HOUSE OF ASSEMBLY

Tuesday 24 October 1995

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

SCHOOL SERVICES OFFICERS

A petition signed by 6 175 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 was presented by Mr Brokenshire.

Petition 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 1, 10 to 12.

PAPERS TABLED

The following papers were laid on the table:

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

Construction Industry Long Service Leave Board—
Actuarial Report, 1994-95.
Estimate of Liabilities, 1994-95.
Report, 1994-95.

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

Art Gallery of South Australia—Report, 1994-95.
Engineering and Water Supply Department—Report, 1994-95.
TransAdelaide—Report, 1994-95.

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

Nurses Board of South Australia—Report, 1994-95.

By the Minister for Housing, Urban Development and Local Government Relations (Hon. J.K.G Oswald)—

District Councils—By Laws—
Barossa—No 8—Moveable Signs on Streets and Roads.
Light—No 8—Moveable Signs on Streets and Roads.
Local Government Finance Authority of South Australia—Report, 1994-95.
Local Government Superannuation Board—Report, 1994-95.
South Australian Urban Land Trust—Report, 1994-95.

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

Racing Act—Regulations—Betting—Rugby Union.

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

Mines and Energy South Australia—Report, 1994-95.

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

Forwood Products—Report, 1994-95.

By the Minister for Employment, Training and Further Education (Hon. R.B. Such)—

Education Act—Regulations—Teacher Registration Fees.
Tertiary Education Act—Report on Operations, 1994-95.

BUS SERVICES

The Hon. J.W. OLSEN (Minister for Industry, Manufacturing, Small Business and Regional Development): I table a ministerial statement made by the Hon. Diana Laidlaw, Minister for Transport, in another place.

CAE ELECTRONICS

The Hon. J.W. OLSEN (Minister for Industry, Manufacturing, Small Business and Regional Development): I seek leave to make a ministerial statement.

Leave granted.

The Hon. J.W. OLSEN: I am delighted to announce to the House that international defence company CAE Electronics (Australia) Pty Ltd has chosen Adelaide as the base for the expansion of its defence-related business activities in Australia. The company wants to develop its export business, linking with global CAE operations in America, Europe and Asia. As the cornerstone of its Australian defence business operations, CAE has therefore acquired the South Australian Government-owned MRAD Pty Ltd, a subsidiary of SAGRIC International. This acquisition and CAE's plans to develop its defence technology export business out of South Australia further underscore the fact that this State is the defence capital of the nation. Purchases from South Australian companies represent more than 40 per cent of the total defence procurement value in this country.

MRAD has successfully commercialised sophisticated military training and testing technology and sold it into multimillion dollar contracts in Australia and overseas. CAE Electronics was a significant partner in some of these contracts and the company believes that the MRAD product strongly complements its existing product lines. CAE won the competitive tender for the acquisition of MRAD because of its focus on the global military training market. The company is already a world leader in the simulation and training markets, particularly in the production of full flight simulators. It also has a strong presence in the commercial aviation training market.

MRAD has developed technology to create simulated targets which can be picked up by radar or other sensors. These targets move and react like real objects within a military environment. The technology, called Radar Environment Generators, is in high demand because it fits the post cold war environment and allows highly cost-effective training in times of restricted military budgets.

CAE has plans to expand the operations of MRAD from its current level of approximately 55 to in excess of 100 employees. This expansion over a period of approximately five years will involve a significant capital expenditure program. In addition, the purchase releases the State Government from performance guarantees of MRAD of up to $18 million. I am sure that CAE will be a significant asset to South Australia's strong defence electronics industry and will further enhance our reputation as a reliable supplier of sophisticated technology to global markets.

HUS EPIDEMIC DOCUMENTS

The Hon. M.H. ARMITAGE (Minister for Health): I seek leave to make a ministerial statement.

Leave granted.

The Hon. M.H. ARMITAGE: The Opposition has asked several questions attempting to indicate that documents in

relation to the Garibaldi incident have been withheld. As I have told the House, there was some dispute about which documents the South Australian Health Commission was permitted to release during the Coroner's inquest. I remind the House that, for the purpose of that inquest, the Coroner's Constable had complete access to all the Health Commission files in relation to this matter and obviously took whatever he believed were relevant to the inquest.

Following the Leader of the Opposition's freedom of information request, on 26 May 1995 the Ombudsman wrote to the Chief Executive Officer of the South Australian Health Commission indicating that the ambit of the request of the Leader of the Opposition may well be quite narrow and that a substantial proportion of Health Commission documents appeared to fall outside the scope of his application. For instance, the Institute of Medical and Veterinary Science certificates of analysis and facsimiles to local government authorities were specifically mentioned as categories of documents which, in the Ombudsman's view, appeared to fall outside the scope of the application.

Early last week there were discussions between the Ombudsman and the South Australian Health Commission regarding the documents which Mr Rann believed should have been provided but which, according to the Ombudsman's letter and in the opinion of the Health Commission, appeared to be outside the scope of the Leader's freedom of information application. In order to put to rest the allegations of the Leader of the Opposition that documents which are not outside the scope of his freedom of information request are being withheld, I have filled out a further freedom of information request on his behalf. I will give this further freedom of information request to the Leader of the Opposition and, if he signs it and returns it, he will be given the documents which have been provided by the Health Commission to the Ombudsman and which the Health Commission, taking into account the Ombudsman's view as expressed in the letter I have referred to, does not believe came within the Leader's original application.

ENVIRONMENT, RESOURCES AND DEVELOPMENT COMMITTEE

Mrs KOTZ (Newland): I bring up the committee's special report on a matter of privilege and move:

That the report be received.

Motion carried.

QUESTION TIME

GARIBALDI SMALLGOODS

The Hon. M.D. RANN (Leader of the Opposition): Will the Minister for Health advise whether the Director of Public Prosecutions has advised him whether the directors and officials of Garibaldi can be charged under criminal law and, if so, when will charges be laid? On 11 October the Minister said that Garibaldi could not be prosecuted under the Food Act because the six-month limitation imposed by the Summary Procedures Act had expired. The next day, on 12 October, the Minister said that the Director of Public Prosecutions was now examining whether charges could be laid under criminal law.

The Hon. M.H. ARMITAGE: That question is more properly directed to the Attorney-General. I will certainly get an answer. As is clearly inherent in the Leader of the Opposition's question, I sincerely hope that the answer to the question is 'Yes.'

INDUSTRY COMMISSION REPORT

Ms GREIG (Reynell): Is the Premier aware of the draft Industry Commission report on contracting out within the public sector released today and can he say whether the report is an endorsement of the South Australian Government's approach in this vital area of reform?

The Hon. DEAN BROWN: Yes, I am aware of the report. In fact, it is a Commonwealth Government report from the Industries Commission. It is a very interesting report on competitive tendering and contracting out of public sector agencies.

Members interjecting:

The Hon. DEAN BROWN: Members opposite, including the Leader of the Opposition, might like to read this report. For instance, I refer the Leader of the Opposition to page 8, where the report deals with the impact of tendering out—contracting out—on the quality of the delivery of service. It deals with Melbourne Water, where some contracting out has been done. It mentions a fall in the time taken to repair burst water and sewerage mains as a result of contracting out. In respect of Sydney Water, it mentions a reduction in the meter reading cycle from one year down to eight weeks and, in meter replacement times, from 21 days down to seven days; and the time for emergency call-outs has been more than halved. It goes on to discuss what has been achieved in a whole series of other Government agencies.

Mr Foley interjecting:

The SPEAKER: Order! The member for Hart.

The Hon. DEAN BROWN: It looks also at the impact of tendering out on costs and highlights that contracting out can generally save between 10 and 30 per cent. The report then gives some examples of those cost savings not only in water but also right across the public sector. How about this example for the Leader of the Opposition? Sydney Water reported that the cost of meter readings fell by 70 per cent from $2.80 a meter down to 77¢ a meter as a result of contracting out. The Leader of the Opposition was not opposed to contracting out when he was in Government, because he looked at various proposals himself, but, now that he is in Opposition, he is apparently opposed to anything to do with contracting out, even though it will save 10 to 30 per cent in the operating costs of various areas of the public sector. I will take another example, as reported in this Commonwealth Government report. If the Leader of the Opposition had forgotten, this is a Labor, Federal Government, which is advocating contracting out—competitive tendering—and its own report from the Industries Commission highlights some of the benefits from it.

It deals with Queensland, which has a Labor State Government. It states that in one of its prisons the Correctional Services Department reduced the costs per prisoner by 15 per cent, 7 per cent and 9 per cent in three consecutive years: 15 per cent in the first year, 7 per cent in the next year and 9 per cent in the third year. They are enormous reductions; together they amount to more than 30 per cent. It is interesting to see the extent to which a Federal Government report has now endorsed what the South Australian Government is doing in the whole area of contracting out, whether it is with buses, public transport, information technology, water, prisons or health and hospital services; these are the

areas where we can deliver better quality services at a lower cost. That is why this Government is doing it. When will the Leader of the Opposition and the Labor Party in South Australia see the light?

GARIBALDI SMALLGOODS

Ms STEVENS (Elizabeth): My question is directed to the Minister for Health. What was the cost of tests conducted on Garibaldi Smallgoods by the IMVS on behalf of Garibaldi and paid for by the Government? On 18 October the Minister told the House that the Government paid for PCR tests conducted on behalf of Garibaldi.

The Hon. M.H. ARMITAGE: I am not clear about the exact amount—and I undertake to get back to the member for Elizabeth about that—but I reiterate to the House that, as is evident from papers that I know the Leader of the Opposition already has, the polymerase chain reaction (PCR) test that was being done was at that stage quite clearly regarded as experimental. It was not a diagnostic test at that stage. In fact, it had to be utilised in concert with routine epidemiological testing. In papers that the Leader has, that is quite clearly identified. Accordingly, there is a research component of the funding which the IMVS routinely has paid for by the Health Commission. It is my understanding that that was taken up in that routine experimental work, if you like, but I will get back when I can get a further figure.

FRIENDLY SOCIETIES

Mr BRINDAL (Unley): My question is directed to the Treasurer. In view of their unique status, will the Treasurer inform the House what proposals he has in mind in respect of friendly societies in this State?

The Hon. S.J. BAKER: Tomorrow I will be introducing a Bill that will provide a new set of conditions under which friendly societies will operate here in South Australia. As members are aware, there has been some regulation of the banks. The AFIC supervisory scheme applied to building societies and credit unions; friendly societies have been somewhat more difficult because they have some unique relationships. As we all recognise, the present Act dates back to 1919 and I know that a number of the provisions of that Act actually relate back to the original Act. We believe it is time to update to provide better safeguards for people and to have a supervisory system in place. We were promised that friendly societies would be embraced by the AFIC supervisory scheme as far back as 1 July last year when the other financial institutions were coming on board. However, that has not been attainable. We have decided to go ahead with our own legislation. We trust that the rest of Australia will get its act together. Basically, the legislation will reflect some of the standards agreed across Australia.

HUS EPIDEMIC DOCUMENTS

Ms STEVENS (Elizabeth): My question is directed to the Minister for Health. Given the Minister's statement to the House earlier today, will he now release all relevant HUS documents held by the Minister's office? No ministerial documents have been released by the Minister.

The Hon. M.H. ARMITAGE: I am delighted once again to go through these matters.

Mr Atkinson interjecting:

The Hon. M.H. ARMITAGE: It was. I was a bit worried about that as I was saying it. As I understand it, there is a series of documents which was provided to the Ombudsman, about which the Government is quite open and will be more than happy to provide to the Leader of the Opposition in relation to the updated Freedom of Information Act: that consists of one set of documentation. There is the documentation that was provided to the Ombudsman: so that is the Ombudsman's documentation. There is the documentation—

Ms Stevens interjecting:

The SPEAKER: The member for Elizabeth will not interject.

The Hon. M.H. ARMITAGE: There is documentation that was provided to the Coroner for the Coroner's case. I remind the member for Elizabeth and all members of the House that those documents were not selected for the Coroner by officers of the Health Commission. Those documents were selected for the Coroner as being the relevant documents by a Coroner's Constable. I have said it on at least three occasions and I shall continue to repeat it as often as I am asked. What happened was that the Health Commission files were thrown open to the Coroner's Constable, and the Coroner's Constable went through all those documents and took what was believed to be relevant to the inquiry. What greater clarity and transparency can you have than that?

The Hon. M.D. Rann interjecting:

The SPEAKER: Order!

INDUSTRIAL RELATIONS SYSTEMS

Mr CAUDELL (Mitchell): Will the Minister for Industrial Affairs inform the House of the extent to which State Government employees have been moved out of the State industrial relations system to the Federal system by unions since the election of the Government? Will he also say whether the recent report by the Employee Ombudsman has commented on this issue? In an article in the *Age* of 23 October, the Deputy Prime Minister, Mr Beazley, was quoted as saying that 373 000 employees were moved from the Victorian State industrial relations system to the Federal system. However, Mr Beazley is not quoted as mentioning any movement from the South Australian system.

The SPEAKER: Order! I point out to the member for Mitchell that, regarding the latter part of his question, the information is readily available to the honourable member because the Employee Ombudsman's report was tabled last week.

The Hon. G.A. INGERSON: It is always fascinating to hear Federal Ministers make these reports about Victoria and other States and they always seem to neglect and leave out the South Australian system. I suppose the reason for that is that there has not been one public sector employee in South Australia leave the State industrial system in the last two years.

Mr Clarke interjecting:

The Hon. G.A. INGERSON: I will give the reason why they are trying, and the Employee Ombudsman had a very good answer as to why they were trying. One of the main reasons—the prime reason—why it has not been successful is clearly stated in the Ombudsman's report, as follows:

> In many cases the process of achieving enterprise agreement has been seriously delayed by the decision of some unions to seek Federal award coverage for workplaces in which they have members. In at least some cases there is no sign of membership approval being sought for such steps and where agreements under Federal jurisdiction have been obtained it is often hard to see the members are better

off than they would have been had the agreement been achieved under the State system.

Mr Clarke interjecting:

The Hon. G.A. INGERSON: I will get to that too. One of the interesting facts about our industrial relations system is that it has been praised by nearly every State Premier and it has been praised in the Federal Parliament as being a fair and reasonable system. When the Employee Ombudsman—the position that was opposed by the previous Government—has to support some 6 500 union employees who could not get fair and reasonable representation from their own unions to negotiate enterprise agreements, you have to question the whole role of the union movement.

One of the fascinating things about the Employee Ombudsman's report was a point raised by the Deputy Leader. The Ombudsman said in his report that, whilst there had been a number of occasions when there appeared to be difficulties with consultation, there had not been any evidence to prove it, unlike the past weekend, when the PSA, a union supported strongly by the Deputy Leader of the Opposition, could not even be bothered to sit down and talk to its own employees. Last Friday the Deputy Leader put out a press release and said that this Government was not prepared to talk about—

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

Mr CLARKE: My point of order, Sir, is that I am not aware that the Minister is responsible for the Public Service Association.

The SPEAKER: Order! That is not a point of order. The Minister for Industrial Affairs.

The Hon. G.A. INGERSON: It seems quite incredible to me that the Labor Party, and in particular the Deputy Leader, who ran around to all the media on Friday saying that there was no consultation in the public sector, has his very own supporters, the PSA, falling to bits at the seams because it is not prepared to consult with its own advisers.

HUS EPIDEMIC

Ms STEVENS (Elizabeth): My question is directed to the Minister for Health. Since February, what contact or discussion has the Minister or his office had with the parents of the children who were affected by the HUS epidemic.

The Hon. M.H. ARMITAGE: During the actual outbreak of the HUS epidemic, recognising the enormous personal strain on all members of the families of the children who were suffering from this ghastly illness, and recognising the enormous efforts of the staff particularly of the Women's and Children's Hospital, I made an unpublicised visit to the Women's and Children's Hospital. I spent probably two hours discussing things at the bedside with the parents, with the staff and with the various clinicians and technical staff; in other words, the whole gamut of people involved in the wards at that time. Since then there have been a number of discussions with the lawyers for the parents in the case. That is certainly the only contact I have had, and I am unclear whether my office has had any more.

WATER, OUTSOURCING

Mr CUMMINS (Norwood): Will the Minister for Infrastructure explain what probity steps have been taken during the water services contracting process? Lawyers and companies working on contracts internationally have made favourable comments about the probity process established here, saying that it has set the standard for such contracts.

