HOUSE OF ASSEMBLY

Wednesday 23 July 1997

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

UNCLAIMED SUPERANNUATION BENEFITS BILL

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

SUMMARY OFFENCES (PROSTITUTION) AMENDMENT BILL

Petitions signed by 60 residents of South Australia requesting that the House urge the Government to support the passage of the Summary Offences (Prostitution) Amendment Bill were presented by Messrs Ashenden, Matthew and Quirke.

Petitions received.

MURRAY RIVER, WILLOW TREES

A petition signed by 64 residents of South Australia requesting that the House urge the Government to stop the removal of willow trees along the River Murray was presented by the Hon. D.C. Wotton.

Petition received.

LICENSED CLUBS

A petition signed by 80 residents of South Australia requesting that the House urge the Government to allow licensed clubs to sell liquor to a club member for consumption off the premises was presented by Mr Quirke.

Petition received.

QUESTIONS

The SPEAKER: I direct that the following written answers to questions without notice be distributed and printed in *Hansard*.

POLICE, SOUTHERN SUBURBS

In reply to **Mr CLARKE (Ross Smith)** 4 March.

The Hon. G.A. INGERSON: The South Coast Division consists of:

- Christies Beach Police Station and patrols;
- Noarlunga Centre Patrol Unit;
- Aldinga Police Station;
- McLaren Vale Police Station;
- Willunga Police Station;
- Goolwa Police Station;
- Yankalilla Police Station;
- Victor Harbor Police Station; and
- Kangaroo Island Police Station

The 89 increased number of police referred to in the Deputy Leader's question are: police personnel who have been relocated to the Sturt Police Centre from Thebarton Barracks; Police Headquarters Flinders Street; Glenelg and Colonel Light Gardens police buildings following the completion of the new police facility at Sturt.

From 1 September 1997 to June 1998, as part of Focus 21, the following redeployed and additional personnel will be placed at the following locations:

	Redeployed Police	Additional Police	Public Servant Staff	Total
Christies Beach Police	20	6	2	28
Aldinga (from Willunga)	1	-	1	2
Noarlunga Centre	-	3	-	3

The new Public Service non-sworn staff to be deployed in Christies Beach and Aldinga Police Stations will provide administrative support services to operational police. This will include telephone answering and assisting with counter services which do not require police powers.

This will result in an increase of 29 police officers and 3 public servant staff to the South Coast Division with one police officer relocated from Willunga to Aldinga.

CHILD CARE

In reply to **Mr DeLAINE (Price)** 3 June.

The Hon. D.C. KOTZ: The Minister for Education and Children's Services has provided the following information.

Community based long day care services have been significantly affected by the Federal Government budget announcement to withdraw operational subsidies to services effective as of 1 July 1997. Centres have had access to financial consultancies (funded by the Commonwealth) to assist them to restructure their budgets to manage the new funding arrangements. In many instances, centres have had to implement staffing restructures and increase fees.

The Parks Community Child Care Centre, a Commonwealth funded service offering 50 long day care places, was assessed as operating within an efficient and cost effective range and that the utilisation of the service was stable. However the centre would have needed to increase its weekly fee from $153 per week, by $10 per week, in order to continue to trade viably under the new funding arrangements.

The centre management committee was aware that the majority of the 55 regular clients were on the maximum rate of child care assistance and would be unable to accommodate any increase in fees. The committee also realised that the increase in fees would lead to a drop in utilisation and the centre would then begin losing money and risk insolvency. If the centre moved into insolvency, then it would be unable to meet its obligations in relation to leave and redundancy payments to staff. The management committee reluctantly took the view that to cease trading and discharge its obligations to staff was preferable to risking almost certain insolvency and forced closure in the future.

ABORIGINAL PARTNERSHIP AGREEMENTS

In reply to **Ms HURLEY (Napier)** 1 July.

The Hon. D.C. KOTZ: The Department for Correctional Services currently has a formal supervision agreement with the remote Dunjiba Aboriginal Community at Oodnadatta, whereby it co-manages, on a fee-for-service basis, local offenders who are subject to a Community Service Order. This pilot agreement has operated since 24 April 1997 and I am advised that both the Department and the Dunjiba Community are happy with the arrangements. This is the first of a number of agreements which will be established progressively.

in addition, the department has a number of less formal arrangements in place with Aboriginal communities to co-manage Community Service offenders at Indulkana, Mimili, Fregon, Ernabella, Amata, Pipalyatjara and Kalka.

These arrangements ensure that suitable people in each community are designated to take responsibility for managing the local community service work program in liaison with Department for Correctional Services personnel at the Marla Community Correctional Centre.

PAPERS TABLED

The following papers were laid on the table:

By the Minister for Housing and Urban Development (Hon. S.J. Baker)—

The Architects Board of South Australia—
Report, 1995
Report, 1996

By the Minister for Industrial Affairs (Hon. Dean Brown)—

Office of Road Safety—Random Breath Testing—Operation and Effectiveness, 1996.

SOUTH AUSTRALIAN ASSET MANAGEMENT CORPORATION

The Hon. S.J. BAKER (Treasurer): I seek leave to make a ministerial statement.

Leave granted.

The Hon. S.J. BAKER: My statement is in connection with the affairs of the South Australian Asset Management Corporation. The South Australian Asset Management Corporation has been successful in negotiating a sizeable out of court settlement in proceedings relating to a syndicated loan facility in which the former State Bank of South Australia participated during the late 1980s. This settlement follows similar successful outcomes for the bank in the United Kingdom in April this year.

The current settlement will see a net return to the bank of just under $10 million. In combination with funds already recovered, this represents an almost full recovery of the principal advanced by the bank under its participation in the $50 million syndicated loan. The bank's proceedings against the lead manager of the syndicate and lawyers involved in the transaction allege breaches of the Trade Practices Act and the Fair Trading Act. The lead manager defended the proceedings and denied the allegations and instead brought a counter claim against the bank alleging breaches of the Fair Trading Act and breach of the contractual relationships between the parties.

Settlement was reached following week long negotiations conducted between the parties' solicitors. The precise terms of settlement are confidential to the parties. The matter had been listed for trial interstate for a hearing of an estimated duration of some 65 sitting days. Settlement of these proceedings will achieve considerable cost savings for both parties. SAAMC continues to pursue litigation both in South Australia, interstate and overseas with a view to recouping as much as possible of the banks losses for the ultimate benefit of South Australian taxpayers.

SAAMC has now reached the point where most of the assets side of its balance sheet is comprised of Treasury assets, that is, near liquid assets of high credit quality being held until such time that the liabilities of the former State Bank of South Australia are mature and can be repaid. In achieving a massive contraction in the balance sheet from $8.4 billion in July of 1994 to the present level of some $2.5 billion, and making significant profits along the way, some $66.8 million in 1994-95, $72.1 million in 1995-96 and an expected over $70 million in 1996-97, SAAMC has contributed to a reduction in financial exposure of the State. It is this type of achievement that should ultimately enable the State to improve its credit ratings.

ENVIRONMENT AND RESOURCES DEVELOPMENT COMMITTEE

Mr VENNING (Custance): I bring up the twenty-fourth report of the committee on waste management practices in South Australia and move:

That the report be received.

Motion carried.

The Hon. G.A. INGERSON (Deputy Premier): I move:

That the report be printed.

Motion carried.

LEGISLATIVE REVIEW COMMITTEE

Mr CUMMINS (Norwood): I bring up the report of the committee on regulations on the Expiation of Offences Act 1996, and I bring up the twenty-first report of the committee and move:

That the reports be received.

Motion carried.

QUESTION TIME

GARIBALDI TRIAL

The Hon. M.D. RANN (Leader of the Opposition): My question is directed to the Premier. Given that the decision by the Director of Public Prosecutions not to charge the Directors of Garibaldi over the fatal mettwurst HUS epidemic will make it more difficult for victims to win civil damages, will the Government now provide financial assistance to the families to pursue compensation? An article in today's *Advertiser* under the headline 'Garibaldi victims face compo fight' states that the parents of Nikki Robinson and other victims of the Garibaldi food poisoning now face 'a long battle in the civil courts in their bid for compensation'. It has been noted that the Government did offer financial assistance to those accused, but not to the families themselves.

