the verbiage, innuendo and the slurs against decent people in this State.

Members interjecting:

The SPEAKER: Order!

The Hon. FRANK BLEVINS: There is also the inability to produce to the House personal details-

Members interjecting:

The SPEAKER: Order!

The Hon. FRANK BLEVINS:-of people's finance.

The Hon. Dean Brown interjecting:

The SPEAKER: Order! The Leader is out of order.

The Hon. FRANK BLEVINS: I would ask members opposite, whether it is the member for Mitcham or anyone else that, when they raise in this House the question of the finance of individuals and the financial dealings of companies that have had some association with the State Bank, they get the permission of those individuals to have their financial affairs dealt with on the floor of this Parliament-

Members interjecting:

The Hon. FRANK BLEVINS: I shall be very happy to do that. I suggest that the member for Mitcham advises his Party room of some of the problems in these areas, not only for me and my inability to comment without the permission of the person concerned in having their financial affairs laid on the table-

The SPEAKER: Order! There is a point of order. The Minister will resume his seat.

Mrs KOTZ: Mr Speaker, I rise on a point of order. My point of order is relevance to the questions asked. These questions were asked last month. Can the Treasurer answer the questions or not?

The SPEAKER: Order! There is no point of order. The Treasurer.

The Hon. FRANK BLEVINS: Mr Speaker-

Members interjecting:

The SPEAKER: Order!

The Hon. FRANK BLEVINS: Mr Speaker, I was going down the list and I was starting with Pegasus. With your permission, Sir, I will get to the other 10 later. It is always frustrating for someone like me, who abides by the proprieties, to be confronted with a situation that is spelt out by the Opposition concerning what is supposed to be the truth when that is not the case. The only way we can establish the truth in these things is to have the person's financial affairs dealt with openly in this Parliament. I am happy to do that, whether it is Pegasus or anyone else. I am happy to do that and I undertake to examine the questions again.

The Hon. Jennifer Cashmore interjecting:

The SPEAKER: Order!

The Hon. FRANK BLEVINS: If there is anything in those questions that has not already been-

Members interjecting:

The SPEAKER: Order!

The Hon. Dean Brown interjecting:

The Hon. FRANK BLEVINS: You promised these people that you would be a winner, but you are a dud. Do not talk to me about promises. The member for Coles, the Deputy Leader or the member for Adelaide should not talk to me about promises.

Members interjecting:

The SPEAKER: Order! I draw to the attention of the Treasurer the need for relevance.

The Hon. FRANK BLEVINS: I apologise, Sir, and I will have the questions examined again for the member for Newland. I say again that, if there is anything in them which has not been answered and which is capable of being answered outside of the politics, innuendo and slander, I shall certainly do so.

SUPERDROME

Mr De LAINE (Price): Can the Minister of Recreation and Sport advise the House on the progress of the cycling velodrome at State Sports Park?

The Hon. G.J. CRAFTER: I thank the honourable member who, as a former competitive cyclist, is interested in the progress of the velodrome at Sports Park. On 17 August this year my colleague, the Minister of Environment and Land Management, as the then Minister of Recreation and Sport, announced at State Sports Park that the velodrome is to be known as the Adelaide Superdrome. At that launch of the Superdrome, Coca Cola, West End and Regupole were announced as the major sponsors of the Superdrome. Indeed, we are very fortunate to have that corporate support for this sporting facility.

As many members would have noticed as they drive along Main North Road or Grand Junction Road, the Superdrome is indeed taking shape and form. The white roof cladding, which is a stunning feature of this armadillo-shaped velodrome, is 99 per cent finished. Mr Ron Webb, who is an internationally acclaimed cycle track builder, began work on laying the Superdrome's track four weeks ago and it is expected to be completed by the end of this month. Mr Webb has said that he has `built nearly 40 velodromes around the world but this will be one of the best.' He is very impressed with the complex and believes that it will be a fantastic facility.

An honourable member interjecting:

The Hon. G.J. CRAFTER: The honourable member may find it boring, but I think this is an exciting

development for this State and it will provide great excitement for many people interested in this sport.

This magnificent stadium will become the new training venue of the Australian Institute of Sport's track cycling squad. Australia performed very well at the Barcelona Olympics with seven riders winning track silver medals: Shane Kelly (1000 metre sprint) and team pursuit members Brett Aitkin, Steve McGlede, Stuart O'Grady and Shaun O'Brien. Of course, we know that Kathy Watt also captured the women's road race gold medal. With the Superdrome, the Australian Institute of Sport will have the facilities to transform the Barcelona silver into Atlanta gold.

The Superdrome is more than just a velodrome. Organisations such as the South Australian Volleyball Association, Wheelchair Sports, sports medicine and a Superdrome fitness centre are all to be located in and conduct activities out of this site. They will co-exist within this multi-use sports complex. As I mentioned previously, three major sponsors have already been secured for the Superdrome. Their backing is a sign of the strong underlying confidence in the success of this project.

MINISTERIAL RESPONSIBILITY

The Hon. H. ALLISON (Mount Gambler): Will the Premier explain his concept of the collective responsibility of a Government? Does it mean that all Ministers in a Government accept responsibility for the actions and policies of that Government and their consequences?

The Hon. LYNN ARNOLD: This is a very philosophical and hypothetical question and it would be unreasonable for me to go into a lecture before the House.

The Hon. Frank Blevins: It would be out of order.

The Hon. LYNN ARNOLD: It would be out of order and it would certainly use up the 17 minutes of Question Time that are left. In fact, the area is so interesting and complex that one would need a full hour to go into the matter. That would be an unfair use of Question Time, denying members access to Question Time. I think that it is normal for an issue to be put before the House for use as a test bed for determining the approach that the Government takes to a matter rather than going into a broad philosophical policy discussion. Therefore, I would welcome receiving any example that the member for Mount Gambier might want to raise.

HOUSING TRUST RENTS

The Hon. T.H. HEMMINGS (Napier): Could the Minister of Housing, Urban Development and Local Government Relations advise the House whether there has been an increase in the number of Housing Trust tenants on rental rebates as alleged in that nasty document `Decade of Disasters'?

The Hon. G.J. CRAFTER: I was astounded when I read this document, which was circulated by the Opposition yesterday, but on showing it to officers of my agencies that reaction has changed to disgust at the misinterpretation and misuse of information that is being purveyed in our community. The accusation, as I understand it, is that this Government has failed because there has been an increase in the number of Housing Trust tenants on rent rebates over the past decade. The document quotes figures which show that the number of Housing Trust tenants on rebates has increased from 55 per cent in 1982 to 74 per cent in 1992. In essence, the criticism is that, because this Government is now helping more people through public housing than the Government of1982, this is somehow a failure of public housing policy. Not only is that astounding but the facts do not show it as the real picture.

Indeed, it underestimates the success of this Government's policy. In 1982, 23 000 South Australians received a rebate of rent on their Housing Trust home. This figure has increased in 1992 to 47 000 South Australians who benefit from a rent rebate on their Housing Trust home. Is that an increase, one would ask? Of course it is an increase, but it is an increase of more than 100 per cent, not 19 per cent, as the Opposition tries to claim. In real figures, it involves 24 000 more South Australians who have moved out of private rental accommodation which they could not afford into public housing accommodation which they can afford and which provides security for them and their families.

Members interjecting:

The SPEAKER: Order!

The Hon. G.J. CRAFTER: The national housing strategy found that the most disadvantaged Australians are those on low incomes living in the private rental market—and we all know that. The strategy will recommend that we establish a housing affordability benchmark of 30 per cent, beyond which no low income household should have to pay for housing. That is, no low income Australian should have to pay more than 30 per cent of their income on rent. We already have a housing benchmark in South Australia, one that is set not at 30 per cent (the recommended level) but at 25 per cent. This is our rent rebate policy, and we are proud of it. It is one for which, amazingly, we are being criticised by the Opposition. Not only is it now lower than the benchmark suggested by the national housing strategy but it is much more comprehensive. South Australia has twice as much public housing than the national average. I am sorry to hear that what has traditionally been a bipartisan attitude under the likes of Premier Playford and notable South Australians such as Mr Alex Ramsey is now destined to be discarded for the ideological benefit of our free market members opposite.

An honourable member interjecting:

The SPEAKER: Order!

The Hon. G.J. CRAFTER: This Government's public housing rent rebate policy has been spectacularly successful—not a disaster at all. Members opposite should go out and ask the people in our community about it. If making life more comfortable for low income people means a higher number of tenants on rent rebates, so be it. Surely that is a sign of a caring and responsible society. Indeed, I think members would find that the Leader of the Opposition agrees with me on this matter, that his measure of success is not fewer tenants on rebates but more—100 per cent of tenants on rebates. At least, that is what he told a group of Adelaide's major

builders earlier this week. However, I suppose that this contradiction is just another example of the inconsistencies that one finds between a document and what the Opposition really thinks.

LOTTERIES COMMISSION

Mr BRINDAL (Hayward): My question is directed to the Treasurer.

The Hon. T.H. Hemmings interjecting:

The SPEAKER: Order! I warn the member for Napier.

Mr BRINDAL: Does the Lotteries Commission permit its agencies to be left in the charge of minors who are under the age of compulsion and during school hours and, if not, will the Minister investigate how the commission enforces this rule following an armed robbery last Thursday? A robbery occurred at a delicatessen on Morphett Road, Warradale, in my electorate. This is a Lotteries Commission agency selling the full range of commission lotteries. A young man wielding a knife escaped with a considerable amount of money. The person in sole charge of the business at the time was a 14 year old boy in the company of his 12 year old sister. The robbery occurred at 2 p.m. when both the boy and his sister should have been at school. I understand that the schools of both students are concerned about their truancy record. It is believed that this often happens at that agency.

The Hon. FRANK BLEVINS: I would be very concerned if the Lotteries Commission did allow under-age people to be in charge of its agencies, particularly in circumstances as outlined by the member for Hayward—I would be absolutely appalled.

Mr Brindal interjecting:

The Hon. FRANK BLEVINS: I certainly will. I will take it up with the Lotteries Commission to see how it explains it and, particularly, if the facts are as stated by the member for Hayward—and I have no reason to disbelieve them—what the commission intends to do about it in the future, because it would be unacceptable to me.

UNEMPLOYMENT

Mr HOLLOWAY (Mitchell): Will the Minister of Education, Employment and Training explain to the House the significance of the latest employment statistics for South Australia?

The Hon. S.M. LENEHAN: I am delighted to inform the House—

An honourable member interjecting:

The Hon. S.M. LENEHAN: Yes, one might have thought that members opposite would have asked this question. I should like to give a fairly full picture of exactly what has happened. First, it is important to note that, for the fourth month in a row, the seasonally adjusted levels of employment have increased; in fact, they have increased in South Australia by 5 100 during the past month. That was made up of 2 400 full-time jobs and 2 700 part-time jobs. This confirms the trend that has occurred in the past four consecutive months of a gradual increase in full-time employment, and this increase has accelerated. The level of unemployment remains at 11.4 per cent. But this figure, which we would all acknowledge is too high-and I am first to acknowledge that—must be seen against—

Members interjecting:

The Hon. S.M. LENEHAN: It is interesting; they don't want to hear the facts. The facts are these: 11.4 per cent—

Mr Oswald interjecting:

The SPEAKER: Order! The member for Morphett is out of order.

The Hon. S.M. LENEHAN: —must be seen against an increased participation rate.

Mr Meier interjecting:

The SPEAKER: Order! The member for Goyder is out of order.

The Hon. S.M. LENEHAN: That increased participation rate is now about 62.6 per cent. Had the participation rate, that is, the number of people who are actively seeking work, remained stationary, the unemployment level—

Mr Oswald interjecting:

The SPEAKER: Order! The member for Morphett is out of order.

The Hon. S.M. LENEHAN: —would have dropped quite significantly. It is important to note that South Australia—and I would have thought that the knockers opposite might at least have the decency to acknowledge the fact—has fallen from the second highest State in terms of unemployment to the second lowest State. In terms of unemployment levels, we are second only to Queensland: all the other States have a higher level of unemployment. I want to put very clearly on the record that I believe this is just a positive side. It is not something that we should be rejoicing about—

Members interjecting:

The SPEAKER: Order!

The Hon. S.M. LENEHAN: I for one take this matter extremely seriously.

The SPEAKER: Order! So does the chair, I assure the Minister.

Members interjecting:

The SPEAKER: Order!

The Hon. S.M. LENEHAN: It was a Government backbencher who asked the question.

Members interjecting:

The SPEAKER: Order! I will not continually call order, and the House must realise that.

The Hon. S.M. LENEHAN: It is important to note that, while this trend of the past four months can be welcomed, it is not something that we can now say we have turned the comer on. We must renew our efforts to work cooperatively—that is, the Government with industry, employers, the trade union movement and the community. I will be seeking urgent talks with the Federal Minister for Employment, Mr Kim Beazley, to see whether we can get some extra money and programs into South Australia to ensure—

Mr Meier interjecting:

The SPEAKER: Order! I warn the member for Goyder.

The Hon. S.M. LENEHAN:—that we can continue to create jobs for South Australians, particularly for young

South Australians. I should like to pay tribute to my predecessor who put many of these programs in place and who worked tirelessly with employers in this State, and I hope he takes some pleasure from the trend that is emerging. However, I must caution the House that we cannot say that we have turned the corner, but certainly it is better that we are on this positive trend rather than a negative trend.

Mr S.G. EVANS: I do not know whether or not this is a genuine point of order, Mr Speaker—

The SPEAKER: The Chair will judge that.