The Hon. J.W. OLSEN: One might pose the question: why the need for probity? A major commercial undertaking involving public funds and the public interest needs to be seen to be fair and equitable to all parties concerned. The intensely competitive nature of the SA Water contract demanded that all parties be confident that the environment in which evaluation and negotiation were conducted was fair and equitable to all the participants. To achieve this, all parties needed to have access to an independent process in which issues, perceptions and allegations concerning the equality or probity of the process could be raised and addressed. The outcome of that has been that the probity auditor, Deloitte, signed a statement on 12 October (the date of the SA Water board meeting that recommended the single preferred bidder, United Water). The probity order stated:

> The process was conducted in a fair and equitable manner.

Let me just go through the process for the probity order, because it is important to inform the House, particularly given the misinformation in the wider community. The probity auditor was independent and regularly sought the views of all participants at key stages of the process. Bidders were free to raise issues with the auditor at any stage in the process. Further, the auditor was entitled on his own initiative to raise any issue of interest or concern to himself with the parties, and then pursue an independent line of inquiry to determine whether there was an outcome that could be construed as affecting the integrity of the process. The auditor had full access to all documents, all meetings, at all times.

Following this process, it is interesting that, in letters submitted to the probity auditor after the final bids were received, all three bidders confirmed their satisfaction with the probity process. I will not quote directly from the three letters received from the companies, but they have signed off on the process, in particular the evaluation, being fair and equitable to all the parties. In addition to a probity auditor, separate processes were undertaken by Fay Richwhite (an independent assessment of financial and pricing aspects); an external reference panel, for economic development; and the Auditor-General, for State liability. These three processes all added to the thoroughness of the checks and balances that have been built into the process of this outsourcing.

I note today that the Industry Commission report, to which the Premier has referred, recommends a course of action that ought to be undertaken in outsourcing. In the instance of SA Water we have complied 100 per cent with the recommendations of the Industry Commission as to the procedures that ought to be implemented in contracting out and outsourcing.

Mr Clarke interjecting:

The Hon. J.W. OLSEN: The simple fact is—and it leaves the Deputy Leader with not much basis to argue any more; that is why he goes off at a tangent with the interjection about wine tax—this process has been thorough, independent, signed off and released publicly. The process has now received recognition internationally as a model for such outsourcing contracts, and that is to the credit of the people who have been involved in the process and the public servants who have implemented Government policy, at the same time ensuring that the probity, the economic development and the financial aspects were all independently assessed, checked off and agreed to.

The Hon. M.D. RANN (Leader of the Opposition): Will the Premier give an assurance to South Australians that the total value of any savings from the Government's deal with United Water will be reinvested in public hospitals and schools to offset cuts? The Minister for Infrastructure's ministerial statement of 17 October states that the savings from the contract 'can go to support Government services in areas such as education and health'. A South Australian water advertisement in the press for 20 October states that the savings could be reallocated to areas like health and education. Will these savings go to hospitals and schools?

The Hon. DEAN BROWN: First, the savings through contracting out—and I am glad that the Leader of the Opposition now publicly acknowledges the fact that there are considerable savings—

The Hon. S.J. Baker: It's a big step.

The Hon. DEAN BROWN: That is a big step in a week. It is probably the first time the Leader of the Opposition has struck the truth and acknowledged the fact that there are significant savings from contracting out. Mind you, he now has a very substantial Federal Labor Government report to back that up as well.

Mr Clarke interjecting:

The Hon. DEAN BROWN: We are still waiting for the release of the Industry Commission's report on the wine industry. What I would like to know is this: where does the Labor Party in South Australia stand in terms of the tax recommendations of the Industry Commission report? Does it support an almost doubling of the wine tax, or does it support a restructuring of the wine tax? I have been trying to get the Prime Minister of Australia to commit himself for the last four months on this issue. He has been sitting on the Industry Commission report. He received it in the middle of June. Why will he not release it? Why will he not come out and say exactly where the Federal Labor Government stands in terms of a wine tax?

The SPEAKER: Order! I point out to the Premier that, even though Ministers are given great latitude in answering questions, he has now strayed considerably from the particular question he was asked.

The Hon. DEAN BROWN: Thank you, Mr Speaker, I did stray for a moment there. I come back to the fact that we now have the Leader of the Opposition publicly acknowledging 20 per cent savings through contracting out the operation and management of the water corporation. I indicate to the Leader that those savings will do two things: first, they will help to hold down—

The Hon. M.D. Rann interjecting:

The SPEAKER: The Leader of the Opposition has been given a particularly fair go.

The Hon. DEAN BROWN: Those savings will help to hold down the price of water in South Australia. We have the cheapest water per household of any household in Australia, and that is because of the hard work done by a number of Governments. This will help to protect that position. Secondly, of course, any savings that are made flow through from the dividend for the water corporation into the general budget, and therefore can be used for health and education services for the State.

Mr BASS (Florey): Will the Minister for Infrastructure assure the House about the company structure of the preferred bidder for the water services outsourcing contract? At the weekend a letter was circulated in the north-eastern suburbs under the signature of the Federal Labor member for Makin, Peter Duncan. The letter states:

> But right now the Brown Liberal Government is planning to sell control of our water supply to the highest bidder—just to make a fast buck. What is worse, if Dean Brown has his way, our water supply could end up being controlled by French companies under the Government of Jacques Chirac. . .

The letter continues:

> Just imagine what will happen if Dean Brown gets his way. More than one million water outlets will be in the hands of one private company and we will lose control of the water that we need for drinking, for industry and food production, for washing and for bathing our children.

I could go on, but I think that is sufficient.

The Hon. J.W. OLSEN: As the member for Elder—

An honourable member interjecting:

The Hon. J.W. OLSEN: They do not acknowledge the truth; they keep avoiding the truth, because the truth gets in the road of a good political story and a fear campaign. Clearly, that is the position. As the member for Elder indicated to the House last week, people were intimidated at a public meeting; they were told to leave or, if they came into this public meeting, they were not allowed to say anything. Such is the democracy being put forward by colleagues of members opposite in this debate. Such is their wish to totally ignore the truth about this contract. Let us look at this, because this letter perpetuates the lie, the fabrication of a myth that bears no resemblance to the facts regarding this outsourcing contract.

I pose the question: when will the fabrication and the lies end? A letter has been distributed by the member for Makin, Mr Duncan. Obviously, he had the letter printed before last Tuesday and he got caught out. He did not want it reprinted—it is about six months old—so he put it out, anyway. It bears no resemblance to the situation involving the preferred bidder and the basis upon which this contract will be signed. Let me tackle one or two of the areas mentioned. As to the matter of foreign investment referred to in Mr Duncan's letter, no Australian asset is being purchased, either real estate or a business asset; therefore, foreign investment board approval is not relevant. For the member for Makin to suggest that he will get the Foreign Investment Review Board to intervene is arrant nonsense. Nothing is being sold. The State Government retains ownership, as we have repeated *ad nauseam* in this House.

The reference to calling on the Federal Government to use its external affairs powers to prevent the transfer of Australian control is also unreal. No such treaty exists which imposes any obligation in relation to the Commonwealth Government having a responsibility for the operation of Adelaide's water and waste water treatment services. That is a further attempt to claim falsely there is some threat to control South Australia's water: it is fundamentally wrong. I note the petition circulated by Mr Duncan calling for opposing the sale and control of Australia's water supply; so, we have taken the quantum leap from worrying about South Australia, and we are now worrying about Australia's water supply. Just another oversight as to the fundamental facts about the Foreign Investment Review Board and external affairs—absolute nonsense and garbage!

In relation to French Government control, the letter refers to a French company under the Government of Jacques Chirac controlling our water. Wrong again! No control is leaving the South Australian Government. The contractor will be held accountable for performance and will be closely

monitored, and the Government can terminate this contract at 30 days notice. So, the control can be left with us. The French company will have a maximum 20 per cent shareholding. As I advised the House last week, within 12 months there will be 60 per cent Australian equity in this company. Six out of the 10 directors will be residents of Australia. The company will be registered in the State of South Australia, and the Chairman of the company is a South Australian who will have to comply with ASC rules in Australia in terms of annual reports and reporting to shareholders in South Australia. It is nonsense to suggest that the French have control over this contract or over our water supply.

Mr Duncan's letter goes on to restate the lies that have been put by members opposite on numerous occasions, but I remind the House that it was Mr Duncan's Leader, Mr Keating, who wrote to the Premier, and the Premier referred to that letter last week. The Prime Minister wrote to all State Governments urging that French businesses and the thousands of Australians they employ should not be disadvantaged as a result of anti-French sentiment, that it was a matter for Government to Government and for the various Government relationships. That is why the Premier refused to receive the French Ambassador in South Australia. The Premier cancelled an appointment and said to the French Ambassador, 'You are not welcome here in South Australia while French testing is taking place.' We have been consistent with the Opposition's Federal Labor colleagues—

Members interjecting:

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

The Hon. J.W. OLSEN: At a diplomatic level we have registered our disgust at and opposition to French testing, but we will not let that impact against jobs in South Australia—

The Hon. M.D. Rann interjecting:

The SPEAKER: Order! The Leader of the Opposition.

The Hon. J.W. OLSEN: —with companies such as Orlando Wyndham Jacob's Creek, which employs almost 1 000 South Australians.

Members interjecting:

The Hon. J.W. OLSEN: Well might Opposition members groan, because they are not much interested in looking after jobs for South Australians. We have seen that in their track record and stewardship—

The Hon. M.D. Rann: What about the submarine contract?

The Hon. J.W. OLSEN: That is about the only thing you did get up, and you paid a fair price for that! What we see in this letter from Mr Duncan and the enclosed petition is absolute nonsense. It bears no resemblance to the facts or the truth of the matter. He is simply wrong. Nothing is going to the highest bidder. It is a fee for service contract, and we are looking for the lowest bid to ensure savings of at least 20 per cent for Mr Duncan's constituents and the member for Florey's constituents, so those savings and the lowest cost water and sewerage service of any State in Australia can be maintained in the future. It will be a low cost of living—

Members interjecting:

The Hon. J.W. OLSEN: And for constituents of the member for Newland and the member for Wright. There will be a low cost of living in South Australia. That is what we are delivering. Does Mr Duncan want to ignore the 1 100 new permanent jobs or the $628 million contract? Those figures are locked in. They are not promises: they are commitments in contract with separate unconditional whole-of-contract guarantees by the parent companies.

Mr Clarke interjecting:

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

The Hon. J.W. OLSEN: I can well understand the interjections because this deal is for the long-term benefit of all South Australians.

SA WATER EMPLOYEES

Mr FOLEY (Hart): I direct my question to the Minister for Infrastructure. Do the claimed savings of $164 million from the United Water contract depend on all 300 SA Water employees identified as surplus to requirements taking a targeted separation package from the Government?

The Hon. J.W. OLSEN: No, it does not. The honourable member should look at the public statements that have been made and at the documentation that has been issued to date. As I said in my ministerial statement last week, the contract has a 20.1 per cent saving in the operational maintenance that is locked in under a legally binding contractual agreement when signed off with a guarantee separate from the two companies, CGE and Thames. The savings of $164 million have nothing to do with the proposal to transfer nearly 400 people to United Water. The member for Hart should be well aware that I have consistently given an undertaking or commitment to employees of SA Water that, if they do not want to transfer, they do not have to. They can take a TSP if they want to or they will be redeployed. No-one will be retrenched.

HEROIN ADDICTS

Mr WADE (Elder): I direct my question to the Minister for Health. What is the South Australian Government's response to recent statements by the Chief Minister of the Northern Territory that the Territory will export its heroin addicts to States such as South Australia?

The Hon. M.H. ARMITAGE: This is a particularly important question. It is a pity that the attitude of the Northern Territory Government to its heroin addicts is as it is. Last Friday a letter was published in the *Canberra Times* from the Northern Territory's Chief Minister (Mr Stone), which reads as follows:

> My Government wants heroin addicts to know and believe that the Northern Territory is the most inhospitable place in Australia if you are an addict.

That is a most unfortunate attitude for the Northern Territory Government to take on this issue, particularly when it is based on the assumption that the Northern Territory can export those heroin addicts to other States such as South Australia and that South Australian taxpayers will necessarily pick up the tab for treating those addicts.

I wrote to the Minister for Health Services in the Territory (Mr Frank Finch) on 10 October and I offered him the assistance of officers from the Drug and Alcohol Services Council, who supervise what is widely acknowledged as Australia's most effective and efficient methadone treatment program, indicating in that letter that DASC would be happy to provide Northern Territory GPs with training in the methods of the methadone clinic so that the Northern Territory can offer assistance to its own residents. A number of Northern Territory GPs have contacted us requesting that they be allowed to do our program here in South Australia. Regrettably, I have had no response from Mr Finch to my letter. I pointed out to Mr Finch that South Australia's

methadone program is presently full and that priority will be given to South Australians.

Members will no doubt recall that, when we were elected to Government, we asked DASC to extend the methadone program to the private sector. Since then, DASC has trained 20 GPs who, once registered, are able to prescribe methadone privately to heroin addicts. It has been extremely successful and I commend DASC for its initiatives in this matter, because other States have not found the going quite as easy. The success of the program is outstanding. Since the last election, the number of addicts on methadone programs has increased by more than 40 per cent to nearly 1 400, and if we only take into account the number of places that have increased as a result of extending the program to the private sector, the saving to the South Australian community in terms of goods that are no longer being stolen to feed a drug habit is approximately $100 million a year. That is an extraordinary figure, but it has been checked and rechecked and researched and re-researched by a number of academics and people involved in drug and alcohol services.

I emphasise that the programs that we have put in place have saved the South Australian taxpayer $100 million in respect of break-ins. The success of the programs is such that there is no longer any vacancy on the programs, and there will not be any until GPs are trained. We have advertised a new training program, which will be conducted towards the end of November. We expect that six metropolitan GPs from South Australia will attend and, if that occurs, eventually we will be able to provide services to up to another 300 addicts, which not only allows those people to become productive members of society and to be exposed no longer to the risk of infection and so on but it also stops further break-ins in the South Australian community.

I am disappointed with the attitude of the Northern Territory, but I indicate to the House and to Mr Finch that, if we ever reach the position where we have the capacity to deal with addicts from the Northern Territory and other States, we will immediately bill the Northern Territory for our total costs in doing for the Northern Territorians what their own Government should do for them.

TAFE FUNDING

Ms WHITE (Taylor): My question is directed to the Minister for Employment, Training and Further Education. In light of the Minister's comments reported in the *Advertiser* yesterday that he would not be addressing the $10 million State Government cut to TAFE by cutting teaching functions, will he clarify whether he intends to outsource publicly-funded training to the private sector and, if so, how much and what TAFE programs will be affected?

The Hon. R.B. SUCH: The question is very important. Under the Federal guidelines States are required to take on board the outsourcing of delivery of vocational education. It is an Australia-wide approach which is certainly pushed by the Federal Government. It is a process that we approached with great care because we have tenured staff and significant resource commitments, but next year we will be putting out for private tender some aspects of the hairdressing program—a small pilot program open to bidding from private trainers—and it is part of the commitment to create a more diversified training area. There will be no wholesale move into that area until we have developed proper procedures, policies and safeguards, but it is an important approach.

We are already funding significant delivery in the private area. The vehicle industry certificate is one example, wherein we work in collaboration with Mitsubishi and General Motors—an $11 million program combined (counting their contribution as well as our own). There is a whole range of other areas involving private providers. In South Australia we have almost 200 private providers, and they are a legitimate part of the training area. I reiterate that the first significant step in relation to TAFE will occur next year when we put out to tender a small component of the hairdressing area, and it will be open for public tender by all private providers.

FOXES

Mr EVANS (Davenport): Will the Minister for the Environment and Natural Resources advise what action he is taking to address the apparent increase in the fox population in parks adjoining the metropolitan area?

The Hon. D.C. WOTTON: I am pleased with the interest shown in this question, because it is a major issue.

Mr Becker interjecting:

The Hon. D.C. WOTTON: I am not interested in the airport. A considerable amount of damage is being caused presently to our wildlife and stock by foxes. They are also a major problem within our national parks and in sensitive areas, even in the metropolitan and built-up areas. Over the past few weeks we have had representation about foxes being seen in the metropolitan area and, in fact, quite close to the centre of the city. Members would also be aware that there has been some concern in recent times about the development going on at Granite Island and its effect on the fairy penguins. They might also be aware that just 12 months ago one fox alone was responsible for the death of 90 penguins over a 10-day period on Granite Island.