The Hon. S.J. BAKER: On behalf of the Attorney, I will obtain a report on that matter for the honourable member. It is quite clear that two of the people charged have pleaded guilty to a lesser charge, so I would not have thought that there was any lack of ability on the part of the litigants to pursue their claim.

Members interjecting:

The SPEAKER: Order! Yesterday the member for Spence took it upon himself to give a running commentary during Question Time. I do not want a repeat today.

Members interjecting:

The SPEAKER: Order! There will be no further interjections.

PRIVATISATION

Mr LEGGETT (Hanson): Will the Premier provide the House with details of the privatisation that has been undertaken in South Australia?

The Hon. J.W. OLSEN: It is interesting to compare events in the past 3½ years and in the past decade. It is also interesting to compare some of the statements made to this Parliament by members opposite. It is a mystery to find out just where the Labor Party stands on privatisation, because it has been responsible for more privatisation than has the Liberal Government in South Australia. The Leader himself privatised Government travel services, and he supports the privatisation of Adelaide Airport. He had no problem with the privatisation of the Commonwealth Bank, Commonwealth Serum Laboratories or Qantas, and he was a member of the Government that allowed the privatisation of the South Australian Gas Company in 1988.

Of course—here is a surprise—the Leader supported the biggest privatisation in this State's history: the State Bank and the old State Government Insurance Commission. This

is different from some public statements from time to time or, as members opposite would have us believe, today. But let us look at what the member for Hart has had to say about sales, as follows:

I do not have any problem with a sale to a foreign bank.

That has shades of hypocrisy when compared to outsourcing of management and maintenance of water to Compagnie General des Eaux and Thames UK. Is there a difference between Japanese investment in Mitsubishi, American investment in General Motors or French or United Kingdom investment? Does he have a problem with Thames, North West and United Kingdom investment? Does he want us to send Britex away from South Australia, the employer of hundreds of South Australians? The member for Hart has also talked about asset sales. On 23 February he told the House:

I am quite happy to stand here tonight and say that I support asset sales. Given the State's severe debt situation, asset sales are an appropriate tool with which the Government can attack debt. I have no problem with the asset sale program.

Exactly. The words put down by the member for Hart in 1994 are just as appropriate in 1997. As long as there is consistency of view in the Opposition and we do not get in this last year of the Government—before an election campaign for political expediency—the Opposition starting to change its policy stance. What was okay in 1994 seems to be shifting ground in 1997. Let me just put to the House that the circumstances in 1994 that we inherited are the same circumstances that apply in 1997 in terms of stabilising this State's debt and, in stabilising that debt, putting a financial foundation under the State. To cap it off I refer to the May 1997 edition of the *Property Council of Australia News* and an article headed 'Shades of Tony Blair in South Australia'. Referring to the alternative Leader, the article states:

He pointed to a number of bipartisan issues that had formed major components of the reform needed in South Australia to ensure that the State remain competitive and progressive, such as ETSA, electricity reform, competition policy and asset sales.

Hear, hear!

GARIBALDI TRIAL

Ms STEVENS (Elizabeth): Mr Speaker—

Members interjecting:

The SPEAKER: Order! The member for Elizabeth has the call. Interruptions are out of order.

Ms STEVENS: Given the Minister for Health's undertaking to this House on 12 October 1995 that the Government would hold Garibaldi's directors responsible for their actions and the subsequent decision by the Director of Public Prosecutions not to proceed with charges relating to contaminated mettwurst, what is the Minister now going to do to honour his undertaking to the people of South Australia? On 12 October 1995 the Minister told the House:

I assure the House that the Government will continue to pursue these matters to hold Garibaldi's directors responsible for their actions and to highlight to industry the importance of public health.

The Hon. M.H. ARMITAGE: Certainly, we have highlighted to industry the importance of public health. There is no question about that and I detailed in the Estimates Committee, as the member for Elizabeth would well recall, the very cogent and detailed responses to all of the recommendations of the Coroner. What this Government did in relation to attempting to hold the directors of Garibaldi responsible, I think most people without a political agenda would agree, was very reasonable. Indeed, the Law Society was highly critical of the Government's attempts to contract out legal services and then, at the end of the day, the DPP, independently of government, made a decision that the charges were unsustainable. So, it was completely and utterly—

The Hon. M.D. Rann interjecting:

The SPEAKER: Order! The Leader of the Opposition.

The Hon. M.H. ARMITAGE: —independent of government. If the Opposition believes that the DPP should not be independent of government, it will make a particularly interesting feature of its policy, if and when it ever brings it down. There is absolutely no doubt that the Government has followed through on the statements I made on that date.

BOLIVAR TO VIRGINIA PIPELINE

Mr BUCKBY (Light): Will the Premier report to the House the progress of negotiations on the Bolivar to Virginia pipeline? I am aware that negotiations have been proceeding with the Virginia Irrigators Association (VIA) on this important MFP project, and I am questioning whether an outcome has been achieved.

The Hon. J.W. OLSEN: Documents have been distributed to something like 2 000 landholders this week, and 40 of the larger growers in the region have already committed to the project. The current round of sale negotiations will close on 11 August this year. Final design and cost estimation and financing can then proceed based on that information, and I welcome the VIA, which represents some 500 growers and which fully supports the proposals that are now being distributed to growers.

The benefits of this scheme over earlier proposals include improved surety of water quality from SA Water to the growers, improved flexibility in water required to be taken, ability to take advantage of off-season pricing—that is, 5¢ in winter and 9.5¢ in summer—CPI increases replaced with fixed 2.5 per cent increases for the first 10 years and transfer of water between growers is cheaper, easier and can be done by seasons.

The benefits of the scheme have been well documented. The pipeline will take water from Bolivar Treatment Plant and distribute it to some 11 000 hectares around Virginia and will provide certainty regarding growth in production of fruit and vegetables. Previous estimates had ex-farm gate productivity increases from $40 million GSP to a minimum $80 million GSP. Asian buyers are already looking at increasing orders based on predicted results from the pipeline. MFP has been instrumental in coordinating and concluding this deal to now 'offer stage' to the growers, brokering what has been at times a difficult and delicate process. Negotiating with several hundred market gardeners is, in fact, not the easiest of tasks to undertake to ensure that a scheme that is put in will benefit all parties in the longer term. The pipeline scheme is, step by step, now becoming a reality. It is one of the four key projects of MFP now being delivered.

I was searching through *Hansard* and I recalled some quotes of the Leader of the Opposition in 1994 in relation to MFP that underscore the political expediency of Opposition members when it suits them. Let me quote the hypocrisy that we get from the Opposition. I quote the words of the Leader of the Opposition in February 1994:

I would also like to place on record the Opposition's support for Ross Kennan's role as CEO in the past seven months in relation to the development of the MFP. I think he is making an outstanding contribution.

That is the sort of line that we had from the Leader of the Opposition about Tim Marcus Clark, but it took a Liberal Government to make changes at the CEO level to put in place some work practices and some outcomes to deliver a return to taxpayers in South Australia. I would also like to quote further from *Hansard*. The Leader of the Opposition went on to say:

> There has to be bipartisan support for the MFP and it will receive bipartisan support. It will certainly get the support of the Opposition because we will not engage in the same process as the Government while in Opposition which was to continually white-ant this project.

This is what the Leader of the Opposition said. For 3½ years he maintained consistent bipartisan support for the project. Yet in the last six months of the term of the Government, moving closer to an election campaign and for political expediency, the member for Hart and the Leader of the Opposition walk off together to damn the project and want to walk away from the project.

As I just indicated to the House, we are about to sign off on a major project that will have national and international demonstration reference sides—taking treated effluent into the gulf; sea grass die-back impacting on fish breeding grounds; taking it up to the northern Adelaide plains; producing goods for the export markets. That is what MFP is producing for South Australia and there will be better and more outcomes.

As I have said before, I will have great delight in going out to the electorates of the Leader of the Opposition, the Deputy Leader, the member for Hart and the member for Taylor and indicating that they do not support an $850 million development at Mawson Lakes.