Mr S.G. EVANS: —but you have asked many times that Ministers make ministerial statements where it is appropriate. I think there have been four or five indications today, including this one-

The SPEAKER: Order! As the House would be well aware, the Chair does note the time that questions start and answers are given. Some long answers have been given, but some long questions have been asked. As I have said before, if members ask long questions, they should not expect answers to be short. If members ask short questions, I will make sure the answers are short.

CADELL TRAINING CENTRE

Mr MATTHEW (Bright): What action has the Minister of Correctional Services taken since his appointment to the portfolio to combat the unacceptable levels of escape from Cadell prison, from which two more prisoners escaped last Friday? Twelve prisoners escaped from Cadell in the 1991-92 financial year. A further seven prisoners have escaped since 30 June 1992. Friday's escape by two prisoners, one of whom is still at large after stealing a car form the nearby town, has contributed to the constant state of fear now experienced by township residents. The recaptured escapee was found in the Adelaide Remand Centre, having given a false name after his arrest for committing further offences.

These escapes follow one in the preceding week which followed the now notorious escape from hospital of a very large Cadell inmate who was collected in a stolen vehicle by an earlier Cadell escapee. One of these prisoners is also still at large, whilst the other is now serving time in Western Australia after committing offences following his escape from Cadell.

Members interjecting:

The SPEAKER: Order!

Mr S.J. Baker interjecting:

The SPEAKER: The member for Mitcham is out of order.

The Hon. R.J. GREGORY: If prison for fine defaulters is such a soft option, why are they escaping? I would have thought that, from the comments of the member for Bright about how nice it was to be in gaol-that it was a soft option-they would be wanting to get into the joint, not break out of it. That is precisely the soft option he is talking about! He says it is so nice to be there, with carpets on the floor, television and nothing to do, but they are running away from it. He reckons it is a good place to go to. Of course, it is not. Let us be real about this.

The prison at Cadell is a low security prison designed for prisoners of a certain classification. The member for Bright has complained about our building a detention centre at the back of the Northfield Prison Complex to hold fine defaulters. That is one of our problems. People in gaol for only one or two days do not like it. They get up and run away from it. I have offered the invitation to members opposite that, if they think it is such a good place, next time they receive a fine they should not bother to pay it but go and find out how good it is in prison. I suggest they would not want to stay there because prison is not a nice place. At the back of the Northfield Prison Complex, after having received council approval, we are building—

Mr Matthew interjecting:

The SPEAKER: Order!

Members interjecting:

The SPEAKER: Order! The Minister will resume his seat. If the member for Bright wishes to ask another question, he only has to indicate. Interjections are out of order. The honourable Minister.

The Hon. R.J. GREGORY: We are building that facility at the back of the Northfield complex. It will be a very basic facility and will have only a few showers and toilets. People will be detained in their rooms overnight. It will not be the holiday camp the honourable member makes it out to be. It will be a place to which people will not like to go.

GOLF COURSES

Mr HAMILTON (Albert Park): My question is directed to the Minister of Recreation and Sport. What is the Government doing to alleviate the demand for golf courses in South Australia?

The Hon. G.J. CRAFTER: I was aware of the interest of the member for Peake in golf, but I was not aware of the interest of the member for Albert Park in this sport. However, I now am aware. There is a great deal of interest in golf in our community, and I am well aware of the demand for access to golf courses, particularly within metropolitan Adelaide. The popularity of the game has grown immensely, particularly in the past decade. One can only hazard a guess as to why that has occurred. I would suggest that the excellent television coverage given to Australian and international golf tournaments and the great success of Australian players on the international circuit have given rise to this interest. We would welcome the interest of so many Australians in participating in this sport.

As members would be aware, today is the first day of the South Australian open golf championship, now known as the Eagle Blue Open, at the Royal Adelaide Golf Club. This year's field is a very strong one, and we welcome to South Australia a long list of notable Australian and international players, including Nigel Mansell, who is also a scratch golfer. I notice that he has not had a great deal of difficulty getting access to golf courses during his current visit to South Australia; he has played many games on courses during his stay here.

Golf is no longer perceived as a wealthy person's sport, but is being embraced by people, young and old, from every walk of life. South Australia has 170 golf courses, ranging from the renowned Royal Adelaide Golf

Club to courses in the country areas of the State such as Melrose, Blinman and, indeed, at Wool Bay, where I played recently. Within the greater Adelaide area there are nine public golf courses, where over the weekend it is not unusual to have to line up for an hour or so to get a game.

As part of the overall proposed sporting facility development of State Sports Park, and in response to community demand for more golf courses, a working party was established in July this year to investigate the viability of developing an 18 hole par 72 public golf course at State Sports Park at Gepps Cross. A preliminary report on this proposal will be completed, it is hoped, by the end of this year. The working party consists of representatives from the Department of Recreation and Sport, the South Australian Golf Association, the South Australian Ladies' Golf Union, Enfield City Council, the Department of Mines and Energy and the engineers R.M. Herriott and Associates Pty Ltd. I will be pleased to inform the House early next year of the recommendations of that working party's report.

MINERAL EXPLORATION

The Hon. DEAN BROWN (Leader of the Opposition): I seek leave to make a personal explanation.

Leave granted.

The Hon. DEAN BROWN: The Minister—

Members interjecting:

The Hon. DEAN BROWN: No, I would have thought that the honourable member opposite—

The SPEAKER: Order! The leader has sought leave to make a personal explanation.

The Hon. DEAN BROWN: The Minister of Mineral Resources yesterday misrepresented statements I made about mineral exploration on Aboriginal lands. The Minister quoted very selectively from a speech I made on 24 September 1992 at the annual luncheon of the South Australian Chamber of Mines and Energy. I stress to the House that I have not, as the Minister claimed yesterday, been running around the State trying to stir up trouble. I quote the relevant section of my speech, as follows:

The Pitjantjatjara legislation was introduced by the Tonkin Government and effectively copied by the present Government for Maralinga lands. But, having been a member of the Cabinet which drew up the Pitjantjatjara legislation, I can say that it was never intended as a blanket prohibition on exploration. Yet, this has been its effect. Much of the land to which access is effectively denied has never had its mineral and petroleum potential properly assessed.

These are statements of fact: there has been very little exploration of these lands since these agreements. I also said in that same speech that exploration of these areas `has the potential to return benefits which could provide in very material ways assistance to areas like health and education, where standards of service on these lands should be upgraded. The sensitivities of these issues are recognised.' Hence, contrary to what the Minister said yesterday, I am sensitive to the views of the Aboriginal communities affected. Again, contrary to what the Minister said yesterday, I made my statement after discussions with a number of mineral exploration companies, which I know have serious concerns about the application of this legislation and the obstacles it puts in the way of negotiating access to these lands.

As a further authority for my statement in the speech, I point out that during the 1980s there were regular references in the annual reports of the Minister's own department to the reduced access to land for exploration in South Australia. I am pleased that some exploration is now to take place. It is unfortunate, however, that it has taken so long to come about.

The SPEAKER: Order! The leader is now debating the issue.

The Hon. FRANK BLEVINS (Minister of Mineral Resources): I seek leave to make personal explanation.

Leave granted.

The Hon. FRANK BLEVINS: I claim to have been misrepresented by the Leader, who said that I quoted selectively from a speech of his. I did not quote from a speech of his selectively or otherwise: I quoted from the press release of Mr Archie Barton.

SOCIAL DEVELOPMENT COMMITTEE

The Hon. FRANK BLEVINS (Deputy Premier): I move:

That the committee have leave to sit during the sittings of the House today.

Motion carried.

GRIEVANCE DEBATE

The SPEAKER: The proposal before the Chair is that the House note grievances.

The Hon. P.B. ARNOLD (Chaffey): This afternoon I wish to draw to the attention of the House and particularly the Minister of Education, Employment and Training the problem of transporting children to and from schools in country areas. It should not be necessary for me to again highlight to members of the Government that there is no public transport system in country areas, yet the Government continues to reduce the number of school buses available for country students to get to and from schools.

It is one thing for students in the metropolitan area to be able to walk down to the end of a street and hop on a bus and go to and from school, but that just does not exist in country areas and, unfortunately, the Government is in the process of further reducing the number of buses available to students in the country. This has been highlighted to me in a letter that I received from the Chairman of the Loxton High School Council, in which he states:

The Loxton High School Council and parents generally are very disappointed with the Education Department's policy of not accepting responsibility of transportation to and from school of students who live within five kilometres of their nearest school. A group of parents have requested that I write to you seeking your support in this matter. As a result of the department's decision four of the 12 buses running in the Loxton area will be

deleted from the beginning of 1993. It is estimated that 159 students who would normally use school buses will not have that service available to them.

This move by the Education Department is seen as pure discrimination against country people who do not have the option of public transport. We are particularly concerned at the reduced safety factor involved with those students, either walking or riding, particularly along a busy highway or having to be driven by parents, adding further to the congestion of traffic in the car park area at an already busy period.

There can be no justification for the move that is being made by the Education Department, obviously with the concurrence of the Minister of Education, Employment and Training, for students to have to find their own way to and from school—involving distances up to five kilometres—when there is no public transport system. This would not be tolerated in the metropolitan area for one minute. There would be an outcry and the Government would act immediately to correct that situation. In rural areas in the present economic climate many families do not have their own private transport readily available. A husband or wife may be using their vehicle to get to their place of employment and there may be no other transport available to that family. That problem does not occur in the metropolitan area.

As I have said many times in this place, the 30 per cent of people living in country areas generate 50 per cent of the State's economy, yet, when it comes to providing an essential service like getting students to and from schools, the Government wants to reduce that even further. This is in a climate in which the State Transport Authority, providing the public transport system in metropolitan Adelaide, is currently running at a loss of about $150 million annually, which is made up by all taxpayers in South Australia, not just taxpayers in the metropolitan area. I strongly urge the Minister of Education, Employment and Training to reconsider this move by the Education Department and to retain all buses that are currently available to students in country areas to enable them effectively to get to and from school on a daily basis.

Mr HAMILTON (Albert Park): I am glad to see the Leader of the Opposition in the House, because last night I saw the spectacle of the Leader of the Opposition with his wishy-washy industrial response to a question that he was asked on the *7.30 Report.* Two questions exercise my mind today in relation to the industrial policies of the Leader and Deputy Leader of the Opposition. Did the Leader of the Opposition mislead the taxpayers and voters of South Australia last night with his statement on industrial matters, or did the Deputy Leader of the Opposition mislead the people of South Australia with his statement on industrial matters? Anyone who peruses the transcript of what took place last night would see that it is all over the place like a dog's dinner in relation to industrial policy. That is not to mention the secret agenda, to which I will come back later.

I should like to read from an article in the *Advertiser* of 25 August 1992, as follows:

The State Opposition has pledged a `Victorian-style' overhaul of South Australia's industrial relations system. The Deputy Opposition Leader and industry spokesman, Mr Graham Ingerson, was responding to a pre-election policy statement by the Victorian Opposition Leader, Mr Jeff Kennett, who has promised to rewrite the employment conditions for 600 000 Victorians working under State awards.

It goes on to say:

Mr Ingerson said yesterday the Opposition supported the proposals `in principle' and would release its own radical pre-election statements on industry and WorkCover before Christmas.

I hope they do, because they will link themselves inextricably, as they have already, to the policies that are operating in Victoria, and that will give the people of South Australia the opportunity to see what pompous and pious hypocrites they are and, in my opinion, how untruthful they are in relation to their industrial policies.

Last night the Leader of the Opposition was running around trying to extricate himself from the question that was posed to him on industrial relations: would it be the same as in Victoria? He tried to get out of it. Anyone who saw that program knows damn well that he was painted into a corner—and painted into a corner, I suggest, not only by his own misleading of the people of South Australia on his industrial record but also on the statement by his own Deputy. Is there a conflict between the two of them? There is given the statement made in August in the *Advertiser* and in the statement made last night by the Leader of the Opposition.

We can now see the same picture emerging as emerged in Victoria, `Don't tell the troops exactly what we are going to do, because, if we do, they will not support us.' Victorian workers have woken up, albeit too late, to what has taken place. They are feeling the brunt of these policies and the dishonesty of the Victorian Government because the Liberal Party would not release all of its industrial policies; it would not tell the workers what it intended to do once it got into Government. The same picture is now emerging here in South Australia.

I come to the hidden agenda. I challenge the Leader of the Opposition to bring down his industrial policy before Christmas, as he has promised and as his Deputy promised in the *Advertiser* of 25 August. If members opposite have the guts, if they have the intestinal fortitude, to bring it down, then let them do it. Let the Leader honour the promise made by his Deputy that he would bring that policy down before Christmas. He has five weeks to bring it down. I hope every member of this House, particularly on this side, will look forward to it, because we want to take it into the community and debate it, and we want to take it on to the shop floor and tell all those who have any doubts about Labor Party policy to look at what the Liberals will do to them. Members opposite will cut their legs from underneath them financially if they get half a chance. That is their policy. The people of South Australia have a right to know the policies of the Liberal Party in terms of industrial matters. The Leader of the Opposition cannot get himself out of this. His Deputy has promised that policy and we want it—

The SPEAKER: Order! The honourable member's time has expired. The member for Hanson.

Mr BECKER (Hanson): I wish to draw the attention of the House, and particularly the Minister of Health, Family and Community Services, to the appalling manner in which his department has handled a situation in relation to one of my constituents, Mr Bruce Yates of

Lockleys. That department has a lot to answer for, and I should be grateful if the new Minister would establish a judicial inquiry into the manner in which his department has pursued and treated Mr Yates over the past four years or so. Recently, under the Freedom of Information Act, I sought information on behalf of Mr Yates, only to be told that not all of it could be provided and that only part of it was relevant. The response by that department was nothing but appalling.