Foxes in the Flinders Ranges have been measured in numbers as high as four per square kilometre, and the need for eradication near the city is becoming more apparent with the increasing reports of foxes using creeks, rivers and park corridors to infiltrate residential areas looking for food. The threat of foxes has now spread to the Belair National Park, and a major eradication program of baiting and trapping has begun. Rangers have undertaken a program of public awareness, including signs, letterbox drops and notices as part of the campaign.

Mr Brindal: Foxes don't have letterboxes.

The Hon. D.C. WOTTON: I clarify that the letters were placed in the letterboxes of the residents, not the foxes. Eradication programs have been undertaken in Cleland and Venus Bay, with major success. After eradication there have been significant increases in native species of animals, and that is what we are on about. National Parks staff say that the fox is potentially the most devastating pest to our wildlife, and I am sure that every member of the House would want to ensure that we do everything we can to outfox them.

TAFE FUNDING

Ms WHITE (Taylor): My question is directed to the Minister for Employment, Training and Further Education. In light of the Minister's announcement a moment ago that part of the hairdressing program will be outsourced, what will be the tendering process and will the public TAFE sector be allowed to compete in bidding for this and any other public training funds currently held by TAFE that are to be offered for tender to the private sector?

The Hon. R.B. SUCH: We are developing the guidelines at the moment, and it is my intention that the process be overseen by the Vocational Education, Employment and Training Board. TAFE is a key element of the training sector, but TAFE does not represent the total training sector. It is important that it is a genuine competitive process and that it is limited to approximately 30 trainees. It is a modest step forward. It is Federal Government and ANTA policy, and they are pushing us hard to be involved in competitive tendering for the provision of training. It is already happening throughout the State. Hairdressing is one new avenue, and it will be open for tenderers from throughout Australia to compete for the tender.

MOBILE OUTBACK WORK CAMPS

Mr LEGGETT (Hanson): Will the Minister for Correctional Services advise the House of the success of the latest outback work camps run from the Port Augusta prison? In particular, what benefits will result from this project?

The Hon. W.A. MATTHEW: On 6 April this year I advised the House that Port Augusta prison was to pilot the State's first MOWCAMP programs (mobile outback work camps). Because of the high number of low security offenders accommodated in Port Augusta prison and its obvious location in the northern part of our State, indeed in your own electorate, Mr Speaker, it made the prison ideally located as a base from which to move prisoners to undertake productive work on behalf of the community.

The first MOWCAMP was established in the Gammon Ranges National Park, in which prisoners repaired the roof, windows and plumbing to Grindell's Hut and erected and repaired fencing around the national park. This program was particularly successful, and as a consequence the prison has now expanded the programs operating from that base and the second MOWCAMP was started to assist the Royal Flying Doctor Service.

From early August this year 12 low-security prisoners, obviously with supervisory prison officer staff, began building hard standing concrete pads next to remote air- strips throughout the northern region of our State. The pads are some 10 metres square, reinforced with steel mesh and take the prisoners some three days to plan and construct. To date concrete pads have been constructed alongside outback airstrips at Muloorina, Dulkaninna, Etadunna, Mulka, Mungeranie, Cowarie and Clifton Hills stations. My colleague the Minister for Environment and Natural Resources advises me that he was only recently in Dulkaninna and was able to see first-hand the work being undertaken. He assures me that it certainly made a big difference to the use of that airstrip.

This initiative will help preserve the engines of the Royal Flying Doctor aircraft. The problem created with the latest acquisition of aircraft is that the engines draw debris, including stones, into the intake of the engine, which can damage propellers. The concrete pads will reduce if not eliminate this problem and assist in the loading and unloading of patients, particularly during those times of unforeseen high rainfall. When it rains in those regions, it can cause some problems with the airstrips.

I take this opportunity to place on record in this House my thanks to you, Mr Speaker, for your support for the MOWCAMP proposal operating from the Port Augusta prison. Obviously, your electorate has benefited from the work that prisoners have been able to undertake. These work camps offer the unique opportunity to put prisoners to work for the betterment of the community against which they have offended.

WATER, OUTSOURCING

Mr FOLEY (Hart): Given the answer of the Minister for Infrastructure to my earlier question that the $164 million in savings in the United Water contract is not predicated upon the removal of 300 jobs from the Public Service, will he now say exactly where the savings of $10 million per year will be made?

The Hon. J.W. OLSEN: None are so thick as those who do not want to hear. I have a copy of a news release put out by the member for Hart today or just recently. The headline is 'You could drive a truck through Olsen's figures'. In the first paragraph he discusses the water management 'privatisation'. There is the word again; he has not learnt yet and cannot get out of the habit. It is as if the computer keeps pumping it out; they will not reprogram it. The press release states that the contract 'appears' not to stack up, not that it will not. A little later, it states—

Mr Clarke interjecting:

The SPEAKER: Order! The Deputy Leader.

The Hon. J.W. OLSEN:—'Mr Olsen must explain these figures, because at the moment they look questionable.' Talk about driving a truck through a statement and trying to have a bob each way; that is exactly what this press release states. It stands for absolutely nothing; there is no substance, no real point in it. If the member for Hart would like access, I would be more than happy to make one of the officers of SA Water available to go through in slow process how the $10 million savings will be made by United Water in its bid. I would be happy for them to explain to him, and I am prepared for any amount of time to be devoted to that, because it seems to me that it will be a slow process to bring him up to speed in relation to the savings.

In this press release the honourable member goes on to ask—listen to this—'How will United Water achieve the savings of $164 million, given that all possible efficiencies were made in the late 1980s by the previous Labor Government?' I have to refer him only to the SA Water report that was tabled. SA Water (or EWS as it was then) was running at an annual loss of about $60 million under Labor. It started a process of reform, and I acknowledge that, but who really put the substantial restructuring and reform into place? It was this Administration, to the point where the annual report tabled today identifies not a $60 million loss but a $61 million dividend—a $120 million turnaround in the performance of a Government trading enterprise.

Members interjecting:

The Hon. J.W. OLSEN: And much more to come that we haven't seen yet—exactly. Yet the member for Hart has the absolute hide to suggest that it was the former Labor Administration that did the restructuring and put the savings in place. None of the reports tabled in this Parliament would support the member for Hart's claim. He then goes on to discuss the 300 jobs and how they will all stay on the public payroll. The member for Hart might well make some inquiries of a number of his colleagues in this place whose relations have taken a TSP from SA Water in recent times, but he also might bear in mind that there will not be 300 continuing at taxpayers' expense for the next 15 years. Over 180 have already expressed an interest in a TSP, so that is how far out the honourable member's figures are. This

statement that he has put out today is just a desperate attempt to get SA Water back on the agenda and, yet again, they have missed.

RESEARCH INDUSTRY LINKED GRANTS

Mr SCALZI (Hartley): Will the Minister for Employment, Training and Further Education highlight some of the ways in which South Australia's universities are working on research projects with industry and how the community benefits?

The Hon. R.B. SUCH: I thank the member for Hartley: we know his significant contribution on the council of the University of South Australia. I acknowledge that and also the very important role of other members who are on university councils. The industry linked grants to the University of Adelaide and the University of South Australia were announced recently. The University of Adelaide got the second highest allocation in Australia, which is a significant achievement, and the University of South Australia came first amongst the new universities in terms of grants to assist research projects which are matched dollar for dollar by industry. I will mention some of these projects briefly, because they are about enhancing employment opportunities, making our industries more competitive and improving our quality of life. Sometimes people forget that universities are part of the real world and that they contribute significantly to the community.

Some of the projects in which the University of Adelaide is involved with specific industries include improving the efficiency of air conditioners; the use of timber in housing, which will appeal to the Minister for Primary Industries, because that is also related to improving energy efficiency; reducing vibration in heavy earth moving equipment, and this is a significant problem for earth moving operators, so it has a significant human factor; and reducing the noise that electrical transformers make. They are just some examples of the projects in which the University Adelaide is involved.

The University of South Australia is developing performance indicators for people involved in sport and recreation. It is also involved in improving manufacturing processes, in particular electrical items, and that involves Gerard Industries. It is working with Bridgestone to improve the quality of automotive coatings; it is working to improve the processing of bauxite to get greater return from that process; it is working to enhance the manufacture of pulp and paper in Australia; and it is also developing computer software systems for the aerospace industry. They are some examples of how our universities are working in partnership with industry to make South Australia more competitive, to create more employment and to improve the quality of life.

TAFE DEPARTMENT

Ms WHITE (Taylor): Is the Minister for Employment, Training and Further Education satisfied with the organisation, management and strategic direction in which he has led his department? It is now 12 months since this Parliament passed legislation to establish the Vocational Education Employment and Training Board, yet enabling legislation to set up institute councils and other structures has not yet been introduced.

The Hon. R.B. SUCH: Yes, I am satisfied. The VEET board under Peter Romanowski is proceeding well. We have a fantastic array of talent on that board, including people such as Dagmar Egen and Professor Judith Sloan. I could name all of them; they are top people from the South Australian community who will provide significant input from industry towards developing our training directions for this State. In terms of the councils of TAFE, the regulations are being prepared and should be ready shortly. It has been a long process, because we have to make sure we get it right. That will happen in a final form in the very near future. In terms of the strategic directions of the department, we are going very well, so I certainly agree that we are on track. We can always do better. We have had some reviews recently in corporate services and supply. At the conclusion of those we will see even greater performance from TAFE. TAFE is a vital part of the community. I am absolutely committed to it and we will see even bigger and better things out of our already fantastic TAFE system.

UNITED WATER ENTERPRISE AGREEMENT

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

Leave granted.

The Hon. J.W. OLSEN: United Water today lodged in the Industrial Court an enterprise agreement in relation to the future employment of SA Water employees who transfer to United Water under the outsourcing contract. The agreement is known as the United Water Services Pty Ltd Transitional Arrangements Agreement 1995 and is with the Electrical Trades Union; the Association of Professional Engineers, Scientists and Managers; the Miscellaneous Workers Union; and the Australian Manufacturing Workers Union. This is just one of the many steps planned by United Water as part of a detailed and impressive transition plan. A mature and advanced relationship has been developed by United Water with the unions and the work force through its delegates. The Chairman of United Water, Mr Kinnaird, has committed his company to excellence in industrial relations. The transitional enterprise agreement guarantees that all existing award conditions will be retained.

GRIEVANCE DEBATE

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

Mr BECKER (Peake): A friend of mine living in the electorate of Bragg recently received a letter from the ALP SA branch, 11 South Terrace, Adelaide. It reads:

> True Believers' Fund, Patron Don Dunstan AC QC August 1995.

So dear old Dapper has another title. The letter continues:

> Dear True Believer,
>
> This is a crucial time for all those who share Labor ideals.
>
> The Brown Liberal Government has well and truly exceeded its mandate for Government. It has broken promises with spending cuts to schools, hospitals and police. And now it wants to privatise the management of our water and information systems.

We have heard already this afternoon about the privatisation nonsense of the management of our water. Poor old Dapper in his retirement obviously does not understand what privatisation of the management of our water really means. He does not understand contracting out.

Mrs Kotz interjecting:

Mr BECKER: The member for Newland asks, what do his True Believers expect to believe? You will see when I read the whole of this letter. Dapper continues:

> Overseas experience shows that this will mean higher prices and reduced services. And as we all know, this will have the greatest impact on the poorer members of our community. As you will be aware, Labor has very little chance of ever winning the electorate of Bragg.

Don Dunstan has never been known to be one to believe the Labor Party propaganda in that respect because he always believes they will within everything. He is a real True Believer. It continues:

> However, as a Bragg resident, you can still make a big contribution to a Labor victory in the 13 marginal seats needed for Government. Will you please help our campaign? I won't beat around the bush. What I am asking, is for you to put your hand in your pocket each month to support Labor's campaign. Put simply, we need to raise about one million dollars between now and the end of 1997 to run our State Campaign.

An honourable member interjecting:

Mr BECKER: They will buy them all right, because not even a million people vote at State elections. It continues:

> Unlike the Liberals, who in South Australia in 12 months raised over $1.5 million—

that is news to me—

> we cannot rely on the business community or Catch Tim for help.

Crocodile tears—poor old Dapper. It goes on:

> All we have are our True Believers.

There are not too many of them. There must be very few. They are awfully thin on the ground.

The Hon. R.B. Such: Why don't they get a loan from Bill Hayden?

Mr BECKER: That is quite right: Bill Hayden could help them out. The letter continues:

> That is why we have established a new campaign fund to be called the True Believers' Fund. Every cent put into the fund will be used for campaign purposes. For less than half the cost of the daily *Advertiser* you can make a significant contribution.

Fancy all these True Believers going without the *Advertiser*. What can they believe? He continues:

> Apart from the satisfaction of knowing that you are doing your bit to defeat the Liberals, as a contributor to the True Believers' Fund, you will receive a personally signed certificate and invitations to special events.

I bet they will all be held at Don's Table. You have to get people at this restaurant. It goes on:

> So, please invest in South Australia's future and fill in the enclosed form and return it to me freepost today. Contributions of up to $100 are tax deductible.
> Yours sincerely,
> Don Dunstan, Patron.
> PS. How you respond to this letter will make the difference between long-term Liberal rule in South Australia and an early Labor revival.

I hope as long as I live we will always have a Liberal Government in South Australia, because the True Believers' Fund has not got much chance. It is very interesting, because there is a little form here which has the following:

> Credit Card Periodic Debit Authority.
> I authorise the Australian Labor Party to charge the credit account detailed below with monthly donations of:
> $10, $15, $20, $25, $30 or other amounts. Minimum amount of $10 per month.

Then you give all your bankcard, mastercard or visa card details to the Australian Labor Party. Who in their right mind would want Trades Hall to record all the details of their credit card forever and a day? No matter when you want to cancel it, it will always be there. We know the privacy in relation to credit cards. It states:

> Contributions/subscriptions to the ALP are tax deductible. If you would like to contribute but don't have one of the credit cards listed above, please ring the ALP. . . to arrange an alternative method.

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

Ms HURLEY (Napier): Last week there was an announcement from the Brown Government about the winner of the contract to manage the bus services in the northern suburbs. After a series of unexplained delays, which were extremely hard on the staff and all concerned in the northern suburbs waiting for the decision, it was announced that the private management company Serco had won the bid. The drivers made a bid for their own jobs in the northern suburbs, as did the drivers in the southern suburbs depot of Lonsdale and, although the drivers at the Elizabeth depot made significant cuts in their wages and conditions, presumably comparable to those of their colleagues in the southern suburbs, they did not manage to win the bid. We were told by the Minister that the Serco bid was cheaper.

With respect to that bid, they are being paid less than the TransAdelaide drivers were proposing to run the service in the northern suburbs, which we are told will be exactly the same if not better than the existing service. Even Serco acknowledged that running buses is a fairly labour intensive business: it is difficult to cut costs in many areas. They said that many of their other services reduced costs by multi-skilling, but it is fairly hard to multi-skill a bus driver, so even they acknowledged that it would be a bit difficult to make savings there. They did say that there would be a reduction in the management team—the people who make the decisions, who take the complaints, who organise the running of the buses in the northern suburbs. It should be noted that Serco has had no experience that I can detect in running a bus service anywhere in the world.

Mr Brokenshire interjecting:

Ms HURLEY: The Serco company has most of its experience in the defence industry and in other areas well away from transport services. It states in its glossy pamphlet:

> We have established an office in Kuala Lumpur to address the Malaysian Government's program to privatise large sections of the Government.

That sounds pretty familiar. It states further:

> Serco has extensive experience in acquiring—

and this is a good euphemism—

> Government enterprises in New Zealand and the UK.

That is what it is doing here in South Australia: it is moving in to try to acquire Government enterprises. Every time we mention the word 'privatisation', Government members jump up and down and say that is not what is happening, but we use the word 'privatisation' because that is the word my constituents use when they walk into my office and complain about what is happening with transport or water.

Members interjecting:

The ACTING SPEAKER (Mr Becker): Order!

Ms HURLEY: So it is not so much us talking about privatisation: it is the people out there who do not believe you, because they know that this Brown Government—

Members interjecting:

The ACTING SPEAKER: Order!

Ms HURLEY: —is ideologically bent on privatising services and allowing people to acquire Government enterprises all through this State. The northern suburbs will be used as a pilot program for this creeping privatisation of transport all around Adelaide. I can tell you that people in the northern suburbs are not at all happy about that. They telephone my office and say, 'We do not want our bus services to be privatised.' As in the developing southern suburbs, there are a number of specific problems in the northern area. We have a newly developing area; we have a rapid and ongoing requirement for new and altered bus services, and that requirement needs to be addressed, as it was, by and large, by TransAdelaide. We also have groups on very low incomes living in Housing Trust or mortgage areas.