An honourable member interjecting:

The Hon. J.W. OLSEN: You do today: you did not last week. I am pleased that the member for Hart has changed his mind in the course of the last week: he is now supporting the Mawson Lakes development. I trust that this bipartisan support we received today will last, unlike during the course of the past week.

FOOD POISONING

Ms STEVENS (Elizabeth): Why has not the Minister for Health proceeded with his commitment to amend the Food Act to ensure that in any future food poisoning epidemic prosecutions can proceed? On 12 October the Minister told the House:

> I am keen to explore amendment to the Food Act to allow the institution of proceedings in a more realistic time frame. Further, I will be considering increasing the penalties under the Food Act.

The Hon. M.H. ARMITAGE: This is definitely a case of the pot calling the kettle black. As I indicated on a number of occasions during this debate, with all the well publicised problems that had occurred during the term of the previous Government, where there were—

Members interjecting:

The Hon. M.H. ARMITAGE: The Deputy Leader indicates there has been a period of time. The Labor Party was in Government for many years and made no changes with similar things. However, the simple fact is that a number of things have occurred. There is a new standard for mettwurst-style products which has been introduced to the Food Standards Code, first on an emergency basis and then permanently in June 1996 following widespread consultation. The key features of that new standard are that manufacturers need to use starter cultures, they need to measure the pH, and they need to check for the presence of E.coli.

Since then, officers of the Health Commission have conducted two rounds of visits to mettwurst producers and have visited every known producer to ensure that they were meeting their responsibility. As a consequence of that last round of visits, four manufacturers were successfully prosecuted for not meeting the requirements of the new standard. A third round of visits will be undertaken in 1997.

There has been a well publicised discussion paper entitled 'Protecting the safety of the food supply in South Australia', which outlined a number of implementation options for food hygiene legislation—

Mr CLARKE: On a point of order, Mr Speaker, I refer to Standing Order 98. The question related to what the Minister has done about the Food Act. That is what we want the answer to.

Members interjecting:

The SPEAKER: Order! The Minister is entitled to answer the question in a manner which he believes is most appropriate. I ask the Minister to conclude his response as the Chair does not want lengthy answers.

The Hon. M.H. ARMITAGE: If the Deputy Leader had not actually stood up at that time, he would not have interrupted my saying that we had released—

Members interjecting:

The Hon. M.H. ARMITAGE: Let us afterwards check the *Hansard* record as to what I was saying when you interrupted. What I said was that in 1996 a discussion paper entitled 'Protecting the safety of the food supply in South Australia', which outlined implementation options for food hygiene legislation—at which stage I was interrupted—was released, consistent with national initiatives being developed by ANZFA, as well as dealing with administrative aspects, especially concerning the role of local government. There were a number of reactions in relation to that.

To facilitate the implementation of the national food hygiene legislation as well as dealing with the administrative issues in that paper which the commission released, we have formed a food hygiene implementation committee with representation from local government, the Australian Institute of Environmental Health, the Economic Development Authority, and large and small food businesses.

Members interjecting:

The Hon. M.H. ARMITAGE: This is all related to the Food Act, you drongo.

The SPEAKER: Order! The Minister will resume his seat. I suggest to all members that they cease interjecting. The Deputy Leader is very aware of the consequences of continuing to conduct a commentary across the floor. He has been warned once. I do not want to have to proceed.

The Hon. M.H. ARMITAGE: What the Deputy Leader seems not to realise is that this committee, with that representation, is formed to make the appropriate changes to the legislation. That is what we are dealing with. If he would stop interrupting and listen, he would actually understand that we have local government, large and small businesses, health surveyors and so on telling us what is the most appropriate change. That is what we are dealing with to change the legislation. That is what it is all about.

The committee has met twice and is working on a requirement for food businesses for notification to Government about what they do and, indeed, of their existence, recognising that a number of small food producers come and go. It is also working on a requirement and mechanisms to

ensure the consistency of application of food hygiene inspection across local government boundaries.

We heard from the consultative process that there are variations across local government boundaries, just as there are variations from State to State, which makes the whole implementation of this matter a farce. Unless there is consistent application, there is no way that food standards can be protected. So, if the Deputy Leader and the member for Elizabeth wish to review that answer—because I know that they were not listening—they will find that a lot is being done in relation to the very matter about which they are asking.

STATE BANK

Mr CUMMINS (Norwood): Will the Treasurer give the House a summary of the worst investments made by the former State Bank? I note the Treasurer's ministerial statement earlier today commenting on the success of the South Australian Asset Management Corporation's settlement of another legal case which has recovered substantial funds for the taxpayers of South Australia.

The Hon. S.J. BAKER: The State Bank, urged on by the then Minister (now Leader of the Opposition) committed a vast number of sins. Most people would remember the Remm development, which ultimately cost, with all the holding and building costs—

Mr Atkinson interjecting:

The Hon. S.J. BAKER: The member for Spence has it wrong again. I was sounding warnings at the time about the cost of the Remm building.

Mr Atkinson: No, you weren't.

The Hon. S.J. BAKER: You check the record. When those builders' labourers were tearing that site apart, who was standing up against them? Who marched on Parliament House? So, let us get it right. Those warnings were there at the time.

The all-up cost (including all the holding and funding costs) for the Rundle Mall Remm development was $1 061 million, while the final sale price was around $151 million, involving a loss of over $900 million. The 333 Collins Street property was sold for some $240 million, by which time it had racked up net losses amounting to some $560 million. So, we had spent some $800 million on that property.

There was the Halwood Corporation, and the bank's exposure to the group was in the order of $156 million, with only $61 million ultimately being recovered, which meant a write-off of $95 million. With respect to the Collinsville Stud, a $32 million bail-out, or refinancing, became $40 million and, when we sold it, that contributed to a net loss of some $33 million. And remember the words of the Leader of the Opposition at the time.

The State Bank Centre, which was built for $114.4 million, having a land value of about $8.4 million, was sold for $68.2 million. There was a guaranteed income return on that property, which we had to buy out in 1994 at a sum of $187 million. Because the facility was worth $239 million, the ultimate loss on that property was $171 million. Somerley Pty Ltd, in Bourke Street, Melbourne, owed the bank $69.7 million, and when the property was disposed of we were left owing some $24 million. Some $79 million was lost by the bank on the Pegasus Leasing arrangements.

The Leader of the Opposition (the then Minister), in 1989, made reference to our overseas operations, saying how proud he was that the State Bank was operating new offices in New York and London. That pride amounted to something of this order: from December 1985 to February 1991 the bank's overseas assets grew from $222.6 million to $5 270 million, and that led to losses in London of £91 million; in New York, $US37 million; and in New Zealand, $NZ212 million. In Australian currency, that mad adventure—which was thoroughly endorsed and praised by the Leader of the Opposition—cost this State $420 million. Thank you, Leader of the Opposition!

The loss on the Oceanic Capital Corporation venture was $120 million. The loss on the venture in Mindarie Keys in Western Australia was $70 million. There is a whole range of others in respect of which I am sure we will be able to inform the electorate of South Australia exactly what harm has been done.

I refer to the contribution by the Leader of the Opposition, the Minister at the time. Not only did he praise the expansion of the bank into these overseas markets but he said:

> Our bank is entrepreneurial and aggressive as well as careful, prudent and independent.

Those words have come back to haunt him. He berated the Opposition for smearing Tim Marcus Clark, whom he described as one of South Australia's outstanding citizens. So it goes on. I hope that everyone in South Australia reads the record, understands the losses that have occurred and realises that the Leader of the Opposition is at the centre of those losses. This Government inherited the problem, and it is sorting it out. I trust that the people of South Australia will remember this for the next 20 years.

PRIMARY INDUSTRIES MINISTER

Mr CLARKE (Deputy Leader of the Opposition): Will the Minister for Primary Industries confirm that Cabinet authorised him to initiate a review of the Agricultural Chemicals Act and the Stockfoods Act? Did he declare to the Premier his potential conflict of interest as a major shareholder in a company selling agricultural chemicals, and did he withdraw from Cabinet when this matter was considered? Yesterday, the Minister confirmed that he is a shareholder of a company that sells agricultural chemicals and other products.

