# HOUSE OF ASSEMBLY

**Tuesday 17 October 1995**

**The SPEAKER (Hon. G.M. Gunn)** took the Chair at 2 p.m. and read prayers.

## SCHOOL SERVICES OFFICERS

Petitions signed by 420 residents of South Australia requesting that the House urge the Government to restore school services officers' hours to the level that existed when the Government assumed office were presented by Messrs Evans and Such.

Petitions received.

## QUESTIONS

**The SPEAKER:** I direct that written answers to the following questions on the Notice Paper, as detailed in the schedule that I now table, be distributed and printed in *Hansard*: Nos 2, 4, 7, 8, 13, 15, 16 and 18; and I direct that the following answer to a question without notice be distributed and printed in *Hansard*.

### PARKS COMMUNITY CENTRE

In reply to **Mr De LAINE (Price)** (28 September).

**The Hon. J.K.G. OSWALD:** The Department of Housing and Urban Development is responsible for the management of building and property services—cleaning, building and grounds maintenance and security—at the Parks Community Centre on an interim basis pending the development of appropriate long-term management arrangements. Currently 27 people—of whom 17 work part time—are employed in building and property services. Under an agreement with the State Government, the City of Enfield is managing the community and recreation facilities at the Parks.

The State Government and the City of Enfield are currently negotiating a proposal under which ownership of the centre would be transferred to the City of Enfield and the city would assume responsibility for all operations including building and grounds management. This transfer could occur as early as 31 December, 1995.

Many of the staff currently carrying out building services would not be required under the proposed new arrangements and, in order to prepare for the transition, building and property management staff have been encouraged to pursue a number of opportunities including:

- transfer to similar duties in other State Government facilities,
- transfer to similar employment in the private sector,
- training in new skills including computing and office work, and
- voluntary separation from the public service.

As staff have taken up these opportunities it has been necessary to put in place new arrangements to carry out their former duties. First, where staff are employed part time—principally in the area of cleaning—hours of work have been increased. All casual cleaners are now working more hours than they were four months ago.

Second, short-term contracts have been entered into to ensure that services continue until the future management arrangements are in place. These contracts are based on detailed specifications for particular services—the cleaning of a particular building within the complex, for example—and quotations are invited from two or more firms capable of undertaking the work. The contracts are for monthly periods only and are capable of being determined as soon as the new management arrangements are in place. It is considered that a full process of public tendering would be inappropriate where—pending negotiations with the City of Enfield—the Government is not in a position to enter into a contract of more than a few months.

It is understood that the staff have been aware of these arrangements and undertakings have been given that the work of existing members of staff will not be reduced by the contracting process.

## HUS EPIDEMIC

**The Hon. DEAN BROWN (Premier):** I seek leave to make a ministerial statement.

Leave granted.

**The Hon. DEAN BROWN:** Last week and on the weekend in parliamentary questions and in statements to the media the Opposition continued to criticise the Government's role in the tragic HUS epidemic earlier this year. In particular, the Opposition referred to meetings on 4 and 5 February 1995. In the *Advertiser* on 14 October the member for Elizabeth was reported as having said:

> What is most concerning is the Premier's intervention in this matter, along with his Parliamentary Secretary, Mr Stefani.

At other times, the Opposition has suggested that the Government did not do enough. The Opposition's questions and statements have been laced with inconsistencies, innuendo, implications of impropriety and slurs on the professional reputations of senior Health Commission officials. However, the facts speak for themselves. On 23 January 1995 the Government identified mettwurst produced by the Garibaldi company as the source of this epidemic and immediate product recall procedures were implemented. On 1 February, Nikki Robinson died as a result of having eaten Garibaldi mettwurst on 21 January. On 3 February, Victorian health authorities—that is the Friday immediately prior to the 4 February meeting—made public statements suggesting South Australia had given the all-clear to meat processed in that State which was used in the production of Garibaldi mettwurst. Those statements were incorrect at the time and added to the confusion and concern about this epidemic.

It was against this background therefore that the Garibaldi company approached both my office and the Hon. Julian Stefani on Friday, 3 February seeking further discussions with the Government about the company's position. The Garibaldi company had been formed in 1971 by a group of Italian immigrants. Accordingly, there was nothing unusual about the company's approach to the Hon. Mr Stefani, a person held in high respect in the Italian community, as members of both sides of the House would appreciate. Mr Stefani was simply fulfilling a public duty as a member of Parliament to assist in dealing with a matter of serious public concern. I organised a meeting on 4 February so that all Government agencies with an involvement in this matter could share the latest information.

The Opposition now suggests that I should not have done this. Unlike the former Government, which did absolutely nothing following the two previous outbreaks of food poisoning in 1991 and 1992 traced back to the Garibaldi company, this Government was persistent in its efforts to ensure that all necessary follow up procedures were implemented. We also had to take into account the position of more than 100 employees of the Garibaldi company and the 1 500 employees in the wider South Australian smallgoods industry whose employment future was quite clearly on the line. On 4 February, I met for about 2½ hours with the Ministers for Health and Primary Industries and their senior officials. We discussed two central issues: what could be done to ensure that the public could have confidence in the quality of smallgoods which remained on the market and what further action was necessary to identify the source of this infection.

At the end of this meeting the Government Ministers and some of their officials met with representatives of the

Garibaldi company who had been brought to the State Administration Centre, at my request, by the Hon. Mr Stefani. In view particularly of the public statements being made from Victoria, this meeting gave further consideration to action that the Government's health and meat hygiene officials were continuing to take to identify the source of the infection. It was recognised by all concerned that it was important to obtain as much information as quickly as possible about the precise source of the infection. At this time, about half of Garibaldi's product was under recall notices and there had been a complete erosion of consumer confidence in other products still able to be sold on the market. In the circumstances, the representatives of the company indicated that they were having to consider serious options about the future of the company. It was made clear to the company that this was a matter for them and not the Government, and subsequently the directors of the company requested the appointment of a provisional liquidator.

The Opposition has alleged that the Government suggested the company go into liquidation. However, a press statement issued on 6 February by the provisional liquidator, Mr Young, announced that he had been appointed 'at the request of the directors'. I can assure the House that the Government did not in any way enter into any suggestion that the company either go into receivership nor into liquidation. At the same time, health officials had to remain fully informed of any decisions by the company about its future to ensure that, in the event of the company going into receivership or liquidation, the integrity of health requirements relating to the company's products was maintained.

Accordingly, it was agreed at the meeting on 4 February that the Hon. Mr Stefani would help to organise a further meeting between the Health Commission and company representatives the following day. All these events were publicly revealed at the time. The Minister for Health made a public statement immediately after the meeting on 4 February. I gave further information about that meeting to this House at the first opportunity this year on 7 February. I also refer to the following extract from the press statement issued by Mr Young on 6 February as follows:

> Mr Young said that he had already been in contact with the principal parties involved with the company's crisis, including the South Australian Health Commission.

Quite clearly, Mr Young, as provisional liquidator, had been involved with the Health Commission, as was suggested at the meeting on 4 February. This was a reference to the meeting with Dr Kirke on 5 February about which the Opposition has tried to imply impropriety. Dr Kirke's notes of this meeting show that it was Mr Young, not Mr Stefani, who explained the implications of provisional liquidation. However, the Opposition has attempted to completely misrepresent this issue.

Dr Kirke's notes also show that he was asked to address the health issues, and he explained the information available to the Health Commission at that time about the evidence implicating Garibaldi. Clearly, Mr Young had a responsibility as liquidator to identify the financial position of the company as quickly as possible. Obviously, he had to ascertain from the Health Commission the status of company products still on the market and what liabilities the company might incur as a result of this tragic epidemic.

The facts I have given to the House demonstrate that the Government, the Hon. Mr Stefani and I acted at all times with complete propriety to ensure that all parties with an interest in this matter were aware of their responsibilities based on the information the Health Commission had about the source of the infection.

## PAPERS TABLED

The following papers were laid on the table:

By the Deputy Premier (Hon. S.J. Baker)—

- Rules of Court
- Environment, Resources and Development Court—Environment, Resources and Development Court Act—Mining Application
- Environment, Resources and Development Court (Native Title)—Environment, Resources and Development Court Act—Native Title Rules 1995
- Regulations under the following Acts—
- Environment, Resources and Development Court—Native Title Fees
- Native Title (South Australia)—Principle
- State Clothing Corporation—Report, 1994-95
- Attorney-General's Department—Report, 1994-95
- South Australian Office of Financial Supervision—Report, 1994-95
- Juvenile Justice Advisory Committee—Report, 1994-95

By the Minister for Industrial Affairs (Hon. G.A. Ingerson)—

- Industrial Relations Court and Industrial Relations Commission—Report, 1994-95
- Workers Compensation Review Panel—Report, 1994-95

By the Minister for Industry, Manufacturing, Small Business and Regional Development (Hon. J.W. Olsen)—

- History Trust of South Australia—Report, 1994-95
- State Opera of South Australia—Report, 1994-95
- MFP Development Corporation—Report, 1994-95
- State Theatre Company of South Australia—Report, 1994-95
- South Australian Museum Board—Report, 1994-95
- Adelaide Festival Centre—Report, 1994-95
- Arts and Cultural Development, Department for the—Report, 1994-95
- Economic Development Authority—Report, 1994-95
- Statutory Authorities Review Committee—Response to Third Interim Report—Review of the Electricity Trust of South Australia (Accounting Issues)

By the Minister for Infrastructure (Hon. J.W. Olsen)—

- Charter for ETSA Corporation—1995

By the Minister for Health (Hon. M.H. Armitage)—

- Economic and Finance Committee—Response to Fifteenth Report—Inquiry into the Disbursement of Grant Funds by South Australian Government Agencies

By the Minister for Recreation, Sport and Racing (Hon. J.K.G. Oswald)—

- Greyhound Racing Board—Report, 1994-95

By the Minister for Primary Industries (Hon. D.S. Baker)—

- Fisheries Act—Regulations—Fishery Management Committee
- South Eastern Water Conservation and Drainage Board—Report, 1994-95

By the Minister for Mines and Energy (Hon. D.S. Baker)—

- Mining Act—Regulations—Native Title Amendments

By the Minister for the Environment and Natural Resources (Hon. D.C. Wotton)—

- Land Acquisition Act—Regulations—Forms.

## FRENCH WATER COMPANIES

**The Hon. M.D. RANN (Leader of the Opposition):** Why did the Premier tell the South Australian people that the French water companies looking to take over management of our water supply are opposed to the French Government's nuclear testing program when the companies actually say they are neutral on this issue and have no view? At the end of August I met with senior executives of the French water companies that stand behind the bidders to take over SA Water. They were puzzled when I put to them that they opposed the French nuclear tests in the Pacific. Both companies said they were neutral on this issue and had no position on Mr Chirac's decision to resume nuclear testing.

**The SPEAKER:** Order! The Leader is now commenting.

**The Hon. M.D. RANN:** I was quoting, Sir.

**The SPEAKER:** Order! I suggest to the Leader that, when the Chair is addressing him directly, he listen. The Premier.

**The Hon. DEAN BROWN:** First, what the Leader is trying to do is drag these French companies which are here putting up a commercial proposal and which had started to put up a commercial proposal well before there had been a change of Government in France and well before there had been an announcement by the new French Government that it would resume nuclear tests—

*Members interjecting:*

**The Hon. DEAN BROWN:** Well, it was the Government as well.

*Members interjecting:*

**The SPEAKER:** Order! We are starting off a fresh week. I intend to ensure that we have a better understanding of and compliance with Standing Orders. The next interjection will be followed by a warning.

**The Hon. DEAN BROWN:** These companies that expressed—

*The Hon. M.H. Armitage interjecting:*

**The SPEAKER:** Order! That includes the Minister for Health. He is warned.

**The Hon. DEAN BROWN:** First, these French companies had already expressed an interest and had started to become involved in commercial activities here in South Australia well before there was any announcement by the French Government that it would resume nuclear tests. Therefore, it is appropriate that we put this clearly in perspective. Secondly, it was the Federal Leader of the Leader of the Opposition's own Party, Mr Keating, who as Prime Minister of Australia sent me a letter on 28 July, in which he highlighted the fact that commercial transactions by French companies should be left out of any actions taken by Australians in terms of the resumption of nuclear testing by the French. I quote it to the Leader, because there seems to be a significant breakdown in communications between the State and Federal Labor Party. In his letter, Mr Keating states:

> The Government has decided that trade sanctions are not appropriate because we have campaigned hard at the global and regional levels to remove trade barriers, and sanctions are likely to harm Australia more than France.

So, the Prime Minister himself has said that any attempt to link commercial transactions and French companies into any sanctions that should be taken is quite inappropriate. The Leader then raises the issue of the views of the two French companies. I cannot recall where within Government—I suspect it was from the Minister's office—but a clear indication had been given that the two French companies involved, or at least some of the people involved with the French companies, were expressing the view that they were opposed to the French tests.

**The Hon. M.D. Rann:** Not the bosses in Paris—

**The Hon. DEAN BROWN:** I am dealing with the people who were expressing views here to the South Australian Government. I do not know who the Leader of the Opposition saw in Paris. All I know is that the Leader of the Opposition's visit to Paris achieved absolutely nothing.

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. DEAN BROWN:** There was one beneficiary of the trip by the Leader of the Opposition overseas, and that was the Telecom companies from around the world, because he kept sending back about four or five faxes a day telling everyone what he was doing whilst he was away. It was a great publicity stunt, or he thought so. He set out to make it no more than a publicity stunt, simply trying to draw attention to the fact that he happened to be in France at the time. We all know the way the Leader of the Opposition tries to grab cheap politics—

*Mr Lewis interjecting:*

**The SPEAKER:** Order! The member for Ridley.

**The Hon. DEAN BROWN:** —and cheap publicity on any possible occasion. As I indicated, the source of my information was the companies here in South Australia.

## STATE ECONOMY

**Mr BECKER (Peake):** I direct my question to the Premier. Do the latest ABS statistics show growth in the South Australian economy?

**The Hon. DEAN BROWN:** Some very interesting figures came out on Friday and they show that, for the June quarter of 1995, the growth rate in South Australia for gross State product rose by 1.3 per cent. This is important, because that was four times higher than the national increase of the gross national product across Australia. It also showed that, if you compared the figure for the June quarter for 1995 with that of June for 1994, the growth rate in South Australia showed an increase of 4.7 per cent. Only one other State actually beat South Australia.

The other very important and significant thing that came out of this is the fact that the ABS actually revised its earlier figure. I can remember—and I am sure other members of the House will recall—the shadow Treasurer, the Leader of the Opposition and others on Opposition benches standing up, asking questions and being very cynical about the fact that we had the gall to question the ABS figures.

**The Hon. M.D. Rann:** You questioned the Supreme Court judge and he—

**The SPEAKER:** Order! I warn the Leader of the Opposition.

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. DEAN BROWN:** We had questioned the methodology applied by the ABS. It was interesting that, because of the evidence we were able to put to the ABS, it actually revised its growth figures for South Australia. It highlights the lack of economic knowledge on the other side because, if anyone with any economic knowledge looked at the raw statistics for South Australia, they could see there had been growth in the South Australian economy. The very fact that our total WorkCover premiums had risen by over 7 per

cent for the year clearly indicated there had been a substantial growth in this State's economy and income.

Therefore, we had these much better figures. Can I say it is only part of some ongoing good news. Our retail sale figures are up 13 per cent for the last month compared with 12 months ago. We had the highest increase of any State in Australia, well ahead of the national average at about 9 per cent. The fact that employment—

*Members interjecting:*

**The Hon. DEAN BROWN:** Well, the Minister for Employment, Training and Further Education was pointing out last week that, based on the employment trend figures, we have had continuous growth in South Australia now for nine consecutive months. The fact that our level of employment in South Australia is now—

*Mr Clarke interjecting:*

**The Hon. DEAN BROWN:** I ask that the Deputy Leader listen to this. I know that the honourable member does not remember many facts, but let him just remember this fact. Employment trends indicate that there are now 660 000 people employed in South Australia, the highest employment level ever achieved in this State. That shows that this Liberal Government in its first 19 or 20 months has not only stopped the very substantial slide in employment in South Australia which was occurring under the previous Labor Government—the loss of 35 000 jobs in the final two years of the Labor Government—but we have now regained all those jobs and exceeded the previous highest level. It is a very substantial benefit.