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

Mrs HALL (Coles): I draw the attention of the House to an event taking place tomorrow in Rundle Mall outside John Martin's. It is the UNICEF Children's Day concert, which is part of Children's Week, featuring a group of students, including the Brighton High School band, the Pembroke Choir, the Unley High School band and the Scotch College band. In addition, the Children's Week Committee has organised the building of a 'Wall of Tolerance', on which two students will place a message. One of those students, Theodore Bourlotos, will put the first 'message of tolerance' on this wall, followed by John Jovanivic, UNICEF's student representative, who will release a flock of pigeons to commemorate the event. Both of these students attend Prince Alfred College.

Every year UNICEF plays an important role in promoting Universal Children's Day. It is celebrated annually on the fourth Wednesday of October to promote world-wide friendship and understanding among children and, in addition, to help them learn about other families and other cultures. The celebration of Universal Children's Day originated in 1954 when the United Nations declared a special day to promote the welfare of children. The United Nations appointed UNICEF as its lead agency to coordinate the day internationally. Now, some 41 years later, Universal Children's Day is celebrated in more than 100 nations. Each year there is a focus on children living in developing countries and money is raised for vital projects which concentrate on essential areas, mainly health and education.

My involvement in and commitment to UNICEF and the work it does is well known, and I am very proud of my association and life membership of the organisation. One of the most successful UNICEF promotions has been one called Change for Kids, a joint project between UNICEF and Westpac where anyone with small change can make a big difference. All they have to do is deposit coins or notes in the many special money boxes at Westpac branches throughout the State. The change can be in any form or any currency. Coins, particularly gold ones, and notes are always very welcome. This particular project is based on the highly successful fund-raising project of UNICEF and QANTAS called Change for Good. This year, through that QANTAS initiative, UNICEF has raised $2 million, which is an amazing result.

There is still a lot of work that needs to be done in the area of children, because there are still about 35 000 children who die each day, mainly from the five diseases that kill about eight million children throughout the world each year. These diseases are all preventable: pneumonia, diarrhoea, measles, tetanus and whooping cough. Measles still kills more children each year than all the wars and famines put together. In 1980 it was more than 2.5 million; now, with the success of the international immunisation program, that figure has diminished to about one million, which we all know is too many but, thankfully, with community support that figure continues to decrease.

I urge people to support UNICEF's Change for Kids project—and also to buy their Christmas cards—and to visit Rundle Mall tomorrow and support the UNICEF Children's Day Concert. I conclude by quoting a UNICEF publication which states:

> Childhood is a time of hope and promise. It can also be a time of hardship, particularly in developing countries where the burdens of poverty so often fall heavily on the young.

That publication ends with a quote relating to the future and says:

> On the threshold of the twenty first century, while much of the world enjoys great wealth and commands powerful technologies, many children still struggle for the very basics of life. Extending the benefits of progress for better health, education, nutrition and sanitation to all is now within our capacity.

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

Mr ASHENDEN (Wright): I want to read to the House a letter which a manager of a business in my electorate received from the Australian Liquor Hospitality and Miscellaneous Workers Union. It reads:

> Dear Manager, This is to advise that Monday 23 October 1995 is the union picnic day. This is a public holiday and if any work is performed on this day it must attract the appropriate penalty rate of pay.

Certainly, when you turn to the award and read clause 31 it states:

> Except as provided in subclause (b) hereof each employee (not being a casual employee) shall be paid at the rate of double time and a half—

note that: double time and a half—

for all time worked on the following public holidays.

They list them and, sure enough, listed is the union picnic day. So, in other words, on Monday 23 October this employer had to pay his employees double time and a half. The letter goes on to state:

> Members are advised that the committee of management has determined that the union picnic will not be held this year.

In other words, they are not having a day off for the employees to attend a picnic: it is merely another rort being brought about by the unions on employers in this State, so that on Monday this employer, despite the fact that it was an ordinary day of the week, despite the fact that there was no union picnic, had to pay double time and a half to his employees. That is absolutely disgusting. It is no wonder that this State is being drawn down by the unions.

Let us have a look at the history of the picnic day. Union picnic days were incorporated into awards under the industrial relations system created by the previous Labor Government. There is no doubt about that at all. Labor Governments at both the State and Federal level have refused any substantial reform of awards. I would refer members of the House to the attempts this Government has made to try to bring in some new decent industrial relations legislation, which all the way through has been hi-jacked and hamstrung by members opposite. Labor Governments support award changes only

when they result in topping up award regulations with more and more generous conditions of employment. As soon as we try to make life easier for employment in South Australia, it is a different kettle of fish.

The Liberal Government has attempted to adopt a strategy to overcome these problems and anachronisms. The first part of the strategy is to require awards to be regularly reviewed by the Industrial Relations Commission. Section 99 of the new Industrial and Employee Relations Act 1994, introduced by the State Liberal Government, provides an outline of principles which regulate award reviews. This is fine, but what do the unions then say? 'Hang on, if we are going to have perhaps a little bit of trouble with the South Australian awards, we had better go *post haste* as quickly as we can into a Federal award.' Of course, we have a Federal Government, and all the Federal Government is interested in is kowtowing to its union mates, because they know who rules the roost in that Party.

Already the review of State awards by the Industrial Relations Commission has commenced under the new framework, and we are trying to bring in some reviews of provisions such as the union picnic day, to have it eliminated from awards. Every employer in the hospitality industry is currently under a State award but fortunately, because of this Government, employers can now negotiate directly with their work force, whether union members or not, and an enterprise agreement that can eliminate the requirement for penalty rates to be paid on union picnic day can be negotiated. But we have heard and seen how members opposite reacted as soon as I started to talk about this matter.

Again, we get the feeling that, despite the fact that only 30 per cent (in other words, less than one in three) of our work force are actually members of a union, members opposite still believe that the union should have the final say in everything that goes on. Of course, the Deputy Leader does not acknowledge the fact that we already have over 110 enterprise agreements registered in this State. In fact—and I am very proud of this, although it was not under this legislation—I did have quite a bit to do with the first registered enterprise agreement between an employer and the metal workers under the South Australian award when I was in my previous employment. So, I do know a little about these negotiations.

I have a letter here from the Joint Branch Secretary, Mr Carr, written to my employer. It is purely and simply a rort, saying,'Look, buster: stiff, but Monday you're going to pay all your employees 2½ times their normal rate of pay.'

The ACTING SPEAKER: Order! The honourable member's time has expired. The Deputy Leader of the Opposition.

Mr CLARKE (Deputy Leader of the Opposition): Last Friday evening I along with a number of others attended the annual dinner of the employers' chamber. The President (Mr Rob Gerard) made a highly politically partisan introduction, which is his right, I guess; he is a wellknown supporter and Treasurer of the Liberal Party. I am quite happy for him to identify himself with that Party, although one would have thought that the employers' chamber would want to be somewhat at arm's length from totally embracing one political Party, since it has to deal with both major political Parties who from time to time are in government either at State or at Federal Government level. But that is an issue for the employers' chamber to deal with.

I was particularly interested in and took considerable notes of the speech given by the Federal Leader of the Opposition (Hon. John Howard) with respect to what he proposed should a Liberal Government win office federally. One of the things I noted was that Mr Howard said that, if in government, he would repeal the Federal unfair dismissal legislation. He said that he would try to replace it with some fair law, but he gave no substance or example of what type of fair law would be introduced. Let me put to rest this furphy: the fact of the matter is that there is no reason whatsoever why employees covered by Federal awards, whether or not they be union members, should not have equal access to the courts to challenge an employer's right to dismiss someone arbitrarily.

Workers under State legislation have been entitled to the remedies of unfair dismissal since 1972 in South Australia, since before 1973 in New South Wales and from 1979 up until the Kennett Government legislation in Victoria. So, in most small businesses that operate under State legislation, whether they have known it or not, the employees have been able to challenge at law arbitrary dismissals under State jurisdiction. All the Federal legislation does is grant for the first time ever to employees covered under Federal awards the right to have their case for unfair dismissal heard where it can be determined and arbitrated upon.

I worked in the Federal jurisdiction on many occasions, and if I had a worker who was covered by a Federal award and who was sacked I would troop along to the Industrial Relations Commission (the old Arbitration Commission) and try to make a case in support of that worker who had been dismissed. The employer would only have to get up—and it was done often, particularly in the wool selling brokers area, in Elders GM, Dalgety and so on—and say, 'Mr Commissioner, you have no jurisdiction,' and the case could not be heard. There was nowhere for that worker to go: nowhere whatsoever to seek a legal remedy with respect to unfair dismissal. In some instances employers would allow the Federal Commissioner to make a recommendation and they would abide by it, but they would be in industries where there was industrial clout and the employer was prepared to concede a recommendation from the Commissioner rather than risk a walk off the job by the rest of the work force.

But in many industries where there was not industrial muscle, such as Elders, Dalgety and the like, where there was no fear of workers walking off the job, the employer would just say arbitrarily, 'I will not accept any recommendation. Mr Commissioner, you have no jurisdiction: I refuse to have this case go ahead.' The Federal Labor Government's legislation for the first time brought in the right for ordinary workers, most of whom are not union members, to challenge their employers' right to give them the sack. What the Howard legislation would do is put those people back in the same position they were in prior to the Labor Government's legislation, that is, that there would be no remedies for unfair dismissals; there would be no rights at a State level if this Government had its way and had a majority in the Upper House.

Mr Brokenshire interjecting:

Mr CLARKE: So, it is absolute balderdash. We are dealing with the fundamental rights of workers to be able to protect their source of income—

Mr Brokenshire interjecting:

The ACTING SPEAKER: Order! The member for Mawson.

Mr CLARKE: —to protect their rights the same as any capitalist has the right to go to the Supreme Court—

Mr Brokenshire interjecting:

The ACTING SPEAKER: Order!

Mr CLARKE: —to defend his right to property. The workers have only their labour to sell.

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

Mr BROKENSHIRE (Mawson): On Saturday I had the pleasure of being able to go to McLaren Flat in my electorate to attend the South Australian Girl Guides Association's official opening of its art exhibition at Douglas Scrub. This art exhibition has been in existence now for some 10 years, and I felt very proud to be the local member there with the Noarlunga city council Mayor, Ray Gilbert (who has had a longstanding involvement with the Girl Guides Association), and his wife Edith to witness once again a magnificent exhibition. The South Australian Girl Guides Association is well managed and controlled by its Commissioner (Dorothy Price). This exhibition has raised thousands of dollars for Girl Guides in South Australia under the capable leadership of Mary Trott and her team.

For those in this Chamber who have not had the privilege of going to the Douglas Scrub campsite at Blewitt Springs I would be happy to arrange for them to come out and have a look, with the Girl Guides Association, because it is the best camping facility in South Australia for Girl Guides or, in fact, for any guide or scouting association. I was told on Saturday that, probably after some international visitors have been there in recent times, it is the very best camping facility for Girl Guides or scouting in the whole world. It is on about 80 acres of natural bushland, and I can remember about 15 or 16 years ago when the Girl Guides first had the foresight to take the very bold step and decide to purchase this property. If you go there today you see just how good the accommodation is, how good the meeting halls are, how good the walking trails are, the opportunities to get into hides and observe the wildlife and the great diversity of natural floriculture throughout that area. It is a wonderful asset for South Australians.

Earlier this year or late last year I and the Minister for Youth Affairs (Hon. Bob Such) had the privilege of presenting a cheque for $500 under his portfolio area to help those Girl Guides develop their radio communications network. On Saturday they also had the International Jamboree of the Air for Girl Guides, and it was a real hive of activity. It was great to see the development those young women are getting through the Girl Guides Association. I believe that it is time that all South Australians revisited the importance of the South Australian Girl Guides Association and also of scouting in general, because those young people who are out there being developed through these programs are not the sorts of young people who have problems getting into jobs when they leave school; they are not the sorts of young people you see on the streets at 2 or 3 o'clock in the morning when you drive back through your electorate from Parliament House.

They are the sorts of people you see, when you go into your schools, who have their heads down in the books, who are actively involved in their school community and in their general community and who are learning those essential skills of team leadership, companionship, discipline and the ability to cooperate and work with other young people. The Girl Guides Association is a marvellous foundation for young people, and it has been around for a very long time. When the Duchess of Kent visited my electorate some months ago and had the opportunity of driving past the Douglas Scrub Girl Guides camp, she had a guard of honour from the Girl Guides to the Woodstock Winery for an exhibition she was opening there, and she strongly supported the great work the Guides Association is doing for young people.

As a member of Parliament, I commend Dorothy Price, the Commissioner, and all the other people involved with the Girl Guides for the fantastic work they are doing for those young people. For example, they were there very early in the morning to set up what was a marvellous art exhibition, after attending a lengthy AGM the previous evening. In the southern region we are very lucky to have so many great artists, and many of the artists either contributed to or attended the art exhibition run by the Girl Guides. I hope they make a lot of money out of the week's event this year and that they continue to run the art exhibition. I know it is not easy for volunteers year in and year out to be involved in committing themselves to these programs when they have a lot of other personal family functions and commitments, but it is a wonderful opportunity to be able to raise money and further develop the young people of this State. As a backbencher on the Youth Affairs Committee, one thing we want to see is more young people involved in these programs.

TOBACCO PRODUCTS (LICENSING) (MISCELLANEOUS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 11 October. Page 173.)

Mr QUIRKE (Playford): The Opposition understands the necessity for various proposals within this Bill. In essence, we support the provisions concerning the inspection of premises where tobacco products are housed and where tobacco products have not come from South Australia, or, in general, tobacco product that is up for sale and has been used by various persons in the State and outside the State to evade legitimate licensing fees. We support most of those provisions within the Bill, but we are not very happy with the whole process that has gone into not only the introduction of this Bill but also the way in which certain administrative changes have taken place.

I say at the outset that we support anything that cleans up illegal or illicit activities in this industry. The Opposition has no problem with that. We all remember the cigarettes over the border case and the way that went. At the end of the day, the Opposition will not support loopholes in the existing legislation which allow for the evasion of taxation. A minute ago I received a copy of an amendment to be moved by the Treasurer when we go into Committee. The Opposition will support that as well because that seems to underscore the problem of stale stock. That was one of the concerns of the industry. Once the Government clamps down on the movement of tobacco product, whether it be cigarettes or some other tobacco product, there is a problem with regard to the turnover of stock, and where there is no turnover it has to be returned to the wholesaler and then through to the manufacturer.

Members ought to ask themselves how the situation came about that part of this Bill will tighten up a situation that came clear in this House earlier this year. I am referring to the budget papers and to the Estimates Committee hearing on this question. The budget papers state:

An expected $25 million shortfall in tobacco tax receipts reflects reduced consumption and the adverse impact upon revenue of wholesale price discounting. The impact of progressive increases in Commonwealth tobacco excise on the price of tobacco products is having an impact on the level of tobacco consumption.

In the Minister's second reading explanation, we note that the shortfall has now been refined down to $21.8 million. I can only presume—and the Minister may answer this in his reply to my contribution—that the reduction in the consumption of tobacco product must be of the order of approximately $4 million. The other $21 million or so is the impact of the price war on Government revenue. Whether or not that is correct, I would be interested to know the impact of this reduction in respect of the amount of tobacco consumption in our community.

One of the reasons that we are interested in this point is that this Bill does have some health implications. There are members on this side who are very concerned about the impact of the consumption of tobacco and tobacco product in general and the consequences for the health bill. As we understand it, one of the chief revenue raisers and a key tax for this State is the tax that is levied through the licensing system onto tobacco product. Of course, the other side of the ledger is that a great deal of money goes into hospitals and into the broad health area in respect of the costs associated with the consumption of tobacco products. I am a former smoker, and I am sure there are many other members who are former smokers or present day smokers who will soon be former smokers. The member for Spence denies that he will give up the evil weed but, at the end of the day, there are a number of members who I am sure are ex-smokers. I am not sure of the current status of the Treasurer, whether he is an ex-smoker, a soon to be ex-smoker or whatever.

Mr Clarke: Only Cuban cigars.

Mr QUIRKE: No, I have seen him with cheap rollies as well: it is not only Cuban cigars. I think the Deputy Leader has him wrongly pegged; I have seen the Treasurer with cheap rollies out on the footpath, just like some of his staff. At the end of the day, I make the point—and I am sure there will be other speakers who will support me—that this does have health impacts. One of the serious concerns is the sale price of cigarettes and to what extent the sale price of cigarettes will affect consumption patterns. There is an argument that cigarette smoking, in general, is not price elastic at all, and until you get to a very unrealistic price for a packet of cigarettes you will not affect consumption patterns greatly. The opposite is argued in the Treasury document, and there are groups out in the community that claim that there is a price sensitivity to cigarettes as there is to every other product.