My constituent had to go to a solicitor to obtain legal aid, and that solicitor has written to the State Crown Solicitor's Office. I wish to read this letter into *Hansard,* because it clearly explains the situation. This department is attempting to cover up a gross injustice as far as my constituent is concerned. He was falsely accused of a very serious offence, and every time the matter has gone to court there has been no proof whatsoever of the allegations. This demonstrates to me that certain people within a Government department, aided with unlimited funds and a pigheaded attitude, will go to all lengths to cover up their incompetence. The letter, which was sent to the Crown Solicitor's Office on 29 September, is headed `Re Freedom of Information *Bill—Yates v Department for Family and Community Services' an*d states:

I refer to the orders of Judge Roder of 25th instant and note that the determination of the Department for Family and Community Services of 21 May 1992 has been quashed and the matter remitted to them for determination. Would you please confirm that your client understands that the time limit prescribed by section 14(2) of the Act commenced to run on 25 September, 1992. When you have advised your client of the fact that the matter has been remitted, I would be grateful if you would draw their attention to the following particular matters:

(a) Whether they intend to refuse to deal with the application upon the basis referred in section 18 of the Act and if they do, their obligations pursuant to subsections (4), (5) and (6) of that section;

(b) Their obligations pursuant to section 23(1)(d) of the Act to describe which documents are documents from which exempt matters have been deleted (together with a reference to the provision of the schedule pursuant to which the document is an exempt document);

(c) Their obligations pursuant to section 23(1)(f) of the Act and particularly their attention to a degree of specificity in relation to which documents are documents to which access is being refused;

(d) In relation to any purported reliance upon the fourth classification of documents referred to in the schedule, their obligation to obtain the views of `the person concerned' as referred to in section 26(2) of the Act. It would be appreciated if the applicant could be informed of the steps the agency has taken in compliance with that subsection.

In relation to the question of costs, I advise that my client is legally aided and that it is the instructions of both Mr Yates and the Legal Services Commission that the application for costs be pursued.

I note your instruction in relation to an agreement or understanding allegedly reached by the department with Mr Becker, Mr Yates' member of parliament. I have copies of the relevant correspondence and the only agreement was that which confined the scope of the request to documents restricted to the period 1 January 1987 until the current date. With respect, I fail to see how that agreement can be relevant to the court's consideration of the question of costs, particularly when, as I understand your instructions, it is conceded that the provisions of sections 18 and 23 of the Act have not been complied with in any relevant sense.

What annoys me is that we are entitled to information under the Freedom of Information Act, but this department has carried on and fudged the issue. The letter continues:

I would be pleased to receive from you any further instructions you have in relation to the question of costs but must advise that if I do not hear from you within 14 days from the date hereof my instructions are to bring the matter back before the court pursuant to the liberty to apply granted by Judge Roder.

For the sake of clarification, I would be grateful if you would also confirm that `the current date' referred to in your client's determination of 21 May 1992 must now, in the light of the decision of the court, be read as—

The SPEAKER: Order! The honourable member's time—

Mr BECKER: —a reference to the date upon which the matter was remitted back to the department for consideration.

The SPEAKER: —has expired and, if he continues to talk over the Chair, he will not get the call.

Mr FERGUSON (Henley Beach): I wish to refer to a problem of one of my constituents in relation to parking at the Queen Elizabeth Hospital. My constituent received an expiation notice for parking for more than two hours at that establishment. I have no quarrel with the sharing out of the parking, and I have no quarrel with expiation notices being issued if somebody transgresses. However, my constituent was given only seven days to pay, and her cheque, which was only three days late, was returned to her, and the hospital refused to accept payment.

The matter was referred by the hospital to a collecting agency, and she was subsequently charged $58 for the offence. The original expiation fee was $8. So an $8 expiation fee eventually was turned into an amount of $58. To make matters worse, the amount of a fine is limited by the Health Commission Act, and the by-laws under division V of that Act allow the hospital to provide for its own by-laws which, of course, must be gazetted. But the last gazettal of those by-laws, which was on 29 November 1979, allowed a maximum fine of $50. So, my constituent would have been better off to receive a fine of $50 rather than having the matter referred to a collecting agency and eventually being charged $58.

To make matters worse, I do believe that this is an illegal act, because the regulations of the Queen Elizabeth Hospital do not provide for an expiation matter to be referred to a collecting agency. The hospital board has no power to refer an expiation matter to a collecting agency. It is most unfair. My constituent has had to pay $58 whereas a fine under the original hospital regulations would have been only $50. The original expiation fee was only $8, and the fact that this $8 could be turned into such a huge penalty seems to be most unfair.

Further, a much longer time to pay is provided in relation to most other expiation fees that I know of. Certainly, so far as local councils are concerned, there is a minimum time of 30 days, after which a late payment fee applies. So far as local government agencies are concerned, there is a 30 day time limit and another 30

days for late payment. It is ludicrous for somebody in this day and age to impose a time limit of seven days for the payment of an' expiation fee—and I assume they are not seven working days, but calendar seven days. That is my understanding of the expiation fee. The regulations state:

The offence may be expiated by payment of the expiation fee prescribed for the offence to the Queen Elizabeth Hospital within seven days, thereby avoiding legal proceedings and payment of associated costs.

The seven day limit, of course, includes Saturday and Sunday. So if someone is not fortunate enough to be able to get to the bank to withdraw money to pay the expiation fee, they are penalised under this provision. The parking notices state:

Two hour parking in area shown below.

There is no authorisation on those notices. No-one knows who is putting up those signs—whether it is the council, the hospital or indeed the Government.

The SPEAKER: Order! The honourable member's time has expired.

Dr ARMITAGE (Adelaide): It is with pleasure that I address matters of yesterday.

Members interjecting:

The SPEAKER: Order!

Dr ARMITAGE: Yesterday, the Minister of Health relayed to the House matters in relation to a question that I asked in the House on 29 October—I repeat, on 29 October. This related to the fact that an operation, which had been deemed necessary to occur in September, had not been done in September. The Minister then gloated that the patient had been operated on before I raised the matter in Parliament, and that quite clearly overlooks the substance of the question, that is, that South Australia's public hospitals are unable to perform operations when they are deemed necessary. In the Minister's haste to gloat, he omitted to tell the House that, by his very own deductions, the operation was performed at least three weeks later than the previous advice had deemed it necessary.

I am delighted for the patient that, after waiting and waiting, the surgeon's complaints to the South Australian Health Commission and to me about the appalling delays precipitated some action. But I reiterate: the action was three weeks later than had been deemed necessary, and that gives the Minister little reason to gloat. Indeed, the surgeon to whom I spoke two days before I raised the matter in Parliament and I were in very good company in expecting the operation might not have been done because, indeed, a South Australian Health Commission letter dealing with this matter states:

It appears unlikely that further treatment will be available to him in the near future.

Why are patients subjected to delays such as this? The reasons for this are in the Hunter report, which I had some difficulty locating yesterday—

An honourable member interjecting:

Dr ARMITAGE: I'll come to that. The Hunter report, on page 20, in relation to the Queen Elizabeth Hospital, states:

The main factors that impact on the number of elective surgical admissions are availability of staff, beds and theatre sessions.

Clearly, they are in short supply because of the budgetary restrictions. Further, on page 49, as part of the solutions to this problem, the Hunter report suggests: first, tax deductibility for private insurance contributions; secondly, compulsory private insurance for people with an income over a certain figure; and, thirdly, a review of the relevance of the Medicare levy. It suggests, almost to a T, the Federal Opposition's Fightback package. More importantly, the Hunter report goes on to recommend:

The Commonwealth Government should be requested to hold as a matter of urgency an apolitical summit meeting to consider issues relating to the public/private mix of services. The South Australian Health Commission should lobby the Commonwealth regarding the summit meeting.

Mr Speaker, deafening silence from the Government. I am disappointed that the Minister has chosen to stoop to making personalised attacks in this manner about things which are particularly important. I would say to the Minister that this sets new ground rules, and I regret those ground rules. I do not accept the necessity for the Minister to have adopted these new rules.

I now turn very briefly to a contribution from the member for Albert Park which I noted in *Hansard* when I read it this morning. I cannot quote it exactly because I do not have it in front of me, but I point out two things: the member for Albert Park said that I was a sook and I disappeared. I clearly had not done that. I was trying to find the Hunter report, which I eventually found. Secondly, the member for Albert Park blusters and blunders a lot, and I am very happy to address those matters, if the honourable member will tell the House what he told the distressed sister of the woman who had breast cancer when she went to him for advice.

Mr Hamilton: Yes, it is on the tape.

Dr Armitage: Tell the House.

The SPEAKER: Order!

Dr Armitage: Tell the House.

The SPEAKER: Order! The member for Adelaide is out of order.

The Hon. D.J. HOPGOOD (Baudin): The last occasion the House sat on a Thursday, I asked a question, slightly tongue in cheek, of the Minister of Primary Industries. I remind members of that question, because it gives me an opportunity to grieve on the way in which the popular press in this country continually trivialises much of what it purports to report, and patronises and insults the intelligence of its readers. My slightly tongue in cheek question to the Minister of Primary Industries was in relation to reports in the press that a comet known as 'Swift Tuttle' would collide with the earth in the year 2126 AD. Members may wonder how this could occur, at least in theory.

The reason is that, if we consider the solar system as a whole, all objects in orbit around the sun move in accordance to Kepler's three laws of motion, the first of which says that planets move in ellipses around the sun with the sun at one focus. The major planets' ellipses are not highly eccentric; they approximate to circles and therefore keep roughly the same distance from the sun all the time, whereas comets move in highly eccentric orbits, and therefore their nearest approach to the sun, their perihelion, is usually closer to the sun than the earth,

whereas their furthest distance from the sun, their aphelion, is well beyond the earth's orbit.

That means, if you draw a plan on an exercise book, that the earth is moving in a near circular orbit, and the comet crosses the earth's orbit at two points. Why, then, are there not frequent collisions? There are two reasons. The first is that the comet and the planet have to be at the point of intersection at the one time. For the most part, that is remote. For example, Halley's comet has a period of 76 years. The second is that our exercise book diagram is a distortion, because the universe is three dimensional, not two dimensional, and even if the earth and the comet are at this so-called point of intersection at the one time, the comet will usually pass above or below the plane of the earth's orbit. However, there are those comets that come fairly close to the earth from time to time.

Someone in the media somewhere got hold of the fact that astronomers were particularly interested in this particular comet and were aware that there would be a fairly close approach the next time it was in the earth's vicinity. It is around the place now. I remind members that the year 2126 shows the period of this comet. It suddenly became the received wisdom that the comet would collide with the earth. I invite members to read the scientific literature on this. The article in the *New Scientist* that I read in our own reading room indicated the chances of a collision were about one in 400. That is probably better than my aim at darts but, nonetheless, that is reasonably remote. However, the damage was done.

Our morning newspaper one Saturday, somewhere in its inner pages, did say that it was now conceded unlikely that a collision would take place. Nonetheless, the damage was done and I continue to read from time to time in various parts of the print media that, unless something is done to divert Swift Tuttle from its present orbit, we will collide with it in the year 2126.

While matters astronomical are not of great moment to the business of this House, I simply raise it because it does indicate the totally inadequate way in which the print press, and for that matter the electronic media for the most part, handle these things. We do have a more educated reading market now than we once had. Youngsters in schools are expected to know the basic facts of the solar system. There is a thirst for knowledge about these things because of space research, and so on. Journalists and those for whom they work owe it to us to get themselves better informed and to be less sensational when they are reporting these matters. If we cannot trust them in these matters, those matters that may be of rather more moment to members of this House in their day to day business also should invite our scepticism.

STATUTES AMENDMENT (CHIEF INSPECTOR) BILL

The Hon. R.J. GREGORY (Minister of Labour Relations and Occupational Health and Safety) obtained leave and introduced a Bill for an Act to amend the Boilers and Pressure Vessels Act 1968, the Explosives Act 1936, the Lifts and Cranes Act 1985, the Noise Control Act 1976, the Occupational Health, Safety and Welfare Act 1986, and the Workers Rehabilitation and Compensation Act 1986. Read a first time.

The Hon. R.J. GREGORY: 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 delete references to the Chief Inspector in various safety related Acts and to replace them with the Director, Department of Labour and to confer power on the Director to delegate specific responsibilities to appropriate officers. Consequential amendments are also required to the Noise Control Act.

Modem legislation places the administrative control under the Director as the Chief Executive Officer with power of delegation as deemed appropriate. It was intended that these Acts be amended in conjunction with Bills introduced for other amendments as the need arose. However, due to the recent retirement of the Chief Inspector under three of the Acts, urgent action is needed.

The Bill also seeks to amend the membership of the Mining and Quarrying Occupational Health and Safety Committee following the transfer of the regulation of occupational health and safety in the mining and petroleum industries from the Department of Mines and Energy to the Department of Labour. As a result of that transfer it is now appropriate that an officer of the Department of Labour with experience in mining and quarrying be a member of that committee in place of the Chief Inspector of Mines or his/her nominee.

The provisions of the Bill are as follows:

Clause I is formal.

Clause 2 provides for the commencement of the measure.

Clause 3 is an interpretative provision.