A minute (signed by the Minister) to the Legislative Review Committee states that Cabinet approved the remaking of regulations under the Agricultural Chemicals Act on 12 August pending the review of this Act and the Stockfoods Act. The minute, which as I said was signed by the Minister, states:

> The review of the aforementioned Acts has now commenced and it is envisaged that legislation will be introduced into Parliament in 1997 and new regulations subsequently prepared under that legislation.

The Hon. R.G. KERIN: The Deputy Leader again has made one or two misleading statements. Yesterday, he said in the House that I was a major shareholder of a company selling agricultural chemicals, and that he found that out from a company search. I do not think that the Deputy Leader knows very well how to read a company search, because as the Cabinet handbook—

The Hon. M.D. Rann interjecting:

The SPEAKER: Order! The Minister will resume his seat. I formally warn the Leader of the Opposition. An important question has been asked, and I will not allow the Minister to be interrupted by interjections. I will name the next member who interjects.

The Hon. R.G. KERIN: The Leader interjected about the code of conduct. The code of conduct is that Ministers 'must divest themselves of shareholdings in any company in respect of which a conflict of interest exists as a result of their portfolio responsibilities or could be reasonably expected to exist' and that 'such divesting may be to a trust which is conducted at arm's length from the Minister and his or her family in order to remove the conflict'. Clearly, that has been done in my case. It was not done at the time I became a Minister but before then.

The statement made in the House yesterday about my being a major shareholder was totally misleading. It is a trust. If the Deputy Leader thinks that one $1 share is a major shareholding in anything, then he does not know much about share trusts or whatever else.

Members interjecting:

The SPEAKER: Order!

The Hon. R.G. KERIN: Misleading statements have been made, obviously with one end in mind.

Mr Brindal interjecting:

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

Mr Clarke interjecting:

Mr Atkinson interjecting:

The SPEAKER: Order! If I name the member for Unley, I will also name the Deputy Leader and the member for Spence.

The Hon. R.G. KERIN: The Deputy Leader continues to show ignorance of the way this operates. It is a family trust, and four $1 shares do not constitute a major shareholding. It has been divested totally in accordance with the code of conduct as stated in the Cabinet handbook.

The matter of agricultural chemical regulations was explained yesterday. I have traced that matter further, and no policy changes were involved. What was removed from those regulations were all the regulations dealing with agricultural chemicals. I informed the Deputy Leader that in 1994 an Act was passed enabling Federal legislation, because control of agricultural chemicals basically is vested in the Federal Government.

CHRISTIES BEACH POLICE STATION

Ms GREIG (Reynell): Will the Minister for Police advise the House of the working conditions of police at the Christies Beach Police Station? I am aware that the Minister inspected the station and staff facilities last week, and I am keen to hear his impressions.

The Hon. G.A. INGERSON: Last week, together with the member for Reynell, I was privileged to visit the Christies Beach Police Station. This property was developed in the 1970s and 1980s and a new section was added by the previous Government in late 1992, but one would not expect any professional to work in these conditions. The transportable and other outbuildings, which were placed in their current position during the years of the Labor Government, show clearly that the Labor Government did not care too much because it only half finished the project instead of doing it properly.

As 28 additional police officers will go to the Christies Beach Police Station, it is absolutely critical that the site be redeveloped in a major way. I have employed many staff in my time and I know that it is difficult to expect staff to work in substandard conditions, but it was clear that that was the expectation of the previous Government. That is now coming to an end. By the end of this financial year, a brand new police station will be built at Christies Beach, not only to improve the current difficult conditions but to accommodate the additional 28 officers who will be based there to patrol the whole of Christies Beach and the south. This Government is prepared to make sure that the working conditions of these police officers are of a first-class standard so that our Police Force can give the best possible service to the people of the south.

PRIMARY INDUSTRIES MINISTER

Mr CLARKE (Deputy Leader of the Opposition): Does the Premier agree with the Minister for Primary Industries that the former Minister for Finance (Dale Baker) was 'whacked around the ears unfairly', and does he believe that the rules in the Cabinet handbook concerning a conflict of interest or a potential conflict of interest should be observed at all times, or should Ministers with private business interests be exempt?

Members interjecting:

The SPEAKER: Order!

Mr Atkinson interjecting:

The SPEAKER: Order! I do not know whether the member for Spence has a problem, but he reminds me of a schoolboy putting up his hand to seek permission for something.

Mr CLARKE: Last night, during a media interview, the Minister for Primary Industries said:

> The way things are going—the Prosser affair, and a few other things that led to the Dale Baker affair—really, the message that's going out there to business people in Australia is 'Don't go into Parliament because you'll get whacked around the ears unfairly.'

Members interjecting:

The SPEAKER: Order!

The Hon. J.W. OLSEN: I agree entirely: the political opportunism of the Opposition knows no bounds.

HONEYMOON URANIUM MINE

Mr CAUDELL (Mitchell): Will the Minister for Mines respond to claims by the Conservation Council that the Honeymoon Uranium Mine is not being adequately supervised?

The Hon. S.J. BAKER: Claims were made on regional radio 5CK by Mr Denis Matthews about uranium and uranium mines. The claim was made that the recent floods may have washed away the tailings system at Honeymoon. He suggested that it was about time the Government supervised the site. If Mr Matthews, who seems to have the same penchant for the truth as does the Leader of the Opposition, had made a phone call he would have recognised one or two facts. First, we cannot have tailings from a dam that has never produced. Honeymoon has never produced, as members would remember, as a result of the three mines policy initiated by the Hawke Labor Government.

For the edification of Mr Matthews and anyone else who wants to listen, the site is undamaged and has never been damaged by floods or any other event: strike one. The plant has never been run and there are no tailings: strike two. It will not have tailings as it will involve an *in situ* leaching process, which does not involve tailings: strike three. There is no radioactivity on the site: strike four. Indeed, someone does cross that site each year, the last time being in July this year, and it is done on an annual basis: strike five. It would be

useful if some people checked their facts before making statements that are not correct.

ANDERSON INQUIRY

The Hon. M.D. RANN (Leader of the Opposition): Since receiving the Anderson report, what discussions did the Premier have with the member for MacKillop in relation to the handling of the Anderson report, and did those discussions include the reaching of an agreement that the member for MacKillop would accept his non-return to Cabinet on the understanding that the complete Anderson report would not be released?

Members interjecting:

The SPEAKER: Order! The Leader has the call. There are too many interjections on my right.

The Hon. M.D. RANN: This morning's *Australian* reports as follows:

> The extraordinary security measures fuel speculation in Adelaide that Mr Olsen has done a deal with Mr Baker to withhold the complete report in return for Mr Baker going quietly to the backbench.

The Hon. J.W. OLSEN: So bereft is the Opposition of questions that it has to rely on newspaper reports to drum up a question. It cannot think up any of its own. The answer to the question is 'No.'

COMPUTER DISK, THEFT

Mr LEWIS (Ridley): Will the Minister for Employment, Training and Further Education—

The Hon. M.D. Rann interjecting:

The SPEAKER: Order! I do not want any further interjections across the Chamber.

Mr LEWIS: Will the Minister detail to the House any inconsistency in the claims by the Opposition Leader that Liberals were behind the leaking of a computer disk from the Minister's office? This morning much was made of so-called leaked material on Government activity in recent months.

The Hon. D.C. KOTZ: I agree with the honourable member who asked the question that there is certainly inconsistency. We had the laughable situation this morning where the Opposition Leader went on ABC radio saying he was 'happy to go to any police line up of Liberal MPs and tell the Police—

Members interjecting:

The SPEAKER: Order!

The Hon. D.C. KOTZ: —Commissioner just exactly what has been going on in this State.' We all know that the Leader has made a very big play in recent months of leaks coming from Liberals. What do we find this morning? The Leader was pressed by an interviewer on 5AN about the source of one of these so-called leaks—a disk from my office—when the interviewer asked, 'Do you know who sent you the computer disk?' The Leader answered, 'No, I don't—it was given to one of my staffers and I don't care.' That sums up the entire attitude of the Opposition Leader who is man totally without scruples. All he is worried about is his quick 10-second grab on television so that nobody forgets who he is. However, what is worse is the fact that he is not worried about the truth.

Every time he gets a scrap of Government material, no matter how inconsequential that material may be, the Leader claims that it has been leaked by Liberal MPs. Sometimes the blood even rushes to his head and he claims that it has been leaked by senior Liberals in the Government.