*Members interjecting:*

**The Hon. DEAN BROWN:** I recall that in June when the very bad figure from the ABS came out indicating a negative growth rate of .8 percent—which has now been revised upwards to a positive figure—the ABC, in particular ABC Radio, dedicated two to three days to canning the policies of this Government and canning South Australia. Now that that figure has been revised and we have a growth figure of 1.3 per cent for the last quarter and 4.7 per cent growth over the last year, there has been hardly a murmur from ABC Radio on this issue. Does that mean that ABC Radio is interested in reporting only negative information about this State to the public of South Australia? It is about time that some of its journalists thought in terms of what their public role is and had an equal hand or a fair hand: when there is bad news, if they report it, it is about time they also reported some of the good news in this State.

## WATER, OUTSOURCING

**The Hon. M.D. RANN (Leader of the Opposition):** Is the Premier prepared to support the Opposition in inviting senior executives of CGE to appear before a select committee of the Upper House or the Economic and Finance Committee to answer questions relating to charges of corruption involving political donations to secure water contracts in France should United be the successful bidder for the water contract?

It has been alleged that a former Mayor of Grenoble received a campaign donation of $5 million in exchange for a water contract. The issue is currently before the courts in France and there are other allegations concerning the company and its subsidiaries and political corruption. In Paris in late August I asked senior executives of the company to prepare me a written report on these allegations of bribes. They agreed to do so, but I am still waiting. They also said that they would abide by South Australian laws in respect of political donations here.

**The Hon. DEAN BROWN:** I would have thought that one of the first things the Leader of the Opposition would understand is that this Parliament, including the Upper House, has to do with South Australian law. What occurs in France and any breach of the French law is for the French to deal with. The last thing that is appropriate is for the South Australian Parliament, which has jurisdiction over State law, to try to set up a tribunal or a select committee here to pass judgment on something that has happened in Paris or in France. I would have thought that any such proposal was absolute nonsense.

**The Hon. M.D. Rann:** So you deal with anybody.

**The Hon. DEAN BROWN:** I am saying that any attempt by the South Australian Parliament to set up a select committee to look at possible breaches of the law in France is an absolute nonsense and the honourable member understands that.

## SMALL BUSINESS MINISTER

**Mr ASHENDEN (Wright):** I address my question to the Deputy Premier. Will the South Australian Government continue to deal with the Federal Minister for Small Business, Senator Schacht?

**The Hon. S.J. BAKER:** Of course we will continue to deal with the Federal Minister. We have had a very constructive relationship with the Hon. Senator Schacht, and I know that my colleague the Minister for Industry, Manufacturing, Small Business and Regional Development has also had a very constructive relationship with the honourable Senator. We have had dialogue on Woomera, on the MFP project, and we have actually been making progress—which seems to be more than the ALP can achieve. I read with some interest and dismay that Her Majesty's Opposition has now drawn itself into four factions: the Bolkus or soft Left, called the Mandela Left by what remains of the Centre Left; the Duncan or hard Left—

*Members interjecting:*

**The SPEAKER:** Order! The honourable Deputy Leader of the Opposition.

**Mr CLARKE:** On a point of order, I am not aware that the Deputy Premier has ministerial responsibility for the Australian Labor Party.

*Members interjecting:*

**The SPEAKER:** Order! The House will come to order. The Deputy Premier was asked a question, which he proceeded to answer. He has now completely diverted from that answer, and I uphold the point of order. The Deputy Premier.

**The Hon. S.J. BAKER:** I do take the point of order, Sir: it is hard to deal with anyone on that side. It is important that we maintain a productive relationship with our Federal counterparts, and without that productive relationship South Australia will suffer. In dealing with the business of the House and with the matters of Government it is important that we actually have support from the Opposition, as all members would clearly recognise. I suggest that recent events have put that relationship at grave risk, and on radio I heard the shadow Treasurer say:

> ...there is absolutely now no integrity whatsoever, and I don't believe anybody in the Party will deal with them.

He was dealing with the Centre Left. Then, of course, Senator Schacht said:

Mr Quirke's particularly angry because he's now seen factionally as a straw man.

I would never have called the shadow Treasurer a straw man, and I do not think anyone else in this Chamber would have done so.

**Mr CLARKE:** I have a point of order identical to the one I raised with you earlier, in respect of the Minister's answer to this question.

**The SPEAKER:** I suggest to the Deputy Premier that, if he is interested in conveying certain information to the House, there are other ways than by continuing to stray considerably from the original question. The Deputy Premier.

**The Hon. S.J. BAKER:** I will wind up briefly, Sir. It is important that we have very constructive relationships. If members cannot talk to each other because of the factions they belong to, we are willing to pass the messages.

## SA WATER

**Mr FOLEY (Hart):** Will the Premier guarantee that a complete copy of the contract for the privatisation of the operations of SA Water will be tabled in Parliament before its signing?

*Members interjecting:*

**The SPEAKER:** Order! There are far too many members interjecting, and I cannot hear the member for Hart. The member for Hart.

**Mr FOLEY:** In the interests of Parliament, Sir, I will repeat the question.

**The SPEAKER:** No; proceed.

**Mr FOLEY:** Will the Premier guarantee that a complete copy of the contract for the privatisation of the operations of SA Water—

*Members interjecting:*

**The SPEAKER:** Order! The member for Wright and the member for Ridley, among a number of others, are out of order.

**Mr FOLEY:** Thank you, Sir; I will start once again.

**The SPEAKER:** No, the honourable member will proceed.

**Mr FOLEY:** Will the Premier guarantee that a complete copy of the contract for the privatisation of the operations of SA Water will be tabled in Parliament before its signing?

*Members interjecting:*

**The SPEAKER:** Order!

**Mr Cummins:** He's misleading the House.

**The SPEAKER:** I call the member for Norwood to order. The member for Hart will proceed with his explanation.

*Mrs Kotz interjecting:*

**The SPEAKER:** Order!

*Mr Cummins interjecting:*

**The SPEAKER:** Order! I warn the member for Norwood. The member for Hart has the call.

**Mr FOLEY:** The recent Auditor-General's Report emphasises the need to:

> ensure that major public and private sector transactions, including contracting out arrangements, take place only after Parliament has had an opportunity to be informed of them and, if necessary, to make decisions about them.

**The Hon. DEAN BROWN:** I realise that the member for Hart happened to be out of this Parliament for the first week of the sitting, but if the honourable member wishes to stand up and ask a question—or if his colleagues got him to ask this question today—the least they could have done was check the ministerial statement I made to the Parliament in the first sitting week.

*The Hon. J.W. Olsen interjecting:*

**The Hon. DEAN BROWN:** That is right; he asked the same question last week and was asked to refer to my ministerial statement. I made very clear in the ministerial statement that we were looking at the Auditor-General's statement in terms of the exposure of any contracts that are signed, but clearly for any contracts already being negotiated, namely, the contracts involving SA Water, EDS, the electronic services business, and the spatial information systems (which are already well down the pathway) you cannot suddenly go back to the beginning and change the conditions of the contract.

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. DEAN BROWN:** The Auditor-General is fully aware of the position that the Government has put down and has not raised the matter with me.

**Mr Clarke:** He doesn't like it.

**The SPEAKER:** Order! The Deputy Leader has had more than a fair go.

**The Hon. DEAN BROWN:** The Auditor-General raised this general point in his report. I replied to that, and he is aware of my reply on that issue and has raised no concern whatsoever with me about the response I have given. Here is the former senior adviser to the Labor Government. What is the credibility of that man who stands in this House, having been part of the former Labor Government, which deliberately sat on the ASER and casino contracts year after year? There was no transparency, no investigation, and no chance whatsoever to question those contracts.

*Members interjecting:*

**The Hon. DEAN BROWN:** They are the tip of the iceberg.

*Mr Foley interjecting:*

**The SPEAKER:** I call the member for Hart to order.

**The Hon. DEAN BROWN:** What about the contract for the Myer-Remm building—the one on which South Australians have lost $900 million? Yet this same man—the member for Hart—the senior adviser to the then Premier, refused to give details of that. What about the State Bank building?

*Mr Clarke interjecting:*

**The SPEAKER:** Order! I warn the Deputy Leader of the Opposition for the second time.

**The Hon. DEAN BROWN:** It is interesting to see the shabby double standards accepted by Labor members in this place. For 11 years they sat on absolutely everything and allowed no investigation whatsoever. This Government has been much more transparent. As the honourable member would know, the Auditor-General has been brought in right at the very beginning of all our major contracts. He has been looking at the entire process involving the water project.

**Mr Foley:** He's not happy with it.

**The SPEAKER:** Order! I warn the member for Hart.

**The Hon. J.W. Olsen:** Yes, he is.

**The SPEAKER:** Order! The Minister for Infrastructure is out of order.

**The Hon. DEAN BROWN:** Either the member for Hart deliberately tells this House untruths—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. M.D. RANN:** On a point of order, Sir, that was an outrageous allegation and unparliamentary, and I ask the Premier to withdraw.

*Members interjecting:*

**The SPEAKER:** Order! The actual term is not unparliamentary. No member can impute improper motives to another member. If the member for Hart feels aggrieved, it is up to him to raise the matter.The honourable Premier.

**The Hon. DEAN BROWN:** The member for Hart indicated by interjection across the House (which is contrary to Standing Orders at any rate) that the Auditor-General was unhappy with the process for the water contract. That is clearly wrong. The Auditor-General has also been involved in the outsourcing contracts for the data processing in exactly the same way and has worked closely with the Government on the process, and at any time that he has had concerns he has come to me or written to me and raised those concerns and we have acted accordingly. The same applies to asset sales. The Auditor-General has had a good working relationship with us as we go through these major contracts in order to ensure that the due processes are followed.

Secondly, the Auditor-General himself is very mindful of the need to have complete transparency of these contracts. The Government has indicated to him that it has required within the contracts complete transparency for him so that he can look at any aspect of the ongoing operations that may be contracted out.

## UNION MEMBERSHIP

**Mr CUMMINS (Norwood):** Will the Minister for Industrial Affairs advise whether the Government's major reforms of South Australia's industrial laws allow employees to choose whether or not they wish to join a trade union without being discriminated against?

*Mr Clarke interjecting:*

**Mr CUMMINS:** You would know all about that. In an article in last weekend's *Sunday Mail* a journalist, Mike Duffy, claimed that he had been refused entry into the Australian Labor Party's State Convention because he had resigned from a trade union last year. In the article Mr Duffy stated that the ALP Convention rules permit people to attend only if they are members—

*Mr Clarke interjecting:*

**Mr CUMMINS:** —unless they are in the Centre Left, of course. Unless they are members of the relevant union—

*Members interjecting:*

**Mr CUMMINS:** There are not too many of them; he is one of them and he will not be there for long.

**The SPEAKER:** Order! The honourable member is now commenting. I suggest that he complete his question. He has claimed that this amounts to a breach of State industrial law.

*Members interjecting:*

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

**The Hon. G.A. INGERSON:** It was an interesting article that appeared at the weekend, and there has almost certainly been a breach of the State Act, which clearly sets out that no person in this State can prevent any person from joining a union, nor can they use that right against that individual in any action he may take. That is an issue on which we are getting advice from the Crown Solicitor in terms of where we go. You can understand why it happens, when you have a Deputy Leader of the Opposition who comes into this House and says, 'I'm from a union background and I cannot stand any non-unionists'. It just so happens that 70 per cent of the work force in South Australia supports Mr Duffy. That is not the only point. I will quote the comments the Deputy Leader made to this House only six days ago, as follows:

> We in the Labor Party are not afraid of having our policy debated—

**Mr ATKINSON:** I have two points of order, Sir: first, that Erskine May prohibits members referring to debates and answers to questions in the current session; and, secondly, the member for Norwood has sought expression of opinion on a question of law, such as the interpretation of a statute. I ask you to rule the question and answer out of order.

**The SPEAKER:** I uphold the first point of order. The second one I cannot uphold because it is up to the Minister to determine how or whether he answers the question. The honourable Minister.

**The Hon. G.A. INGERSON:** Mr Speaker, thank you for that ruling.

**The SPEAKER:** The honourable member has to comply with that ruling.

**The Hon. G.A. INGERSON:** The point is that only six days ago the Deputy Leader—the very person who wanted to ensure that the rules were upheld at the ALP conference last week against a non-unionist—said in this Parliament that he believed that every person in the media would be allowed to go into that conference and publicly report it. Because I am not allowed to quote directly from *Hansard*, I refer the Deputy Leader to his comment last week. If that is not a double-standard, I would like to know what is. The Deputy Leader said that his Party has a free and open system and therefore all the media could attend and report it, and yet a non-unionist could not attend. It is absolute nonsense!

## WATER, OUTSOURCING

**Mr FOLEY (Hart):** Given the Premier's refusal to table in Parliament full details of the contract privatising the management and operations—

*Members interjecting:*

**The SPEAKER:** Order! There are too many interjections.

**Mr FOLEY:** I will start that again. Given the Premier's refusal to table in Parliament full details of the contract privatising the management and operations of Adelaide's water and sewerage system to a foreign based company, will he at least guarantee that the Economic and Finance Committee of the Parliament will be allowed to consider the contract in full before its signing? In referring to the outsourcing of Adelaide's water supply, the recent Auditor-General's Report stated:

> . . . there are no ready or soundly tested solutions and there are few long-term precedents.

The Auditor-General went on to say:

> . . . most important issues facing Parliament at this time.

**The Hon. DEAN BROWN:** The answer is 'No.' The Executive Government of this State is given the authority to be the Executive Government of the State, and Parliament is there to review and scrutinise. Therefore, it is inappropriate for the Economic and Finance Committee to have the contract beforehand and to be part of the negotiation process. That would abrogate absolutely the responsibility of Executive Government.

## WOMEN IN POLITICS

**Mr WADE (Elder):** Will the Premier state what actions the Liberal Party and he have taken to encourage the active involvement of women in politics?

*Members interjecting:*

**The SPEAKER:** Order! The Chair points out to the Premier that, in answering the question, he can answer only in respect of those matters for which he is responsible as the head of the Government of South Australia, and therefore he should not stray into areas which do not come under his authority.

**The Hon. DEAN BROWN:** This Government has a Minister for the Status of Women. The Government has run a very active program to encourage more women to stand for Parliament. We have set up a parliamentary select committee to look at the issue, and the various political Parties of the State have been involved in that process. I add that over the weekend I was interested to hear the Leader of the Opposition beating his chest about how well the Labor Party has done it. However, one has only to look at its track record. In the most marginal Labor seat it has a male candidate. When the Hon. Barbara Wiese resigned from another place the Labor Party put a failed male Labor member from the Lower House into that seat.

*Mr Foley interjecting:*

**The SPEAKER:** Order! The member for Hart is warned for a second time.

**The Hon. DEAN BROWN:** More importantly, there are no South Australian Labor women members in the House of Representatives whatsoever. By comparison—

*Members interjecting:*

**The SPEAKER:** Order! The Chair's tolerance is being tested.

**The Hon. DEAN BROWN:** —let us look at the record of the Liberal Party: five of its House of Assembly members are women; three of its members in another place are women; five of its 12 candidates for the House of Representatives are women, including four in marginal seats; two of its four Senate candidates are women; two of the four Federal shadow Ministers from South Australia are women; and six of the 15 members of the State Executive of the Liberal Party are women, including two of the four vice-presidents. The Labor Party in this State cannot put up a record that comes anywhere near that sort of performance in respect of involving women in politics.

## POLICE PAY DISPUTE

**Mr QUIRKE (Playford):** Will the Minister for Emergency Services detail to the House the stage at which negotiations are currently at in respect of the police pay dispute?