One of the hardest things in my life was giving up cigarette smoking. I suspect that at one stage I would have paid almost any price for a packet of cigarettes, and I suspect that the majority of smokers are in exactly the same position as I was at that time. So, I do not necessarily fall for the price elastic argument. My remarks this afternoon are based upon that fact. It seems to me that cigarette smoking, in general, is only marginally responsive to price movements. I suspect most smokers obtain their cigarettes, or other tobacco products, and worry about the consequences afterwards. They do not worry too much about the financial implications. I am sure we have all had constituents come into our electorate offices who are either on the dole or other social welfare benefits, and how they can go down the road and buy a $6 or $7 pack of cigarettes I do not know, but they do it and they do it every day.

What has come out of this is that the Government is intent on shoring up its revenue. That was said in the budget papers. During the Estimates Committees, the Treasurer went out onto the steps and told the waiting media that, if the tobacco companies did not stop the price war and return to what was a realistic (to use his word) wholesale price for cigarettes, he would move to do so. Obviously, no-one listened to him because we are here today, and at least in part that is what this Bill is about.

I should like the Deputy Premier to follow this part of my argument now because it would save me a bit of time in Committee. It seems that, through various means, the Government has established a floor price for cigarettes and tobacco products. That is not to say that somebody cannot sell below that price but, although it is not very transparent from the Bill or the second reading explanation, it appears that the Government has moved by one means or another, largely legislatively, to establish a floor price for cigarettes. The licence fee will be set at that price irrespective of whether that is the price at which cigarettes are sold. In other words, a tobacco product licence will be levied at a mythical price and whether or not that is the sale price is for the industry and the retailers to work out.

We have a few problems with that because we believe it is an unnecessary intrusion by Government into the process of competition. This whole exercise is about establishing a floor price to protect that part of the revenue base that is not the result of declining consumption. There are a number of implications. If I walk down the road into a local deli and buy a packet of cigarettes or if I go into licensed premises and get hold of a packet of cigarettes through a machine, I will pay the premium price for those cigarettes. However, I could do what an increasingly large number of my constituents do—and a very large number of them smoke—and go down to the local Smokemart or one of the other businesses that are set up for the discounting of tobacco products, particularly cigarettes, and buy a packet there.

One of the impacts of this legislation will be to ensure that, whilst there will not be a uniform price for cigarettes and other tobacco products, it will be much closer to uniform than is currently the case. The real loser out of this package of measures, both administrative and legislative, is the smoker, not the tobacco companies. As a result of these measures, smokers will pay a lot more for their cigarettes. If, as I argued before, consumption will not be affected greatly, unless we move to an extreme price, all this measure will do is hurt a lot of people who, in many instances, are low income earners for whom one of the few pleasures in life is smoking cigarettes.

If this were predicated on health grounds and the Government wanted to increase the price of cigarettes because they are bad, because it wants to reduce our hospital bills, and because it intends to set up an education campaign to target smokers and to ensure that smoking is reduced in every age group and in gender groups, as well, that might be different. I have been told by some of my colleagues that the young female market is still growing for cigarette companies. I thought that it, too, was in decline compared with 10 years ago, but there is no doubt that some people consume cigarettes in large numbers and that this measure will make that pastime more expensive.

There was nothing in the Minister's second reading explanation or in any other information that the Government

has supplied so far to suggest that this measure has been introduced for other than reasons of protecting the revenue base. As a consequence, the Opposition will ask a number of questions in Committee. We will support a number of provisions in the Bill because they will ensure that the sleaze in the business is squeezed out. In terms of a concrete proposal to establish a floor price in South Australia for tobacco products, particularly cigarettes, we do not think it will have any impact except to make life harder for a lot of people who are struggling already.

Mr ATKINSON (Spence): This is a $20 million tax grab by the Liberal Party at the expense of the battlers.

The Hon. S.J. Baker: You have got it all wrong. I have already done that.

Mr ATKINSON: The Deputy Premier interjects to say that I am wrong and that he has already grabbed $20 million or more from the battlers without this law. We hope to explore that matter in the Committee stage. The Federal Liberal Party says that the next Federal election will be about Labor's desertion of the battlers, but this measure by the State Liberal Party directly hits the battlers because smoking is one of the few pleasures of the working class, and the working class has not been put off smoking by the censures of their politically correct superiors. I stand here today to oppose this $20 million grab by the Liberal Party from the working class.

The Hon. S.J. Baker interjecting:

Mr ATKINSON: I have read the Bill, and it is a very tricky Bill. I should like our deliberations on this legislation to expose just how the Liberal Government has made this $20 million grab. One method of doing it has been to introduce, in effect, a floor price for cigarettes in South Australia. At the beginning of last financial year, the tobacco companies began to discount their major brands. They did that for two reasons. The first reason was that they wanted to protect the market share of their major brands—they usually try to do that but competition intensified at that time. The second reason was that they wanted to punish the anti-smoking zealots in the State Governments by reducing the price of cigarettes to the point at which it would put a hole in State budgets. That latter purpose succeeded better than the tobacco companies ever could have imagined, because the price of cigarettes went down very low and, accordingly, the percentage taxation take by the State Government went down very low.

The reduction in the taxation take hurt so many that the Government mentioned it in this year's financial statement. I think that cigarette discounting is an innocent pleasure. If tobacco companies want to sell cigarettes at a lower price and if the battlers are prepared to buy them at that price, why should they not? But the Treasurer—this symbol of liberalism in our State—is trying to introduce a restriction on the market for the sale of cigarettes—an essentially anti-liberal measure. The Treasurer wants to fix a price for cigarettes below which the cigarette companies will have to pay an absolute amount of tax; that is, below a certain price the cigarette companies will continue to pay a minimum rate of tax on those cigarettes, so the benefit of discounting cannot be passed onto the consumer. Below a certain price the Liberal Government says, 'This is how much tax we will take out. Forget the percentages. This is how much we are having. You tobacco companies can discount, but we will still get our money.' This is what the Bill is all about.

The Hon. S.J. Baker interjecting:

Mr ATKINSON: The Treasurer smiles and says, 'I've already done it.'

The Hon. S.J. Baker interjecting:

Mr ATKINSON: I may be a great goose, but I am happy to stand in this House and represent my constituents on this matter, drawing attention to what is a profoundly anti-liberal measure, a measure that is hostile to the battlers. The Deputy Premier is putting his hands inside the pockets and wallets of every smoker in this State and taking out dollars that they would not have had to pay but for his intervention in the tobacco market.

If this measure were so important, why did he not front the House and tell us about it? Why did he have to do it in a covert way? Why was it not in the State budget where it should have been? That is the question that the Treasurer ought to answer in reply. Why was not this measure a budget measure in the State budget and why did it have to be done in a covert way? If we are to have effectively a floor price for cigarettes, why was it not debated in the House? This is a blatant tax grab from the battlers by the Liberal Government. Although this Bill does not directly achieve this grab, it is part of the camouflage of the grab, and on that basis I shall oppose it.

Ms HURLEY (Napier): Although I realise that this is a Bill to plug up a loophole in the legislation, nevertheless it highlights the fact, as the member for Spence said, that this is a $20 million tax grab. This is the issue I want to dwell on. It has also been said that the majority of smokers nowadays are young women. Girls from as young as 14 or 15 years are smoking and they are contributing to the Government's coffers in this way. I would like to see this Government returning the $20 million to the health system or into an education program to try to deal with the health aspects of smoking. We know that that has not been happening: the health section of the budget has been cut. The Government is restricting the opportunities for discounting and is putting the tax money into its own coffers.

The Hon. S.J. BAKER (Treasurer): I have never heard so much baloney in my life as I have heard today. I can understand, Mr Acting Speaker, that you must have shuddered and shaken in your chair. I heard a number of statements today that were completely wrong. I do not know whether the shadow Minister has read the Bill because it has nothing to do with setting floor prices: it has to do with closing one loophole—the provision of free product by tobacco companies—and the other areas deal with surveillance and intervention to ensure that we do not have illegal trade. To that extent I do not know what the Opposition is talking about, but I will take up a number of issues. If anybody can make any sense out of the contributions of the Opposition today, they are Mandrake.

This was the first State to put 100 per cent taxation on cigarettes but we now have Opposition members saying that we are hurting the battlers by stopping the provision of free product. They are nuts. I am flabbergasted by the quality of the response by the Opposition. We are closing only one small loophole. It has bugger all to do with the—

Mr QUIRKE: Mr Acting Speaker, I ask for that comment to be withdrawn. I am sure that it would have to be unparliamentary.

The ACTING SPEAKER (Mr Becker): The member for Playford is correct, although it is an Australian term. I ask the Minister to withdraw.

The Hon. S.J. BAKER: I withdraw. It has nothing to do with the subject at hand. I refresh the battlers' minds that this was the first State to introduce 100 per cent taxation, and it was done under the former Labor Government. The record should speak for itself. I thought that I would never see the day when members of Parliament would speak from the pockets of the tobacco companies. We heard clearly that Rothmans and W.D. & H.O. Wills have had the worst year on record with massive losses in the Australian market because of super discounting.

The marketplace has benefited from that lower price but the companies have not and, if they want to make a profit, they will have to sell at the proper price. If they do not want to make a profit, they can discount on the market. It is interesting that members of the Opposition are standing up for the tobacco companies when they have been leading the band in the past to make sure—

Mr Atkinson interjecting:

The Hon. S.J. BAKER: The member for Spence says 'the customers' when indeed we had here the highest priced cigarettes in the whole of Australia. How can he talk to his battlers about the price of cigarettes in South Australia when it was his Government's initiative that pushed the price above and beyond that in every other State? The fortunate thing in terms of the pricing of tobacco products is that, as a result of changes in legislation relating to stamp duties, both Victoria and New South Wales have had to increase their taxation on tobacco products, and that has reduced the illegal trade across the borders. So, the two States were forced to increase their State taxation, to increase their revenue and to offset the losses from the share transactions as a result of a Queensland initiative. People should remember that.

The issue of the floor price again is rubbish. We have consistently said, 'If you want to discount, do it at your own cost. If you have a list price, we will take our tax off that list price.' It is the same scheme that operates in New South Wales, if anybody wants to look at its legislation. In some ways we are probably kinder than New South Wales. We could take the best list price around Australia if we wanted to and say that that was the price upon which tax would be imposed.

We are being very fair. The tobacco companies have said that they understand what we are attempting to do and it stabilises their market as well. From their viewpoint, there is not the great incentive to discount as there has been in the past, but there are still moments of discounting. Last year South Australia was used as the marketplace to test the arms of the various cigarette companies. They decided they would go on a discounting war. The price tumbled and the taxation to the South Australian Taxation Office was reduced. So the consumers won, because the prices were lower, but the Tax Office did not win.

I made no secret of the fact that, if the cigarette companies want to discount, they can do it at their own cost, but not at the cost of the taxpayers. Let us make it clear. The member for Playford is quite right when he says that changes are needed in relation to old product. I guess if you went to some outback places you would still find some Capstans on the shelf that some of the less discerning smokers or those with a greater addiction—

Mr Atkinson: What's wrong with Capstans?

The Hon. S.J. BAKER: For the benefit of the member for Spence, I was reflecting on the time frame; the Lucky Strikes and the Capstans would have sat on the shelf for years and must be getting well beyond their use-by date. Some provision is needed to tidy up that issue.

I was a bit concerned about where the debate was going. I wondered whether members opposite were supporting better health, the battlers or just the cigarette companies. In the Committee stage I would like the Opposition to state clearly where it stands. Is it in favour of improved health or the cigarette companies or, indeed, does it like rorts? I want to know, because this is really about rorts—nothing else. I would like a clear explanation on that issue.

The issue of floor prices is humbug. Cigarette companies bringing down their list price and using that as their discount base is something that we as a Government will not tolerate if we are being used as the practice ground for cigarette companies to increase their market share. I was confused by the arguments put forward by the Opposition, because this Bill is not about most of those things: this Bill is simply about the supply of free product, which can reduce the average price, and the other issues are about the capacity of the Government to ensure that rorts and illegal trade do not continue.

In answer to the member for Playford, we measure things by dollar value rather than by volume and individual cigarettes. The best information we have on whether consumption has increased or decreased is that the cigarette companies themselves estimate that there has been a 4 per cent fall in consumption over the past year. That is the best estimate that we have available to us, but we cannot suggest that it is correct.

Mr Quirke interjecting:

The Hon. S.J. BAKER: If we took $200 million as an approximate base, 4 per cent of that would be about $8 million. Give or take $1 million or $2 million, we could say that discounting might have cost us $14 million and that lower consumption might have cost us about $8 million. That is a very broad ball park figure and probably needs a lot more research. There is no doubt, and evidence is coming through this year, that consumption is going down. There is a whole range of issues about whether that reduction is driven by price, health education or people growing up but, at least in South Australia—and it will be a will great joy to the Minister for Health—there is no doubt that consumption is declining in the State. Whatever the exact reason—whether it is the various campaigns or prices—it is healthy. So, from the point of view of the Government, that is a pleasing aspect of recent trends. If members want to examine the Bill I am more than happy to do so, but I would hope that they—

Members interjecting:

The Hon. S.J. BAKER: I look at every Bill. I would hope that they take the time out to talk to the elements of this Bill, not to the fantasies that they keep having in this place.

Bill read a second time.

In Committee.

Clause 1 passed.

Clause 2—'Commencement.'

Mr QUIRKE: From the advisers on the other side, my understanding is that section 14 of the principal Act is what triggers the basic price at which the licensing fee applies. But I believe that that price and the information was gazetted in September this year. This clause provides that the Act will come into operation on a date to be fixed by proclamation. What will happen to existing stock? How will it be treated with respect to this Bill? There must be a fair amount of stock that has gone out on a discount basis, perhaps on a buy one, get one free basis, which I presume we will further investi-

gate later in Committee. What rate of licence fee will apply to the existing stock? Is it from the date of that gazettal notice or will there be some discussion in the industry to solve the problem so that somebody who has stock from whichever cigarette company will not now find themselves under the new pricing regime?

The Hon. S.J. BAKER: First, the Act will be proclaimed as soon as is practicable after the legislation has been passed by both Houses of the Parliament and assented to by the Governor, so it will be within a very short space of time. I do not believe that there is any complication or that any regulatory change needs to be promulgated. I will take further advice on that issue, but it will be as soon as possible. The second thing is that it does not take effect until the date of proclamation. That means that, if cigarette companies had been providing free product—and we would not suggest they do so, because that would be outside the spirit of arrangements that are already in place—if a sudden surge of free product hit the market and we had reasonable intelligence on that, I might even backdate it. The member for Playford might pass that onto the tobacco companies. If everybody does the right thing, it is suggested that the date of proclamation will be when it is convenient. It will then mean that, if you have supplied free product or discounted product (but this is dealing with free product) beyond that time, that is when the Bill will apply. So, it will apply to product beyond that date.

Mr QUIRKE: I will gratefully accept the Deputy Premier's advice to pass that information onto certain parts of the community, and it will be to cigarette smokers, because he is suggesting that he has the power to deal with these matters retrospectively if they do not play ball and abide by what he is saying. I would like to know exactly how he proposes to treat existing stocks of, for example, some of the larger discount cigarette sellers around town. Under what rules will they be treated? Obviously, this legislation further provides that some of that stock will change its status. The Minister is right in saying that he set the price earlier by provisions of the Tobacco Act and that this measure does not set a price, but later clauses in this Bill, and one in particular, will provide for a very different treatment of stock which has gone out and which has been supplied by the tobacco companies on a discounted basis.

The Hon. S.J. BAKER: If the member for Playford is talking about price, I suggest he go back to the *Gazette* of 29 June 1995. Considerable publicity surrounded that event.

Mr Atkinson interjecting:

The Hon. S.J. BAKER: Some people may not have been in town. They may have been overseas or doing other things. From my point of view, it had more than satisfactory coverage at the time.

Mr Atkinson interjecting:

The Hon. S.J. BAKER: The Treasurer was applauded for actually taking some action. I am sure that members of the Opposition would also applaud that measure. I will try to explain the issue in words of one syllable so that the member for Playford clearly understands. We are only talking about this bonus product; we are not talking about discount, because that is covered elsewhere. He can be quite clear; if the cigarette company says, 'I will give you a load or a few cartons of free cigarettes,' they will incur the same taxation as the normal product. That is what we are saying, and that will take effect from the date the Act comes into operation. So, when it goes from the wholesaler to the retailer, if it occurs past that date, it is free product and incurs that tax. I am not sure that there is much trade in that at the moment. I do not believe that a large quantity of goods is going in that direction. It is just another loophole that we are closing.