Members interjecting:

The SPEAKER: Order!

The Hon. D.C. KOTZ: Now, when the spotlight is on the Leader, with serious implications that the disk has been stolen from a Government office, he goes to water and says, 'No', that he does not know where it comes from. This was not the case some weeks ago when the Leader, beaming from ear to ear, was on television displaying the computer disk stolen from my office, which he claimed then had been leaked by a Liberal. Now he admits that he did not know and he does not care. Now the Opposition Leader wants to claim that the issues he is interested in are not leaked or stolen documents but the presentation of positive policies on education and health. That is a pretty miraculous back down for any Leader of the Opposition after the statements he has made. This is from the very same man who has been using every opportunity in recent months to tell the media that the material he has been getting has been leaked by Government MPs. Now he does not know and does not care. Does that mean that now, because it is a stolen disk, his memory is also gone?

Members interjecting:

The SPEAKER: Order!

PRIMARY INDUSTRIES MINISTER

Mr CLARKE (Deputy Leader of the Opposition): My question is directed to the Minister for Primary Industries.

The Hon. W.A. Matthew: Tell us about your white car usage.

Mr CLARKE: How many do you want shot, sunshine?

The SPEAKER: Order! The honourable member will resume his seat.

Members interjecting:

The SPEAKER: Order! Leave is withdrawn.

GRAND PRIX

Mrs HALL (Coles): Will the Minister for Tourism tell the House what major events the Government has brought to South Australia that in part have made up for the loss of the Grand Prix? I understand that the then Minister for Tourism and now Leader of the Opposition said in 1993 that he would do everything in his power to prevent the Grand Prix from going interstate. As we know, the then Labor Government failed in its negotiations and lost the Grand Prix for this State.

The Hon. E.S. ASHENDEN: The honourable member is absolutely right. We can go further because the loss of the Australian Grand Prix is yet another example of the appalling maladministration that occurred under that Government. Let us look back in history and see what the Leader of the Opposition said. On 20 and 22 October 1993 the then Minister for Tourism, the now Leader of the Opposition, issued press releases saying that Melbourne had no chance of winning the event from Adelaide. As we know, FOCA had signed over the event to Victoria a month before on 16 September 1993.

Earlier that year Mr Rann had been given 60 days in which to negotiate a new agreement. However, due to his absolute incompetence, he was not able come up with the goods and the Grand Prix moved to Victoria. However, this Government has stepped in and said, 'All right, the previous Labor Government lost that Grand Prix for us; what can we do to ensure that we put South Australia back on the map?'

What we have done is to bring in 44 new major events and, over the next 12 months, a further 18 national or international significant events will be held in South Australia. These include: the Opera in the Outback, the World Solar Cycle Challenge, the International Barossa Music Festival, Tasting Australia, the Men's Champions Hockey Trophy, Adelaide International Horse Trials, World Masters Rowing Regatta, Rodeo Adelaide, the World Solar Challenge, Wagner's Ring Cycle opera and the Australian Golf Open, just to mention a few.

While the Formula 1 Grand Prix is a truly major event in the sporting calendar, since the right to host it has been lost to South Australia, we have still managed to attract other events that have been of significant economic benefit to this State. It is just a pity that the Leader of the Opposition did not try a little harder to keep the event when he had the chance. In fact, I have been told that when he was the Minister for Tourism he asked someone to go out and get an RAA strip map because he thought it was a guide to Hindley Street. Maybe this will be his epitaph, and his greatest contribution to this State will be when he disappears.

PRIMARY INDUSTRIES MINISTER

Mr CLARKE (Deputy Leader of the Opposition): Given the Minister for Primary Industries' answer to my question earlier today when he claimed that his business interests were held by a family trust and not by himself personally, will he explain why the records at the Australian Securities Commission show that he personally, and not through a trust, owns 25 per cent of shares issued in Kerin Agencies and 33.33 per cent of shares issued in Northern Areas Fertilisers Pty Ltd?

Members interjecting:

The SPEAKER: Order!

The Hon. R.G. KERIN: I think I need to go back and read the handbook again for the Deputy Leader. If he knew a little bit about company records he would be able to sort this one out for himself, but I will help. The handbook provides that such divesting may be to a trust which is conducted at arm's length from the Minister and his or her family in order to remove the conflict. If the honourable member knew how to read things it might be a lot different. Kerin Agencies is a trading entity, and it falls into that category. Northern Areas Fertilisers is a different kettle of fish. The member for Custance, who lives in my area, has probably never heard of Northern Areas Fertilisers because, despite the name, it is not a trading entity as such. Kerin Agencies is the trading entity; Northern Areas Fertilisers owns land and other things, but it is not involved in any way whatsoever with anything that would come into conflict with my portfolio area.

I think we are drawing a hell of a long bow here. One of the things that needs to be addressed is that, as soon as they saw the term 'agricultural chemicals', members opposite became hellishly excited. All Ministers for Primary Industries in Australia—with the exception of the one in New South Wales, who is an ex-policeman—are farmers. If we applied the Deputy Leader's standards against them, I do not know how they would be able to do their job in any way whatsoever. I also cannot see how a Minister for Local Government, who is obviously a ratepayer, would ever be able to do anything. Where conflict of interest arises is where an individual is likely to benefit more than either the community or a group of people in the community, as in an industry. So, let us get it right; let us not put things on the public record which are incorrect. Let us get back to what it is all about.

My suspicion is—and a fair bit of this has been floating around Australia for a fair while—that what is going on is exactly what the Deputy Leader quoted me as having said on television last night, namely, that members of the Labor Party are not interested in having business acumen and expertise in Parliament, because they know they cannot attract it. It gives governments a broader range of abilities and skills with which to work. That goes against Labor Party interests. This involves not just me: for a long time people have been dragged into this mire. If you are a businessman, look out, because members opposite will belt you across the head if you come into Parliament. That affects people's family and scares them off.

When I was approached to enter Parliament, my big concern was this exact type of thing, because of the games that some people in politics play. I took a fair while to say 'Yes' to the group of people who approached me because, quite frankly, my family and employees can do without the sort of rubbish that we heard in here yesterday and which then runs through the media and so on. We can do without it and Australia can do without it. The ALP right across Australia should lift its game and get back to the national interest, rather than this petty little game of politics which is being played here.

FARM SAFETY

Mrs PENFOLD (Flinders): Will the Minister for Industrial Affairs advise what steps the Government has taken to help farmers and parents ensure that the farm environment is made safer, especially for children?

The Hon. DEAN BROWN: This morning, in conjunction with the South Australian Federated Farmers, the State Government launched a major set of guidelines and a statewide campaign to make sure that there is greater safety, particularly for children, on farms. The State Government is concerned, particularly through WorkCover, that about one-quarter of all the people killed on farms happen to be children. We are also concerned that about 82 per cent of children admitted to hospitals due to accidents or injuries in the workplace come from farms.

The campaign urges the families to sit down, identify the dangers and, having identified the dangers on the family farm, set down some rules and take some action to reduce those dangers. At the annual conference of the South Australian Federated Farmers this morning I also announced a major new approach by the State Government towards occupational health and safety regulations. There are a huge number of regulations, many of which have very little relevance whatever to a farm or small business, and therefore the State Government has decided that it will undertake a complete review of all occupational health and safety regulations.

This will have the objective of eliminating all the irrelevant regulations that currently apply, and it will ensure that any regulation that exists is pertinent to that industry, otherwise there is no need to comply with that legislation. For example, there is a requirement that anyone who drives a forklift must have an appropriate certificate. If you were out at the new Woolworths warehouse—that magnificent new warehouse that the Government built—then of course it is necessary to have the certificate because you are lifting to about the height of the ceiling in this Chamber whereas, if

you are on a farm and you are lifting something onto a truck with a forklift, there is certainly no need whatsoever for a certificate. Equally, the hazardous substances regulations that have been put down for a large chemical complex or a factory do not relate to the use of chemicals on a farm. We will therefore review these regulations, deregulate many areas, simplify the process and make sure it is relevant to that industry.