**The Hon. G.A. INGERSON:** They are progressing well and are on-going, and they will be suitably stitched up in the next few days.

## MULTIFUNCTION POLIS

**Mr CAUDELL (Mitchell):** Will the Minister for Industry, Manufacturing, Small Business and Regional Development provide details of a database of worldwide innovations in social and urban design currently being developed by MFP Australia in conjunction with the University of South Australia, and will he explain how it will be used?

**The Hon. J.W. OLSEN:** The MFP urban development will go further than setting the pace in sustainable urban development and environmental management, as has already been demonstrated with the building of the Barker Inlet Wetlands. MFP Australia is charged with the responsibility of providing leadership in a range of disciplines and it is attempting to raise the bar to create new benchmarks in a range of areas. MFP Australia is the leading edge in these areas.

*An honourable member interjecting:*

**The Hon. J.W. OLSEN:** The honourable member refers to the pay base. I remind the House that the contracts that are in place for MFP Australia executives were signed at the time the former Labor Government was in power and are locked in for three and five year terms without the capacity for variation by the current Government. So, if the honourable member wants to draw a bow he better look to his Leader who was responsible for the MFP when these contracts were put in place. I can well understand why he wants to have a go at his Leader but, in this instance, it is all the former Labor Government's own work.

One of the first steps in developing this new benchmark to which the honourable member referred in his question is to search out the best examples in human social community development. With this purpose in mind, MFP Australia has collaborated with the University of South Australia in setting up a database of other advanced community developments around the world. Called World Innovation Database it currently holds information on more than 100 public and private sector organisations worldwide which are taking part in innovative and enterprising community projects.

The information contained in the database covers a diverse range of issues of critical interest to the whole community in education, health, enterprise community management, art, culture and technology. This database will enable MFP Australia to stretch the limits of what has already been achieved in community development elsewhere. An example of the value of the database is in the area of health services, particularly in the electronic delivery of a range of health services, including consumer health information and health monitoring services. It will enable the MFP and South Australian health planners to make direct contracts with schemes which offer some guidance for our own future directions, particularly in the field of telemedicine. In broad terms, the database will allow MFP Australia and its partners access to the best academic, commercial and community resources worldwide.

## HOUSING TRUST PROPERTIES

**Ms HURLEY (Napier):** Will the Minister for Housing, Urban Development and Local Government Relations ensure that the Housing Trust develops a documented asset strategy to guide the acquisition and development of new housing stock and the disposal of trust properties? The Auditor-General's Report states that the review of the trust's project expenditure noted that the trust does not have a documented asset strategy which guides the acquisition and development of new housing stock or the disposal of trust properties.

**The Hon. J.K.G. OSWALD:** Overall, the Housing Trust received a particularly clean bill of health from the Auditor-General this year, and I can only congratulate everyone from the board right down through senior management to every member of staff who worked to see that that happened. The matter that the honourable member has raised today is being

addressed by the trust. We believe that everything that is required is in place, as indicated in the honourable member's question, but I will get the detail of where the trust is at in its reassessment and in its replies to the Auditor-General. I am happy to provide the honourable member with a copy of those replies to the Auditor-General.

## RABBITS

**Mr MEIER (Goyder):** Following tests on Wardang Island, will the Minister for Primary Industries inform the House of the latest information regarding the measures being taken to control the calicivirus in the rabbit population of South Australia?

**The Hon. D.S. BAKER:** This matter, which I reported to the House last week, has further escalated and it has been confirmed that a second rabbit, which was found on Sunday at Point Pearce, was infected with the calicivirus. An eradication program is going on in all warrens in that area. It has been called Operation Garter. Department of Primary Industries staff are giving all the support they can to this eradication program. There are two surveillance teams working in the area and the Point Pearce community has been briefed, and I understand that they are helping with the eradication program.

There is concern about the amount of vaccine that is available to pet owners, and the Chief Veterinary Officer has spoken to the CSIRO on this matter. Public information telephone lines will operate from the Department of Primary Industries later today, and they will be staffed during office hours for those members of the public who want further information. The CSIRO has been informed of the problems of a South Australian businessman who exports rabbit carcases—that practice has been stopped by AQIS—to make sure that there is minimal effect on his operation. I would say that this matter has been well managed by the CSIRO and is under control.

However, that is completely different from another matter which arose over the weekend, which is completely out of control, but which was very well reported by Greg Kelton. I refer to what went on at the State Conference of the ALP. Mr Kelton wrote:

> Now the South Australian Branch of the ALP has four factions: the Bolkus or soft Left faction—

*Members interjecting:*

**The SPEAKER:** Order!

**Mr CLARKE:** I rise on a point of order, Mr Speaker. I understand that the Minister has primary responsibility for the rabbits on his side of the House, but he does not have responsibility for the Australian Labor Party.

**The SPEAKER:** Order! The Minister is straying a considerable distance from the question, and I suggest that he confine his remarks to the question. The Chair accepts that Ministers are given far more latitude in answering questions that members ask of them, but I ask the Minister to ensure that his remarks are linked to the question.

**The Hon. D.S. BAKER:** Thank you, Mr Speaker, and I assure you that my remarks are for rabbits only and are on the matter of rabbits. The article goes on to say:

> The Duncan or hard Left faction, described in the Party—

**The SPEAKER:** Order!

*Members interjecting:*

**The Hon. D.S. BAKER:** Have I got off rabbits?

**The SPEAKER:** Order! Leave is withdrawn. The Minister is out of order. I call the member for Napier.

## RENTAL SUPPORT PROGRAM

**Ms HURLEY (Napier):** Will the Minister for Housing, Urban Development and Local Government Relations ensure that activity statistics for the Private Rental Establishment and Support program are available for the 1995-96 year? The Auditor-General's Report indicates that expenditure on the Private Rental Establishment and Support program was reduced in 1994-95. However, activity statistics are not available due to the introduction of a new system of administration.

**The Hon. J.K.G. OSWALD:** I thank the honourable member for her question, and I will get the statistics for her. The PRES scheme is an integral and important part of the Housing Trust in its provision of services. We take the scheme very seriously and we have endeavoured to keep the scheme alive. The benefits of the scheme are well known. There has been concern about the ability to provide furniture for victims of domestic violence, and I should like to use this opportunity to put on the public record that that scheme has been reinstated. I have been able to provide funding through my department across to the Department for Family and Community Services so that that scheme can flourish and be expanded over the next eight months before the budget is brought down next year. We take those schemes very seriously and will continue to do so.

## BUSHFIRES

**Mr EVANS (Davenport):** As summer is approaching, will the Minister for the Environment and Natural Resources advise what efforts are being undertaken to reduce the fire risks in South Australian national parks, particularly those adjacent to residential areas?

**The Hon. D.C. WOTTON:** I thank the member for Davenport for his question because, as a Hills dweller, as I am, he is very conscious of the fire threat in those areas. I am informed that the 1995-96 fire season is gearing up already to be one of very high risk, with fire index indicators showing areas capable of burning well before the official 1 November start to the fire season. All members of the public need to accept responsibility for doing the right thing to ensure that we do not have major fires again in South Australia this coming fire season.

The National Parks and Wildlife Service has been active in minimising the risk, particularly in parks such as those within the Mount Lofty Ranges where any fire can have disastrous implications, and we are only too well aware of that. Funding for statewide fire prevention has been boosted by $225 000 this financial year, and a further $420 000 has been spent on updating equipment. Replacement fire trucks will be stationed at Belair and Salisbury by next month and a third replacement truck will be delivered to Cleland early next year. The slashing of grass, the creation of firebreaks, the maintenance of access tracks and the identification of fire hazards in parks are well under way this season. Staff have been trained to a very high standard, and all district rangers are in regular contact with their CFS regions. Computer-simulated training courses will be undertaken later this year.

National Parks and Wildlife Service staff are well prepared for the risk this year. It is interesting to note also that most fires in our parks have their origins outside the park

boundaries, namely on roadsides, but we accept that we have a major responsibility as far as fire management is concerned. It is now an opportune time to appeal for vigilance this year to help make the task of fire prevention that much easier, and that will come about only if we are all responsible and if we all understand the responsibility that we have in dealing with this matter. The time has come also for the public to measure fire not only in human terms, recognising that life and property must be our first priority, but also with respect to the preservation of wildlife, flora and natural habitats, because areas destroyed by fire can take decades to return to their natural state, if they do so at all, and whole ecosystems can be lost, putting species at threat. So, I would hope that, as we approach the fire season for this coming year, all members of the House will spread the word about the need for appropriate responsibility on the part of all South Australians in dealing with this matter.

## HOUSING TRUST SALES

**Ms HURLEY (Napier):** I direct my question to the Minister for Housing, Urban Development and Local Government Relations. How many Housing Trust homes were actually sold in the 1994 period, and was this figure consistent with reports to the Commonwealth?

**The Hon. J.K.G. OSWALD:** I have had discussions with the Hon. Brian Howe about the target number of houses by which we will reduce our stock. In relation to the Commonwealth-State housing agreement, we work on a set formula so that we do not come below a certain number of houses in the total stock figure, but we do have some flexibility to sell off stock so that we can reinvest back into the public housing sector. I am aware that the honourable member is referring to a question raised by the Commonwealth about the net reduction in stock over the course of the 12 month period. My officers have taken up that figure with their Federal counterparts, because there is some dispute over it, but we are still within the ball park figures by which we are allowed to reduce the net stock.

Since those figures were agreed to, there have been ongoing discussions between Ministers and the Commonwealth at the Housing Ministers Conference, where there has now been a shift in policy to allow the States to consider reducing their housing stock to raise revenue for debt reduction. While the figures to which the honourable member refers are now rather historic and go back many months, I think she will find there is a trend in the Commonwealth and among Housing Ministers generally toward a policy of allowing a net reduction in stock, provided the money generated goes back into the public housing stock. The ongoing debate in this State will concern the level to which we will reduce the 67 000-odd houses so that we retain sufficient stock for a viable public housing sector but still liquidate enough stock to generate further growth. The other problem we have in reducing public housing stock is that the market is so deflated at the moment that no-one is rushing out to purchase properties at the low end of the market, and therefore we are in rather a trough.

It is a figure that we work on. We certainly liaise with the Commonwealth Department of Housing at officer to officer level. The aim is to liquidate stock and use that money to reinvest back into our public housing. I imagine that next year's figure will vary again and that as time goes on we will see an increase in the figure by which we are allowed to reduce our stock. While the Auditor is correct in picking it up and noting it in his report, it is something about which the former Deputy Prime Minister and I have had many discussions.

## EMERGENCY SERVICES DISPATCH SYSTEM

**Mr BASS (Florey):** Will the Minister for Emergency Services advise the House on the status of the combined call, receipt and dispatch system which will handle the emergency services' 000 calls and the appropriate tasking of resources to these incidents?

**The Hon. W.A. MATTHEW:** I thank the member for Florey for his question. From his background of involvement with the police as Police Association Secretary prior to the last election, the member for Florey is well aware of complaints about the existing emergency services dispatch system, even for the police, who have the most modern of the existing systems in South Australia. On 1 December last year I advised the House that a pre-feasibility study into dispatch and communication systems for Emergency Services South Australia had found that some 184 people were employed in this service delivery at a cost of $11.2 million to the taxpayer. I also revealed that the study had found that emergency services communications equipment, such as the communications towers, were duplicated throughout our State, again at considerable cost to the taxpayer. The study also found that there was incompatibility between emergency services, due to the fact that differing equipment is used by those agencies.

Following that last report to the Parliament, I can now advise that continuing work has determined the need for a new communications and dispatch system. It has been determined that a common computer aided dispatch system must have incident reporting, recording and analysis capabilities and that, further, key information can and must be drawn from incoming calls, be they automatically activated alarm calls or 000 telephone calls from a member of the public.

The sort of information that can be obtained from those calls and from databases with stored information attached to those incoming telephone numbers includes matters such as the location of the property; any access issues previously given by the caller, such as alarm details, key requirements, and so on; medical information associated with a caller's telephone number, such as Medic Alert information, dialysis unit or any other special patient care information; information concerning previous disturbances; the criminal history of a person at a particular location; known hazards, risks and chemicals, particularly if the caller's telephone is based at industrial premises; and an automatically connected map of the area, together with the location of emergency services vehicles in the immediate area, to make dispatch and finding the location to which the emergency service unit is being dispatched far easier.

In so far as any amalgamation of the existing communication dispatch centres is concerned, the study has found that only two of the existing sites in the metropolitan area will be needed, those being the existing police communications centre, at which it is proposed to locate police and State Emergency Services communications operations; and the Metropolitan Fire Service communications and dispatch centre, at which it is proposed to locate CFS, MFS and ambulance communications and dispatch operations, with each centre being an automatic backup for the other in the event of any mishap.

I take this opportunity to stress that the personnel involved in communications and dispatch will be Emergency Services

personnel in the same way as they are at present. We do not intend to follow a similar model to that adopted by some other States. In a nutshell, this Government is moving forward a complex problem which was looked at by the previous Government for more than seven years but from which no action was forthcoming. We are getting on with the job of improving emergency services and dispatch systems.

## PARKS COMMUNITY CENTRE

**Mr De LAINE (Price):** My question is directed to the Minister for Housing, Urban Development and Local Government Relations. What is the current situation with respect to the proposed hand-over of the Parks Community Centre to the Enfield council?

**The Hon. J.K.G. OSWALD:** As the honourable member knows, we have been negotiating with the Enfield council since early this year. We are now at a point where the Enfield council has agreed to continue management of the centre until December, and on that basis it is agreed that we have a period of time between about July-August through to December to determine the long-term use of the centre by the various agencies there. It has been agreed that by December we will have a very clear idea of who will want to use the centre into next year. The Enfield council does not want to make a decision about its ongoing involvement unless it knows who will actually be there. We are confident that, by December, all agencies, both Government and private, will know their future into 1996, and with that knowledge we will sit down and conclude arrangements with Enfield council one way or the other.

## MYSTERY BUS TOURS

**Mrs GERAGHTY (Torrens):** Will the Minister for Infrastructure, representing the Minister for Transport, explain why the interpretations of the metropolitan area of the Department of Transport and the Registrar of Motor Vehicles differ, and why has TransAdelaide now adopted the more restricted boundaries which have effectively reduced the ability of the St Agnes depot's mystery tours to conduct the more popular extensive tours? Does the Minister plan to put this to tender? The St Agnes bus depot has been conducting mystery tours for some 12 months, using the Registrar of Motor Vehicles' designated interpretation for the metropolitan area. Recently they were advised they could no longer take the tours through the Hills and the many elderly people who avail themselves of this very reasonable service have not been able to do so.

**The Hon. J.W. OLSEN:** I will obtain a detailed report for the honourable member and report back in due course.

## JOB DRIVE, 95

**Mr KERIN (Frome):** Will the Minister for Employment, Training and Further Education outline details of today's launch of Job Drive, 95?

**The Hon. R.B. SUCH:** Today I had the privilege of launching Job Drive, 95, which is targeting people with disabilities. The purpose of the program is to encourage employers to look at employing people who have disabilities. In South Australia, approximately 200 000 people have significant disabilities, not only disabilities such as hearing loss but a whole range of disabilities. The point that employers make is that people with disabilities usually make excellent employees. They are very dedicated, they have had to overcome a disability, they are committed and they are very worthwhile employing.

The message as part of that launch, not because we are leading up to Christmas and there is usually Christmas spirit abroad—and we certainly do not want to focus on the aspect of pity, which is often the case—is that we want people with disabilities to be considered for employment in their own right, and not only in the traditional areas: many people with serious physical disabilities are brilliant computer operators and are working in other high tech areas. The message to all employers in South Australia from today's launch of Job Drive 95 is to consider taking on someone with a disability because you will be very pleased with the outcome.

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## SA WATER

**The Hon. J.W. OLSEN (Minister for Infrastructure):** I seek leave to make a ministerial statement.

Leave granted.