Mr ATKINSON: Will the Treasurer tell the Committee what publicity he endeavoured to give to this $20 million tax grab other than publication in the *Government Gazette*?

The Hon. S.J. BAKER: I certainly made no secret at the time about the stance of the Government. All the retailers were aware of it. All the tobacco companies were well aware of it. The only difference may have been that the price might have gone up, which means the consumers would have been well aware of it at the time. What we said was that it would run off the list price. What was previously occurring, so that the member for Spence can clearly understand—

Mr Atkinson: I understand it. It is in clause 3.

The Hon. S.J. BAKER: The member for Spence should clearly understand there was discount off the list price. Therefore, the taxation was then applied to the price at which the product was provided to tobacconists. We said that it was inappropriate that South Australian taxation revenue was at risk through the discounting activities of the major suppliers. We made that quite clear at the time: it was no secret. As I said, in many areas there was applause for the Treasurer's ensuring that the loss from taxation was not greater as a result of this particular move. If the member for Spence wants to talk about schools, hospitals, police, and everything else, he can do so, but—

Mr Atkinson interjecting:

The Hon. S.J. BAKER: I like his description of the battlers. I do not have to remind him again and again, unless he is totally thick, of the fact that the battlers got belted when the Labor Government was previously in power. I do not know whether he wants to revisit history and have me say it again, but he can remind all his little mates, if they are the ones who are smoking, that it was the Labor Government that did them the disservice in the first place. All we are trying to do is close some loopholes.

Members interjecting:

The ACTING CHAIRMAN (Mr Bass): Members may ask further questions after the answer.

The Hon. S.J. BAKER: It may well be that, instead of getting a donation from the SDA for campaign purposes, he will be looking further afield. I do not know. I cannot judge the merits of his case.

Clause passed.

Clause 3—Interpretation.'

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

Page 2, line 11—Leave out 'subsection' and insert 'subsections.'

Amendment carried.

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

Page 2, after line 15—Insert—

(3) If a person returns tobacco products purchased by wholesale or retail from a licensed tobacco merchant to the manufacturer or distributor of the products and the manufacturer or distributor replaces them with the same or an equivalent quantity of tobacco products of the same or a similar kind, the return of the products and the supply of the new products will not be taken to be a sale or purchase of tobacco products for the purposes of Part II.

One of the faults in the Bill, as it currently stands, is that it does not allow for the return of product when it is no longer useable. That could be interpreted under this legislation as being free product. It was not our intention to do this. As a result of representations from the tobacco industry, we have

suggested this amendment, which means it is fairer from that point of view and it is not seen as free product.

Amendment carried.

Mr QUIRKE: When the Deputy Premier is in a corner over something he was not expecting, he gets nasty. I have noticed he has been getting nastier, particularly to my colleague the member for Spence, and I am somewhat shocked by this. The Deputy Premier ought to realise that he will have a number of opportunities this afternoon to debate the member for Spence who, I can tell you from my own experience, is a curiously obtuse fellow who finds it very easy to give a number of people a hard time—

Mr Leggett interjecting:

Mr QUIRKE: —but he is a lot quicker than the member for Hanson. In paragraphs (a) and (b) we see the expression '(whether or not for valuable consideration)', and we see it again over the page. This is the core of the whole legislation. This obviously refers to the way these companies are discounting. Perhaps the Minister is ensuring that if one truckload of product is bought another truckload of product will not be given. It is known colloquially out there as 'buy one: get one free'. It would appear that this is the key to this whole strategy.

We were told by the Minister this afternoon that we did not understand the Bill. I think we understand the Bill very well. What this Bill is seeking to do is to ensure that the door is bolted absolutely tight on the list price that the Minister has determined, supplied by the industry—

The Hon. S.J. Baker: It's decided by the wholesaler, not the industry, you great clown!

Mr QUIRKE: I ask the Minister to withdraw the term 'great clown'. I do not mind being a clown, but I make no pretences at being a great clown.

The ACTING CHAIRMAN: Order! I do not think that is the type of language we need to hear, and I ask the Deputy Premier to consider withdrawing it.

The Hon. S.J. BAKER: To assist the debate, I will withdraw it.

The ACTING CHAIRMAN: The member for Playford has the call, and we will hear him in silence.

Mr QUIRKE: It seems to me that in this clause the Government is bolting absolutely tight the door on product being supplied for retail sale at no cost. As a consequence of that, I ask the Deputy Premier to tell us whether or not my interpretation is correct.

The Hon. S.J. BAKER: The honourable member said that I was getting terse and I suppose that when I get a little exasperated I do get somewhat terse. I will be very even-handed, forget my exasperation and just repeat that, if the honourable member had read the second reading explanation, he would know that we are talking about the provision of free product by the wholesaler to the retailer. It has nothing to do with price. The list prices are set by the tobacco companies, and that is from where we draw our tax. In terms of the price of cigarette products, that is what we take as our benchmark. If Rothmans wants to stay in the market at a lower price across Australia and have a list price—and a lot of those list prices are national list prices, not just South Australian—then it can do so.

Let us make it quite clear: the key issue involved in the change made by this Bill as it relates to the definitional purchase issue is 'whether or not for valuable consideration'. It simply involves the issue of whether or not a load of product comes in free of charge. There are ways of avoiding taxation; we have already settled on the list price issue, which was discussed with the tobacco companies, and we are simply ensuring that the final loophole is closed. The other issues relate to surveillance and catching up with those people who move product illegally. We are not talking here about moving illegal product.

Mr ATKINSON: I spoke to a tobacco retailer in my electorate this morning. He said that he supported most of the Bill in so far as it attempted to prevent bootlegging but, like me, he was under the impression that there was a component of the Bill that sought to end discounting, that is, price competition between the tobacco manufacturers and wholesalers. It appears that the Labor Opposition has alighted on the clause that achieves this and the Treasurer protesteth too much.

Clause 3 provides that the purchase of tobacco products includes receipt of tobacco products in the course of a business whether or not for valuable consideration. The sale of tobacco products includes the supply of tobacco products in the course of business whether or not for valuable consideration and 'sell' has a corresponding meaning. That is the text we are debating. My suspicion is that because the wholesalers achieved discounting by the provision of some free product—

The Hon. S.J. Baker: Exactly right!

Mr ATKINSON: The Treasurer says 'exactly right'. A minute ago we were 'great gooses' and 'great clowns' but now we have hit on it. I put it to the Committee that this clause is essential to the $20 million tax grab that the Liberal Government is making in this State, because without this clause the Liberal Government would be unable to stop price competition below a certain level.

Mr Quirke: It would be worth a truckload of dead rats in a cigarette factory.

The ACTING CHAIRMAN: The member for Playford has had his opportunity.

Mr ATKINSON: The Treasurer has covertly gazetted a $20 million tax grab which he achieves by preventing price competition for cigarettes below a certain level. He did that back in June. He comes to this Committee and crows about it and says, 'This Bill has nothing to do with my tax grab. I achieved that a month ago.' However, the truth of the matter is that clause 3 is essential to the tax grab. Unless you can include the give-away by tobacco manufacturers to tobacco retailers of a certain proportion of product which underwrites the price competition—underwrites the discounting—you cannot achieve the tax grab. That is why the Labor Party opposes this clause. This clause is the most repulsive clause in the Bill; it is the offending clause, and it is the clause that the Labor Party will oppose, because it allows a $20 million tax grab from the battlers of South Australia. Without this clause, the tax grab will not work.

The Hon. S.J. BAKER: The Labor Party grabbed $100 million or $200 million through the taxation regime that was in place when we came into power. If members opposite would like to have the *Hansard* report transmitted to all battlers on the basis that this Government ripped them off, you can tell your battlers you ripped them off blind. You set the highest tax regimes in Australia and now you are protesting. I would be pleased if members opposite admitted that they ripped off the battlers in the process. At least they would be honest for the first time in their life. From the Government's point of view, we are simply closing a loophole.

Mr Atkinson interjecting:

The Hon. S.J. BAKER: It has nothing to do with $20 million. I do not want to call members opposite thick as a brick, because they might get upset and ask me to withdraw—even though it has a particular ring to it. We had a difficulty with discounting and we believed we solved that discounting issue off the list price.

Mr Atkinson: Why do you need this clause? Go without it.

The ACTING CHAIRMAN: Order!

The Hon. S.J. BAKER: If the companies wish to discount, they can do so, but they are not going to discount off the list price. If they want to lower the list price across Australia they are entitled to do it for competition purposes and make a loss. That is up to them and we will take the tax off the list price. That is what the member for Spence fails to understand. Let us get back to the issue at hand. The list price was 29 June, and I asked him to look at it. In terms of the legislation we are only talking about freebies being used as a means of bringing down the price of cigarettes.

Mr Atkinson: If you want to stop discounting it will affect competition.

The Hon. S.J. BAKER: The member for Spence has to make up his mind about the particular issues. He suggests I protesteth too much: given the history of the Labor Party and the Labor Government, I would suggest that he protesteth too much. If he feels so outraged by the clause, I am happy if he divides on it. He is fundamentally wrong in his premise. There is a loophole there which is being closed: I have said that, and the second reading explanation makes it plain.

Mr ATKINSON: When the Minister came into the Chamber at the commencement of this debate, he denied that the Bill before us had anything to do with a $20 million tax grab from the smokers of this State. He said that the Labor Party was wrong; that the Bill before us had nothing to do with price; that I was a great goose and the member for Playford was a great clown because we did not understand the true intention and consequences of the Bill.

As debate in Committee has progressed it has become obvious that clause 3 of the Bill is essential to the $20 million tax grab, because without clause 3 there could continue to be unlimited price competition between the tobacco manufacturers. So, clause 3 is essential to the tax grab; that is why we will be opposing it. When I articulated my point on this in my first contribution on this clause, the Treasurer said, 'Exactly. Exactly.' The reason the Treasurer did that is that I had correctly enunciated the intention and the consequences of this clause. Now we know that clause 3 is the essence of the Bill and, because it is the essence of the Bill, we will oppose it and, yes, we will divide on it.

Having been found out, the Treasurer then decided that attack was the best method of defence, so he conceded the point I was making and went on to say, 'Yes, but when Labor was in power the State tax on cigarettes was increased to 100 per cent.' That is right: it was. And under Labor the Foundation SA tax impost was also inaugurated. The reason why those things happened is that the Labor Party at that time was led by what I would refer to as health Leninists.

The Hon. Frank Blevins interjecting:

Mr ATKINSON: The member for Giles interjects that the Premier was not one and he was not one. The then Treasurer, now the member for Giles, may just have wanted to grab the money, but there were health Leninists in the Cabinet and one of them was the former Minister for Health, the then Independent Labor member for Elizabeth (Hon. Martyn Evans). I know that he was a health Leninist because I was Chairman of his Caucus committee and it was my job to introduce his Bills to the parliamentary Labor Party, which I did on a number of occasions. One of his Bills, which was highly controversial, was the increase in the tax to which the Deputy Premier refers. However, we have a new and much reduced Labor Party in this State in which the health Leninists do not figure as large, and one of the proofs of that is that today the parliamentary Labor Party will vote for the battlers. We will vote against the $20 million tax grab from them by the State Liberal Government. We will vote against clause 3.

The Committee divided on the clause:

AYES (29)

Andrew, K. A.	Armitage, M. H.
Ashenden, E. S.	Baker, D. S.
Baker, S. J. (teller)	Becker, H.
Brindal, M. K.	Brokenshire, R. L.,
Buckby, M. R.	Condous, S. G.
Evans, I. F.	Greig, J. M.
Gunn, G. M.	Hall, J. L.
Kerin, R. G.	Kotz, D. C.
Leggett, S. R.	Lewis, I. P.
Matthew, W. A.	Meier, E. J.
Olsen, J. W.	Oswald, J. K. G.
Penfold, E. M.	Rosenberg, L. F.
Rossi, J. P.	Such, R. B.
Venning, I. H.	Wade, D. E.
Wotton, D. C.	

NOES (10)

Atkinson, M. J.	Blevins, F. T.
Clarke, R. D.	De Laine, M. R.
Geraghty, R. K.	Hurley, A. K.
Quirke, J. A. (teller)	Rann, M. D.
Stevens, L.	White, P. L.

PAIRS

Allison, H.	Foley, K. O.

Majority of 19 for the Ayes.

Clause thus passed.

Remaining clauses (4 to 16) and title passed.

The Hon. S.J. BAKER (Treasurer): I move:

That this Bill be now read a third time.

Mr ATKINSON (Spence): I do not want to let this opportunity pass without indicating to the House that the Labor Opposition supports the great majority of clauses in the Bill and, apart from clause 3, we support the Bill as it comes out of Committee. So, let us not have the Government portraying the Opposition as a supporter of smugglers, bootleggers or anything like that because it is not. We support the third reading of the Bill but we oppose clause 3, which we see as the essence of the Bill because it facilitates a $20 million tax grab from the battlers of South Australia by the Liberal Government.

Bill read a third time and passed.

CRIMINAL LAW (SENTENCING) (MISCELLANEOUS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 11 October. Page 175.)

Mr ATKINSON (Spence): The Bill has five main elements, and I shall run through them. The first is that, if an accused is found guilty of several offences that are included on the one complaint, he can be sentenced to one penalty for

all or some of the offences provided the one penalty does not exceed the total maximum penalties of the combined offences. Before this clause, an offender could not be given a cumulative sentence on one batch of offences and a concurrent sentence on another batch arising out of the same complaint. The Opposition believes the clause is sensible.

Under this legislation a justice of the peace will not be able to sentence an offender to a term of imprisonment. Justices of the peace used to be able to sentence an offender to a period of imprisonment for up to seven days. It has been the practice under the current Chief Magistrate that justices of the peace cannot sentence people to terms of imprisonment. This clause is part of the Liberal Government's trend of progressively excluding justices of the peace from as much of the legal system as it possibly can. Justices of the peace ought to be concerned about the Government's trend of marginalising them. However, in this instance the Opposition is willing to support denying justices of the peace the authority to sentence an offender to a term of imprisonment.

A third aspect of the Bill is that magistrates cannot imprison for more than two years or impose a fine of more than $120 000. At the moment magistrates can impose a fine of no more than $8 000. So, the leap in the potential fine magistrates can impose is enormous.

Mr Wade: Inflation.

Mr ATKINSON: The member for Elder interjects that the rise is in line with the consumer price index. I think not. In the words of the Law Society, it is extremely rare that even a superior court would impose a fine of $120 000. The Law Society wrote to me and stated:

> If the offending was such that it called for a fine of that order, then the reality is that the imposition of penalty should automatically be in, or at least transferred to, a superior court.

I ask the Government to take the Law Society's point of view into account because an increase in the potential fine to be levied by a magistrate from $8 000 to $120 000 is enormous, and it deserves some better explanation than we received in the second reading explanation.

A fourth aspect of the Bill is that a court can require community service of an offender not just as an alternative to imprisonment but as an alternative to a fine or as part of a bond. The Opposition supports that kind of flexibility in sentencing. The Law Society took the opportunity of this Bill to write to me to say that it felt that it would have been a good occasion for the Government to introduce an amendment to the sentencing law to allow a sentencing judge to suspend part of a sentence. As things stand now a sentencing judge can only suspend the whole of the sentence; he or she cannot suspend part of the sentence. The Law Society's letter continues:

> I feel confident some judges in that situation would like to have the additional sentencing option of suspending part of the sentence. In other words, they would like the offender to spend some time in custody but not necessarily the entire appropriate non-parole period.

The President of the Law Society, Dean Clayton, goes on to say:

> The society would also ask that consideration be given to some other sentencing initiatives. The first is that of periodic detention, particularly weekends. That has the advantage of allowing an offender to keep his/her job and assists in keeping the family together.
>
> Secondly, New South Wales has what are known as 'sentencing indications', which involves a judge giving an indication of sentence in the event of a plea of guilty.

I do not mention those things to indicate that they have the endorsement of the Labor Opposition, but I do ask the Government to consider them should it bring another sentencing Bill before this Parliament.