HEALTHSCOPE

Ms STEVENS (Elizabeth): Given the Minister for Health's statement to the Estimates Committee that South Australian public hospitals are now the most efficient in Australia, will he rule out making concessions to Healthscope to save the Modbury Hospital contract, or does the Government intend to agree to concessions to cut Healthscope's losses? A report in the *Financial Review* on 18 July 1997 states that the Chairman of Healthscope told an audience of institutional investors that, if Healthscope 'fails to renegotiate' the Modbury contract, the company may have to sell off all its hospital assets and become a cash box. The report further states that the Modbury contract has been 'bleeding the company of millions of dollars' and that Healthscope management was confident that a conclusion will soon be reached either way. On 27 June 1996 the Minister told the House that he had 'out-negotiated' Healthscope.

Members interjecting:

The Hon. M.H. ARMITAGE: As the Treasurer says, he obviously has. As I have said to the House on a number of occasions, the Government will do as it has done since we were elected. We will do whatever is best for the health care of South Australians.

NATIONAL PARKS

Mr BROKENSHIRE (Mawson): Will the Minister for the Environment and Natural Resources explain how South Australia can get a rating of D minus plus for its commitment to protected areas? The World Wildlife Fund for Nature last week rated all Australian States and the Commonwealth on their annual progress towards the development of a comprehensive system of national parks. South Australia's performance was summarised as 'continuing failure to make progress'.

The Hon. D.C. WOTTON: I was pretty disappointed when the results of this survey were made public and we found that South Australia had gained a D plus (I am not sure from where the member for Mawson gets the D minus plus). The reason I was disappointed was that this survey was carried out over the 12 month period to the end of 1996 and it did not take into account anything that happened prior to that or anything that has happened since then. It relates to only the perceived progress made in any one year.

As the member for Mawson and other members would know, 20 per cent of the entire State of South Australia is devoted to parks—a much higher percentage than any in other mainland State—and our ratio of parkland to each citizen is higher than in any other State also. To give South Australia poor marks simply because we have not added sufficient new park area in one calendar year is absolutely absurd. It is also disappointing that it does not take into account the progress that has been made, for example, in the release of the parks agenda, where we are looking at $30 million in expenditure over six years. This is a great advance over the situation in the past. All that the previous Government was prepared to do was to continue to add land, some of which should never have been added to the parks reserve system: it continued to add land but refused to put in the resources to match. That is why we are in the situation where, for example, half of our parks are badly infested by weed.

In conclusion, I was delighted this morning at the Farmers Federation conference to be able to present the Ibis awards for South Australia to the winner. I was delighted that the Lillecrapp family in the pastoral lands was the successful winner on this occasion. The other point that I was able to indicate to that conference was that we have just recently signed the one thousandth heritage agreement, which means that we now have over 600 000 hectares under private ownership in retaining and preserving native vegetation in South Australia. I think South Australia has gained significantly in this area, particularly in the past 3½ years, and I find it extremely disappointing that a survey such as the one carried out by the World Wildlife Fund for Nature would come up with that result.

Members interjecting:

The Hon. D.C. WOTTON: It is not accurate and I appreciate the point that the member for Mawson makes. I would not mind if the conclusions were as a result of an accurate survey carried out and a survey that was brought up to date but, when we are talking about a survey carried out prior to 1996 which did not take into account any of the achievements of this Government, I find it very disappointing. The other point I find disappointing is that we got a pretty poor result last year and I made personal representations to the fund to have it improve the situation in the future. It is extremely disappointing that it has not taken that into account.

GRIEVANCE DEBATE

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

Mr BROKENSHIRE (Mawson): I thoroughly endorse what the committed Minister for the Environment and Natural Resources has just said about the report of the World Wildlife Fund for Nature. I suggest to the writers of that report that they get out of their offices and look at the very good work being done in the national parks system in South Australia. Last week I took off a few days of private time with my family and a family of friends and we went to the Innes National Park at the bottom of Yorke Peninsula. That is just one example of the magnificent work currently going on in the National Parks and Wildlife Service section of the Department of Environment and Natural Resources to further enhance opportunities for not only interstate and international tourists but also for those members of the South Australian community who want to capitalise on the wonderful opportunity we have in this State to get out and explore areas of wildlife and nature, to relax and to appreciate our magnificent open areas.

I want to refer particularly to the improvements to the old Bellco chalk factory at Inneston. As to its history, the village employed 150 people. Prior to our coming into office, the cottages and the managers' homesteads were derelict: they were an absolute disgrace and the Labor Party did nothing at all to even preserve them, let alone improve them. What has happened there now? The National Parks and Wildlife Service is renovating those cottages, and the citizens of South Australia can go to places such as Norfolk Lodge and for only $50 a night enjoy a fully renovated cottage with a magnificent open fire and spend some social and family time rebuilding the social fabric that is so badly needed in this State.

Visitors can also drive on roads that are being upgraded to a good standard from Stenhouse Bay around to Browns Beach, where I suggest there is scenery equal to that at the head of the Great Australian Bight. As to the walking trails, I refer to the safety improvements which have been put in place to protect visitors but which were not there when the Labor Party was in power. Again, this shows what the Department of Environment and Natural Resources is prepared to do to make it a safe and enjoyable environment for visitors.

I am sick and tired of knockers who want to knock this State and not look at what is happening. A real mindset is appearing in certain parts of the community—in the media as well—and in some of the so-called reporting groups that are supposed to be unbiased when it comes to what is happening in this State. It is about time they took off the blinkers and the rose coloured glasses and got out and looked at what is going on. They should look at some of the community efforts in places like my community where last night I was privileged to be the guest speaker at the annual Huntingdale Residents Association meeting. Huntingdale Estate is one of the greatest estates that I have seen A.V. Jennings build. Whilst the estate has now been handed to the council, the community is determined, in common agreement with the council, to make sure that the amenity of the locality further improves, and committed people, who could be home at night by a warm fire in July, I would suggest, come out month after month and weekend after weekend to make sure that things like graffiti are removed immediately and that tree planting programs are continued. These people are building up that new community to make sure they have a sustainable community spirit and a good opportunity to bring young people up in a region.

They are the sorts of good news stories I see day after day as a member of Parliament. I could talk about the school councils and preschools and the mums and dads who bake and do crafts and the like, working hard day after day to improve this State. But we do not read about those sorts of things in the paper, because for some reason the media thinks it has to continue to pull down this State. It was pulled down enough for 11 years under Labor but we are starting to get it going. The community is sick and tired of the negativism and I would encourage each and every one of those people who may not want to have a long-term investment for their families and their future to leave now and let the rest of us, who want to get on with rebuilding, rebuild.

In Vancouver in 1985 there was a 15 per cent general unemployment rate, a massive run down in infrastructure and an economy and population that was declining, yet one of the essential ingredients that has turned that community around to the point where in 1995—10 years later—it had a 5 per cent general unemployment rate was that the media said, 'We will get behind the Government and the community and we will put good news stories on the first six or eight pages, because that is what will create profits for our community and profits for the media.'

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

Ms STEVENS (Elizabeth): After today's performance in this House during Question Time, there can be absolutely no doubt that the Olsen Liberal Government's behaviour in relation to the Garibaldi affair has been a disgrace. It was quite clear today that, although the Government was willing to fund the defence of the accused up to $600 000, the Government would not assist the families of the victims of the mettwurst HUS epidemic to seek compensation.

If members recall the time of the epidemic and the tragic death of Nikki Robinson, the Government was talking tough—although, I might add, the Government began to talk tough in relation to taking action against those responsible only when it was put under severe pressure in this House about its lack of action in that respect, too. However, after that, and after they were forced into the corner of having to actually do something about it because outrage in the community was so great, the Minister for Health on 12 October 1995 told the Parliament:

> I assure the House that the Government will continue to pursue these matters, to hold Garibaldi's directors responsible for their actions, and to highlight to industry the importance of public health.

Now we note that the directors of Garibaldi will be prosecuted over breaches regarding salami—not the toxic mettwurst which killed a child and which has left other children with severe health problems that will go with them for the rest of their life. On the same day in 1995, the Minister also told the House:

> I am keen to explore amendments to the Food Act to allow the institution of proceedings in a more realistic time frame. Further, I will consider increasing the penalties under the Food Act.