**The Hon. J.W. OLSEN:** Mr Speaker, 1 100 new jobs, savings of over 20 per cent, a boost to exports and the maintenance of Government control over prices, quality and service are all part of today's announcement that negotiations will now begin with the preferred bidder for the contract to develop an export focused water industry in South Australia and to operate Adelaide's water and sewerage system. All three outstanding bids have now been evaluated, clearing the way for negotiations on the basis that:

- we will not sell any assets
- we will maintain control over prices
  - control over concessions
  - control over quality
  - control over the asset management, and
  - control over the environmental program
- the contractor will be a company registered in South Australia
  - with 60 per cent Australian equity
  - and a board from South Australia with its Chairman based and resident in South Australia
  - with 60 per cent of the directors resident of Australia.

The preferred bidder:

- offers savings on the operation and maintenance of the Adelaide water and sewerage system of more than 20 per cent, or over $10 million, per year
  - that is savings of $164 million in today's values over the life of the contract which can go to support Government services in areas such as education and health;
  - at the same time, these savings allow us to keep average household bills for water and sewerage services the lowest in the country.

In addition, over the life of the contract capital works and environmental improvement projects worth over $650 million will be let by competitive tender to local industry.

The preferred bidder commits to achieving new export earnings for South Australia of $628 million over 10 years, representing additional gross State product of more than $800 million.

The bidder has prepared one, five and 10 year business plans for the development and expansion of the existing South Australian water industry.

It will set up its Asia-Pacific headquarters in Adelaide. And it will give preferred treatment to the 150 companies in the local water industry for the supply of goods and services where their prices are competitive.

In addition, a number of companies associated with the preferred bidder will either relocate to South Australia from overseas and interstate or greatly expand existing operations here.

The preferred bidder is United Water, a consortium of Kinhill Engineers, Thames Water and CGE.

Thames Water Asia Pacific will also relocate its offices and staff from Melbourne to Adelaide, and Kinhill will consolidate its water resources and management group here in South Australia.

Thames Water and CGE have agreed that United Water will exclusively bid on their behalf for contracts in the lucrative Asian markets of Indonesia, the Philippines, India, Vietnam, Papua New Guinea, the South Pacific and designated provinces of China.

This agreement also sets out precisely how United Water will operate as a regional business vehicle bidding for other contracts in the region.

Thames Water and CGE are fully underwriting the operation and maintenance as well as the economic development commitments of the contract. From its first day of operation, United Water will have a paid up capital of $3 million and operational funds of at least $5 million. Both Thames Water and CGE have given full and separate unconditional guarantees for the life of the contract.

All SA Water employees opting to transfer to the contractor will receive comparable remuneration. There will be no retrenchments and no forced separation. What is more, an independent study by Prof Peter Dixon of the Centre for Policy Studies at Monash University estimates that the exports to which the company has committed will create at least a net 1 100 new permanent jobs in this State.

*Members interjecting:*

**The Hon. J.W. OLSEN:** Don't you know what 'net' means?

*Members interjecting:*

**The SPEAKER:** Order! The Minister has the call. He has been given leave.

**The Hon. J.W. OLSEN:** Obviously they don't like this too much. Today's announcement is the result of a stringent competitive process which ensured that all bidders developed their best offers.

The Department of Treasury and Finance, through its membership of the joint financial working group with SA Water, has been closely consulted and endorsed both the process and its outcome. Independent financial advisers Fay, Richwhite 'are also of the opinion that the evaluation and clarification process has been conducted in accord with the methodology agreed by the financial working group'.

*Members interjecting:*

**The SPEAKER:** Order! If the honourable member is not good, he will not be in the Parliament.

**The Hon. J.W. OLSEN:** The economic development evaluation has been supported by an independent team of leading economists and industry analysts, including nominees of the Environment Management Industry Association of Australia (EMIAA) and the Metal Trades Industry Association (MTIA) as well as a member of the export group AUSTEMEX. South Australian interests were represented by Mr Michael Terlet and Mr Graeme Longbottom.

The expert panel assessed the export commitment and other economic development targets put forward by United Water as the best and at the same time most realistic, and in its report said:

> The forecasts of net exports by United Water are achievable and are backed by a very detailed and creative South Australian industries development process.

The Auditor-General has been informed of the procedures implemented throughout the negotiating process, and his comments have been fully taken into account by SA Water at all stages. In addition, Deloitte Touche Tohmatsu conducted a full probity audit throughout the process and concluded:

> The processes conducted by South Australian Water Corporation through to and including the evaluation of the proposals for the Adelaide outsourcing contract have been conducted in a fair and equitable manner.

All three bidders were highly competitive and the decision to negotiate with one does not preclude the other two from being brought back to the negotiating table if the contract with the preferred bidder cannot be closed quickly. This ensures that South Australia gets the best possible deal. For the first time we have established and positioned an Australian water company to access the global market and bring back export dollars to South Australia.

*Members interjecting:*

**The SPEAKER:** I suggest that honourable members calm the current situation or the Chair will calm it for many of them, and I will not distinguish between either side of the House.

## GRIEVANCE DEBATE

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

**The Hon. M.D. RANN (Leader of the Opposition):** We have just heard from the Minister for Infrastructure—the media were given a bit of a dance today—that the water project has gone to a company that basically has a track record in France that could only be described as unsavoury. In France, the home country of CGE—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. M.D. RANN:** In France, the home country of CGE, domestic water prices increased by 170 per cent between 1980 and 1990. In areas with privatised water management, water prices are 30 per cent higher than in areas in which there is public ownership and management.

In the United Kingdom domestic water bills have increased by an average of 60 per cent in the region where water is delivered by Thames Water. Thames has also introduced the infamous sprinkler licence involving a £40 a year charge if you want to use a sprinkler. It has been reported that in mid-July Thames attracted wide publicity over alleged secret plans to inflict 'heatwave water cuts' on 200 000 Londoners in selected areas. Thames had earlier received more than 5 500 telephone complaints in 24 hours after taps ran dry throughout London. But let us talk about corruption. Let us talk about CGE, which is known throughout Europe—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. M.D. RANN:** —for corruption in the water industry. CGE has had a company representative—

*Members interjecting:*

**The SPEAKER:** Order! The member for Mitchell.

**The Hon. M.D. RANN:** —in Gambia, in Africa, arrested for failure to produce financial records—

**The SPEAKER:** Order!

**The Hon. M.D. RANN:** —for 14 months of operation. Lyonnaise was involved in the Grenoble charges. CGE has had a list of allegations of corruption against it. CGE promised me—

*Members interjecting:*

**The SPEAKER:** Order! The member for Hanson.

**The Hon. M.D. RANN:** —that it would supply a written report that we would be able to deal with in this Parliament on allegations of corruption against it. We have not seen that report. Let us talk about nuclear testing.

*Members interjecting:*

**The SPEAKER:** Order! The member for Colton.

**The Hon. M.D. RANN:** We heard the Premier tell South Australians that the companies involved were opposed to French nuclear testing. That was a deliberate untruth, to use the Premier's own term. I asked the heads of both French companies whether they were opposed to the resumption of French nuclear testing by Jacques Chirac and they said that they had no opinion; they said they were neutral on the issue. What an extraordinary message to send to the world! Here we have Australia leading the fight against French nuclear testing and the Brown Government signs a deal with a company that not only has no opinion on French nuclear testing but also has one of the dodgiest records of any company in France. It copped a seven million francs fine for fixing—

*An honourable member interjecting:*

**The SPEAKER:** Order! The member for Mawson.

**The Hon. M.D. RANN:** —refuse collection contracts in the south of France. The Chairman of CGE, Guy Dejouany—

*An honourable member interjecting:*

**The SPEAKER:** Order! The member for Mitchell.

**The Hon. M.D. RANN:** —has been placed under a limited form of judicial control in relation to accusations of bribery in the awarding of water supply contracts.

*Members interjecting:*

**The SPEAKER:** Order!

**Mr VENNING:** Sir, I understand that Standing Orders provide that any speaker has to address his comments through the Chair. The Leader, despite advice from us, has not addressed you in the past two minutes.

**The SPEAKER:** All comments must be addressed through the Chair.

**The Hon. M.D. RANN:** I have asked that these corruption charges be dealt with by a parliamentary committee. It is interesting that the Premier says that what the company does in its home country is not relevant. He says it is not relevant that it is on corruption charges in its home country and elsewhere. What else do we have to go on than its track record at home?

*Members interjecting:*

**The SPEAKER:** Order! The member for Bright.

**The Hon. M.D. RANN:** CGE has a record that people in France describe as bent as forks. It is not prepared to stand up to its Government over French nuclear testing. Here we have the Government of South Australia signing the biggest contract in the history of this State with a company which has not provided this Parliament with a written report on corruption allegations and which is not prepared to give an opinion about French nuclear testing. What a disgraceful day, and not one thing put before this Parliament! That is the key. The Auditor-General said 'before this Parliament'. We will pursue the corruption allegations in committees. We will want to see CGE, its French representatives and its people in South Australia answer the allegations of corruption against them.

**Mr BASS (Florey):** If ever a Leader of the Opposition has lost the plot, this Leader has. As usual, he shoots off his mouth and then leaves the Chamber immediately. If the Leader of the Opposition ever wanted to do something for South Australia, if he ever wanted to give our youths some employment or to reduce costs to the consumer, you would think he would have the guts to stand up and support this Government. He even said at one stage that he wants to work with the Government. Who would want to work with the Leader of the Opposition when he carries on like that? It is straight-out dishonesty.

I spoke last week about the word 'privatisation'; I explained it very succinctly, I thought. Yet the Leader still does not understand. Let us think about honesty and this community for coalition against water. George Apap telephoned me last Friday, all het up because I happened to receive a letter from a Labor person and in my usual way wrote back very honestly and told her what we were doing. George telephoned me on Friday, very upset because he had this letter and he did not like what I said in it. He said, 'Sam, we are not union orientated'. I know that the woman who wrote the letter to me—with all the misinformation about water—also happened to write to me with misinformation about the Modbury Hospital, and so did her mother.

But it gets better, as the Minister for Primary Industries will agree: I got two letters about water. They are different letters. At the top of the first letter someone has written the name and address, while on the other letter someone has written another name but the same address. We have two people living in this house, and one says, 'It's not very often I take the step of writing to a member of Parliament.'

He is not writing to a member of Parliament: he is putting his name or someone else's name to a generic letter. When you look at it, someone put on the name and address, a different person put on the date when the letter was sent out (5 October) and, on the other side, a different person again wrote '5.10.95'. I think somewhere there is a row of little Laborites who all have these generic letters: someone puts on the name and passes it on; someone puts on the date and passes it on; then someone puts on another date. But this is how stupid that mob is: someone signs them! On the first letter there is a name and signature. I cannot really read it, but on the end he puts a nice big circle and a line. Then, when I look at the other letter, which is under a different name, this stupid idiot has the same writing! He has signed it. It is the same signature.

So, I would like to tell Mr Apap that it is Labor and union backed. After he rang me up and got very upset because I would not discuss it with him, because he could not handle the truth, I faxed to Mr Apap a five-page ministerial statement that gives the facts on water, and I also faxed to him the two pages about the contracting and running of Adelaide's water supply. So, if the members of the Community Coalition for Water put out anything else except the facts, then I say they are liars and do not even deserve to be in South Australia.

**Mrs GERAGHTY (Torrens):** I will move away from the discussion at this stage about the contracting or privatisation—and I will use my own terms—of water, but I might just say that it is a very sad day when we come in here and hear members opposite denigrate people in the community who have joined together to protest against the privatisation of water—

*Mr Bass interjecting:*

**Mrs GERAGHTY:** —the privatisation of the services of the Modbury Hospital and, in fact—

*Mr Bass interjecting:*

**Mrs GERAGHTY:** If we are going to talk about the unions—

**The ACTING SPEAKER (Mr Becker):** Order! The member for Florey has had his say.

**Mrs GERAGHTY:** —about its being union-run and its being run by the Labor Party, I would say to the member opposite that I recall on many occasions seeing someone who sat in the public gallery, who worked out of a member's office, talking about the Modbury Hospital and putting an entirely different view from that of the majority of the community. Do not tell me that that was not politically motivated.

*Mr Bass interjecting:*

**Mrs GERAGHTY:** I feel that denigrating a community that groups together like the Highbury community—

*Mr Bass interjecting:*

**The ACTING SPEAKER:** Order! The member for Florey has had his chance.

**Mrs GERAGHTY:** —which protested against the dump, is an outrage and serves no purpose other than to say that we are not listening to the community.

*Mr Bass interjecting:*

**The ACTING SPEAKER:** Order!

**Mrs GERAGHTY:** Today I would like to talk about the fact that on 22 September my husband Bob and I attended the festival of music at the Festival Theatre, which was a most enjoyable evening for us, particularly being able to see our hearing-impaired children participate in the choir. That is something I would like to talk about at a later date, as it is an issue we really need to examine. What I would like to say here, bearing in mind what I have just heard, is that again the Brown Government is attacking all the things that are good in our society. We have cuts to special projects and we now see that one in four instrumental teachers will go: that there will be 25 per cent or 23.9 fewer teachers in this special area. That is four fewer—

**Mr Atkinson:** And the member for Wright supports those cuts.

**Mrs GERAGHTY:** That is right; and that is four fewer special interest music classroom teachers. That equates to a great deal of music education being in jeopardy. One should also note that SSOs, who we know are under attack, contribute in schools where there are no music teachers. They use their own musical skills to enhance our children's activities. Music in our schools is not simply something that the students use to fill in their time when they have no other academic pursuits; it is really much more than that. I know from my experience with my own children that music enhances their development and gives them confidence and self-esteem. Children grasp the ability to set goals and strive to reach them. But, most important of all, and I am sure that even some members opposite would agree with this, the rigorous practice associated with music instils in children the self-discipline that will hold them in good stead throughout their lives.

I think that other parents would agree with this, and in my opinion this is just blatant thuggery from the Brown Government. I wonder how many members opposite would condone their children being denied the right to a musical education. I wish to quote from a letter that I received from a constituent of mine, who was also at the concert and whose child participated in the choir. She wrote:

> Hundreds of talented singers and musicians gave a wonderful performance, and I watched with heart-rending pride as my daughter sang amongst them.

She also tells me about her six-year-old son who has been denied participation in musical pursuits because he has to wait until he goes into year 5 or year 6. So, this is a very sad tale that we are hearing yet again. I would like to ask the Government—

*Mr Lewis interjecting:*

**The ACTING SPEAKER:** Order! The honourable member's time has expired. The member for Mitchell.

**Mr CAUDELL (Mitchell):** I wish the rabbits on my right-hand side would somehow catch that disease. It is amazing: we heard previously from the Leader of the Opposition—

**Mr ATKINSON:** On a point of order, under Erskine May it is always out of order and unparliamentary to refer to members by the name of an animal. The member for Mitchell has just referred to members on this side as rabbits. I ask him to withdraw.

**The ACTING SPEAKER:** I ask the honourable member to withdraw, as it is not proper to refer to members in a derogatory manner.

**Mr CAUDELL:** For the sake of what I wish to say, Mr Acting Speaker, I will withdraw. The intention was not to refer to them as rabbits: more like them. It never ceases to amaze me that a B minus was not just a blood group but a way of life for the Leader of the Opposition. A number of constituents have telephoned my office in relation to the well-known Bowker Street reserve, which is just outside the western boundary of my electorate, near the northern end of McArthur Avenue at North Brighton. Currently it is in the electorate of Bright and after the next election it will be in the electorate of Morphett. The land was purchased in the 1960s and is now known as the Bowker Street reserve. It was originally purchased for the expansion of the Paringa Park Primary School. The care, control and management of the reserve had previously been vested in the Brighton council. That care commenced 25 years previously under a former Deputy Leader of the Australian Labor Party and Deputy Premier, a former member for Brighton, the late Hugh Hudson.