The final aspect of the Bill on which I wish to comment is that the Chief Executive Officer of the Department for Correctional Services can, when told of a community service order in respect of an offender, tell the court suitable work cannot be found owing to the offender's physical or mental infirmity, in which case the court can reconsider the sentence. As things stand, in all cases the court has to wait for a report from Correctional Services before imposing a community service order. The Law Society suggested to me that the amendment might have included a provision to deal with a situation where an offender becomes physically or mentally infirmed after completion of part of the community service order. The clause in question does not seem to address that possibility. If an offender became incapable of completing a community service order, the Chief Executive Officer of Correctional Services could then notify the court to enable it to adopt whatever course it felt appropriate in those circumstances. With those comments, the Labor Opposition supports the Bill and commends it to the House.

The Hon. S.J. BAKER (Deputy Premier): I thank the member for Spence for his contribution. It is well above the standard of the previous debate, but I am not allowed to mention previous debates. A number of issues were raised by the Law Society, but the one for which the member for Spence wished an explanation was the increase in the amount of the fine that can be imposed by a magistrate. I am advised that magistrates can impose fines up to $120 000 for summary offences. The Summary Procedures Act defines a summary offence as one where the penalty does not exceed twice the amount of a division one fine, that is, $120 000. So, this amendment corrects the anomaly whereby magistrates can impose a fine of only $8 000 for a minor indictable offence. So, under the summary offences legislation a magistrate can already impose a fine up to $120 000: it is simply fixing up an anomaly.

The matter that has been raised by the Law Society about the incapacity of a person to complete a service order will be referred back to the Attorney for his reflections. As to the issue of whether a JP should have the right of sentence, it is my understanding that this change in provision has almost universal support.

Mr Quirke interjecting:

The Hon. S.J. BAKER: I am a JP and I would hate to be placed in the position of having to make up my mind as to whether a person is best suited for gaol or for some other penalty.

Mr Atkinson: Judge Baker!

The Hon. S.J. BAKER: We could have the night court and I could get in some practice. In all seriousness, I believe that the issue of rights to justice are now so complex that the legal system has said that it is inappropriate for someone's freedom to be taken away by a person who has not had training in the law, which is the situation facing JPs. The point is taken, but I understand that this has universal support and, whilst it may well be a diminution of the standing of JPs in the court, it seems to be a matter that has been reflected upon and that change has been coming for some years. I thank the member for Spence for his very constructive contribution and support for the Bill.

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

SUMMARY OFFENCES (INDECENT OR OFFENSIVE MATERIAL) AMENDMENT BILL

Adjourned debate on second reading.
(Continued from 17 October. Page 270.)

Mr ATKINSON (Spence): This Bill seeks to change the law on child pornography as interpreted in the Phillips case. Phillips, a teacher, took a video camera into public toilets and changing sheds. The locations at which he did this were the Formula 1 Grand Prix, the Schutzenfest, the Christmas Pageant and Brighton beach, among others. Phillips filmed men and boys undressing, dressing and urinating. It is not clear from reading the judgments whether his filming was entirely clandestine. He made seven video tapes. He was caught when someone at Brighton beach drew the attention of police to the filming. Phillips was charged with producing and possessing child pornography contrary to section 33 of the Summary Offences Act. Child pornography is defined in the Act as:

> Indecent or offensive material in which a child, whether engaged in sexual activity or not, is depicted or described in a way that is likely to cause offence to reasonable adult members of the community.

Subsection (4) of section 33 was included in 1983. It provides:

> 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.

There was no equivalent to subsection (4) in the pre-1983 legislation and, as far as I can tell, no record exists of its purpose. I have asked in the Parliamentary Labor Party whether anyone can remember what subsection (4) was there for, and I have not yet had a satisfactory explanation. I have had one unsatisfactory explanation. The magistrate who tried the case convicted Phillips because the videos were so preoccupied with boys' penises that they were indecent for the purposes of section 33. The magistrate said:

> I accept that the standards of decency accepted by the wider Australian community have come a long way from the days of *Norley v Malthouse* [a case of 1924] and in fact the action of a young child at the beach dropping his bathers and urinating on the sand might even be shown on national television on *Australia's Funniest Home Video Show* without any suggestion that such a scene would be regarded as offensive by the general community. But in my opinion, it is one thing to walk into a public toilet for the purpose of an ordinary everyday activity, where one is normally expected to be observed and to observe other males doing the same thing without offence, or even to see a short extract of a young child on national television urinating on a public beach in the context of a humorous show, and another to have scene after scene extending to several hours of videotape images of young boys dressing, undressing and urinating and thereby exposing their genitals. In my opinion, even in today's so-called permissive society the general community would draw a line at that sort of material and regard it as offensive.

Mr Justice Duggan, who heard the first appeal in the Supreme Court, agreed with the magistrate. The Full Supreme Court then held that, although the filming was a terrible invasion of privacy, the videos themselves were not indecent or offensive when considered on their own merits with no consideration of the circumstances of their production. Mr Justice Debelle, who gave the leading judgment, said:

> There is nothing inherently indecent in scenes of boys urinating. As the learned magistrate observed, the depiction of boys urinating is not an uncommon topic on film.

Mr Justice Debelle went on to say:

> In some instances, the manner in which young boys had conducted themselves while urinating is amusing.

I should say that Mr Justice Debelle has seen all the tapes. He went on:

> 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. In this respect, I do not think there is any discernible difference between accepted community standards in western Europe and Australia. I do not think that the depiction in these films of boys urinating offends contemporary community standards of decency in this country.

The court—and Mr Justice Debelle in particular—blamed Parliament for passing subsection (4), which did not allow it to consider the circumstances of the videos' production but instead confined it to the question of inherent indecency. Justice Nyland, the only woman on the Supreme Court, said:

> I abhor the invasion of privacy and obvious prurient motive for the making of those films but I am enjoined by section 33(4) to disregard those matters. The films are tiresomely iterative but I do not think they can be considered offensive to contemporary standards operating in the Australian community.

Mr Justice Debelle goes on to argue a slightly different point to justify his decision and said that, although the depiction of men's penises in the seven videos might be indecent or offensive, as distinct from the boys' penises, which he does not find indecent or offensive, the section was about child pornography, so the men's penises on the video did not count. Mr Justice Debelle, on page 22 of his judgment, put it this way:

> The films show men and boys of all ages urinating. While in some instances the filming of boys under 16 years engaged in the act of urinating is continuous, generally speaking, incidents of boys urinating are interspersed between the scenes of men urinating. Often both men and boys are at the one urinal. The films show that it was the appellant's practice to stand at a urinal and film all those who used it while he stood there. In some cases, the genitalia are relatively close only because the subject is standing close to the appellant. It is difficult to separate the scenes of men urinating from scenes of boys urinating. Viewed as a whole, the films might be classified as indecent material. But the appellant was not charged with being in possession of indecent material simpliciter: he is charged with being in possession of child pornography. The ordinary use of language suggests that, whatever else the films made by the appellant of men and boys urinating might be called, they are not child pornography.

With respect, I disagree with that line of reasoning of Mr Justice Debelle. I think that reasoning is perverse and not in accordance with public values, and this Parliament, being the highest court in South Australia, is going to reverse the effect of Mr Justice Debelle's judgment by this Bill.

Mr Justice Debelle has a strong point, based on section 33(4). Mr Justice Debelle can argue that it is the fault of the Parliament that he was unable to consider the whole circumstances of the Phillips' video. But, when he goes on to base his decision on this contrast between boys' penises, which are not offensive, and men's penises, which are but which are not child pornography, respectfully I cannot agree with him. Therefore the Opposition supports the Bill reversing the effect of the decision.

The Bill amends subsection (4) so that a court may take into account the circumstances of production, sale, exhibition, delivery or possession of material in judging whether the material was indecent or offensive. The new subsection would go on to add that, 'if the material was inherently indecent or offensive, it cannot lose that nature by the attendant circumstances'. I have one worry with that last clause, namely, that it is the practice of many parents of

babies to take pictures of their children naked and to use those pictures later in their life to embarrass the children, presenting those photographs to people who attend the twenty-first birthday party. It worries me that such photographs are inherently indecent or offensive, but the Government appears to be saying that they cannot lose that nature by the attendant circumstances. That is a question I ask the Deputy Premier to answer in his reply. How will we avoid well-meaning parents being charged with the production or possession of child pornography under this provision? Speaking for myself, I would have thought that the repeal of subsection (4) is sufficient.

Other amendments make the definition of 'child pornography' and 'offensive material' consistent, namely, 'likely to cause serious and general offence to reasonable adult members of the community'. The words 'serious' and 'general' appeared in the definition of 'offensive material' but not in the definition of 'child pornography'. Oddly enough, the addition of the words 'serious' and 'general' seems to narrow the definition of 'child pornography' whereas the existing definition has what is to my mind the virtue of making 'child pornography' broader than the definition of 'offensive material'.

The second amendment is to define indecent material as including material that is in part indecent as distinct from wholly indecent. This overcomes Mr Justice Debelle's spurious distinction between boys' penises and men's penises. If the Phillips' videos are in part indecent material, the videos as a whole are indecent material and the Opposition supports that amendment.

A third amendment is to drop from the definition the requirement that it would cause serious and general offence 'if generally disseminated'. It seems that the second amendment at least is designed to discourage the reasoning of Justices Debelle and Nyland, which focused on the inherent indecency of the material instead of the whole circumstances, which included surreptitiously filming and prurient motive. The second amendment might have altered the court's reasoning in the Phillips' case by focusing on the parts of the video that were indecent as distinct from the hours of non-offensive footage in the same videos.

In conclusion, the Phillips' case is a good example of a higher court straining to interpret the criminal law as narrowly as possible to preserve the liberty of the subject. It is also an example of a higher court affecting to be more sophisticated than a lower court. Parliament is now going to state its preference for the lower court judgment and I support the Bill.

The Hon. S.J. BAKER (Deputy Premier): I thank the honourable member for the extensive research he has done on the subject. He reminds me of the frustrated American judge who said that he could not define what was obscene but that he certainly knew when he saw it. I guess we all feel the same way about these issues: it is all in the eye of the beholder. The honourable member outlined the complexities of the case that has led to these amendments and I thank him for that very extensive explanation on the issues as they relate to the Act as it stands. George Orwell said, 'Obscenity is difficult to discuss honestly: people are too frightened of seeming to be shocked or of not seeming to be shocked.'

Mr Atkinson: Where is that from?

The Hon. S.J. BAKER: George Orwell.

Mr Atkinson: He wrote a number of things.

The Hon. S.J. BAKER: The honourable member might wish to apprise the House of the source of the quote.

Mr Atkinson: I put to you that it is *Inside the Whale*, and you should know that.

The Hon. S.J. BAKER: Because the honourable member has given an extensive explanation, I will give a brief explanation of where obscenity started in terms of the law. I am informed that it is of relatively recent origin and the Court of Star Chamber was said to have power to deal with indecent material, but it did so rarely and the power lapsed in 1694. The Government in those days was far more concerned about the issues of sedition and libel. In 1727 the Court of Kings Bench held that it had inherited the jurisdiction of the ecclesiastical courts over obscene libel, but it was not until Lord Campbell's Act in 1857 that the criminal law was fully invoked. It is of reasonably recent origin. For many years the definition was that taken from the English case in 1868, which was 'the tendency of the matter charged as obscenity to deprave and corrupt those whose minds are open to immoral influences and into whose hands a publication of this sort may fall'. That sort of definition has changed over time, but that was the origin.

This was a test by reference to the lowest common denominator, namely, those who were subject to the most influence or who were the most corruptible of children, and it has long since been abandoned. We all respect that we do not draw our lines or benchmarks from *Fanny Hill* or *Lady Chatterley's Lover* but by reference to commercial exploitation.

The legislation in the case which prompted the amendment before the House was about the exploitation of children. I do not think anyone here would say that publication and distribution of sexually explicit material exploiting children should not invite the intervention of the law. It was a clear case; it was clear to the member for Spence and to the Deputy Premier how the law should be interpreted. It was not quite as clear to the judiciary, which took exception to the wording. I thank the honourable member for his explanation. There is no doubt in the mind of anyone, at least in this Parliament, that the law was to encompass the circumstances under which these films were being made, and they were made for indecent and prurient motives. It is now a matter of changing the law.

The member for Spence raised a couple of issues in relation to subsection (4). We think that subsection (4) was inserted to prevent the argument that the fact that pornography was kept under the counter, for example, meant that it could not offend anyone and was not therefore offensive. That is why the last clause, which concerns the member for Spence, has had a particular interpretation. That is the difference. The member for Spence raised the issue of family photographs and family films. It is my belief and I presume that of the member for Spence that, irrespective of the embarrassment and the use to which they may be put in later years, those pictures are not inherently indecent or offensive. It fails on one of those tests. We have two tests in place. We have widened the measure to the circumstances surrounding the production of this material. I thank the member for Spence; he has given a more than adequate explanation. I thank him for his support for the Bill. We presume that this one will pass the test of those higher minds in the courts; if not, we will be back here again.

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

WAR TERMS REGULATION ACT REPEAL BILL

Adjourned debate on second reading.
(Continued from 11 October. Page 172.)

Mr ATKINSON (Spence): I am an associate member of the West Croydon Kilkenny RSL Club. I drink in the club quite often.

Mr Leggett interjecting:

Mr ATKINSON: Yes, the member for Hanson is correct; I do ride my bike to and from the club. Last year, owing to the declining position on law and order under this Government, my bicycle was stolen from outside that club, and this Government has been unable to recover it. I have had to buy a new bike. One night at the club, members of the management committee explained to me that, now that the club had a corner devoted to poker machines, they would like to call that corner 'Diggers' and advertise it as such. They further explained to me that other RSL clubs with poker machines also wanted to call their poker machine corner 'Diggers' and wanted to advertise together. I said that I thought this was a reasonably good idea but that the only problem was that legislation was in place prohibiting the use for commercial purposes of certain terms connected with the First World War. However, I undertook to the management committee of the West Croydon Kilkenny RSL Club that I would endeavour to have those laws repealed. Great was my surprise and delight when I saw that the Government was doing so, even before I asked.

Mr Bass interjecting:

Mr ATKINSON: As the member for Florey says, I will take the credit for this. I explained to members of the West Croydon Kilkenny RSL Club that the legislation it requires will be passed within weeks and, on my assurance that that would be so, they rushed out and registered the name 'Diggers' with Corporate Affairs. So, the name 'Diggers' is now registered to the West Croydon Kilkenny RSL Club and perhaps it will force other RSL clubs to pay for sharing the name. Be that as it may, we have before us the War Terms Regulation Act Repeal Bill, which explains that the principal Act was inaugurated in 1920 in order to protect the terms 'Anzac', 'Aussie', 'returned soldier', 'returned sailor', 'repatriation', Australian Imperial Force and AIF and any word or expression associated with the war.

It is interesting that the Act not only prohibits the use of these words in trade and business but also prohibits them in profession, private residence, boat, vehicle or by any charitable institution unless the person first obtains the authority of the Attorney-General. So, if after 1920 one wanted to name one's house 'Diggers' and put a plate on the front of one's bluestone residence entitling the house 'Diggers', one could not have done so without the permission of the Attorney-General. That is a very interesting outcome. One could not have called one's fishing boat 'Anzac'.

It so happens that at much the same time under the Commonwealth War Protections Act Repeal Act and under the 1921 regulations protecting the Word 'Anzac' there was Commonwealth protection for the word 'Anzac'. That is the reason why 'Anzac' is not used as a term in trade, business or advertising. That is a good thing. I think that the prohibition on the term 'Anzac' ought to remain, because the term still has a sacred quality amongst the Australian public and I do not think we have yet reached the time when it ought to be used for commercial purposes. So, although this Bill before the House repeals protection for the term 'Anzac' in the State jurisdiction, that protection still applies in the Commonwealth jurisdiction.

So, the Opposition supports the Bill. We think it is the right time to relax the prohibition on the terms 'Aussie', 'returned soldier', 'returned sailor', 'repatriation', 'digger', and the like. Some members may ask why is it that I can go into a supermarket and buy Diggers cloudy ammonia or Diggers distilled water. The member for Mitchell is wondering that right now—

Mr Quirke: I've often wondered about that.

Mr ATKINSON: —and the member for Playford says he has often wondered why, given that we have the War Terms Regulation Act, you can buy these products.

The Hon. S.J. Baker interjecting:

Mr ATKINSON: The Deputy Premier interjects that 'Digger' is not included by name in the Act, but it is by parity of reasoning included in the Act. It is one of the general terms which in my view is covered by the Act. The answer to the member for Playford's and the member for Mitchell's urgent query on this is that this Act applied only in South Australia and Tasmania: it did not apply in the other States. So, Diggers cloudy ammonia and Diggers distilled water could be manufactured in Melbourne and shipped to Adelaide and, I suppose, be protected by section 92 of the Commonwealth Constitution. Be that as it may, we will repeal the prohibition on using these names. The Opposition supports it but, more important than that, the West Croydon and Kilkenny RSL Club supports it.