These things have not happened and, from the Minister's waffly answer during Question Time today, I think we know that a committee had been set up, that it had met a couple of times, that there was a discussion paper out and that a form had been produced. This is two years after the tragic set of events occurred. If a Garibaldi type epidemic was to occur again tomorrow, this Government would face that crisis with the same legislation. Is it any wonder, I ask, that there is such outrage in our community today about the way in which this whole issue has been handled? It has been a fiasco and a complete mess.

Mr EVANS (Davenport): My contribution will be short. I wish to raise an item of public interest in relation to petitions. It has come to my attention through mailings to my office that some organisations are running petitions for the House of Assembly which are addressed to the Speaker and members of the House of Assembly but which are not being presented. The cynics amongst us might suggest that the petitions are being prepared by organisations or individuals to develop mailing lists, for political purposes or to put their point of view, yet in actual fact are never being presented.

The average person who signs a petition at the local shopping centre, or wherever petitions happen to be, is signing it in the genuine belief that their views will be presented to the Parliament. Someone who arranges petitions yet does not present them is defrauding or misrepresenting the public. It is of some concern that I have been advised today by parliamentary officers that a petition has not been presented. It is of concern that there have been public

statements from the Help in Marijuana Prohibition (HEMP) organisation. Some two years it was running a petition about cannabis law reform. Public statements were made that they had 5 000 signatures on a petition; there were also public statements in the *Sunday Mail* of 23 July that petitions with 3 500 signatures on them were around.

The fact is that, although the Help in Marijuana Prohibition organisation marched to Parliament House and, I understand, presented a petition on a Saturday outside the Parliament, that petition has never been tabled in the Parliament. One would assume if signing a petition which states that it is to be lodged in the Parliament—I think the words are, 'To the honourable Speaker and members of the House of Assembly in Parliament assembled'—that it could only be interpreted as the petition's being tabled when the Parliament is actually sitting.

I raise it as a matter of concern that organisations are running false petitions and not actually going through the process of lodging them in the Parliament. I would call on HEMP to clarify whether or not the petition has been lodged. I have received advice twice today from the parliamentary officers that no petition regarding cannabis reform has been lodged by any member in either House in that regard. I can only assume, on the advice given to me by the parliamentary officers, that that is correct. After two years of running a public petition and having already presented it at a rally in July 1995, some two years ago, I am asking HEMP, where is the petition? Where are the signatures that have been tabled in either House of the Parliament on behalf of the people? It is just a tactic being used by some groups and members and the general public should be aware that, even when signing a petition, you are relying on the honesty of the system in terms of the petition being tabled at some point in time.

Mr ROSSI (Lee): I refer to projects which I would like to see in the electorate of Lee. I have been approached by members of the West Lakes Community Centre regarding their negotiations with the council to have the lease of the centre finalised. This morning I talked to some of the organisers and I was told that the Woodville City Soccer Club was interested in leasing Hawkesbury Reserve. Having been approached by members of the organisation, I feel that, if the council did reduce the lease fees on the reserve and was prepared to assist with some change rooms and facilities at the complex, the State Government could put finances towards that centre, very similar to what has happened at the Hindmarsh Soccer Stadium.

The area, which encompasses Hawkesbury Reserve and Semaphore Park football oval, could be a very good venue for any future Commonwealth Games events that we might attract to this State. Tennis courts, lawn bowls and croquet facilities already exist, and with a soccer complex it will be a very good venue. Of course, this is all based upon the cooperation of the Charles Sturt council with the general community. I would also like to see an indoor sports centre located in the area—very similar to the facility at St Clair on Woodville Road—and that ought to be shared with the primary school next door.

I also wish to raise the issue of a spur line from the Woodville to Grange railway line, running alongside West Lakes Boulevard, to transport SA National Football League supporters to Football Park. I know that that was the original plan when West Lakes was first designed. I would like that to be proceeded with and to at least have feedback from the community as to what they would like to see happen in this regard. From the comments I have received to date, I am sure that most of the community would support that project.

The other issue arises from comments reported in the local *Weekly Times* on 14 May under the heading 'Jeff set to tackle youth issues' and stating:

> Local government may be soon joining the war against youth unemployment, says Charles Sturt council's new Youth Development Officer, Jeff Thomas.

It implies that it was the initiative of the Charles Sturt council to have this project put forward. However, the minutes of the council meeting on 14 July state, in PS minutes item 1.7:

> Job Placement Employment and Training Program.
> Brief:
> To inform council of the receipt of funding to administer the Job Placement Employment and Training (JPET) program as part of the Western Area and Multicultural Youth Service.

That motion was moved by Councillor Wasylenko and seconded by Councillor Ienco. This funding project was proposed by the Federal Liberal Government to encourage the council to take up that issue locally. I commend both the Federal Liberal Government and the council for trying to improve the unemployment situation in the western area, particularly in the electorate of Lee.

The Hon. M.D. RANN (Leader of the Opposition): Yesterday the Minister for Correctional Services said—and it was reported on the front page of this morning's *Advertiser*—that I had been accused of receiving and possessing stolen goods, and that this matter has been reported to the police for a formal investigation. I have today written to the Police Commissioner offering very strong support with his inquiries. In my letter, I say:

> I am sure the police have a great deal of work to do in fighting crime in our community but if a serious police investigation is under way into Liberal leaks, then I am more than happy to meet with you and to explain the pattern, as well as the nature and extent, of leaked documents and information the Opposition has received from Liberal MPs and Ministers during the past few years.
>
> I have been informed that for a Cabinet Minister to breach his or her oath of office by leaking confidential material is in fact an offence in itself. That is not for me to determine but for the Director of Public Prosecutions.
>
> I simply want to assure you that I am available today or any other day to meet with you to assist with any serious inquiry. This is the same approach that I took with the NCA and the Anti-Corruption Branch of the SA Police last year when I passed on information, including the names of witnesses, regarding claims of serious corruption within this Government. On this matter, however, I did not receive a visit by ACB officers, even though the alleged corruption, bribery and collusion involved a multimillion dollar deal [the water contract].

Indeed, there were very serious allegations that there was collusion and bribery involving the awarding of that water contract. The letter continues:

> As you know from our meeting earlier this year, I was disappointed that I and other informants, acting in good faith, were not interviewed by the ACB, given the extraordinary nature of the information given to both the NCA and the SA Police. However, if the computer disk issue is the subject of a serious police investigation, then I look forward to hearing from you.

Certainly it seems that there are efforts by this Government and the Liberal Party to politicise the police, constantly calling in the police to deal with their own political problems inside their own Party, to try to politicise the role of the Director of Public Prosecutions, and to try to politicise the Crown Solicitor's Office. I think that is really very sad.

The Crown Solicitor's Office has always been seen as being objective and neutral, and in this whole business about seizing the documents, they trusted Mr Anderson to conduct

the inquiry but did not trust him enough to let him read his own report. His documents were seized by the Crown Solicitor's Office acting as some kind of secret police for the Government. Well, that is fine. There obviously needs to be a bit of a clean-up in the Crown Solicitor's Office, and there will be when we get to power.

I certainly want to ask the Premier: when was he first made aware of allegations by a senior South Australian water employee about gross impropriety, including collusion and unethical fraternisation, against Sydney consultant Terry Burke during his central role in the tender process for the $1.5 billion water outsourcing contract? Who informed the Premier of these allegations, and what action did he take after being given information also provided to the South Australian Opposition and local journalists, including then *BRW* writer, Alex Kennedy? That is, by the way, after she applied for a job on the Opposition's staff. She wanted to be Chief of Staff with us, got knocked back and came back and was given a job with John Olsen after she had done a bit of his dirty work through her column in the Messenger Press.

I also want to know whether the Premier at any stage discussed these allegations of conflict of interest, collusion and impropriety, made by a senior SA Water employee against Terry Burke and raised in the Federal Senate last year with either Mr Burke directly or with a senior SA Water official.

The Hon. G.A. Ingerson interjecting:

The Hon. M.D. RANN: It is about process. The Deputy Premier knows that. When he, as Minister for Infrastructure, and I were told by the same source, what action did he take? I went to the NCA with the information. What action did the Premier take?