Clauses 4 to 15 make a series of amendments to the Boilers and Pressure Vessels Act 1968. Clause 4 strikes out the definitions of "Chief Inspector", "Director" and "Inspector", and includes new definitions of "Director" and "Inspector". Clause 5 revises the procedures for the appointment of inspectors under the Act. Clause 6 makes a consequential amendment. Clause 7 revises the delegation powers of the Director under the Act. Clauses 8 to 15 (inclusive) delete references to "the Chief Inspector" and replace them with references to "the Director".

Clauses 16 to 40 make a series of amendments to the Explosives Act 1936. Clause 16 strikes out the definition of "chief inspector" and substitutes a definition of "the Director". Clause 17 deletes a reference to "chief inspector" and replaces it with a reference to "Director". Clause 18 revises the procedures for the appointment of inspectors under the Act. Clauses 19 to 38 (inclusive) delete references to the "chief inspector" and replace them with references to the "Director". Clause 39 empowers the Director to delegate any power or function under the Act to another person engaged in the operation of the Act. Clause 40 is another amendment relating to the "chief inspector".

Clauses 41 to 51 make a series of amendments to the Lifts and Cranes Act 1985. Clause 41 enacts new definitions of "the Director' and "inspector". Clause 42 revises the procedures for the appointment of Inspectors of Lifts and Cranes under the Act. Clauses 43 to 49 (inclusive) delete references to the "Chief Inspector" and replace them with references to the "Director". Clause 50 empowers the Director to delegate any power or function under the Act to another person engaged in the

administration of the Act. *Clause 51* is a consequential amendment.

Clause 52 makes two related amendments to the Noise Control Act 1976.

Clauses 53 to 63 make a series of amendments to the Occupational Health, Safety and Welfare Act 1986. The definition of "the Chief Inspector" is to be removed. A definition of "the Director" is to be included, as is a definition of "the designated person", which is particularly relevant to the operation of section 66 of the Act. Clause 54 revamps a reference to the Director of the Department of Labour. Clause 55 is related to the amendment of section 66 of the Act. Clauses 56, 57 and 58 provide for a series of consequential amendments. Clause 59 replaces references in section 66 of the Act to the "Chief Inspector" with references to the "designated person" (as defined). Clauses 60 to 63 (inclusive) make a series of consequential amendments.

Clause 64 makes an amendment to the Workers Rehabilitation and Compensation Act 1986 to alter the membership of the Mining and Quarrying Occupational Health and Safety Committee.

Clause 65 preserves the appointments of inspectors under the various Acts.

Mr INGERSON secured the adjournment of the debate.

MOTOR VEHICLES (CONFIDENTIALITY) AMENDMENT BILL

Received from the Legislative Council and read a first time.

The Hon. T.R. GROOM (Minister of Primary Industries): 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 Motor Vehicles Act 1959 authorises the Registrar of Motor Vehicles to maintain a Register of Motor Vehicles and a Register of Licensed Drivers, Confidential and sensitive information about individuals, such as addresses, dates of birth and medical details, and secured information about motor vehicles, such as engine numbers and vehicle identification numbers, appears on these registers.

The Act as it now stands may be construed to infer that the registers are public documents and, as such, anyone paying the search fee is entitled to peruse them. Proving an easy means of relating a vehicle registration number to a name and address can have regrettable consequences. Easy access to engine numbers and vehicle identification numbers can only serve to assist the trade in stolen vehicles.

In practice, the registers exist only in electronic form and are not available for public searches. The privacy of the information is safeguarded by releasing it only on a restricted basis. The guidelines for the release of information are stringent and conform with the requirements of the South Australian Information Privacy Principles.

There is some doubt as to the statutory validity of this practice. The amendment before the House will put it beyond doubt.

The provisions of the Bill are as follows:

Clause 1 is formal.

Clause 2 inserts new section 139d into the principal Act.

Proposed subsection (1) prohibits a person engaged or formerly engaged in the administration of the Act from divulging or communicating information obtained (whether by that person or otherwise) in the administration of the Act except—

as required or authorised by or under the Act;

as authorised by or under any other Act;

with the consent of the person from whom the information was obtained or to whom the information relates;

in connection with the administration of the Act;

for the purposes of any legal proceedings arising out of the administration of the Act;

or

in accordance with guidelines approved by the Minister.

The maximum penalty is a division 6 fine ($4 000).

Proposed subsection (2) empowers the Registrar or a person authorised by the Registrar to require a person applying for the disclosure of information obtained in the administration of the Act—

to provide such evidence as the Registrar or authorised person considers necessary to determine the application;

to verify the evidence by statutory declaration.

Mr INGERSON secured the adjournment of the debate.

DAIRY INDUSTRY BILL

Adjourned debate on second reading (resumed on motion).

(Continued from page 1409.)

The Hon. H. ALLISON (Mount Gambier): When we adjourned at 1 o'clock on this Bill, the member for Victoria had been admonished on your behalf, Sir, by the Deputy Speaker for seeking to place into the record material of a statistical nature. The honourable member was unable to make a personal explanation—and I notice a physical expression on your face; I am not questioning the decision in any way at all, but the member was unable, quite properly, to make a personal explanation. However, I would offer this in his defence. The honourable member began his second reading contribution as lead speaker for the Opposition and, prior to doing so, asked whether I would go to the Leader's office to obtain for him a multi-page fax which he was expecting. I went upstairs and waited for that to come over the fax machine, brought it down and handed it to the honourable member and said, 'There are the statistics you are waiting for.'

The top page was simply an introductory page and the honourable member in the course of his speech, had absolutely no time to read the message I gave to him. So, when he asked whether he could have the matter inserted as a piece of statistical evidence in the record, I immediately recognised the fact that I had been reading the document; it was not statistical, and immediately the

member for Victoria asked whether he could place it I interjected from behind him and said, `Look, Dale, it isn't statistical. Please read it into *Hansard.'* The honourable member then asked you, Mr Speaker, whether you would like to have a look at it to determine whether it was statistical. I suppose he was playing for time, quite naturally, trying to hear what I was saying and, at the same time, trying to explain. That is how the matter transpired. I accept that the admonition was quite proper, but the circumstances were partly beyond the honourable member's control. I offer that. as a personal explanation of my part in the matter.

My own second reading speech concluded when I was commenting that I would like the independent herd testers, such as Hiscol, which play a dominant role in herd improvement and testing in South Australia, the South-East Herd Improvement Association, the Independent Herd Test Association and any others that might be involved, to be able to share in the industry and that the equipment currently held by the Metropolitan Milk Board, which is largely used by Hiscol, should in fact be held separately and made available for use by all the independent associations in Australia.

The member for Victoria did comment on the fact that he believed Hiscol had ownership of the computer. However, of course, that is not an insurmountable problem; a computer is not an extremely valuable piece of equipment. In fact, they could probably obtain one which would do more work for less money than they paid for the one they are currently using.

I would like to see competition within the industry. This is not specifically provided for in the legislation as I read it at the moment. It appears to be at the Minister's discretion and by legislation; that is, the disposition of Metropolitan Milk Board testing equipment. I would like an absolute commitment from the Minister that a costly and monopolistic system will not be established to perpetuate the worst aspects of the existing herd testing schemes. Given the proper circumstances, there is the potential for an efficient, economic and competitive herd testing facility to be provided.

I realise that this Bill will probably be guillotined before it is concluded, but I feel it is appropriate that I should read into *Hansard* at least some of the wishes of the independent herd testers, who would like the Metropolitan Milk Board equipment—that is, that within the herd testing laboratory, which I believe is testing for Hiscol free of charge—to be made available through a separate authority or through the soon to be established dairy authority for all independent people to use.

The correspondence I have received says that, if the State dairy industry, through the Minister, were to create a fully independent testing authority, milk from all cows herd recorded in the South Australia would be tested in that laboratory. They say that it is logical to presume that the way in which the Minister directs any herd testing equipment would indicate the way in which a central testing laboratory would operate. However, in their opinion it is imperative that any future central testing laboratory fulfils at least the following requirements: (1) a separate and independent entity; (2) that it should be fully accountable to the industry; (3) that it should be accessible and freely available to all sections of the industry; (4) that it should be partly funded by a producer levy; (5) that the remaining funding should be on a user pays basis; (6) consideration should be given to funding methods used in other States to see whether any improvement is feasible; (7) existing staff should be given employment priority; (8) existing laboratory floor space should be rented from the authority and continue to be used; and, (9) the laboratories should contract the secretariat to the authority.

It is stated that, to ensure the integrity and future viability of the herd recording industry in South Australia, the laboratory must be run independently of any group with a vested interest, thus avoiding the monopoly situation. This is in keeping with the principles of State-wide equity. As a personal and passing observation, I notice that the white paper from the dairy industry which I circulated to all members of the dairy industry in the South-East, along subsequently with copies of the legislation and which carried certain recommendations, was, I believe, authored by a member of the board of Hiscol.

While I am not questioning the objectivity of the paper, I am simply saying that there are probably 200 dairy farmers in the South-East who would. That alone suggests that we should certainly try to make the operation as independent and objective as we possibly can. I do not propose to delay the debate any further, because I know there are several members on this side who still wish to speak and we still have the Committee stage to go through with a substantial number of amendments. So, I conclude my remarks on behalf of the South-East Dairy Association.

Mr LEWIS (Murray-Mallee): It is well known that in general the Opposition supports this measure. My reservations, or at least qualifications, of that support and some timely warnings, however, need to be placed on record on behalf of my constituents. I do so without rancour and without wishing to cause anyone any discomfiture in any way whatsoever. I simply sound a warning (as someone who has from time to time taken the opportunity to study economics) that the measure as it stands and the industry as it is proposed to be structured has sown into it the seeds of its own destruction.

That may come as a shock to some members and/or readers of the record, but it is a fact. Indeed, a more careful examination of what is intended indicates that what is proposed cannot go on in perpetuity and before we all get very much older, indeed by 1 January 1995, it is proposed that the only price control will be at the farm gate and that by the year 2000 it is very likely that farm gate price control will cease to exist. I suspect that it will happen before that.

I have two reasons for saying so. I do not believe that some elements in the industry, which are reluctantly complying with existing marketing arrangements based in the Eastern States, will continue to agree with those arrangements; I believe that they will be aided and abetted in the destruction of the overall marketing plan by greedy elements within the retailing industry in this country. Those retailing interests could use the South Australian metropolitan area as the test market in which they determine the strategy to be followed in destroying the national organisation that has existed to date within the industry. It has been the sort of organisation of a

market which has been remarkable in the sense that peace has broken out and stayed with us, as it were, for many years, although it has been threatened from time to time. The legislation that we are now debating is an illustration of that point. It is unfortunate that the green paper, the white paper, the Minister's second reading explanation or any other document or information placed in the public domain has not given a true picture of the likely consequences for the industry over the next seven years or so. It is unfortunate because people who are presently producing milk, either for sale as white milk or for sale as some other kind of dairy product, be it coloured milk or anything else, as well as people involved in the transportation of the milk, either from the point of production to the factory or from the factory to the point of sale, or people involved in the processing of it in the factories for any purpose whatsoever, and ultimately the people who provide the retail service, whether as milk vendors or as proprietors of other retail outlets, do not know the truth about the situation in which they are operating their business, nor do they know how that might vary.

The options have not been put clearly before them. There are means by which nefarious interests could easily, simply and quickly destroy these arrangements. Those elements and interests do exist and they have been successful in destroying much less complex and therefore more easily enforced marketing arrangements in the past. I want to draw particular attention to an aspect of the legislation that affects my constituents. I will leave members of the industry to otherwise devise what their predicament may be if they desire. I will not waste the time of the House spelling out what they should have had provided for them by their industry association and/or commentators with an understanding of marketing economics through the media in the general case.

I refer particularly to those people who own cows and produce milk in the Lower Murray and the factories to which they supply that milk. Let me say at the outset that it is well know that South Australia produces arguably the best cheese in the world. Certainly, it is among the best and its cheddar is constantly awarded outstanding quality appellations in shows in this country and overseas. Indeed, the Government and the media would do well to give wider acclamation to the industry for its competence in that regard. There is no doubt about that. Much of that cheese is made in the Lower Murray, particularly at Jervois, one of the most successful factories over the past 15 to 20 years, and particularly in very recent times.

That does not mean that the standard of cheese produced in other South Australian factories is in any way less adequate. It simply means that we have done well through all of our processing and Jervois has perhaps done marginally better. The record indicates that. The fact is that dairy farmers in the Lower Murray produce greater quantities of milk per cow, per year or per hour of work done by people looking after them and milking them. I did not say `dairyman' or `dairywoman'; I said `people'. I am not going to get into this sexist argument about milkmaids an*d* dairymen and so on. I will just call them dairy farmers and farmhands. They are also very efficient in their output per unit area upon which the animals graze. They are also *very* efficient in that they produce a fairly flat unseasonal supply of milk compared to other areas of the State, be that the Mid North, the Hills or the South-East. In consequence, they provide the State with a strong backbone to its industry.

The regrettable aspect of it is that they subsidise in straight-out cash contributions the production of milk in other parts of the State and it drags down the cash that they would otherwise be able to incorporate into the increasing efficiency of their enterprises or the capitalisation of their industry in that locality against the competition that they are going to get from New Zealand and then, I suspect, the Eastern States as the market breaks down on the eastern seaboard of Australia, nearest to the suppliers from across the Tasman. As journey times drop, as trade increases and as shipping tonnage per week and month increases (in all its forms) across the Tasman we can expect competition from dairy products, particularly coloured milk, cheese and cream, in the first instance. It will drive the wedge into the market and create a situation of instability where the projections of what to do with the milk that is being produced in southern Queensland, New South Wales, Victoria, Tasmania and South Australia come unstuck.