The Hon. S.J. BAKER (Deputy Premier): What more can be said? I think the member for Spence has said it all. I remind the honourable member that he has used a little bit of poetic licence. Even in our little South Australian and Tasmanian Acts, I am not sure that they actually prescribe 'Digger'. It certainly prescribed 'Aussie', 'returned soldier', 'returned sailor', 'repatriation', 'Australian Imperial Force (AIF)', and any word or expression associated with the recent war which is declared by the Governor by notification in the *Government Gazette*. I am not sure that Digger actually made the *Government Gazette*; if it did not, it does not really matter. I am not sure that it ever made the *Government Gazette*. However, the principle referred to by the member for Spence is accepted by the House, and I thank him for his support for this measure.

Bill read a second time.

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

That this Bill be now read a third time.

Mr ATKINSON (Spence): In reply to the Deputy Premier's suggestion that the term 'Digger' would not be covered by the War Terms Regulation Act, section 2 of that Act provides:

> In this Act, prohibited word means—
>
> (a) the word 'Anzac' or any word resembling the word 'Anzac'; or
>
> (b) the word or expression 'Aussie', 'returned soldier', 'returned sailor', 'repatriation', 'Australian Imperial Force (AIF)'; or
>
> (c) any word or expression associated with the recent war which is declared by the Governor by notification in the *Government Gazette* to be a prohibited word for the purposes of the Act.

I do not suppose that we know whether 'Digger' was gazetted, but it might have been.

The Hon. S.J. BAKER (Deputy Premier): Sir, the member for Spence is deaf.

Bill read a third time and passed.

GAS (MISCELLANEOUS) AMENDMENT BILL

Adjourned debate on second reading.
(Continued from 10 October. Page 128.)

Mr QUIRKE (Playford): It gives the Opposition a great deal of heart to see this very important legislation here today. As a consequence of that, I want to tell the House that we support it.

The Hon. D.S. BAKER (Minister for Mines and Energy): Once again the negotiations that have gone on between the Opposition and the Government have been very fruitful over quite a long period. I thank the Opposition for its support and commend the Bill to the House.

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

CONSTITUTION (SALARY OF THE GOVERNOR AND ELECTORAL REDISTRIBUTION) AMENDMENT BILL

Adjourned debate on second reading.
(Continued from 19 October. Page 339.)

Mr ATKINSON (Spence): It seems to me that there are three aspects to this Bill: the first relates to the Governor's remuneration; the second, to the timing of the State electoral redistribution; and the third, to extra salaries for people who serve as electoral redistribution commissioners. Turning first to the Governor's remuneration, it has been the practice for many years now that the Governor's remuneration be fixed subject to increases in line with the consumer price index. The Remuneration Tribunal recently decided that the Governor's salary ought to be linked to the salary of Supreme Court judges.

The Government approached the current Governor and asked her whether she would like to change forthwith. Her Excellency declined and her salary remains hitched to the consumer price index. That, I think, is a great sacrifice by Her Excellency, because the salaries of Supreme Court judges have been increasing well ahead of the consumer price index, a matter about which any reader of the *Advertiser* or listener to the Bob Francis talkback show is well aware as the topic is often discussed. So, I thank the Governor for her wage restraint. However, when the Governor is replaced by another appointee, that appointee will have his or her salary connected to the salary of Supreme Court judges, and the Opposition does not quibble with that.

The second aspect of the Bill is to fix the relevant date for determining the population of electoral districts and the quota for the purposes of an electoral redistribution six months before the order is made as distinct from two months before the order is made. Given that the electoral redistribution can now be appealed as a result of amendments made in the last session of Parliament by the Government, it seems to me that this is a sensible provision, because there needs to be a considerable lead time in making a distribution, and this amendment gives the commissioners the leeway they need to make an accurate assessment of population and for that assessment to stick.

The third provision is the only one with which I have some slight difficulty. This provides extra salary for electoral redistribution commissioners to be fixed by the Remuneration Tribunal. This extra salary is not for all three commissioners: it is for only two of the three. Usually the Electoral Districts Boundaries Commission consists of a Supreme Court judge, the Surveyor-General and the State Electoral Commissioner. All three are salaried officials paid by State taxpayers. Under the provision in this Bill, the Supreme Court judge would not receive any extra remuneration for serving on the commission, but the Surveyor-General and the State Electoral Commissioner would receive extra remuneration.

The Government has dressed up this proposal in the following way. The Government says that the Supreme Court judge serving on the commission is independent of the Government and his or her salary is fixed by the Remuneration Tribunal independently of the Government. That is true. The purpose of that is to secure judicial independence, and I do not quibble with that. The Government then says that the Surveyor-General and the State Electoral Commissioner, although they do not name who these people are—they merely say they are electoral commissioners—should be entitled to extra salary as of right by law because, if they are not, then they might be subject to manipulation by someone in a way that might pervert the outcome of the redistribution.

I find that reasoning hard to follow because I understand that the only people who serve on the Electoral Districts Boundaries Redistribution Commission, other than a Supreme Court judge, are the Surveyor-General and the State Electoral Commissioner, both of whom are on a very good salary and would not need extra money to serve on the commission. Having said that, I have probably put the State District of Spence at some jeopardy in the next redistribution but, be that as it may, I am not sure that this provision for regularising extra salary is necessary. The Government assures us that it is because it now pays these two commissioners extra salary anyway and, rather than there be any argy-bargy about the extra salary, it will fix the entitlement to extra salary by law. Since the Government is the Government and we are the Opposition, I am happy to go along with that. The Opposition supports the Bill in its entirety.

The Hon. S.J. BAKER (Deputy Premier): I thank the member for Spence for his consideration of the Bill. The three items in the Bill are sensible. The relationship between the Governor's and judges' salaries is not in terms of the salary itself but in respect of any increases that relate to the position. As most members would recognise, the largest component of the Governor's remuneration is the allowances for the position. In terms of the greater time required for the running of electoral redistributions and the issue of payments, we believe that the changes are infinitely sensible and I thank the member for Spence for his support.

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

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

That the sitting of the House be extended beyond 6 p.m.

Motion carried.

ADJOURNMENT DEBATE

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

That the House do now adjourn.

Mr LEGGETT (Hanson): The long-awaited multi-function polis, or MFP, is finally beginning to take real shape. A consortium of two of Australia's leading developers—the Delfin Property Group and Lend Lease—working closely

with MFP Australia has prepared an exciting concept design and a viable business plan for the first stage of the MFP urban development. Subject to approval by the MFP Development Corporation Board, and endorsement by the State and Commonwealth Governments that have backed the project from its inception, the MFP will take on a more tangible form in 1996.

A large area of land on Adelaide's northern plain will be progressively transformed into a vibrant, enterprising community that will provide a model of ecologically sustainable development next century. It will be a model for new and better ways to live, learn, work and play. It will integrate urban development with business, education and environmental awareness in a way that has not been achieved anywhere else in the world. The benefits anticipated for South Australia, for the nation and for the economy as a whole will be enormous.

The MFP has been a long time in the embryonic stage, but it is now entering the delivery stage. What is planned to be built will demonstrate the MFP ethos of creating a smarter, richer and greener community: smarter in its use of leading edge technologies, particularly those related to the environment, information processing and communications; greener in the thoughtful consideration given to environmentally sustainable development and the protection and enhancement of the natural environment, which will help find new ways of extending the sustainable development concept to cities around the world that are increasingly stricken with various forms of pollution; and this community will be richer in both economic and social terms. As well as providing an economic base and opportunities for increased community wealth, it will set new standards of innovation in the ways in which the community in an enterprising way will care for itself, including cultural activities.

In many ways the MFP has already begun. The most obvious start so far has been in the construction of the Barker Inlet wetlands on part of the original MFP core site. Winter rains have now filled these 172 hectare wetlands, being built to one of the most advanced designs in the world, restoring a degraded wasteland area into a haven for recreation and bird life. You can see them now if you drive along the Salisbury connector highway: the earthworks will be finished by the end of the year and we are about to start landscaping them with about 100 000 trees and shrubs. Next year two more wetlands will be built, the Range and Magazine Creek wetlands, and together they will capture and clean up about a third of Adelaide's metropolitan stormwater run-off.

MFP Australia is cleaning up Adelaide's backyard, ending the stormwater pollution of the Barker Inlet with its consequent destruction of the seagrasses and mangroves vital for our fish nurseries. In doing so it is building a delightful garden backdrop for future MFP urban development. For very similar reasons, MFP Australia has been instrumental in bringing together the Bolivar-Virginia pipeline project. Every year 50 000 megalitres of treated sewage effluent is discharged into Gulf St Vincent from Bolivar sewage treatment plant, causing identical environmental damage to that caused by the stormwater. Fourteen kilometres away in the Virginia horticultural area, growers trying to satisfy a fast-expanding export market are threatened by water supplies that are decreasing in both quantity and quality. The proposed pipeline will both end the marine pollution and provide growers with ample water for expansion.

With the assistance of MFP Australia the growers have completed a business plan for the project, which has been presented to the Minister for Infrastructure, and Cabinet has approved the project in principle to allow tenders to build and operate the pipeline to proceed. MFP Australia has also put together a $4 million environmental improvement plan that will put the 'garden' back into Garden Island, adjacent to Torrens Island. This island was better known as 'Garbage Island', having been used as a rubbish dumping ground for 50 years. MFP Australia intends that the Garden Island project will become a benchmark for landfill rehabilitation and a model of ecologically sustainable development in line with MFP objectives.

MFP Australia is in the process of turning this degraded area into a major recreational facility, providing greatly improved fishing and boating facilities. In the meantime, it is continuing to clean up the Gillman section of the MFP site. Many thousands of abandoned car tyres and dozens of dumped car bodies, for example, have been removed by young volunteers. If the member for Spence went out there, he might even find his bike somewhere in that debris. MFP Australia is continuing earth work trials to provide engineering data essential to the housing and lake construction we propose to undertake in the longer term. Already at New Haven village, which I was privileged to visit last Saturday, you can get a glimpse of the sort of housing and urban design innovations you might expect to see in the MFP urban development. One of the most attractive features of this 65-house demonstration village is that no waste water leaves the site. All sewage effluent and stormwater are treated on site and reused.

A draft report prepared for the CSIRO has indicated that the water management initiatives at New Haven are the most advanced in the world. Water and energy consumption and carbon dioxide emissions will be reduced by up to 30 per cent through innovative design features such as underground watering, geothermal heating and cooling, solar water heating, and passive climate control through house design. Other features include remote reading of power and water meters and an advanced urban design that puts pedestrians before cars in shared public space. All these innovations have been delivered by the private sector, having been brought into the project through the facilitating role played by MFP Australia working in conjunction with the Housing Trust of South Australia.

Another important international linkage being created by MFP Australia is with Silicon Valley in California, a relationship that has been fostered by members of the MFP's prestigious international advisory board. One of the best kept secrets of Silicon Valley is not the entrepreneurship of its private sector and drive of its new start-up companies; these have been widely known. What is not widely known is the extensive collaboration between companies, between public and private sectors, and between Silicon Valley and other communities. The MFP is one Australian project that has the ability to get people talking about us and to demonstrate the substance that will give us credibility. Australia needs demonstration sites, reference projects, that prove to the world that our inventiveness works. The MFP is fast becoming such a reference project. It has the power to advance South Australia's reputation as the State of innovation.

The Hon. FRANK BLEVINS (Giles): Last Thursday a motion moved by the member for Norwood in relation to the ABC, condemning the proposed changes to the format of the *7.30 Report*, was debated. I was invited by the Speaker to take part in the debate and I declined. On leaving the

Chamber I was approached by a member of staff who had been listening on the speaker to the jocular exchange between the Speaker and me. The staff member asked me why I did not speak in favour of the motion of the member for Norwood. I thought that that was a legitimate question, which I will now commence to answer. I have a total lack of enthusiasm for the resolution moved by the member for Norwood, even though my Party supports the motion and, indeed, somewhere has a motion of its own. Nevertheless, as a loyal Party member I was silent on the issue. But now in this grievance debate I will tell members what I really think about the ABC, the *7.30 Report* and the proposed changes.

I must admit that I no longer watch the *7.30 Report* with any regularity. I am afraid that it has become what to me is the biggest crime of all—totally boring. I am not particularly interested in endless debate about a cat up a tree just because it is an Adelaide cat. It does absolutely nothing for me. I am not sure whether the new format will work: I wish it well. In my view it could not be any worse than the present format, so any change can only be a change for the better.

The Minister who was at the table at the time outlined some of the problems that he has had with the *7.30 Report* over the past couple of years. We could all relay similar tales. Some years ago the *7.30 Report* asked me to do an interview. I cannot remember the topic, but it was the Summer Edition. It was desperate for someone to come on. As I always did, I accommodated the media and on I went. On that segment of the *7.30 Report*, the producers, or whoever put these things together, cut the interview so that the answer I appeared to give to the question being asked was the answer to another question. From that day on, I did not do an interview for the *7.30 Report* unless it was live or unless the issue was of no consequence. Regarding any important issue, I did only live interviews from then on. I did not bother complaining: there was no point. I took my own action by only appearing live to ensure that it did not happen again.

I am sure that every member in the House can cite a similar example. My view is that the ABC, in general, has deteriorated to a tremendous extent. I was delighted to see David Hill depart. I believe he had an awful lot to answer for in the deterioration of the standards of the ABC. As a great supporter of the ABC, I believe that was an enormous pity. Again, let me give a couple of examples as to why I find it very hard to defend the actions of the ABC—not the institution: as I said, I thoroughly support public broadcasting. For example, we had ABC radio and the infamous actions of Chris Nicholls in relation to the Hon. Barbara Wiese. No-one can tell me that that was not one of the most despicable acts that any journalist has ever perpetrated in this State—perpetrated full stop would not be an exaggeration.

I also remember a *Four Corners* program. *Four Corners* is the flagship of current affairs on the ABC. It has labels on itself even bigger than in regard to the *7.30 Report*. I can remember a *Four Corners* program about South Australia which made all kinds of accusations and imputations against a former Attorney-General, the Hon. Chris Sumner. It said that he was consorting with prostitutes and that perhaps the laws he was bringing in or amending were coloured by his being blackmailed by prostitutes. How absolutely absurd. But Chris Masters ran that program on *Four Corners* on the ABC at taxpayers' expense. There was an inquiry into the allegations. It cost $6 million to tell the public what any member in the House could have told them: it was absolute rubbish. When I see anything on *Four Corners* today about which I do not know a great deal, I often think about that program by Chris Masters. That was something I did know about and I knew that it was nonsense. So, I wonder what truth there is in some of its other programs, as that program was an absolute disgrace.

As I say, I find it very difficult to defend the ABC. You cannot criticise it because it is very precious. As I said, it has labels on itself which are enormous. Any criticism at all of the ABC will bring the whole world down on your shoulders. According to the ABC, it is beyond criticism. But not all. I am happy to acknowledge that day time radio in South Australia is of an extremely high standard, particularly given the banality of some of the material with which it has to work. It is a cat up a tree every hour. After all, this is Adelaide, South Australia.

I returned from overseas a week ago and the main topic on the ABC related to whether the Governor-General ought to have individual saltcellars on his table when he entertained. The cost and the appropriateness of this went on for hours. Quite frankly, if that is the best it can do, it is a very sorry state of affairs. I can tell the ABC that, if it wants to watch a decent current affairs program, it ought to watch *Business Sunday* and the *Sunday* program on Channel 9 on Sunday mornings. I could not care less whether I watched the *7.30 Report* or *Four Corners*—and nine out of 10 times I do not—but I never miss the *Sunday* program or *Business Sunday*.

It is a pity that David Hill brought the ABC to this low ebb. The Minister at the table was complaining that the ABC did not give him a fair go—that it had in some way imputed motives to him that were improper or said that he was not available when he was. We have all had that, but I did not hear the Minister or his colleagues complain—and they should have in the interests of balance—when John Chapman and Jim Bonner, for a couple of years, gave an hour of Liberal Party propaganda every night.

Motion carried.

STATUTES AMENDMENT (COURTS) BILL

Received from the Legislative Council and read a first time.

At 6.7 p.m. the House adjourned until Wednesday 25 October at 2 p.m.