The principal users of the property included the southern districts junior soccer team and the southern districts Little Athletics. The Brighton council, not happy with the status of its control of that reserve (for which it pays a peppercorn rental), wrote to the Minister for Education and Children's Services requesting that the land be transferred to it free of charge because some 20 years previously it had supplied land to the Department of Education, such land now forming part of the Brighton High School. At no stage did the Minister for Education and Children's Services approach the Brighton council or anyone in relation to the sale of the property, but as a result of the approach of the Brighton council the Minister is considering its approach and his reply.

However, the Brighton council was still not happy and decided to approach Treasury with regard to the purchase and transfer of that reserve. The Brighton council, believing that it may not have the funds to purchase that reserve (even though it would have first option to purchase), has now circulated amongst a large number of residents a letter—to which it was not prepared to put its name—accusing the Government of wanting to sell that reserve for housing and also a South Australian Housing Trust development. The Brighton council, by its very actions, has attempted to mount a class action in the suburbs of Warradale, North Brighton and Somerton Park. I find the actions of the Brighton council over this whole matter despicable and unacceptable. It is not surprising that the Mayor of Brighton council happens to be a member of the Morphett ALP branch. If we look at the facilities, we see that Brighton council has not improved the land in that area. It has a basketball court included in a carpark area—

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

**Mr CLARKE (Deputy Leader of the Opposition):** I will speak briefly on the statement earlier today by the Minister for Industry, Manufacturing, Small Business and Regional Development. I want to develop further what the Leader of the Opposition had to say and, in particular, to comment on the number of interjections that flowed from Government members.

It is a sad day, and I do not rejoice in the fact that we have a Government that is prepared to sell off our water supply system in South Australia. However, I do know that there are at least seven candidates of the Labor Party who, whilst saddened by such a decision by this Government, in a perverse way are no doubt overjoyed from a personal perspective because this decision absolutely guarantees them election to replace Liberal members of Parliament opposite. We preselected only seven candidates over the weekend, and we plan to preselect the remaining candidates early next year. I regret that because I would have thought that, had we been able to preselect another six to 10 candidates last weekend, we would have been in a better position to win the seats that we need to form government.

All members opposite know that the public of South Australia do not want their water service privatised. They do not want it; and they do not need all the convoluted arguments put forward by the Minister and the Premier on this issue. They understand the issue very clearly. They know that it is about flogging off one of the most precious resources in this State. As the Premier of New South Wales said on Sunday to the media and at the Labor Party convention, if the Fahey Government had tried to do in New South Wales what the Brown Liberal Government is doing in South Australia with the privatisation of the water supply, there would have been a revolution in that State.

*Mrs Rosenberg interjecting:*

**Mr CLARKE:** The member for Kaurna may well interject, because she will not be in this House for much longer.

**Mr BRINDAL:** Mr Acting Speaker, I rise on a point of order. There is a long-standing convention that no member can knowingly mislead the House. The Deputy Leader of the Opposition continually refers to the privatisation of water. He heard the ministerial statement, so I would say that he is knowingly misleading this House.

**The ACTING SPEAKER:** There is no point of order. The honourable member must stand by his remarks.

**Mr CLARKE:** If members opposite read the ministerial statement, they will note that the Minister asks us to trust him and to trust the Government on this issue. The Minister points out that all the experts—the financial wonder boys and wonder girls—have run the ruler over this contract and it is so good and so beneficial for this State, and it stacks up against all the best experts. According to the Minister, all the best experts say that the contract is okay, so we should trust him. If that is the case, why will the Government not put the contract and the issue to a vote in the Parliament? The Minister has said to the 69 members of Parliament, minus the 13 Cabinet Ministers, 'You are irrelevant'. Even to the Government backbenchers, whose very livelihood after the next election depends on the success of this project, he has said, 'You are irrelevant—

*Mr Brindal interjecting:*

**Mr CLARKE:** The member for Unley says that he is fully briefed. That is an absolute outrage if, silently and behind the scenes, a Government member is being fully briefed on this contract when members of the Opposition and the Democrats are not entitled to that same information prior to the contract's being signed. That is an outrage and an abuse of the parliamentary process.

This Government has shown that 69 members of this Parliament, minus the 13 Ministers, are absolutely irrelevant. It is an absolute disgrace in a democracy when you have a Government signing up a contract worth $1.5 billion and saying, 'Trust me; we have discussed it with all the experts'. Those 'experts' are not elected and are not accountable to one citizen in this State, and we parliamentarians are denied our right to vote.

**The ACTING SPEAKER:** Order! The honourable member's time has expired. The member for Chaffey.

**Mr ANDREW (Chaffey):** We just heard the usual huff and puff from the member for Ross Smith; unfortunately, he may survive the next election and remain here. The decision announced by the Minister for Infrastructure today will undoubtedly mean that, after the election, Liberal backbenchers will be returned to this place because voters in their electorates will have recognised, appreciated and understood that the benefit to them as individuals within their electorates and to people throughout the State will come to fruition because we in South Australia will have demonstrated to the world arena that we are world leaders in the quality delivery of water resources and world leaders in terms of the export of water expertise.

I had planned to present to the House a specific report on a national carp summit that I had the pleasure to open in my electorate a little over a week ago on behalf of the Minister for Primary Industries. It was a significant event, and I will put on record today some of the significant recommendations and aspects that have come out of that forum. The summit was organised by the Murray-Darling Association in response to a series of requests to hold this forum to look at the environmental impact of carp. I refer to European Carp and its invasion of the waterways throughout Australia, and particularly in South Australia. More than 80 people from five States attended the summit during the two days, and they represented a wide spectrum of people involving research scientists, Government agencies and others involved in the management of the river, including professional and amateur fishermen.

The Murray-Darling Association and the South Australian Field and Game Association are to be commended for organising this summit. There was very strong agreement from those present that the time for concerted action had arrived, on the basis that if nothing was done immediately to overcome the menace and the problem of the European carp situation the problem would continue to escalate in terms of its negative impact upon the inland waters of Australia. A number of options were canvassed at the meeting. These included the extension of commercial harvesting of carp with increased effort towards establishing more profitable markets for the increased numbers that could be harvested. Also, the aspect of biological control was discussed. Although the introduction of a virus was seen as a possible long-term solution, it was also recognised that this could ultimately prove unsatisfactory because of its impact on other non-specific species.

The meeting called for Governments in all States to ensure that their regulations are strong enough to arrest any increase in the proliferation of carp and to ensure that more intense commercial exploitation of carp took place. The forum agreed to the formation of a national carp task force to develop and implement a comprehensive national plan of action aimed at the control of European carp in all Australian inland waters. I understand that an interim group will be established in the next couple of months. Ultimately, a task force will be formed, and it will seek funds to enable it to function effectively.

I place on record that from the South Australian perspective we are leading the nation with respect to keeping this problem at bay. At this stage a number of initiatives are in place, including legislation to prevent the spread of carp to other waters and the return of live carp to the water once they have been removed. South Australia is leading the field in research, in particular through Dr Brian Pierce and SARDI, by creating new methods of harvesting carp without any impact on the native species. This technology is being exported to the United States of America. We are also assisting commercial fishermen, both through the Economic Development Authority and the Centre for Manufacturing, to find more commercial opportunities for carp.

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## SUMMARY OFFENCES (INDECENT OR OFFENSIVE MATERIAL) AMENDMENT BILL

Received from the Legislative Council and read a first time.

**The Hon. S.J. BAKER (Deputy Premier):** 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.

South Australian law dealing with offences of child pornography is largely contained in s 33 of the *Summary Offences Act*, 1953. In particular, s 33 distinguishes between indecent or offensive material generally on the one hand and child pornography on the other, in the penalty structure applicable to the offences and in the creation of an offence of possession of child pornography. Section 58A of the *Criminal Law Consolidation Act* contains an offence of, in general terms, dealing with children with a view to gratifying prurient interest.

In *Phillips v SA Police*, the appellant was convicted by a magistrate of two counts of being in possession of child pornography contrary to s 33(3) of the *Summary Offences Act*. A member of the public informed police that the appellant had been seen inside a toilet block at Brighton taking video tapes of boys urinating. Police took possession of the appellant's video-recorder and the tape inside it, and seized six more tapes from his house. The tapes were all taken in public toilets or changing sheds and showed many hours of men and boys dressing, undressing and urinating. He appealed against the convictions.

The Court of Criminal Appeal (*Mohr, Debelle* and *Nyland JJ*) unanimously allowed the appeal and quashed the convictions. The Court gave a great deal of consideration to the meanings of the words used in the statute, but, in the end, the question was reduced to whether the videotapes in question were "indecent". The Court held that the word "indecent" meant offending recognised standards of propriety or good taste according to the contemporary standards of ordinary, decent-minded, but not unduly sensitive, members of the Australian community. The Court held that the video-tapes did not breach that standard.

The Court reached its decision by holding that there was nothing *inherently* "indecent" about the tapes. The Court abhorred the invasion of privacy involved and the prurient interest in which the tapes were made, but pointed out that "A young boy urinating is the subject of a well-known manikin displayed in public streets in at least two Western European cities, pieces of statuary which cause amusement, not offence, to reasonable decent-minded citizens.". What was offensive was the conduct of the accused and not his video-tapes.

The statement of law contained in s 33(4) was a major factor in the steps to this conclusion. That sub-section states:

> "In proceedings for an offence against this section, the circumstances of the production, sale, exhibition, delivery or possession of material to which the charge relates will be regarded as irrelevant to the question of whether or not the material is indecent or offensive material.".

The Court decided that this required them to determine whether the material was inherently "indecent" and that they could not take into account the fact that it was made for prurient interests and that it was made by surreptitiously filming unwitting members of the public in public places.

Section 33(4) was inserted by the *Statutes Amendment (Criminal Law Consolidation and Police Offences) Act*, No 114 of 1983. That Act replaced the previous provisions of the then *Police Offences Act* with a whole new legislative scheme dealing with indecent and offensive material. There was no equivalent to s 33(4) in the old scheme and no record exists as to its precise purpose in the legislative scheme.

The decision that effectively acquitted the accused in this case has offended many in the community. The question is whether an offence of possession of child pornography should be limited to cases in which the material possessed is inherently indecent or offensive; that is, indecent or offensive without regard to context or any other matter. The Government is of the opinion that it should not be so limited and that the law should be changed.

The amendments to the definitions of "indecent material" and "offensive material" have been made with a view to removing words which may be held to carry the inference of inherent indecency or offensiveness. The proposed amendment to s 33(4) gives the court a general discretion to take surrounding circumstances into account.

The current definition of "child pornography" refers to "likely to cause offence to reasonable adult members of the community". The current definition of "offensive material" refers to "cause serious and general offence amongst reasonable adult members of the community". The amendments make these tests consistent. Some thought was given to incorporating the test used by Debelle J, which refers to "cause serious offence to ordinary decent-minded (but not unduly sensitive) adult members of the community" but, on balance, it was thought that the existing formula was preferable.

I should emphasise that the Bill does not create a new criminal offence nor does it deem anything to be offensive or indecent. As anyone who has studied the history of the criminal law of what might, in general terms, be called "obscenity" over the years will realise, hard and fast rules are not possible and much depends on the views of the court in relation to the material in question and how it relates, if at all, to prevailing social views and acceptability. What this amendment is designed to do, in brief, is to empower the court to look at the whole picture in making that individualised judgement,

rather than being artificially restricted in the matters to which it can have regard.

I commend the Bill to the House.

Explanation of Clauses

*Clause 1: Short title*

This clause is formal.

*Clause 2: Substitution of heading*

This clause replaces the current heading to section 33 and related sections of the principal Act. The new heading reflects the fact that the provisions deal with offensive material (material depicting or concerned with violence, cruelty, drugs, crime, etc.) rather than just indecent material.

*Clause 3: Amendment of s. 33—Indecent or offensive material*

This clause makes several related amendments to section 33 of the principal Act.

The clause makes the wording of the definition of "child pornography" in section 33(1) match up more closely with the wording in paragraph *(b)* of the definition of "offensive material".

Section 33(1) includes a definition of "indecent material" which defines such material by reference to the indecent, immoral or obscene nature of its subject matter. By referring to the subject matter of the material the definition tends to suggest that the section is concerned only with material that is inherently indecent. That is, the current wording suggests that surrounding circumstances are not relevant to whether material is indecent material. The clause amends the definition so that it refers only to material that is in whole or in part of an indecent, immoral or obscene nature.

The definition of "offensive material" in section 33(1) similarly emphasises the inherent nature of material by including as an element of the definition that material be such as would, if generally disseminated, cause serious and general offence amongst reasonable adult members of the community. The clause removes this reference to the general dissemination of the material.

Section 33(4) currently provides as follows:

> (4) In proceedings for an offence against this section, the circumstances of the production, sale, exhibition, delivery or possession of material to which the charge relates will be regarded as irrelevant to the question of whether or not the material is indecent or offensive material.

The clause replaces this subsection with a provision intended to make it clear that the circumstances of the production, sale, exhibition, delivery or possession of material or its use or intended use may be taken into account in deciding whether the material was indecent or offensive material, but that if the material was inherently indecent or offensive material, such circumstances or its use or intended use cannot be taken to have deprived it of that character.

**Mr CLARKE** secured the adjournment of the debate.

## SOUTH AUSTRALIAN COUNTRY ARTS TRUST (REVIEW) AMENDMENT BILL

Received from the Legislative Council and read a first time.

**The Hon. R.B. SUCH (Minister for Employment, Training and Further Education):** I move:

*That this Bill be now read a second time.*

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

Leave granted.

This Bill to amend the South Australian Country Arts Trust Act 1992 addresses the number of Country Arts Boards, the number of members of those Boards and the membership of the South Australian Country Arts Trust ( 'the Trust').

The Trust was established in January 1993 with a broad mandate to develop, promote and present the arts in country South Australia. The principal responsibilities of the Trust are to:

> manage and operate the State-owned Arts Centres situated in Whyalla, Port Pirie, Renmark and Mount Gambier;
>
> develop and manage performing arts touring programs for the theatres and for other regional centres;
>
> develop and manage visual arts touring programs; and
>
> manage a number of arts and community development funding programs.

Five Country Arts Boards, each of which has a membership of eight, has responsibility for a specified area of country South Australia. The Boards operate with a delegated responsibility from the Trust. They assist with local touring and programming by assessing applications for funding under the arts program guidelines developed by the Trust and within approved funding allocations.

The five Country Arts Boards as presently constituted are as follows:

> Eyre Peninsula—covers the Eyre Peninsula, south of a line which can be drawn between Ceduna, Wudinna and Whyalla.
>
> Northern—covers the far north and the mid-north of the State.
>
> Central—covers the lower north, Barossa Valley, Adelaide Hills, Murraylands and the Southern Fleurieu Peninsula.
>
> Riverland/Mallee—covers the Riverland and Mallee regions of the State.
>
> South East—covers the South East region including Bordertown, Keith and Coonalpyn.

Since the establishment of the Trust, economic issues and drought in country South Australia have adversely affected the Trust's ability to earn income from its theatres, maximise box office receipts from its touring programs and generate sponsorships.

To ensure the Trust's longer term financial viability, all of its administrative arrangements, arts programming, staffing and decision-making structures have been reassessed. As a consequence of these deliberations, the Trust has implemented a package of savings initiatives, which maximises arts development funding and minimises administrative costs.

These measures include some work force adjustments; greatly improved internal budget management; improved financial analysis and removal of duplication of functions; the better use of office space and greater co-operation with local government in this area.

Further administrative savings, to enable the maintenance of program funding can be achieved by reducing the number of Country Arts Boards, the number of members on the Boards and the number of Board meetings.