As they come unstuck the Eastern State's markets will look greedily in the direction of South Australia and will see an opportunity to hatch up a deal between their head offices in Sydney and Melbourne and those of retailers who have this unprincipled desire to destroy organised marketing here in South Australia. That is why I doubt that it will last to the year 2 000. It is just too good for them to leave it alone and there will be just too much temptation for them to resist it. The power does not exist in legislation to stop the tide from coming in. I know that there are people who believe that King Canute should have been successful, and there are still people who believe that the earth is flat. The facts are that the tide came in when Canute said, `Don't', and indeed the earth is round. Just as certainly we face these threats to our market in South Australia. I am saying on behalf of my constituents that it is crook that we should decide to allow a system wherein their industry's future-their family's future and their community's future—is at stake in places like Jervois and elsewhere along the Lower Murray on the swamps and the highlands on which cows are grazed, by taking from them in the first instance an additional cent, to be doubled to two cents, per litre from the milk that they sell.

It will be achieved, one assumes—if one's information is correct from conversations one has had-in consequence of an increase in the price of wholesale milk by that amount in each case. Indeed, dairy farmers will continue to get what they are getting now. In fact, they should be getting that extra cent or two cents into their own bank accounts to capitalise their own enterprises and communities so that they are in a more resilient and stronger position to meet the onslaught of the competition to which I have already referred when it comes. I do not see why they should be required to contribute their industry's life blood for transfusion purposes into other parts of the industry to keep it marginally healthy whilst the threat of market competition destroying the organisation that is here comes closer every day.

If you like to work that out, 2c a litre on a cow which is on average producing about 25 litres a day is 50c, and

if there were a herd of 100 milking cows the amount would be $50. There are more than 100 cows in most of those herds and, indeed, if there are not there ought to be, because it has been demonstrated that an efficient unit should, and does, contain more than 100 cows. I am therefore erring on the side of the conservative: $50 a day multiplied by 365 days a year, with very simple arithmetic, brings in $16 500 a year. There are greased railroad tracks straight through the bank balances of my dairy farmers, transferring out of their incomes $16 500 p.a., which could have been going into their own bank balances but, instead, going to dairy farmers elsewhere in South Australia. Like it or lump it, whether they have been told it or not, that is the fact. If that goes on for another six years, they will be, in six years time, on average over $100 000 worse off. If we can stick it out for that six-year term before this market breakdown occurs, we will be lucky but, even if we can stick it out for longer than that, when the time comes for everyone to try to look after himself in the open competition that will have developed they will not have the updated stronger capitalised positions to which they are rightly entitled, because they will have been donating their lifeblood into the sustenance of an industry elsewhere which would otherwise be incapable of sustaining itself.

It is argued that- those dairy farmers from farther afield ought to be allowed to have access to the metropolitan milk market at higher prices. I would not mind, frankly, if they were given that access, because the people whom I represent, whether they know it or not, would in the short term be the people who survived, in that the cost of gearing up and establishing the facilities to process the milk in those outlying areas to make it suitable for transportation and sale in the metropolitan market would so deplete the amount of funds available to them, putting a metropolitan gate price on the milk per litre, that they could not compete with us.

That is why I say that sooner or later the truth will out, and the market will determine who survives. It is tragic that we are ignoring the high quality and efficiency of the Lower Murray as the place from which we could expect to get relatively fresh, wholesome milk of high quality and high standard for sale in South Australia by doing to that region what this legislation will allow and what the industry has decided. I do not complain; I simply warn.

The other matter I wish to talk about before I conclude my remarks in this instance is my sincere belief that the Government and the Minister should ensure that the sale of fresh, uncooked milk—the definition is `raw milk'—which is and has been permitted in Murray Bridge and environs should be allowed to continue. There is no instance of any disease having been contracted by people consuming that unpasteurised milk in Murray Bridge, and indeed those who have been receiving and using it over the generations are believed to have fewer of their families suffering from diseases such as leukemia, asthma, allergies, and the like, than those people who are living on treated, cooked milk (or pasteurised milk)—call it what you like.

I resent the term `raw milk', because it presupposes that milk has to be treated in some way before it is fit for human consumption. Milk being taken from cows in a careful, hygienic way such as, and has always, been possible but easily possible now, ought to be made available to the public where the public wish to buy it. Careful, random checks are made and more rigorous analysis is made, too, of the types of bacteria and the numbers in total of bacteria which are to be found in that milk to ensure that the very highest standards are maintained.

People are happy with that, and we should use that long running experiment to now analyse and ascertain whether there are benefits to a community which lives on fresh, untreated and unprocessed milk by looking at those families that have been using it constantly in the Lower Murray area. Using it constantly as the source of their milk to feed their families and comparing it with controlled analysis of the medical and health records of other people in the same locality and also from elsewhere in South Australia. We might discover that there are some benefits in it for the community at large.

The Hon. H. Allison: And that Pasteur was wrong.

Mr LEWIS: No, Pasteur was not wrong: Pasteur was definitely right. The fact is that we can extract milk from cows' udders without allowing it to be so contaminated as to be dangerous. The fact is that we have controlled and eliminated tuberculosis and other diseases. The fact is that the udder and the milk in it is produced in a far healthier fashion than it was in the days of Pasteur. It is largely as a consequence of the work of Pasteur that we are able to say that, and say it with certain knowledge as being a fact.

The Hon. B.C. EASTICK (Light): I rise to address a few remarks to this Bill because of a very long association that I have had with the dairy industry. It is over 40 years ago that I commenced working with it in the field, and what a change has come over the dairy industry in that time. The Metropolitan Milk Board area for the collection of milk used to go as far north as Lower Light. It was very heavy around Korunye, Two Wells, Virginia, Waterloo Corner and Salisbury. When I tell people that in the days that I was directly involved I could muster up over 1200 dairy cows within a five kilometre radius of the existing Salisbury railway station, they look at me in disbelief. In fact, many large herds in that area were fed, not so much on paddock feed-that was incidental—but on the sewage farm grass and on barley from the brewery. Large quantities of milk were taken into the Adelaide area from there.

At a later stage I will take up with my colleague the member for Murray-Mallee the difference between raw milk and hot milk. There is a very major difference, and one of the real problems in those early years, before TB testing came in and vaccination against *brucella abortis,* hot milk was a real problem, and I had the misfortune in practice, on a number of occasions, to TB test herds where members of the family had gone down with tuberculosis directly associated with the ingestion of the milk which I call `hot milk'. However, that is another feature.

I want to make the point that what we have before us today has arisen after a great length of time and discussion by people directly associated with the industry. Whilst there may be some sections of the industry who dot a `t' here and an `i' somewhere else, basically, as I am led to understand, there has been a great degree of unanimity of thought on the eventual outcome of all the

discussions, the white papers, the green papers and the various conferences that have been held. Certainly, that is the tenor of the information that is contained in the *Stock Journal* of 22 October where, under the editor's comments, a considerable degree of interest is shown in what had been achieved with the help not only of the present Minister but also of the former Minister of Agriculture, the present Premier. Under another heading `Dairy industry agrees on State farm gate price', there are further comments.

The South Australian Dairyfarmers Association bi-monthly report for September-October also picks up the fact that under the present communique there has been general acceptance of many aspects of this measure. There is a realisation that those within the industry in South Australia could be decimated if they were unable to reach agreement and large quantities of milk were to flow in from interstate. In a practical sense, we have already seen the arguments associated with that through the endeavour by Bi-Lo to introduce milk from interstate at discounted prices.

I represent the chairman of the Barossa and Mid North Cooperative Dairymen Limited, Mr Murray Klemm of Moculta. I have had a long association with that organisation from its inception in the 1950s when the secretary, the late Ron Schultz, did a tremendous amount for the industry throughout that area. He was instrumental in making sure that the Golden North activities at Clare and subsequently at Laura and Port Pirie were successful and that the opportunity for a milk outlet other than the metropolitan area for people through the Barossa and the Mid North became a reality. Mr Klemm, having perused the document before us, asked me to make the point that the northern dairy farmers in general—I stress 'in general' because we will never get 100 per cent acceptance on all points—support the Bill. Our concern has always been that nothing should be done that would put in doubt the future of the Port Pine milk processing factory.

We have always regarded the Port Pirie factory as the hub of the industry in the north and an essential part of the northern dairy industry. I understand—and Mr Klemm identifies this point—that the continuance of the Port Pirie operation is guaranteed. The activities of those from the Barossa and Mid North Cooperative Dairymen Limited will see their endeavours continue to provide high quality milk to many areas both locally and interstate in Broken Hill and further north into Alice making sure that what eventually comes from this Springs. They look forward to playing their part in legislation will be advantageous to dairy farmers in South Australia. They look upon it as a global effort, not an individual subgroup wanting all the say. I support the measure. I hope that the Minister will take heed of the amendments which are offered to the Bill, not to change its thrust but to improve its implementation in the field.

Mr VENNING (Custance): I intervene briefly on behalf of dairy farmers in my electorate. I remind the House that my electorate covers a substantial area from Kapunda to the Clare Valley and the Mid North. The factory in Port Pirie is also within my electorate. I hope that the negotiations currently under way in regard to the contracts referred to in clause 25(5) between Dairy Vale and Farmers Union Foods can be amicably concluded so as to ensure the viability of regional dairy farmers and to protect the operations of the factory at Port Pirie and of all regions for that matter.

South Australian milk is the cheapest to the consumer in the whole of Australia. Our cheese is world class. We have South Australian cheese on the table every night here in our dining room, and I always partake of that. It is great to know that our dairy farmers, like our grain growers, are the most efficient in the world. The industry deserves to be encouraged and protected by this legislation. I will always support an industry that wishes to come to an amicable arrangement with its members, to regulate it, or to do whatever it likes, as long as it has the overall support of its members. I support the Bill.

Mr MEIER (Goyder): I support this Bill. As the member for Victoria and shadow Minister indicated, there have been many discussions with the dairy industry over a considerable period. As shadow Minister of Agriculture for a time I got to know the dairy industry quite well, and I certainly had a lot of time for the South Australian Dairyfarmers Association. As the member for Victoria has indicated, there is a move towards deregulation, but any deregulation needs to be brought about in an orderly fashion. The timetable for industry deregulation is basically from now through to the year 2000.

I am always concerned about an industry that, whilst it is a large contributor to this State's wealth, in real terms is relatively small. We need to ensure that our dairy farmers are appropriately looked after and that, where necessary, they are given the assistance that is needed. From the discussions to which I have listened and been party to, I believe that the industry recognises that this is a step in the right direction. I hope that the various players, including the key companies, Dairy Vale and Southern Farmers, adhere to their part of the agreement and that our dairy industry can not only remain strong and viable but become stronger. Other speakers have covered all the relevant points and I do not intend to be repetitious. I support the Bill.

The Hon. T.R. GROOM (Minister of Primary Industries): I thank honourable members for their most valuable contributions to this debate. I pay tribute to the member for Victoria. He has assisted in the resolution and processing of this Bill in a most constructive manner. He has participated in industry negotiations, and his knowledge of the industry has been particularly appreciated. He has significantly contributed to this measure, and I am indebted to him for his contribution and constructive input. Looking at this measure overall, to match some of the contributions that have been made by members, and looking at what has taken place in August as a result of the Bill, it achieves deregulation at the retail end. It achieves the dictates of modern society, that we do not intervene in the marketplace and that we keep our intervention to a necessary minimum. At the retail end it will be deregulated.

We have also been able to achieve a State-wide stabilisation of the farm gate price. That is a particularly important achievement for the industry. At the same time, the industry has been able to ensure that the dairy factories at Port Pirie, Renmark and Mount Gambier will

not close, will not be dislocated, but will stay open. I know that the member for Stuart has been particularly active with regard to the northern factory at Port Pine. She has made submissions to me and been very forceful in the way in which she has insisted that I do everything possible to ensure that the Port Pirie factory remains open. These are important industries for rural areas. The department has estimated that, by keeping those dairy farms open, about 100 jobs will be saved in rural South Australia. That can be achieved only by two lc per litre increases in the wholesale price of milk. The industry itself will run an equalisation scheme, and there will be a considerable measure of industry self-regulation.

I should also pay tribute to the industry associations and groups, because they have played a most important and probably a critical role in this process. A few matters may still need tidying up, particularly the execution of an agreement, and I have a reserve power if that does not take place. Industry groups are a very fine example of industry self-regulation, combined, as I have said, with a significant measure of industry deregulation. This has been a non-political issue; it is a matter that is above Party politics. The measure is very much in the interests of the dairy industry.

We sometimes lose sight of the importance of this industry to primary industries. According to the production figures of 1991-92, there are about 900 dairy farms in South Australia which produce 411 million litres of milk. About 35 per cent of that milk is used for market milk; flavoured milk represents about 6 per cent of the total milk market and, as the member for Victoria said, it will obviously increase its market share; and the remainder is used for fresh dairy products. Exports—and this is particularly important for South Australia—in 1988-89, for example, were worth about $11.6 million. So, it is a very significant industry and a significant contributor to South Australia's economic wealth.

I will not deal with all the contributions of individual members. The member for Napier raised a matter regarding the Mount Lofty catchment area. I will consider that matter and provide an answer directly. Other matters were raised by members. I will deal in Committee with the herd testing issue, which was raised by the member for Mount Gambier, who said in his contribution that we cannot afford to lose any more factories. I believe that this legislation will provide a high level of stabilisation. While we will add two is per litre imposts onto the wholesale price, that tends to flow through and, by our deregulating at the retail end, the market will sort these things out. At the end of the day, a great deal has been achieved. This has been one of the most regulated industries in Australia. It is to the credit of the industry that it has been able to get this far. Certainly, the Government could not have advanced this far without that contribution by the industry.

One cannot simply suddenly deregulate and let everything fall apart, and that is what would have occurred. The country factories would have suffered, because there would be no point in keeping them open if we achieved a State-wide farm gate price. There is deregulation at the retail end; there is a great amount of industry self-regulation in the way in which the fund and the equalisation scheme are to be operated. We have stabilised farm gate prices, and that is obviously in the interests of dairy farmers, and at the same time we have been able to keep open at least three country factories and save about 100 jobs in rural South Australia.

Bill read a second time.

In Committee.

Clauses 1 and 2 passed.

Clause 3—'Interpretation.'

Mr D.S. BAKER: I move:

Page 1—

Line 20—Insert `bovine' before `animals' in the definition of `dairy farm'.

Line 22—Insert `bovine' before `animals' in the definition of `dairy farmer'.

As I said in my second reading speech, we are now dealing with a Bill that will most decidedly regulate bovine milk in South Australia. Bovine milk was not mentioned in the 1928 Act or the Milk Supply Act of 1946. I think it is sensible that this Act apply only to bovine milk. I do not believe that it has ever been the intention of the Government to include the milk of ewes, goats or alpacas. If there has to be any regulation of that sort of milk, it should be included in a separate measure.

The Hon. T.R. GROOM: As I indicated to the honourable member when he discussed these amendments with me, I am not prepared to accept that limitation. The decision to include milk from all animals is not intended to increase regulation except with regard to pricing. This matter has not been discussed adequately with the industry, and that is the reason for my reservation. Obviously, the reason for the amendment is to limit the Bill's application to bovine milk. This would mean that sheep, goat and even buffalo milk producers would not be covered by the legislation.

Although the legislation is wide, it is only in respect of pricing that it will be limited to bovine milk, but at this stage I prefer to leave it in its widest form. I understand that at least two major producers of goat and sheep milk products support a uniform approach to all dairy produce. One of the reasons that have been advanced to me today is that they see this as a protection for themselves from potential fly-by-nighters who could easily create health and safety hazards. Whether or not that is fanciful, it is a matter for concern, and I would rather that we discussed the matter fully with the industry to see whether it is appropriate that ultimately the Bill be limited to bovine milk. As members know, I am in favour of industry self-regulation wherever practicable and appropriate. So, on that level I am more than sympathetic to the member for Victoria's amendments but, when I have to weigh up all the criteria, I must take into account other points of view.

Mr S.G. Evans interjecting:

The Hon. T.R. GROOM: Quite, and we have to weigh things up. I am glad that the honourable member is conversant with appropriate decision making. I think it is proper for me to go to the industry and discuss this matter, and I will do that. However, at this stage I oppose the amendments.

Mr D.S. BAKER: Do I have the Minister's assurance that he will go to the SADA and its representatives and discuss the matter with them? The matter might be resolved before the Bill is debated in the Upper House.

Mr BLACKER: I support the member for Victoria's amendment. However, I appreciate the sentiments

expressed by the Minister, because I think it is important to recognise that we are dealing with separate industries and industries that potentially could grow and develop in different areas. I for one agree with the principle that they should be treated separately and, if separate legislation is required, let us deal with it at that time rather than bringing in all-embracing legislation. I trust that the Minister will give due consideration to it and make sure that this matter is dealt with before the Bill comes back to this House.

The Hon. T.R. GROOM: I do not think it will be resolved before it goes to the Upper House. I am advised there are competing points of view. It is a proper, legitimate concern that has been raised. Although I will attempt to hold some discussions before it is passed in the Upper House, if the legislation goes through in the form which I have indicated, I do undertake to have ongoing discussions and to involve those members opposite who have expressed an interested in seeing this matter determined.

Amendments negatived.

The Hon. T.R. GROOM: I move:

Page 1, after line 29—Insert definition as follows:

`farm gate price' in relation to milk that is to be used for the manufacture of market milk means a price determined by the Minister on the recommendation of the authority as the farm gate price for milk under section 25(3);.

The amendment is exactly the same as that proposed by the member for Victoria. I believe in giving credit where credit is due: the member or Victoria drew my attention to the ambiguity that would otherwise exist. Consequently, I would have accepted his amendment had I not had an amendment on file.

Amendment carried: clause as amended passed.

Clauses 4 to 10 passed.

Clause 11—'Proceedings.'

Mr D.S. BAKER: I raised, in the second reading debate, the matter of a quorum. I note that a quorum consists of two, although there are three members on the authority and they-have proxies, and the Chairman has a casting vote if votes are equal. I am all for getting these meetings over very quickly—

Members interjecting:

The CHAIRMAN: I ask members to keep their voices down. We are in a difficult part of the Committee, and it is hard to concentrate. The member for Victoria.

Mr D.S. BAKER: So, if proxies are available and three members are on the authority, it should not be difficult to get three people to a meeting. My concern is that, as the Chairman has not only a deliberative but a casting vote, if only two people turn up to the meeting, it is a waste of time having the meeting. In relation to a quorum, the old Metropolitan Milk Supply Act 1946 provides:

(1) The chairman or acting chairman and one member of the board shall form a quorum thereof.

(2) If only two members of the board are present at a meeting and are unable to agree on the matter, the decision of that matter shall be postponed to a full meeting of the board.

I do not want to expand on the subject of these meetings, but it is a sensible way to proceed, and perhaps the Minister may consider discussing that matter further before the Bill is debated in the other House.

The Hon. T.R. GROOM: I am prepared to have a further look at the situation. I, too, want to see a mechanism that actually gets things done. Under the previous Act, a matter was postponed until there was a full meeting, or something like that. Often that can simply be wasteful energy. One way of blocking a chairman always is simply not to turn up and leave him there by himself so that he does not have a quorum. If a chairperson acted in a dictatorial manner as a matter of routine, the whole thing would fall apart. I think industry representatives are cognisant of that and do try to harmonise and reach a consensus.

In my 25 years in the legal profession, there have been plenty of occasions when that deliberative and casting vote has been handy to break a deadlock. I would much rather see efficient and responsible decision making—albeit a very powerful form of decision making—take place to resolve any serious issues. As I said, I will have a look at it, but I am not unhappy with the clause. Because I like to see things done and work efficiently, I do not mind someone having a bit of extra authority to ensure that things are carried out. I stand to be persuaded and, between now and when it goes to the Upper House, I will have further discussion with the honourable member.

Clause passed.

Clauses 12 to 14 passed.

Clause 15—'Accounts and audit.'

Mr D.S. BAKER: I move:

Page 7, after line 10--Insert the following subclause:

(3) The authority must arrange for the audit of any money collected and paid under section 23 (2) (c) and ensure that the farm gate price is paid under a price equalisation scheme.

This amendment provides for an extra audit, but it is important that this occurs in the transitional period.

The Hon. T.R. GROOM: At this stage, I am not prepared to accept the amendment, but once again I will look at it further before it goes to the Upper House. I think I have adequate powers as it is. Under the Dairy Industry Act, the functions of audit were actually removed many years ago without any repercussions. The procedure to define milk used for market milk has been through a schedule which is filed monthly by each processor, and each processor is also subject to a detailed audit as is required under legislation. So, it is already picking up some powers under this legislation. As a result of the powers that already exist and what has occurred with regard to the existing Dairy Industry Act, there seems to be little need for additional tasks to be undertaken by the new dairy authority when the main thrust has been to reduce regulation. I am content with the clause as it is. I am mindful of the point that the honourable member has raised. I do not want to over-regulate. It was not a problem when it was removed under the Dairy Industry Act before.

I do want to ensure, of course, that the fund is maintained properly. I have power to direct managers of the funds—I can do that under clause 23—to obtain an audit, and I also have the power of direction, which would properly be better covered by regulation rather than in the Bill. As I said, I will have a further look at the matter. I do understand the point that the honourable member is making with regard to the control and

disbursement of moneys. I do have adequate powers in the united effect of the Bill elsewhere, and I am prepared to put a specific power in the regulations, but I will look at the honourable member's point between now and when it goes to the Upper House.

Amendment negatived; clause passed.

Clauses 16 to 20 passed.

Clause 21—'Transfer of licence.'

Mr D.S. BAKER: I move:

Page 9, after line 5—Insert subsection as follows:

(2) The authority's consent is not required for the transfer of a dairy farmer's licence where ownership or control of the dairy farm to which the licence relates changes and, in that case, the licence will be transferred on notification to the authority of the name and address of the person by whom the dairy farming business is to be conducted.

Clause 21 provides:

A licence may be transferred with the consent of the authority.

If this Bill is about deregulation, it worries me that the authority is to have some say in the transfer of a dairy farmer's licence, or any licence for that matter. The original Dairy Industry Act 1928, which I thought was over-regulatory, provides:

A licence issued in respect of a dairy farm, factory, milk depot, store or creamery may be transferred to any person who becomes by purchase or otherwise the owner of such a dairy farm, factory, milk depot, store or creamery.

I seek the Government's support for this amendment.

The Hon. T.R. GROOM: I am not prepared to accept the amendment at this stage. I have not discussed the ramifications of it with the industry. I do not think it will take all that long to do so. It is one matter that will be resolved definitely one way or the other before it goes to the Upper House. I have some concerns about it. My first inclination was to accept the amendment, but I have decided to err on the side of caution and consult with the industry. I am a little concerned that once the need for the authority's consent is removed, it is deprived of a certain advantage should there be issues such as safety attached to the dairy, or some other unsatisfactory aspect with respect to the conduct of a dairy which they might want to rectify by saying, 'We will give you consent provided that you fix up these things.'

I must say I was attracted because it is in line with more of a deregulatory approach, but I should err on the side of caution and give the industry an opportunity to consider it. I do not think it will take all that long to make up its mind one way or another. I will do that between now and when the Bill goes to the Upper House.

The Hon. H. ALLISON: I support the amendment. I wonder whether the Minister has considered, if in fact the authority is sufficiently concerned as to issue a licence to not remain operative, it already has power under clause 20, which provides:

Condition of licence.

A licence may be issued on such conditions as the authority thinks fit.

Those conditions have to be adhered to by the licence holder. It continues:

The authority may, by written notice to the holder of a licence, add to the conditions of the licence or vary or revoke condition of the licence.

I would have thought that was more than adequate protection for the authority which would have established some cause for concern prior to the person holding the licence wishing to transfer it to another purchaser or even another member of the family. The right of the authority to withhold, cancel or revoke the licence still exists because the licence is conditional. I suggest that the Minister and the authority have adequate power to protect the licence without further restricting the licence holder from a normal transaction such as sale, purchase or transfer to a family member.

The Hon. T.R. GROOM: The problem is that it is not quite that, because it attaches to the original licence. You must attach the conditions to the original licence. If the original licensee falls out of favour by not conducting the dairy properly, or there are some safety issues involved, they do not attach to the transferee. I can see a problem of a loss of advantage on the part of the authority. It may be that it will come up only now and again, but I do not want to lose this clause and create a situation that actually weakens a desirable advantage when dealing with the transferor and transferee. My powers under clauses 19 and 20 simply attach to the original licence holder. Once it is transferred, I have sufficient powers subsequent to vary or add to the conditions but, at the actual point of transfer, they do not need the consent of the authority. I do not want to lose that advantage if it is not necessary to lose it.

Mr D.S. BAKER: I would ask the Minister to look at this. He mentioned safety. That is completely outside the realms of a dairy licence, I would hope. That is covered by another Act altogether. If a dairy licence is to be anything different than it was meant to be in the past, or if it is to be more draconian than it is at present, where it is a notification that cows will be milked, the Minister should explain that to the Committee. I would have severe reservations if it were to include safety measures or industrial legislation of some kind.

The Hon. T.R. GROOM: I was referring to product safety issues that might be involved, or something amiss in the conduct of a dairy. I was attracted in the first instance to the amendment and the argument that was put up, because the combined effect of the powers is quite strong, but there is an advantage lost at the point of transfer. I do not want to lose that advantage until I have spoken with the industry. It may well be that the industry completely agrees with the member for Victoria, in which case I will not have any difficulty. I owe it to the industry to give it an opportunity to look at it, because it is just a loss of advantage. I know from practising law that it is a big advantage for an authority to be able to set standards on occasions. I know there are other powers afterwards. It is not an enormous issue. It will probably not arise on many occasions, but I do not want to lose that advantage for the industry without talking to it.

Amendment negatived; clause passed.

Clause 22 passed.

Clause 23-'Price control.'

The CHAIRMAN: Does the member for Victoria wish to persist with his amendment?

Mr D.S. BAKER: No. I think the Minister has an amendment which we are happy to accept.

The Hon. T.R. GROOM: I move:

Page 9-

Lines 23 to 27-Leave out paragraph (c).

After subclause (2) insert the following subclause:

(2a) An order under this section fixing a price to be paid to processors for market milk may be subject to a condition, stated in the order, requiring that a specified proportion of the price paid for the milk be paid into a fund to be established by the processors and applied by them, as directed by the Minister, towards enabling them to pay the farm gate price for milk to dairy farmers who would not otherwise receive that price for such milk.

Line 30—Leave out `(2)(c)' and substitute `(2a)'.

I am grateful for the contribution of the member for Victoria in this regard. He raised this matter and the amendment is for better clarity and to avoid ambiguities.