The Bill proposes that the number of Country Arts Boards be reduced to four as follows:

> Western—to encompass the Eyre Peninsula region, the City of Port Augusta and the far north of South Australia (north and west of a line drawn approximately between Peterborough and Broken Hill).
>
> Central—to encompass the mid north region (including the City of Port Pirie), the lower North, Barossa Valley, Murraylands, Adelaide Hills, Southern Fleurieu Peninsula and Kangaroo Island.
>
> Riverland/Mallee—to encompass the Riverland/Mallee Region and a small area in the north east of the State
>
> South East—to encompass the South East Region of the State (its existing boundaries)

At present each Country Arts Board consists of eight members, being a Chair, a nominee of the relevant Local Government Association(s) and six persons appointed from a public nomination process.

To enable greater flexibility , given the differences between the regions (eg. distance, major population centres) it is proposed that each Country Arts Board consist of up to eight members with a minimum of 5 members. This will yield additional savings (committee fees and travelling expenses) without reducing effective local representation on the Country Arts Board.

The Act at present provides that the Country Arts Boards can delegate, in certain circumstances, their responsibilities. As the only responsibilities of the Country Arts Boards are those which are delegated by the Trust, it is appropriate that any further delegation be approved by the Trust prior to the delegation being made by the Board.

Membership of the South Australian Country Arts Trust is currently ten being the Chair, a nominee of the Local Government Association of South Australia, a representative from each of the 5 Country Arts Boards (nominated by the respective Country Arts Boards) and 3 other persons who provide business, entrepreneurial and arts skills.

In reducing the number of Country Arts Boards from 5 to 4 it is appropriate also to reduce the number of Trustees from ten to nine. It is also appropriate for the Chair of each of the Country Arts Boards be appointed to the Trust.

I commend the Bill to Honourable Members in the knowledge that the administrative reforms outlined will enable additional resources to be directed to arts development initiatives.

Explanation of Clauses

*Clause 1: Short title*

This clause is formal.

*Clause 2: Commencement*
The measure will come into operation by proclamation.

*Clause 3: Amendment of s. 5—Membership of Trust*
It is intended to reconstitute the *South Australian Country Arts Trust.* The Trust currently consists of 10 members, including a member of each of the Country Arts Boards. It is proposed that the presiding members of the Country Arts Boards will, *ex officio*, become members of the Trust. As it is proposed to reduce the number of Boards from five to four, the membership of the Trust is to be reduced from 10 to nine persons.

*Clause 4: Amendment of s. 6—Terms and conditions of office*
These amendments are consequential on the proposal that the presiding members of the Country Arts Boards be *ex officio* members of the Trust.

*Clause 5: Amendment of s. 7—Procedures of Trust*
This is a consequential amendment.

*Clause 6: Amendment of s. 20—Establishment of Country Arts Boards*
It is proposed to reduce the number of Country Arts Board from five to four. The four new Boards will be as follows:

*Central Country Arts Board*
*Riverland/Mallee Country Arts Board*
*South East Country Arts Board*
*Western Country Arts Board.*

Each Country Arts Board will be established in relation to a part of the State defined by proclamation.

*Clause 7: Amendment of s. 21—Membership of Country Arts Boards*
It is proposed that a Country Arts Board be constituted of between five and eight members (according to the number of members to be nominated by local residents and other persons of a prescribed class).

*Clause 8: Amendment of s. 27—Delegation*
This amendment will require that a Country Arts Board obtain the approval of the Trust before it delegates a power or function under the Act.

*Clause 9: Penalties*
This clause provides for a revision of the penalties under the Act.

*Clause 10: Transitional provisions*
Various transitional provisions are required on account of the enactment of this measure. For example, members will need to be appointed to the new Boards. In order to facilitate the transition to four new Boards, the Minister will be able to reappoint members of the former Boards who were nominated under section 21(1)*(c)* of the Act without further nomination. In addition, the Governor will be able to vest the assets, rights and liabilities of the former Boards in the new Boards that are to be constituted by this measure. The Governor will be able to make other provisions of a saving or transitional nature.

*Schedule*

The penalties under the Act are to be updated and will no longer be expressed as divisional penalties.

**Mr CLARKE** secured the adjournment of the debate.

## WORKERS REHABILITATION AND COMPENSATION (DISPUTE RESOLUTION) AMENDMENT BILL

**The Hon. G.A. INGERSON (Minister for Industrial Affairs)** obtained leave and introduced a Bill for an Act to amend the Workers Rehabilitation and Compensation Act 1986. Read a first time.

**The Hon. G.A. INGERSON:** 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.

I move that this Bill be now read a second time.

This Bill represents the third crucial stage of legislative reform to the South Australian WorkCover system made by this State Government.

In April 1994 this Parliament passed Government legislation which established new structures designed to enhance policy making and administration of WorkCover, and address a number of specific legislative matters. Those reforms commenced operation in July 1994.

In April 1995 this Parliament passed Government legislation which represented the most substantial overhaul of workers rehabilitation and compensation laws in South Australia since the inception of WorkCover nearly a decade ago. Key elements of those legislative reforms came into operation in May 1995 and August 1995.

This Bill addresses a third significant reform issue and one left unresolved by the April 1994 and April 1995 legislative reforms. That issue concerns the statutory framework for the resolution of disputed claims concerning the rehabilitation or compensation of injured workers under the South Australian WorkCover scheme.

This Bill repeals the current review and appeal provisions in Part 6 of the principal Act and substitutes a new legislative scheme for dispute resolution.

In introducing this measure the Government has endeavoured to balance crucial policy objectives. These objectives have had regard to the principles of best practice in dispute resolution, including an application of the principles of early intervention, conciliation, removal of duplication, administrative, arbitral and judicial efficiency and the minimisation of costs. These principles have been balanced with the overriding need to ensure equity and natural justice in decision making, and no net increase in cost to the WorkCover scheme given the current unacceptable level of WorkCover's unfunded liability in South Australia.

This Bill has been subject to more formal consultation between the Government, the major parliamentary parties and the key worker and employer industrial stakeholders than any other workers rehabilitation and compensation reform during the history of the WorkCover scheme.

In April 1995 the State Liberal Government agreed with the Labor Opposition and the Australian Democrats to form a five member working party to arrive at consensus based legislative reform to the WorkCover dispute resolution process. A working party comprising the Minister for Industrial Affairs, the Shadow Minister for Industrial Affairs, the Leader of the Australian Democrats and a nominee of the South Australian Employers' Chamber of Commerce and Industry and a nominee of the United Trades and Labor Council have met almost fortnightly for the past five months in order to achieve this keynote legislative reform.

In the course of its deliberations the working party and its secretariat has consulted widely with interested parties, including the President and Members of the Workers Compensation Appeal Tribunal, the Chief Review Officer and Members of the WorkCover Review Panel, WorkCover executives, national dispute resolution consultants, the Attorney-General's department, the Crown Solicitor, the Law Society of South Australia, unions, employer organisations, the Self-Insured Association of South Australia, the Self-Managed Employers Group, the Registered Employers Group, the Department for Industrial Affairs and major legal firms involved in the workers compensation jurisdiction.

In introducing this measure, the Government would like to acknowledge the work of all members and the secretariat of the working party and also thank these external organisations for participating in this consultative process.

In proposing the repeal of the existing Part 6 of the principal Act, the working party has not sought to introduce change for change sake. Whilst the working party has proposed, as reflected in this Bill, a new statutory framework for resolving disputed claims, that statutory framework retains or modifies some aspects of the current system and replaces other features with new procedures designed to introduce best practice in dispute resolution.

In introducing this Bill the Government has endorsed the dispute resolution principles advocated by the Industry Commission in its February 1994 report into workers compensation systems in Australia. As the Industry Commission noted, workers compensation is a fertile arena for disputes. The stakes can be high, particularly for workers and their families. The Commission's preference was for reliance on non-adversarial dispute resolution procedures (with the emphasis on conciliation and arbitration, although legal representation should not be excluded). Judicial review should be a last resort. Procedures should be characterised by a prompt initial decision subject to non-judicial review by an independent internal arbitrator in the first instance, before appeal to external arbitration and/or resort to the courts. This measure is consistent with that broad framework.

The Bill openly advocates the principle of early intervention as a means of resolving disputes more equitably and with less complexity and cost. The Bill does this by requiring an internal process of initial reconsideration by the compensating authority as soon as a decision on a claim has been disputed. This initial reconsideration

is designed to improve the quality of decision making by compensating authorities and to provide a formal basis for accountability by compensating authorities for its decisions. This is a particularly significant initiative given that the management of WorkCover claims involving registered employers has, since August this year been outsourced to private sector bodies.

As the Industry Commission also noted, internal review ensures sound primary administrative decision making before such decisions are open to external review. It complements expedient first instance decision making by providing an opportunity for a second, more detailed examination of disputed determinations. It is also capable of more rapid, flexible responses than external review.

This Bill also endorses the concept of conciliation of disputed claims. Whilst the current Act gives limited recognition to conciliation, it provides an inadequate legislative framework for meaningful resolution of disputes at the conciliation stage. This Bill provides for a compulsory conciliation mechanism not dissimilar to other industrial relations jurisdictions, prior to arbitration or judicial determination of claims. The emphasis on conciliation as a meaningful and workable mechanism for dispute resolution is designed to resolve claims more quickly and with less cost than under the current framework.

A further important policy initiative proposed by this measure is to bring the processes of conciliation, arbitration and judicial determination under the one umbrella of the Workers Compensation Tribunal. This initiative will enable more efficient management of disputed claims, improved administrative processes and enable complex legal matters to be dealt with promptly by judicial determination in the event that conciliation is unsuccessful. A further, but related reform, is the conferral of a re-hearing jurisdiction to Presidential Members of the Tribunal, rather than the current unsatisfactory process of strict appeals which do not permit the Tribunal to re-hear evidence which is crucial to equitable decision making.

The Bill contains a range of other reforms supplementary to these key features, which include improved provisions relating to evidentiary matters, resolutions of questions of law, expedited claims and notifications of dispute. The transitional provisions also deal with the management of disputed claims between the current and proposed new system, and the status of members and staff of the current Appeal Tribunal and the Review Panel within the new structure.

This reform measure is the culmination of many months of considered policy discussion. The Government looks forward to this measure being passed by this Parliament to enable to new dispute resolution framework to be enacted with consequential benefits for injured workers, employers and the WorkCover scheme.

I commend the Bill to this Parliament and seek leave to have inserted in Hansard Parliamentary Counsel's detailed explanation of the clauses without my reading it.

Explanation of Clauses

*Clause 1: Short title*

This clause is formal.

*Clause 2: Commencement*

The measure will be brought into operation by proclamation.

*Clause 3: Amendment of s. 3—Interpretation*

This clause provides for various definitions required on account of this Bill.

*Clause 4: Amendment of s. 8—Functions of Advisory Committee*

This amendment is associated with the new definition of 'industrial association'.

*Clause 5: Amendment of s. 36—Discontinuance of weekly payments*

These provisions relate to the status of weekly payments when a worker lodges a notice disputing a decision of the Corporation to discontinue or reduce weekly payments. If a worker lodges a notice within one month after he or she receives notice of the decision, the operation of the decision is suspended, and weekly payments will be made until the matter first comes before a conciliator. The Tribunal will then be able to order the continuation of weekly payments so as to allow a reasonable opportunity for the dispute to be resolved without prejudice to the worker's financial position in the interim. A resolution of the matter on a reconsideration of the decision by the Corporation will also terminate these interim payments unless the worker expresses dissatisfaction with the result of the reconsideration. The Corporation will continue to have a right of recovery or set-off in respect of these payments if the dispute is resolved in its favour.

*Clause 6: Amendment of s. 42—Redemption of liabilities*

This makes a technical amendment in order to ensure that all costs under section 32 can be included in a redemption under section 42.

*Clause 7: Amendment of s. 42B—Power to require medical examination, etc.*

These amendments are similar to the amendments contained in clause 5, as sections 36 and 42B of the principal Act include comparable review provisions.

*Clause 8: Amendment of s. 54—Limitation of employer's liability*

This amendment will transfer jurisdiction in an action for the recovery of compensation under section 54(7) by a person who has made a payment under this Act against a third party from the Industrial Court to the Tribunal (constituted of a presidential member).

*Clause 9: Amendment of s. 60—Exempt employers*

This amendment is consistent with the new definition of 'industrial association'.

*Clause 10: Amendment of s. 64—The Compensation Fund*

This is a consequential amendment.

*Clause 11: Amendment of s. 68—Special levy for exempt employers*

This is a consequential amendment.

*Clause 12: Amendment of s. 76—Proof of registration*

This amendment is consistent with the new definition of 'industrial association'.

*Clause 13: Substitution of Part 6*

This clause provides for the repeal of Part 6 of the Act and the substitution of new Parts providing for the constitution and proceedings of the Tribunal under the Act, and relating to dispute resolution under the Act.

Section 77 provides for the continuation of the Workers Compensation Appeal Tribunal as the Workers Compensation Tribunal. Section 77A provides for the seals of the Tribunal.

Section 78 provides that the Tribunal may be constituted of a Full Bench, a single presidential member, or a single conciliation and arbitration officer. A Full Bench will consist of three presidential members under section 78A. Section 78B allows the Registrar to exercise various powers, including for functions assigned by the rules. Section 79 provides that the Tribunal will have the jurisdiction assigned by statute. Under section 80, the Senior Judge of the Industrial Relations Court will be the President of the Tribunal. Under section 80A a Judge of the Industrial Relations Court will be a Deputy President of the Tribunal. The Governor will also be able to appoint legal practitioners as Deputy Presidents of the Tribunal.

Section 81 provides for the appointment of conciliation and arbitration officers. Under section 81A the term of an appointment under section 81 will be five years. A conciliation and arbitration officer will be subject to the administrative control of the President under section 81B. Section 82 provides for the Tribunal's administrative and ancillary staff. The Registrar will be the Tribunal's principal administrative officer under section 82A. Section 82B provides that the Tribunal's staff are responsible to the President for the proper discharge of their duties.

Section 83 provides for the time and place of sittings of the Tribunal. Under section 83A the Tribunal will be able to adjourn proceedings from time to time and order the transfer of proceedings from place to place. The Tribunal will be able to issue summonses under section 84 and compel the giving or production of evidence under section 84A. It will be contempt of the Tribunal under section 84B to refuse to give or produce evidence or evidentiary material if required to do so by the Tribunal. The Tribunal will be able to instigate or authorise the inspection of premises and land under section 84C. Section 84D sets out how a summons is issued.

The Tribunal will act according to equity, good conscience and the substantial merits of the case under section 85. Under section 85A hearings of the Tribunal will be in public, other than for interlocutory or conciliation proceedings, or if the interests of the parties require that a proceeding be held in private. Section 85B sets various rules as to representation before the Tribunal. Under section 86, an appeal will lie on a question of law from a decision of a single member of the Tribunal to a Full Bench of the Tribunal. A Full Bench may state a question of law to the Supreme Court under section 86A. The Registrar will issue a certified copy of a judgment or order of the Tribunal under section 87, and the judgment or order may then be filed and enforced as if it were a District Court judgment under section 87A. Judicial immunity is provided to members of the Tribunal under section 88. Section 88A prescribes cases that may constitute a contempt of the Tribunal. A contempt may be punished by a fine under section 88B. Section 88C relates to the issue or execution of any process of the Tribunal and section 88D to service.

The President will be able to make rules of the Tribunal under section 88E. Section 88F gives the Tribunal discretionary power over costs. Section 88G regulates scales of costs of representation in proceedings before the Tribunal. It will be unlawful to recover costs for work involved in representation before the Tribunal over and above the prescribed scale. Under section 87H, no proceeding or decision of the Tribunal will be able to be called into question except as provided by the Act, or in proceedings founded on an alleged excess or want of jurisdiction.

Section 89 is an interpretative provision for the purposes of Part 6A.

Section 89A sets out the decisions that are reviewable under the Act. A person who has a direct interest in a reviewable decision may give notice of a dispute under section 90. The notice is lodged with the Registrar. Section 90A provides that a notice of dispute must be lodged within one month of notice of the decision being given, unless a member of the Tribunal allows an extension of time. The Registrar will send a copy of a notice of dispute to the other parties under section 90B.