Mr D.S. BAKER: This is probably the second most controversial clause in the Bill, and it is really about price control. Although the amendment tidies up the whole clause much better, I am not sure that it goes far enough because this whole provision is about the control of the wholesale price which, in effect, ceases on 1 January 1995. Both major processors of market milk have some concerns as to what will happen after 1 January 1995. One of them has given me some amendments that they wish to have inserted. They vary in relation to what the Minister has put forward today. I seek an assurance from the Minister that ongoing discussions will take place to ensure that the intent of what we are trying to do in the interim period is covered with the major processors and, of course, the dairy farmers, and that there will be discussions until the end of 1994 to ensure that none of the three major parties involved in this legislation is going to be disadvantaged after we carry on with that next step of deregulation, which is the deregulation of the wholesale price of milk on 1 January 1995.

The Hon. T.R. GROOM: This matter was pointed out by the member for Victoria. As the honourable member knows, there is a disagreement between Dairyvale and Farmers Union in this regard. In taking the points put to me by the honourable member, I have actually had to balance up the competing points of view and come out in favour of this amendment. However, there will be some further discussions in relation to it. I think the South Australian Dairyfarmers Association might want a minor change as well. But, at the present time, I think the amendment I have moved balances things out subject to our having further discussions with regard to the further points the honourable member has raised and a matter that the South Australian Dairyfarmers Association wants to take up.

Mr D.S. BAKER: I accept that. But I seek an assurance from the Minister that if there is a disagreement as we approach 1 January 1995 he will continue those discussions to see whether we can iron them out before the major processors are put onto the deregulated market so that we can ensure that none of them is disadvantaged as we go into that next step. It is really not only the next couple of weeks when there will be discussions but right through as we see how this works in the freer market and as monitoring takes place right up to the point of deregulation of the wholesale price.

The Hon. T.R. GROOM: If I am Minister on 1 January 1995, I will certainly carry out the assurance that I am about to give the honourable member—and I expect to be, do not make any mistake about that. I do have the power to direct and will do so if the appropriate circumstances arise. The honourable member is right; we have had extensive discussions in relation to this clause. I wish to point out for the benefit of members that it has not been an easy matter to achieve agreement amongst industry groups and we have had- to come into the scene to resolve various matters. Originally it was put out to the industry to resolve and we have had to get involved because there have been some fine details not quite resolved. That is the reason for ongoing discussions between now and when the legislation gets to the Upper House.

If I delayed the passage of the legislation it would not have been passed this side of Christmas. It is far better that we do proceed in this way with this particular legislation, knowing that the member for Victoria and I are hardly at odds with regard to the issues, and I will be relying between now and when it gets to the Upper House on the further contribution of the member for Victoria. However, I think it should go through in this form at this time. I have ample power to direct and give the assurance that if the need arises on 1 January 1995 that will take place.

Amendments carried; clause as amended passed.

Clause 24 passed.

Clause 25—'Guarantee of adequate farm gate price.'

The Hon. T.R. GROOM: I move:

Page 10, line 7—After `at' insert `or above'.

This is simply to ensure that it was quite clear that it was at or above a price determined by the Minister and not anything else.

Amendment carried.

The Hon. T.R. GROOM: I move:

Line 15—After `milk' insert `to be used for the purpose of manufacturing market milk'.

Line 22—After `Act' insert the following: `unless the Minister, by notice published in the Gazette, otherwise determines'.

I am greatly indebted to the member for Victoria. The amendment to line 22 gives me certain powers because of the problems that the member has already outlined in relation to 1 January 1995. Again, that has been as a result of very extensive consultation with the industry in which the member for Victoria played a very important role.

Mr D.S. BAKER: This was one of the most important subclauses in the whole Bill because of its interpretation and the possibility of problems in the Golden North and with the contracts already in place. We have played around over the past week with seven or eight different forms of words. I agree that the form of words in the Bill now gives the Minister power to make those exemptions that are necessary. But, again, as we received the amendments only today I think we should have ongoing discussion before it gets to the other House.

Amendments carried; clause as amended passed.

Clause 26—'Equalisation schemes.'

The Hon. T.R. GROOM: I move:

Page 10, lines 30 and 31—Leave out `between the proposed members of the scheme or a substantial majority of them' and insert `binding dairy farmers and wholesale purchasers of dairy produce throughout the State'.

This was of great concern because my emergency powers, as it were, would apply only if there were a substantial majority left. If one dropped out it could be

argued that there was no definition of substantial majority. It could be argued that there was still a substantial majority if one of the five or half a dozen organisations dropped out. So, it is to tighten it to ensure I have emergency powers to bring in an equalisation scheme if the industry scheme fails. Likewise, I have no hesitation in saying that the member for Victoria has been heavily involved in the negotiations and the clause results from joint effort on both our parts.

Mr D.S. BAKER: I withdraw my amendment because this is the most up-to-date form of words.

Amendment carried; clause as amended passed.

Clauses 27 and 28 passed.

Clause 29—'Powers of inspectors.'

Mr GUNN: I move:

Page 12, after line 12—Insert the following subclause:

(3) An inspector, or a person assisting an inspector, who while acting or purporting to act in the course of official duties-

(a) uses offensive language;

or

(b) hinders or obstructs, or uses or threatens to use force against, some other person knowing that he or she is not entitled to do so, without a belief on reasonable grounds that he or she is entitled to do so, is guilty of an offence.

Penalty: Division 5 fine.

I have moved this amendment to most legislation in recent times because it brings a balance to the powers of inspectors. In a decent democratic society people should not be subjected to overbearing or aggressive actions by inspectors or any law enforcement authority. I have pleasure in moving the amendment.

The Hon. T.R. GROOM: As a lawyer, I would not support the amendment because I think that there are adequate powers in the Summary Offences Act. However, as a parliamentarian and politician I support the amendment because I know the honourable member is consistent and it does not hurt, even though there is some duplication with another Act. People do operate under their own Acts and would not know about the Summary Offences Act. As I know the circumstances in which the honourable member has consistently had such clauses inserted in this type of legislation, I intend to support the amendment.

Amendment carried; clause as amended passed.

Remaining clauses (30 to 33) passed.

Schedule.

Mr D.S. BAKER: I move:

Page 13—In subclause (3) after `Minister' insert `after appropriate consultation with associations representing the dairy industry'.

There is considerable conjecture about the future of the Herd Testing Authority in South Australia, and I spoke at length about this in my second reading contribution. I want to make sure that we get the best for dairy farmers out of the authority and that we have an authority that has absolute integrity. The amendment is broad so that the Minister can direct, but I would like him to consult widely in the industry to see whether we can work out a scheme which has integrity and which stands above all other herd testing authorities in Australia but also gives milk sample collectors the competition necessary to make the price competitive for dairy farmers.

The Hon. T.R. GROOM: It would be a particularly brave Minister who did not consult with the industry and so I have no problem in accepting the amendment.

Amendment carried; schedule as amended passed.

Title passed.

Bill read a third time and passed.

CRIMINAL LAW (SENTENCING) (SUSPENSION OF VEHICLE REGISTRATION) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 28 October. Page 1147.)

Mr S.J. BAKER (Mitcham): The Opposition has extreme reservations about this measure and, if the Minister were in the House, I would actually tell him about them. The Bill proposes that, if there have been breaches of the Road Traffic Act, parking offences or some other offences relating to the use of motor vehicles and those fines that are imposed remain unpaid, the court has the option and is directed to take the option of suspending the registration of the entire fleet of motor vehicles owned by a particular company.

That is a draconian step and is contrary to all the laws of natural justice of which I am aware and it applies a penalty of huge proportions on people in the road transport industry. To some extent the Bill has been softened to protect individuals who drive vehicles of a company if they are unaware that the registration and third party bodily insurance has been suspended by the court. In the original proposition there was no such protection, which would mean that an employee of a company who unwittingly drove a vehicle under suspension would have no natural coverage if the vehicle was in an accident and there was personal injury.

That person would have no protection under the law and, presumably, could even be prosecuted for driving an unregistered vehicle. There would be no personal coverage and no protection for a person found driving an unregistered vehicle in those circumstances. What is interesting about the legislation is that the Attorney-General has deemed it necessary to take this extraordinary step but he has given us no details of how good or bad the situation is in relation to the vehicles under contention. We do not know whether fine defaulting is of epidemic proportions within the transport industry. We do not know whether there is widespread avoidance of fine payments by companies who run fleets of cars or run only one or two cars for the company director or managing director and perhaps one or two of the employees.

At one end of the spectrum we have companies with cars for their own business purposes and, at the other end of the spectrum, we have transport companies, including heavy transport, city parcel delivery fleets and taxi services. All such service and transport industry sectors will be covered under the Bill. The responses from the various organisations with an interest in this area are straightforward. The Road Transport Association states:

The transport industry in South Australia is opposed to such draconian legislation which seeks to go outside the normal collection methods available to industry and the general public. The major point of concern lies in the right of the Government

to suspend the registration of the entire fleet along with the suspension of third party insurance. This action would also negate private insurance along with public liability insurance.

The response of the South Australian Taxi Association is as follows:

I believe that this piece of legislation is both unnecessary and contrary to the present provision which allows for the registered owner, as an officer of the body corporate, of the vehicle to use as a defence section 79 (b)(2) of the Road Traffic Act 1961, subsection (c)(ii). The need for this `extra' provision, I feel, can only be put down to the need to raise more funds. Should this amendment come into operation, which I believe will occur, it would be preferable that only the vehicle that is in default of paying a fine should have the registration suspended.

The Country Carriers of South Australia, in response to the Bill, wrote:

There appears to be some discrimination towards companies in this Act. I note that privately registered vehicles will not have registration cancelled `because this would prevent the use of all vehicles registered in that person's name by any other family members for essential purposes.' This statement seems unfair for employees of a company who, if all the company's vehicles registrations are cancelled, could become unemployed.

The South Australian Farmers Federation wrote:

While the South Australian Farmers Federation can understand the need to ensure that fines are paid in relation to offences arising out of the use of motor vehicles, the proposal in the Fill would appear to be a classic case of `a sledge hammer to crack a nut.'

I think that a more appropriate statement was the one made by my colleague Legh Davis, who talked about taking a Sherman tank to crack a nut. Again, the observation is made:

Surely it would be adequate to suspend the registration of the vehicle concerned.

The Employers Federation was equally critical of this measure for some of the reasons that have already been mentioned.

This Bill does not enjoy popular support because it breaks the laws of natural justice. I still do not know where the Minister is, unless the Minister of Primary Industries is now going to take up the baton on behalf of his beleaguered colleague, not that his beleaguered colleague has shown much aptitude in matters of law, despite his background. It may be that the Minister of Primary Industries would make a better representative for the Attorney-General in this place. It may be that in the fullness of time some alterations will be made on the front bench and we shall have somebody who has practised law and can answer some of the more delicate and in-depth questions that we on this side occasionally ask.

We do not know the dimension of the problem. The Attorney has given no information to this Parliament about how many companies have drivers regularly breaking the law and failing to meet their obligations to pay the fines. For example, we do not know whether this compares favourably or unfavourably with the normal travelling populace. We do not know how many people who have gone through red light cameras, speed cameras or other speed detection devices and who have not been identified at the time but have been sent a bill through the post are not paying those fines. I understand the number is quite considerable. I have had no indication from the Attorney that company drivers are any better or worse than the normal population.

It should be clearly understood that the Attorney is not willing to apply a suspension of all motor vehicles listed under one person's name, because he said that it might affect the family. How hypocritical can a person be? It is all right to wipe out a transport company, but it is not all right to ensure that the law is upheld in relation to families. One must question the Attorney's motives. The Attorney suggests that this system has had some success in New South Wales. I can only rely on the information that I have received, and that suggests that it has had a 50 per cent success rate. The Attorney did not inform the House how well the system was operating without this measure in South Australia. Are we talking about 100, 1 000 or 10 000 offences a year? There is no order of magnitude.

Mr Holloway interjecting:

Mr S.J. BAKER: The member for Mitchell asks, `What difference does it make?' He will not be in this place much longer, but whilst he is here I believe that he should apply himself to the principles of the matter with which we are dealing. If we are talking about a limited number, why would we want to wipe businesses out because of unpaid fines? Let us be quite clear: the transgressor in this case is not the company; it is the person employed by the company. It may be a person who is employed full-time, casually or on contract and who sits in the cab of the truck for a particular journey. Most members know how the various elements of the transport industry work. It appears that different sets of circumstances can prevail.

The person responsible for the offence is the driver, not the company, and the driver should pay the penalty. There is an assumption in the Bill that the company, as the employer of that person, whether under contract or the owner of the vehicle, is automatically liable and should suffer the full consequences. I question whether that is right. If a member or someone in his family gets into a friend's car, we know that the person who commits an offence is responsible for the fine. However, the Attorney has two sets of rules. It is very serious to say that, as a result of what could be a $100 fine, a transport company with perhaps 50 vehicles will be put off the road. I can understand that the Attorney's intention is to force the company to pay the fine, but the law is being trampled on. The Minister of Primary Industries understands that principle. He knows that the law is being twisted to change the liability.

The Hon. T.R. Groom interjecting:

Mr S.J. BAKER: The Minister says that the best thing to do is to pay the fine.

The Hon. T.R. Groom: Why not?

Mr S.J. BAKER: That is what the Attorney-General intends: that the company will have its attention drawn to the fact that it could be out of business unless the fine is paid. There are a number of anomalous situations in relation to who is informed of the offence and there is an assumption that the fine is paid. We know from companies which employ drivers who do transgress that expiation notices are provided to those drivers. If they can remember and if the sheets are of sufficient detail to identify the driver, the expiation notice is given to that driver, and they say, `Charlie, you have to pay this fine.'

Under this stupid provision, if Charlie does not pay the fine and the company assumes that he has paid the fine, the company becomes liable.