Section 91 provides that the relevant compensating authority must reconsider the decision that is subject to a notice of dispute. The authority will then communicate its decision on the reconsideration to the Registrar. This should all occur within seven days.

If the matter remains unresolved, the matter must be referred to conciliation by virtue of section 91A. Sections 92 to 92D relate to conciliation proceedings. If conciliation proceedings do not achieve a settlement in the dispute then the conciliator must refer the dispute into the Tribunal for arbitration or judicial determination.

Sections 93 to 93B relate to arbitrations. An arbitrator will be able to take into account recommendations of a conciliator.

The Tribunal will determine a dispute that has not otherwise been resolved by judicial proceedings under sections 94 to 94C. A pre-hearing conference will normally be held. The Tribunal will rehear a matter without regard to decisions taken in earlier proceedings.

Section 95 sets out the rules as to costs.

Section 96 provides that the Minister may intervene in proceedings before the Tribunal or the Supreme Court under this Part if satisfied that he or she should in the public interest.

Sections 97 to 97B allow the Tribunal to act if a worker or employer applies to the Tribunal on the basis of undue delay in making a decision that affects the worker or the employer under the Act. The provisions are based on existing section 102. Section 97C is a consequential regulation-making power.

*Clause 14: Amendment of s. 108—Medical examination at request of employer*

*Clause 15: Amendment of s. 123A—Right of intervention*

*Clause 16: Amendment of Schedule 1—Transitional provisions*

These are consequential amendments.

*Clause 17: Transitional provisions*

This clause sets out various transitional provisions required for the purposes of this measure. Particular provision is made for the continued appointment of Deputy Presidents and staff of the Tribunal, and for the transfer of certain staff of the WorkCover Corporation. Existing proceedings before Review Officers that have been substantially commenced before the commencement of this measure may continue under the former legislation. New proceedings (or proceedings not substantially commenced) will proceed under the new legislation (even if the reviewable decision is made before this legislation comes into operation). Review Officers will transfer to the Tribunal for the remainder of their respective terms of office.

**Mr CLARKE** secured the adjournment of the debate.

## STAMP DUTIES (MISCELLANEOUS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 28 September. Page 97.)

**Mr QUIRKE (Playford):** As the Opposition understands the Bill before us, it involves six principal changes to stamp duty in South Australia. The Opposition supports those changes. We note that the first part of the Bill solves the problem of either the sell down of ownership of a motor vehicle or where a person wishes to buy a motor vehicle from the registered owner of a vehicle. It will solve the problem of the valuation which has always been far too excessive in those rare instances where this happens, and it allows for an easier and more appropriate stamp duty regime. Most members find it hard to come to grips with the circumstances in which this happens, and indeed a large number of persons in our Caucus room were puzzled about this. The Hon. Trevor Crothers pointed out that there are a number of racing cars around the place where the ownership of the vehicle could be in several names and that the ownership may change from time to time.

The Opposition supports the stamp duty remission on the transfer of registration of heavy vehicles under the Federal registration scheme to the South Australian registration scheme. We are also supportive of the question of leasing contracts. We concur with the Government that, where the extension is for no more than one day, there should be just the nominal fee so that the taxpayer is not subject to double taxation on a lease. In relation to the Enforcement of Judgments Act, its impact on a debtor and what it may do to the title, we concur with the Government that the consequences of that should not be visited as an extra jeopardy upon the person whose property is subject to such an order. We are also happy to support the question of South Australia falling into line with all the other States on the question of electronic stock transfers where there is no change in the beneficiary to that stock. As a consequence of that, we support the Bill in this House and in the other place.

**Mr VENNING (Custance):** I am pleased that the Government is continuing to amend the way it taxes South Australians via stamp duties. I remind the House of the Government's splendid record to date in respect of what it has been doing in relation to the imposition of stamp duty. The Government has taken off the stamp duty on the inter-generational transfer of farms, that is, from father to son or mother to daughter, or *vice versa*. Secondly, it has amended the stamp duty payable on the transfer of financial arrangements between financial institutions, which has been a great boon to farmers, giving them flexibility in transferring their financial arrangements from one institution to another to chase the best deal, rather than having to climb over the stamp duty each time they transfer. Financial institutions use stamp duty to keep farmers locked into their loans. Thirdly, I appreciated the Government's action to remove the stamp duty on the registration of farm vehicles where they were deemed to be registrable. I thought it was iniquitous that farmers had to pay the stamp duty first, so that measure has been of great assistance to farmers.

With this Bill, the Government continues the trend by amending the way in which people pay stamp duty. The Bill amends the law in six ways. The package of amendments proposes exemption from taxation in certain circumstances or proposes provisions that will ensure fair and more equitable treatment under the Act. The first matter dealt with in the Bill concerns the application of stamp duty on the transfer of registration of a motor vehicle between persons other than spouses. This has been a matter of conjecture for some time. It applies to a vehicle, which may be jointly owned or company owned, when it is transferred to another person in the company or to one of the partners. Until now, the duty payable has applied to the full value of the vehicle that is transferred, so I welcome this provision. Because of the conjecture, in many cases people have not transferred ownership because the tax payable made the transfer

prohibitive. This has resulted in inconsistency between motor vehicle registration transfers and property transfers, and it has made things very difficult.

One question I have for the Minister, which I may ask him afterwards rather than in Committee, is whether there will be exemption for re-registration of a vehicle after the owner's original vehicle has been stolen, given the expiration of a mandatory time. It has been brought to my attention that, if a car is stolen, and even if it is a new vehicle or only six months of age, stamp duty has to be paid on the replacement vehicle. I realise that that area could be rorted but, if the time period was limited, the Minister should consider that proposition, even if it is at another date.

The second provision in this Bill concerns the stamp duty treatment of lease instruments where the rental payable cannot be ascertained or estimated and is considered to be less than the current market rent of the property. That can be a very confusing and complicated area, so I am pleased that the Minister has chosen to address this matter. In some instances, lease rentals are based on a percentage of business turnover. In other cases, the lease agreement centres on incentives offered to the lessee such as periods without rent, free fit-outs or cash payments to take up a lease. The ability to assess duty on market rental or on the value of incentives is not clearly provided for in the existing legislation.

The third provision is one that is pretty close to my heart, namely, the registration of heavy vehicles. Under a national heavy vehicle registration proposal, we will see a turnaround in the registration of interstate trucks onto South Australian registration. However, that will be rare. The provisions relating to heavy vehicle registration are being changed because of national registration. As a result, most trucking companies will return to their State of origin and, in this instance, I am afraid that the traffic will probably be the other way because more interstate trucks have been registered in South Australia because of our cheaper registration fees.

There might be an exodus of such registrations, but some trucks that carry interstate plates for legislative reasons will wear South Australian plates when the full, national heavy vehicle registration system is implemented across Australia. Vehicles coming back onto South Australian registration will not need to pay stamp duty, which was paid when the vehicle was registered for the first time. That will encourage registrations back into South Australia without any further impost. That has always been a problem and I know that some smaller operations seeking to re-register vehicles in South Australia have found the matter of stamp duty to be very difficult.

The fourth provision in this Bill relates to the treatment of leases, particularly where there is an extension of a lease for one day. This can happen often, particularly when a lease is being renegotiated and the time has expired for the first lease. It is often necessary to have that lease expired for legal reasons and, if a person wants to take it onto the next day, the stamp duty payable has been $1 for every $100 of rent payable. In relation to farms and land, that can be a lot of money so, on behalf of many farmers, I thank the Government for this measure. I know that farmers and other people transferring land have broken the law, have not come clean or have not exposed fully what they have done in relation to this matter. This measure will encourage people to obey the law and, more importantly, it will make them safe so that they cannot be manipulated by anyone between when the lease runs out and when it is to be renewed. Taxpayers may have to pay double duty in respect of that one lease, so this measure will change that provision.

I turn now to the fifth provision in the Bill. The Government believes that the incidence of stamp duty on charging orders is an unintended consequence of the Enforcement of Judgments Act. It is an area that is legally pretty complicated and I do not fully understand it. I am assured by my colleague the Attorney-General that we as a Government want to address this area, and that has been done in this Bill.

The sixth area deals with stamp duty on the transfer of shares under the Clearing House Electronic Subregister System (CHESS) of the Australian Stock Exchange where the transfer does not result in a change of beneficial ownership. That is important. This affects the matter of wills. If this is done for reasons other than beneficial ownership, the stamp duty is waived. That will make a big difference, particularly when it is realised that all other States in Australia have taken the position of exempting transfer where there is no change of beneficial ownership rather than charging the nominal duty that is already there. Our State now comes into line with every other State in Australia.

The Minister assures me that, in the preparation of this Bill, consultation took place with those industry groups with an interest in the proposals or groups which are likely to be affected in any way. I congratulate the Minister on behalf of truck drivers, car drivers and farmers on what he has done with this Bill, as we continue to amend the way in which the Government collects its taxes via stamp duty. I commend the Bill to the House.

**Mr LEWIS (Ridley):** Mr Acting Speaker, neither you nor the House needs me to regale the House with the details that have already been put on the record in the second reading explanation and repeated by the lead speaker for the Opposition and by the member for Custance as to the six provisions that this Bill addresses. I want to say something that is not often said by members in this place and by fewer journalists outside. This is a classic example of a measure going through the House on which there is no dispute between the Parties or between the Government and any individual member of the House, and it would otherwise rush through and become part of the 90 per cent of propositions that come into Parliament about which there is no argument.

The media would not report it. However, it has great consequence and, before I detail why I see it as being a measure of great consequence, I will commend the Treasurer and the Government for bringing the measure to Parliament in order that the best interests of citizens are served both directly and indirectly. In the direct context, they are personally affected by the measure and, in the indirect context, South Australian business will be encouraged and flourish a little more than would otherwise be possible if such measures did not pass.

I bet that no-one in the media will say anything tomorrow about how courageous the Treasurer has been in doing this. It means that the State forgoes revenue, and that makes it difficult for him constantly to assess the demands made on the resources of the Treasury and, where they are further depleted, it is more difficult to allocate those fewer dollar resources. But it is just to do that; it is just to make those amendments. The people who benefit from the amendments we make today will never know that they benefit from them. They change the law to exempt those people and those commercial interests from having to pay that tax. They will never say 'Thank you.' There is no political kudos in it for

the Government because, with people not knowing of the benefit that they have derived from the changes we will make with the passage of this legislation, that benefit will simply not come into the consideration any citizen makes before determining how they will vote at the next election.

Bearing all that in mind, and especially because of my concern that the things that we do and agree are not reported, at least it will be recorded in *Hansard* that we do these things knowing that it is in the best interests of the citizen even though it makes the task of Government more difficult and even though it will produce no political gain for the Government—or indeed, the Opposition, for that matter. I commend the Minister on what he has done and the Government for acting on these proposals in this way and at this time for the benefit of everybody. I wish the measure swift passage.

**The Hon. S.J. BAKER (Treasurer):** I thank the members for Playford, Custance and Ridley. I note the conveyance of positive opinion that comes with the debate on these measures. We have embarked on a process of reform in this State. We have looked at various areas of the Acts and said that where they are unfair we should change them. In this case there are revenue implications. Over the years I have had a number of representations from people who want to change car ownership between mother and daughter or between spouses, simply for reasons of convenience, and who have not done so. We cannot really judge the merits of the proposal, but I know that, every time somebody has wanted to change the ownership of a car within a family unit, they have normally had to pay the full stamp duty. That is unfair, because they are imparting only some of that value yet, under the legislation that has been in existence, they would have only that proportion of the car for which they are responsible but would be paying the full stamp duty. That is unfair, and I have received a number of representations on that issue over time. We were one State that continued to charge full stamp duty on any change of ownership.

There are other issues: the duty on the transfer of heavy vehicles was also unfair, because of the Commonwealth requirement that full stamp duty be paid with the change in registration. The Government recognised this. The matter was discussed at the Federal level and all States agreed, so we have fallen in line regarding that measure. In terms of leasing arrangements, as everybody would recognise, they are often not satisfied at the end of a contract and therefore a day or two may go past before a new arrangement is put in place. It is unfair for those involved in that transaction, particularly the person responsible for the stamp duty, to pay full stamp duty on the basis of a delay of one or two days, and again the Government has recognised that.

We are a Government of reform, and we believe there is a need for change in a number of other measures, such as the CHESS scheme and the enforcement of judgments. It is important that the citizens of South Australia recognise that the Government does not simply collect revenue year after year without analysing the way it collects it and determining whether it is consistent with the Government's view that taxes should be fairly spread and that there should not be anomalies in the system. From our point of view, the revenue that is lost through these measures is not really a revenue loss as such, because we believe that some of them were unfair in the first place and should have been reformed a number of years ago. I sincerely thank all members who have participated in this debate. I am sure that this measure will be welcomed by those people who have had to live with the anomaly in the past and who might still have been struck with the anomaly in the future if we had not changed the Act, and also by all those who will be beneficiaries of a much better and fairer system in relation to the five matters that have been outlined in the Bill.

The stolen cars issue that was raised by the member for Custance is a vexed question. The member for Custance would recognise that some of the cars are not actually stolen but are taken for insurance purposes. So, we would not wish to reward one person twice for that piece of criminality. This issue has bobbed up on occasions. There has not been detailed research into all the positives and negatives, but it is certainly a matter that can be kept under review. I am not sure which other States have embarked on recognising the fact that someone who has his or her car stolen has to buy a new car and then has to pay the stamp duty as well as the full cost of the new car if it is not covered by insurance and whether those States have determined that that is fair. Life is not fair in a number of areas, as we would all recognise, but the matter has certainly been canvassed previously. I am not sure that a workable scheme is in place, but the matter can be kept under review.

Bill read a second time.

In Committee.

Clauses 1 to 3 passed.

New clause 3A—'Default assessments.'

**The Hon. S.J. BAKER:** I move:

Page 2, after line 11—Insert new clause as follows:

Amendment of s.42C—Default assessments

3A. Section 42C of the principal Act is amended by striking out from subsection (1)(a) 'this Act' and substituting 'the Motor Vehicles Act 1959'.

This deals with motor vehicles. It should refer back to the Motor Vehicles Act, but it currently refers to the Stamp Duties Act. We are fixing up an anomaly, and this will improve the interpretation of the Act.

New clause inserted.

Remaining clauses (4 and 5) and title passed.

Bill read a third time and passed.

## PAY-ROLL TAX (EXEMPTION) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 28 September. Page 97.)

**Mr QUIRKE (Playford):** Again, the Opposition supports this measure, which in essence provides an incentive to encourage film production in South Australia. So long as South Australians are involved in this and the production is in South Australia, as we understand it, the payroll tax exemption applies. Many comments could be made about the film industry in South Australia. Indeed, the film industry was reborn in South Australia in the 1970s, although I suspect that in the last 10 to 12 years it has fallen on somewhat harder times. One of the reasons for that is that much of the budget these days goes to feeding bureaucrats rather than to film companies requiring funding under the arts budget. I support this measure on behalf of the Opposition, and we hope that it bears some fruit.

**The Hon. S.J. BAKER (Treasurer):** I appreciate the member for Playford's comments, but it is useful to understand why this step has been taken. Everybody would

recognise that the Treasurer does not give away revenue lightly. The Minister for the Arts came to the Treasurer—and, of course, the Government—some time ago and stated a case that South Australia has some of the best practitioners in Australia—in fact, world-class people—in terms of production and cinematography, as well as in the acting profession. There are people in South Australia who are world-class practitioners in their own right and are recognised overseas as such.

The film market is very competitive, and we know that there have been a number of attempts by people interstate to attract film-making to Australia, because it is seen as a much cheaper venue than some alternatives overseas. We recognise that the Queensland Government has put a massive amount of money into the provision of film studios for whoever should wish to come to Australia and film a major production here. It may turn out to be a debacle, but in New South Wales there have been announcements about the use of the showgrounds as a major film-making venue.