There are two reservations about this Bill. First, it is draconian. How *c*an *we* wipe out a business worth possibly millions of dollars because someone has not paid a fine? That is unbelievable in this day and age. Secondly, it changes the liability from the person who is responsible for the offence, the offender, to a company which may have a direct relationship with that person in the form of full-time employment or whom it may have hired in good faith and may never see again.

There are not enough safeguards in this legislation. The Opposition says that if a vehicle has been identified by a speed camera or a sticker licker or whatever device is used and if an expiation notice is issued, the fine is not paid and the due process is followed, why not suspend the registration of that vehicle? That would be infinitely sensible, but the Attorney-General wants the whole lot. He wants to grab them all and say, `I'm going to close you down unless you comply.' I am still waiting for the responsible Minister to turn up. Has he gone on holidays?

Members interjecting:

Mr S.J. BAKER: It would be nice if the Opposition were informed of the change of arrangements on the front bench.

The Hon. T.R. Groom: It is only temporary.

Mr S.J. BAKER: I have more fun with him, because he does not know any of the answers. In my response to this Bill, I reflect on the observations of people who are out there battling to make a dollar. We know that the economy is depressed. We should not expect companies automatically to pay up every time someone breaks the law. Just because the law cannot catch up with them, that does not mean to say that the companies concerned should be responsible. If an employee has been provided with a notice, an assumption is made that that employee will meet their obligations as they have broken the law,

and that places the company in a very difficult situation. Assuming the obligation under this law has been met, there is very little protection. I will deal with my amendments when we consider clause 3. However, the Opposition is not convinced that this measure is appropriate. We believe there are less draconian ways of overcoming the problem and we would be absolutely delighted if the Government would give us some indication of the problem we are trying to overcome.

The Hon. T.R. GROOM (Minister of Primary Industries): First, I wish to apologise to the Opposition. I have been given the carriage of this Bill and possibly the next Bill at short notice, because the Minister has a task that he must fulfil. I do not think that will disappoint the Opposition. But what might disappoint the Opposition is that I wish to state that the contribution by the member for Mitcham is way off beam, because the practical effect of what he wants to do is to support defaulters. If the honourable member knew anything about the way in which companies in industry work, he would know it is not a question of putting a company worth millions of dollars out of business. To protect themselves, they incorporate $2 companies-a range of companies that run the business-and they hold the registration of particular vehicles in that company name. With regard to a company which defaults on payment of a sum resulting from an offence or an on-the-spot fine arising from an offence committed by a driver employed by that company, if you do not have a broader power you simply cannot collect those fines. They will simply use another vehicle, and there is no problem-there is no incentive to collect fines.

Victoria has a scheme that is limited in the way in which the honourable member has outlined in his second reading speech that he wants this scheme limited. That scheme has never come into operation, because Victoria realised that because of that loophole fines are easily avoided and completely ineffective. So, the Victorian Government is now looking to have its relevant Act amended so that the scheme will allow for suspension of all registrations. This is simply a mirror of the New South Wales legislation, which works effectively. It has not put companies worth millions of dollars out of business, but it has made the collection of fines extremely successful, and properly so.

Bill read a second time.

In Committee.

Clauses 1 and 2 passed.

Clause 3—'Suspension of motor vehicle registration for default by a body corporate.'

Mr S.J. BAKER: I move:

Page 1—

Lines 24 and 25—Leave out `all motor vehicles of which the company is the registered owner' and insert `that motor vehicle (if the company is still its registered owner)'.

Line 3—Leave out `any' and insert `that'.

Line 9—Leave out `, or revoke it insofar as it relates to any particular motor vehicle,'.

I reject the argument put forward by the Minister of Primary Industries. If a company had a number of cars and if each time a fine was not paid those cars were put off the road, that would be a huge expense to the company. So, there would be a penalty. The Minister has put forward the proposition that somehow this has been avoided in Victoria. We have not seen any change in legislation. We have no idea of the dimensions of the problem. What we have here is a bit of legislative licence. The suspension of motor vehicle registrations is a very important provision which contains considerable penalty. If the company was prone to allowing these speeding fines to go unpaid, it would soon lose its vehicles, and that would not be in its best interests. The arguments have become circular and they are also stupid.

From the information that has been provided, it appears that this is a widespread practice: everyone speeds down the road and then they do not pay the fines because they are employed by a company. So, all company employees are exempt from further action. That is absolutely ludicrous. If you have a fleet of 50 cars and one of your employees has not done the right thing and one car has to go off the road followed by another and then a third, I would have thought that would be pretty compelling. The company would be rushing to get that car or truck back onto the road. It could involve an investment of hundreds of thousands of dollars or cars worth $20 000 or $30 000 being taken off the road and depreciating while they are sitting in the yard unable to be used.

That argument is nonsensical. We have been provided only with the information that Victoria is not certain that

its little scheme is working properly. We have no evidence except some discussion that has taken place between this State and that State about how well the legislation is working. When I have finished dealing with these amendments, I will ask the Minister of Primary Industries to tell us the number of motor vehicle offences and unpaid fines that we are talking about for companies compared with individuals. I put these amendments forward in good faith. I believe this is an appropriate measure, that it is less draconian than the current provision in the amending Bill, and that it should be supported.

The Hon. T.R. GROOM: I oppose the honourable member's amendments; on a very spurious natural justice point, the honourable member wants to protect defaulters. The legislation applies in this order: if there is an offence, and if it is a company vehicle, the company can choose to disclose, through some form of nomination, who the actual driver is—and there is no problem, because the driver simply has to pay, if that is the case. If the company does nothing, this is when the mechanics of the Bill take over. I have previously said in closing the second reading debate that there is an Act in Victoria that is not being brought into operation because it has this loophole and does not function.

The Sheriff in Victoria has advised that he will be seeking to have the Victorian Act amended in order that the scheme will properly apply to all vehicles registered in the name of a company. In New South Wales, the scheme operates as proposed in this Bill, and it has shown to be extremely successful with 54 to 55 per cent of outstanding fines collected since the scheme has been in operation. This compares with a collection rate of 10 per cent prior to implementation of the scheme.

The honourable member asked what company fines are outstanding. I do happen to have that information; it must have been requested by the shadow Attorney-General in another place. Until a few weeks ago, there were 1 063 outstanding fines relating to companies, amounting to $443 771. It is a spurious natural justice point. It is a cloak to protect defaulters.

Amendments negatived.

Mr S.J. BAKER: How does company behaviour in relation to company fines compare with normal behaviour in terms of those people who drive vehicles other than company vehicles? It may well be that we are talking about a relatively small contribution in the scheme of things.

The Hon. T.R. GROOM: I will have to get that information.

Clause passed.

Clause 4 and title passed.

Bill read a third time and passed.

FINANCIAL TRANSACTION REPORTS (STATE PROVISIONS) BILL

Adjourned debate on second reading.

(Continued from 28 October. Page 1148.)

Mr S.J. BAKER (Mitcham): The Opposition supports the Bill. It is useful to reflect that the complexities of the way in which we do business have affected the way in which the law operates. If my understanding is correct, if the police want certain information in order to pursue a normal criminal offence, that information must be subpoenaed: it cannot be given as a matter of course where matters of client confidentiality are involved. Under this provision, there will be a natural right for the police to receive client-confidential information. As I said previously, we are stretching the law to its outer bounds.

The Federal Cash Transaction Reports Act requires financial institutions and cash dealers to provide the Cash Transactions Reports Agency with reports of transactions which may be relevant to the investigation of breaches of taxation and other Commonwealth laws. The agency is able to pass information onto law enforcement agencies, including State police forces. We now have a Federal agency—a very expensive agency—and our financial institutions are required to keep their records in such a form that they can trace very large transactions. The object of the Federal legislation is to somehow keep a tab on money movement in order to combat organised crime. We would have all read the novels and seen the movies, and we would know that organised crime deals in extremely large cash sums. They do not deal in cheques, because cheques can be traced.

The Government has now seen fit—and it is certainly supported by all legislatures—to set up a mechanism which will make it somewhat easier to track moneys which would have previously remained anonymous. To the extent that we do have organised crime in Australia—and we certainly do have that-and the extent to which it deals in large sums of money, it is important that every endeavour be made to bring those involved in that activity to justice. This adds a further dimension to the capacity of the Federal and State police to identify some of the people involved and to ascertain the dimensions of the transactions involved.

If we had been watching the series on Chicago during prohibition days, we could all reflect on the fact that Al Capone was caught in the act not of murder but of defrauding the Federal Government of its rightful taxation. In much the same way, we will not catch some of the very powerful influences in the organised crime area, except through the way in which money is handled. So, the Federal legislation does not go far enough, in relation to the State jurisdictions, to allow full pursuit of the criminals involved-

I will take up the point that has been made by the Hon. Ian Gilfillan. He quite rightly said that there is a trade in confidential information and that we should at all times prevent client confidentiality being abused. Not only through this transmission will we have genuine attempts to track down those people who would wish to avoid the law or who have transgressed but, of course, the existence of those files makes it possible for a person, for example in the Police Force, to ask for information on the basis that it is related to the transactions legislation that we are debating. That information could be highly embarrassing and detrimental to the conduct of businesses in this State. So, as far as is humanly possible, we must ensure that everyone is protected in the system. We do not want information leaking out, whether it be through oversight or negligence, and we certainly do not want it leaking out for the purposes of profit.

The two areas that have been raised as being in need of address relate to the fact that, although the agency may

distribute information to State Police Forces, the Federal Act does not give any protection to cash dealers who provide information in response to follow-up requests from State police, and there is no obligation on cash dealers to provide information about suspected offences under State criminal law or information which may be relevant to actions under the Crimes (Confiscation of Profits) Act. So, there is an extension of the State jurisdiction, and whilst the Opposition agrees with the step being taken here—obviously we need all these weapons at our disposal—it is fraught with some danger, because a member of the Police Force can demand information to be given. I would like to see certain increased checks and balances put in the system, in the form of authorised forms or some means by which we can ensure that the original request made by the police is in keeping with the intent, and that that intent is consistent with the area in which we are dealing, and that it is not for some other purpose.

There are no guarantees. If the agency forwards information to State police, the Government asserts that the need arises frequently for an officer to seek further information and documentation from the cash dealer. While a cash dealer may supply the information, there is no compulsion on the cash dealer to do so, and there is no protection for the cash dealer who supplies the information who, by reason of that action, may be in breach of the implied duty of confidentiality owed to the customer. We are actually breaking an old rule, a very sound rule if you like, in which the police had to take certain extra action to acquire confidential information which they will now not have to do.

The Bill virtually conforms to the model legislation which has been passed already in Victoria, and I understand that the Australian Bankers Association has requested a common commencement date across Australia. Already there is a cost to the banks and the dealers of many millions of dollars in complying with the legislation. We have been informed that the Australian Bankers Association's members are paying out approximately $12 million per year to set up their files. Already, $32 million has been spent. If we look at the other financial institutions, we could probably double that figure.

A review will be done within three years, and I am pleased that that is in the Federal legislation, because it would be unconscionable if this measure did not stand up to scrutiny at an appropriate time. The Opposition supports very strongly that proposition. It is good to see that we do have a check and balance in the system. At the end of the three year period, I understand that a committee will review the operations of this measure and ensure that it is working in the best interests of everyone concerned. With those few words, on behalf of the Opposition, I support the proposal.

The Hon. T.R. GROOM (Minister of Primary Industries): I thank the Opposition for its support for the Bill and the honourable member for his contribution.

Bill read a second time.

In Committee.

Clauses 1 to 4 passed.

Clause 5—'Further reports of suspect transactions.'

Mr S.J. BAKER: This clause does cause me some concern. I would like some edification from the Minister. Clause 5(2)(a) provides:

The further information is to be information that may be relevant to the investigation of, or prosecution of a person for, an offence against a law of the State.

Can the Minister quite clearly tell the Committee that this provision will not be used by law enforcement agencies to collect information which is normally confidential but which bears no relationship to the requirements of the Federal legislation? We are talking about a whole new set of arrangements to cover the problem of organised crime and money movement. I would not like to think we will abuse client confidentiality and obtain confidential records on the basis of some other offence which has no relationship to the Federal legislation.

The Hon. T.R. GROOM: I understand the point that is being made. The Commonwealth Cash Transaction Reports Agency which now styles itself AUS-TRAC has a 'Suspect Transactions Advisory Group'. This group consists of AUS-TRAC officers, representatives of cash dealer groups (including banks, credit unions, etc.) and representatives from the Australian Federal Police. This group is presently formulating an agreed protocol or code of conduct as to how the police and the cash dealers will be expected to deal with requests for further information. This code of conduct is virtually in its final draft form.

AUS-TRAC is proposing that this code of conduct will be the model for all other law enforcement agencies and the Australian Taxation Office in its dealings with cash dealers who have reported suspect transactions. AUS-TRAC will be requesting that the South Australian police agree to be bound by the protocol. The protocol is designed to ensure that requests for further information are properly focused and not just `fishing' trips. The formulation of that protocol and the code of practice answers the honourable member's concerns. Hopefully the formulation will properly address it. I am sure that it will.

Mr S.J. BAKER: I thank the Minister for his comprehensive response. For my small contribution to this matter, I would like to think that all such requests will be in writing and by a senior officer so that there is no doubt about responsibility and the reasons behind such requests. I am sure those matters will be considered in the protocol.

Clause passed.

Remaining clauses (6 to 9) and title passed.

Bill read a third time and passed.

ADJOURNMENT

At 5.58 p.m. the House adjourned until Tuesday 17 November at 2 p.m.