Here in South Australia, we really have some significant advantages. First, with close proximity to the city, we have plenty of sites upon which films can be made. We have cheapness of labour, we have cheapness of accommodation, and we have a capacity to turn around a film production faster than possibly in any other State, simply because of the expertise that is here. The days have gone, can I say quite explicitly, when we have a film corporation which is responsible for making films. They were the heady days of the 1970s which drifted into bad habits in the 1980s, and, with great credit to the Minister for the Arts, we are now entering a new area. For example, I saw *The Life of Harry Dare*, an excellent South Australian production, and I recommend it to anyone who has the opportunity to see it. We have produced *Shine*, *Sun on the Stubble* and *Lust and Revenge*. I actually went to see one of these films being made.

It is interesting that South Australia has developed a very strong reputation for being able to deliver films of a high standard with overseas or local artists. So, the nature of film-making has changed dramatically in South Australia under the leadership of the Minister for the Arts, and we are seeing some wonderful examples. We know that *Napoleon*, the latest children's film, is a South Australian product. We have seen some dramatic changes in the way films are made, who is responsible for them, where they are made and the studios that have been traditionally associated with their production, and South Australia now has a different role to play.

We wanted to put in place something that would not cost a great deal but would give great comfort to anyone coming to this State in terms of knowing they did not have to work out which bits and pieces of their wages bill would be subject to payroll tax and whether or not a bill would be received after the event for particular productions. We recognise that if the production is coming to South Australia there will be many flow-on benefits, yet the trade-off we have here is not a great deal but gives comfort to film makers through knowing that if they make their films here they will not be subjected to having taxation officers looking through the books to determine what proportion of that wages bill should go to the State Taxation Department and to the Treasurer of South Australia.

So, it was just a small incentive, but it certainly sent all the right signals to the film industry, and the people concerned are very appreciative of it. The greatest credit really goes to the Minister for the Arts, who raised the issue initially. We did some research on the matter and believed there would be a significant net benefit from taking this initiative. It does offer a little extra in South Australia which cannot be replicated elsewhere. It does not mean that we will get into films for which we are not suited because we do not have those facilities. We are not putting out very large incentive packages. This is a small incentive but it has considerable value in attracting people to this State to make films of high quality. I thank the Opposition for its support of this measure.

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

## LAND TAX (HOME UNIT COMPANIES) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 28 September. Page 98.)

**Mr QUIRKE (Playford):** I am pleased to be speaking to this Bill. The Minister, who can confirm this later, seems to be closing a loophole that has obviously been used to evade land tax in a number of areas. The Opposition supports that proposal. We have no argument about the contents of the Bill.

**Mr VENNING (Custance):** I want to speak briefly to this Bill. It is a very good move, and I appreciate the Minister's efforts in this regard. I also appreciate the Opposition's support for this measure. I am pleased to note that the last Liberal Government in South Australia, that is, the Tonkin Liberal Government, actually removed land tax payable on farm land. The Minister is now, once again, reviewing the way Government land taxes are levied.

Prior to 1968 it was not possible to obtain separate titles where multiple dwellings were constructed as a single building complex on a single land parcel. Real estate and home unit companies provided ownership for tenants of home units through the purchase of a company share which entitled that person as a shareholder to the exclusive use and occupation of a defined home unit. Land ownership under the present arrangements resulted in a degree of uncertainty and inequity in the assessment of land tax, the land tax being assessed on the total taxable value of the property.

While exemption was provided in respect of those units occupied by shareholders as their official place of residence, and the total taxable value of the land was reduced accordingly, the home unit company was entitled to only one concessional threshold, thus resulting in individual shareholders, who do not occupy their units, frequently paying more land tax than would be the case if the units were separately assessed.

Since 1968 the mode of home unit ownership has been on a strata title basis rather than through a home unit company structure. Currently the land tax recognises individual unit owners under strata title ownerships but does not recognise shareholders of a home unit company as if they were owners for land tax assessment purposes other than for the purpose of principal place of residence exemptions. For consistency—and I appreciate that this is what the Government is mainly moving for—individual shareholders can now be treated as if they were owners for land tax purposes. This Bill amends the provisions of the Land Tax Act to provide for the recognition of shareholders in a home unit company in existence at February 1968 as if they are the owners of the respective units to which their shareholding relates.

The Bill also allows for the continuation of the principal place of residence exemption for home unit scheme occupiers. It will permit assessment of land tax on an individual basis where units are not occupied by the people who own them. I also note the minor amendment in the Bill—which is again consistent with the Government's updating all legislation—that will allow inspection of documents including all information which is stored electronically.

I commend the Minister for this measure, which although only a small one is certainly a very important one to assess the way in which land tax is levied in this area. People who live in this type of dwelling—and certainly this trend is becoming more popular—have had a difficult time and been unfairly treated in respect of their occupancy of such accommodation, particularly as the owners of strata title units. I support the Bill and commend the Minister for introducing it.

**The Hon. S.J. BAKER (Treasurer):** Under this measure we are doing something positive to remove anomalies that have existed for some time. The law as it stood until 1968 did not recognise that it was possible actually to build, own and live in dwellings located on less than a quarter acre block. A number of schemes were set up at that time to provide for ownership in medium-higher density accommodation different from the rental situation and designed basically for the purpose of home ownership.

The problem was one involving aggregation of property values for land tax purposes affecting those people connected with the old home unit companies for whom this was their principal place of residence; that was recognised for land tax purposes as an exemption under the Act, being the principal place of residence. Regarding those for whom the dwelling was not their usual place of residence, the value of the units in question would be aggregated for land tax purposes. It would be quite different, for example, if that person owned a strata title unit where there was a given value, and if that person owned other property that given value would be added to the other property to provide an aggregated value upon which land tax would be imposed.

Because the scheme started prior to 1968 and has not been remedied in terms of land tax, we have had this serious anomaly particularly where a large number of units are involved and where the absentee owners in question would be paying effectively more in land tax than they would be paying if they had firm ownership through strata title. The anomaly has existed for a number of years.

This is quite different from some of the scams that occurred during the 1970s and 1980s where special companies were set up to avoid taxation and other measures. This was a legitimate demonstration of the need to be involved in medium or higher density housing.

Some of the other company schemes set up which the former Government had to consider involved also share ownerships. I had approaches during the 1980s on a number of occasions from people saying, 'I want land tax relief.' I responded, 'When you bought the property did the developer tell you what your liability would be under the way they have structured this company?' It was set up for taxation purposes, but the poor person who bought the share in a company and had a right to reside in a particular residence (or a shack, because we saw schemes along the Murray River) paid the ultimate price and was not made aware of it at the time. The former Government had that problem and changes were made.

Subdivision was prohibited along the Murray River, so a particular landholder said, 'I can overcome the law. I won't subdivide the land; I'll set up a company and everybody can have shares in it.' In the case in question $5 million of capital value was ascribed to the company and the people who had those shacks had to pay their share of this aggregated value. That was totally unfair but was part of the scheme that prevailed to overcome the law. We have seen a number of these schemes involving anomalies which the former Government and this Government have had to remedy in order to ensure fairness. As we did with the previous Bill, we are making the taxation law fairer so that some of the anomalies of the past are being corrected. I thank members for their support.

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

## MEMBER'S LEAVE

**Mr BASS (Florey):** I move:

That two weeks leave of absence be granted to the member for Gordon (Hon. H. Allison) on account of ill health.

Motion carried.

## ADJOURNMENT DEBATE

**The Hon. S.J. BAKER (Deputy Premier):** I move:

That the House do now adjourn.

**Mrs ROSENBERG (Kaurna):** I wish to discuss the important and vital role that TAFE, along with our universities and the private sector, is playing in the area of information technology. As part of my Address in Reply contribution, I mentioned the IT 2000 vision that has been set up through the Government and how important that has been particularly in the southern area with Onkaparinga TAFE and how I hoped that technology would become a major factor in the new Seaford six to 12 school. The prominent role that information technology is assuming both internationally and nationally is heightened in our State by the current focus on the IT industry as a growth industry in South Australia. Information technology refers to the gathering, provision and access to information by means and technologies that include the more traditional ways of print, audio and video, as well as the newer functions of computers and telecommunications.

I am pleased to say that DETAFE is continuing to undertake extensive and exciting innovations in the IT area. As an example, the Electronic Services Business (ESB) project is a key element of the Premier's IT 2000 vision. This project aims to enable South Australians to use home computers or specially designed electronic kiosks to access Government and other services such as car registration and ticket purchases. This means that this project will have a significant impact on TAFE institutes, especially in the areas of enrolment, advertising and course information. A recently compiled draft report entitled 'Advancing South Australia: DETAFE's information technology plan to 2000' was released in June for initial internal discussion. This report, prepared by the Information Technology Steering Group, outlined curriculum initiatives for IT and delivery models, including the use of on-line technologies, to create the virtual classroom.

The concept of the virtual classroom is currently being piloted at the Adelaide Institute of TAFE. Through file servers, students use dial-in lines to access electronic lectures

that are delivered as a multimedia presentation; obtain required course readings; contribute to discussion topics; and send e-mail to one another as well as to the instructor. This advancement will eventually lead to the virtual institute, which will embrace a vast amount of learning materials, a productive means of delivery and support, and will offer an extensive range of education options to all students. An important aspect of information technology is the major impact that IT will have on Australia. There is a definite need to ensure that education and training requirements of the current and future work force are met. To ensure industry input into IT education and training, DETAFE has established an IT Industry Education Task Force.

This task force has been established to advise Government and education and training institutions on the education and training requirements of the emerging IT electronics and multimedia industry environment in South Australia. Preliminary estimates indicate that there will be a need for some 3 500 IT TAFE graduates over the next five years to meet the expected work force demand. A special TAFE initiative undertaken earlier this year has already made available 100 new places for IT-related courses. The intake acknowledged the rapidly growing interest in training in this area as well as the future need for professionals in the computing and engineering fields. As part of TAFE's business studies program, courses are offered in software development, PC support, network support and administration, IT management and administration, and systems analysis. To date 82 per cent of extra student positions allocated have been taken up.

Over the past 12 months the telelearning consortium throughout the State has expanded by another seven classrooms. The telelearning classroom is another way of DETAFE's using an innovative range of electronic technologies to take its courses to students anywhere across the State. The TAFE institutes have come together to utilise videoconferencing technology in a way recognised as a world leader in terms of the way it is used and how it has been integrated into the classroom.

As you may or may not be aware, Mr Acting Speaker, TAFE currently has facilities in some 19 sites located across South Australia, in places as far away as Ceduna on the West Coast and Mount Gambier in the South-East. Last Thursday saw the launch of the new media centre, which is located at the Technology Centre for Printing and Visual Communications within the Croydon campus of the Western Adelaide Institute of TAFE. Both the Premier and the Minister for Employment, Training and Further Education were part of the official opening.

The new media centre grew from an initiative of Apple Australia to work with training providers around Australia to support the training necessary to underpin the multimedia industry. In South Australia TAFE was chosen as the training provider, which is testament to South Australia's TAFE reputation in the provision of relevant training, information technology and graphic communication technologies. Interactive multimedia involves people communicating with people, aided by machines. Products appear mainly as CD-ROM disks that are played on personal computers with colour screens, sound cards, a hard disk and CD-ROM drives. The new media centre has already proved valuable in assisting DETAFE to respond to the growing demand for student training in this area.

The new media centre has also provided the opportunity for DETAFE staff to participate in a number of national staff development activities. Teachers from all the new media centres around Australia come together to share experiences and technical development in their specialised field. This facility is another excellent example of a whole of Government and private industry approach. The centre will concentrate in the first instance on short-term, intense training courses to meet the client demand for focused skill development in multimedia. The centre is a demonstrated commitment by the Minister and his department to embrace the vision of the Premier and the Government to see South Australia become the information technology hub of South-East Asia.

Further to this, the Torrens Valley Institute of TAFE has developed a certificate level multimedia course, with the first group of students starting in October 1995. It is in the process of completing the development of an associate diploma in applied design in interactive multimedia. I congratulate the Minister and his department on being world leaders in this information technology field. This is a further highlight of South Australia's leading the way in the information technology revolution.

**Mr CUMMINS (Norwood):** This afternoon I want to talk about the mediation process in relation to consumer and business affairs. Members will know that the conciliation and mediation process is familiar to many jurisdictions in South Australia: neighbourhood conflicts, divorce, commercial litigation, building litigation, etc. In South Australia one of the main complaints from consumers is in relation to secondhand motor vehicles. However, since the Liberals won office in December 1993, the Government has been developing a successful, less traumatic and cheaper way of dealing with vehicle and other similar disputes. That process is by mediation. I cite an example of where this process is being used, and the savings to the community that it involves.

A consumer recently bought a vehicle from a used car dealer. Six months after he had bought it there were certain defects, which were fixed under the warranty provisions, but a series of further problems occurred and, after inspection of the vehicle, it became obvious that the vehicle had been written-off and then rebuilt. It also became obvious that the previous owner named in the schedule was not the real owner of the vehicle. It then appeared that the vehicle had been purchased from an auction yard, rebuilt and then auctioned. In other words, the vehicle had been fitted with false plates. The purchaser lodged a complaint with the Office of Consumer Affairs and the Motor Trade Association, at which stage both agreed they would work together to try to solve the problem.

At the mediation process—present at which were the car dealer, the purchaser and an inspection representative as an independent person who inspected the vehicle—the dealer offered to pay an amount of $700 to the consumer. The offer was refused. As I have said, it appeared that the vehicle had been rebuilt and fitted with false registration plates. When the purchaser refused to accept the offer of $700, because he felt that the damage was worse than that stated, the engine was removed from the vehicle and it was then discovered that the vehicle was a write-off. The dealer, to his credit, offered to purchase the vehicle for a full refund of $15 250. The result was a great credit not only to the Department of Consumer Affairs but also to the dealer himself who came to that decision. There were further out-of-pocket expenses of $1 000.

If there had been a court case with the sort of fact situation I have just mentioned to the House, I estimate that the costs to both sides would have been in the region of $10 000—over litigation of a vehicle worth $15 000. There would have been that sort of expense because of the nature of the problems with the vehicle, which would have meant a lot of technical evidence and a lot of cross examination. That would have taken up a lot of the court's time. So, a potentially complex and expensive exercise was resolved cheaply at a total cost of about $1 000—the amount paid to the independent inspector.

Since the introduction of mediation within the Consumer Affairs Branch, a number of matters have been successfully resolved. Consumers are initially asked to try to resolve these matters directly with the vendor. If that does not work, an officer of the department will look into the matter. After that, mediation processes are available. In the nine months to June this year there have been 20 conciliation conferences, of which 18 related to commercial tenancy matters under the Landlord and Tenant Act, one to a second-hand motor vehicle matter and one to a consumer transaction matter. Of those 20 matters, 18 were successfully resolved and one went to trial in the Commercial Tribunal (but was settled shortly before the trial began) and one has been adjourned several times. If we look at these 18 matters, we see a saving to consumers (depending on the complexity of each matter—and I am not privy to that information) in the region of $250 000. It is a great credit to the department that the process is working well and a great credit to the Liberal Government that it introduced these procedures in 1993.

Such procedures are also available before the Equal Opportunity Commission and the Youth Court in particular. In South Australia we also have community mediation centres, which use alternate dispute resolution. My profession of the law has supported these procedures, although in so doing it loses the opportunity to gain fees because matters are resolved without the intervention of the legal profession. Many people would say that it is a good idea that lawyers are not involved, but it is a great credit to my profession and to the Law Society that they have publicly supported the procedures. This Government will continue to support alternate dispute resolution because it believes that it is beneficial to both the consumer and the vendor, to business and to the community generally. It is an area in which there will be growth in future as I am sure there are other areas at which we have not looked and in which this procedure will become available. I congratulate the Attorney-General in another place for his initiative in this matter. Despite the fact that the legal profession has suffered a loss in respect of fees, both the Attorney-General and the profession support this approach. I am very impressed with the way these new mediation procedures have worked, and I believe that they have a great future.

Motion carried.

At 5 p.m. the House adjourned until Wednesday 18 October at 2 p.m.