The DEPUTY SPEAKER: Through the Chair, please, Leader.

The Hon. M.D. RANN: None. I initiated the inquiries. He took no action whatsoever, despite being informed by Alex Kennedy of the allegations. As for Garibaldi, it is very interesting that the Government is prepared to offer hundreds of thousands of dollars to help defend the accused but no money to help defend the victims.

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

Mr VENNING (Custance): In relation to the comments just made, I understand they have all been acted upon and answered. It is a scurrilous attack, yet again.

I have been accused of occasionally giving members of the media a serve, but today I rise to express my appreciation to a journalist, and I refer to Ian Doyle, for his contribution to the ABC and to the rural community generally over the last 16 years.

Members interjecting:

Mr VENNING: Yes, Jane's husband. Ian has resigned from his position as Executive Producer of the ABC's SA Rural Department and has set up his own media production and consulting company, Doyle Media Services Pty Ltd. We have still had the opportunity and pleasure to hear his voice for the last week and a half since his resignation, as he has been filling in on the breakfast program. Hopefully, we will continue to hear his voice on ABC radio on occasions when he fills in again.

I regret that Ian saw fit to break his long-term involvement with the ABC. I am concerned as to the circumstances, the details to which I am not privy. Surely a man of his ability, popularity and dedication should never have been allowed to leave our national and regional broadcaster. We all give a lot of stick to journalists, and I have done that, but I believe that Ian is one of the most cooperative, helpful and straight journalists with whom I have ever had dealings. His efforts on behalf of the community, particularly the rural community, will be long remembered, not only because of his involvement with the ABC over the air, but also with the operation of the Royal Flying Doctor Service, in particular its fundraising activities.

Ian's record is impressive. He was born and educated in North Queensland and holds a Bachelor of Economics degree and a Diploma of Education. For five years he taught at Thornborough College in North Queensland. Ian joined the ABC in Sydney in 1981 and worked for the corporation in New South Wales, Western Australia and, of course, South Australia.

From 1983 to 1988 Ian was the ABC TV *Countrywide* reporter for South Australia and the Northern Territory. During his time with *Countrywide*, he reported on Australian and overseas stories. Local documentaries included two *National Tree Care Awards* and *Outback Mailmen*. His overseas reports were done in Kenya, Ethiopia, Egypt, Solomon Islands and Vanuatu. His Egyptian story *The Battle for Balady* concerned the use of Australian wheat in Egypt. It was the best piece of rural journalism in 1987 and won for him the National Dalgety Farmers Limited Award for Excellence in Rural Journalism. His African documentary *Seeds of Hope* dealt with the effects of tree loss through population pressure in Kenya and Ethiopia and was nominated for the Berlin Film Awards.

In 1988, Ian returned to ABC radio. He made significant contributions to a number of radio documentary series, including *Blue Hills Revisited*, *A Tribute to Blue Hills*, the *Great Working Dogs* trilogy, *Landcare . . . Strategies for a Sustainable Future*, and *The Bloke from the Birdsville Track. . . the George Bell Story*. In 1995, Ian was presented with the Sir Condor Laucke Award by the Australian Grains Institute in recognition of his services to the grain industry. In April this year he was awarded a parliamentary medal for his involvement in raising funds for the South Australian Flood Appeal, initiated as a result of the floods which affected South Australia's northern pastoral country in February.

Ian is actively involved in Trees for Life and, as I have mentioned, the Royal Flying Doctor Service. He is a national board member and Chair of Australia's Open Garden Scheme in South Australia, President of the Rural Media Association of South Australia of which I am a member, and a member of the Landcare Australia Ltd Foundation.

On a personal level, Ian is married to Channel 7's Jane Doyle. He enjoys red wine, listening to and telling a good story and, of course, hitting a golf ball out of sight. I am sure that my colleagues here today would want to join me in saying that we will miss Ian as a regular presenter on the ABC. We wish him every success in his new ventures and have a strong suspicion that he will continue to be at the forefront of journalism and other community activities in South Australia. I am sure we have not heard the last of Ian Doyle. That delightful deep voice with a sparkle is his trademark, and he has all the attributes to reach the highest level of his profession. I had hoped it would have been with the ABC but, I regret, it appears that it may not be. I regret this temporary glitch, so to speak, in Ian's career, but he is already off and running in his new role. We will all miss him greatly, and wish him all the best in his new role. I am

confident that Ian Doyle will have a large part to play in journalism in the future. Again, on behalf of all rural constituents, I thank him very much for what he has done for rural South Australia and wish him well.

UNCLAIMED SUPERANNUATION BENEFITS BILL

The Hon. S.J. BAKER (Treasurer) obtained leave and introduced a Bill for an Act to provide for the payment of unclaimed superannuation benefits to the Treasurer; and for other purposes. Read a first time.

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

That this Bill be now read a second time.

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

Leave granted.

This Bill will provide the State with legislation complementary to that of the Commonwealth and similar to that either already introduced or being introduced by the other States, for the administration of unclaimed superannuation fund and approved deposit fund moneys.

The Bill will enable superannuation funds and approved deposit funds registered within South Australia to report and pay to the Treasurer unclaimed benefits held by the funds as at 30 June 1997. Without this arrangement, the unclaimed benefits would be payable to the Commonwealth Commissioner of Taxation.

The trustees must report member and benefit details to the Treasurer for the purposes of maintaining a superannuation unclaimed moneys register and paying subsequent claims.

The provisions of the Bill also provide for six monthly reporting and payment to the Treasurer by a trustee where the money of a member becomes unclaimed. The six monthly reporting timetable is standard for trustees in all States and Territories. The standard arrangements enable the superannuation industry to adopt a common procedure in its dealings with the various jurisdictions in respect of unclaimed benefits and will facilitate compliance at a minimum cost.

The Bill will enable potential claimants to more easily identify their entitlements. Finally, this legislation demonstrates South Australia's commitment to working in co-operation with the other States and the Commonwealth to facilitate a national database on unclaimed superannuation benefits as a flow on from the individual State registers.

Explanation of Clauses

Clause 1: Short title

Clause 2: Commencement

Clauses 1 and 2 are formal.

Clause 3: Interpretation

Clause 3 defines terms used in the Bill. The Commonwealth Act requires unclaimed superannuation benefits to be paid to the Commissioner of Taxation unless a State law that meets the requirements of Part 22 of the Commonwealth Act requires that they be paid to an authority of the State. In order to meet the requirements of the Commonwealth Act it is important that terms used in the Bill match exactly terms used in the Commonwealth legislation.

Clause 4: Application of Act

Clause 4 sets out the circumstances in which the new Act will apply in South Australia. It is intended that this provision be uniform with the corresponding provisions in interstate legislation so that there is no overlap.

Clause 5: Statement of unclaimed superannuation benefits

Clause 5 provides for the trustee of a fund to give the Treasurer statements of unclaimed superannuation benefits in the fund.

Clause 6: Payment of unclaimed superannuation benefits

Clause 6 provides for payment of the amount of unpaid superannuation benefits to be made to the Treasurer for payment into the Consolidated Account.

Clause 7: Treasurer to refund certain amounts

Clause 7 requires the Treasurer to pay an unclaimed benefit paid to him or her under clause 6 if the person entitled to the benefit comes forward and claims it.

Clause 8: Register of unclaimed superannuation benefits

Clause 8 provides for a register of unclaimed superannuation benefits to be kept by the Treasurer.

Clause 9: Discharge of liability

Clause 9 discharges a trustee who pays unclaimed benefits to the Treasurer from further liability in relation to those benefits.

Clause 10: Trustee not in breach of trust

Clause 10 provides that a trustee acting in accordance with the new Act is not guilty of a breach of trust.

Clause 11: Conflict with governing instrument of public sector scheme

Clause 11 provides that where, in the case of public sector schemes, there is a conflict between the new Act and a provision of the Act or other instrument under which the scheme operates, compliance with the new Act will be taken to be compliance with the instrument governing the scheme.

Mr CLARKE secured the adjournment of the debate.

INDUSTRIAL AND EMPLOYEE RELATIONS (REGISTERED ASSOCIATIONS) AMENDMENT BILL

The Hon. DEAN BROWN (Minister for Industrial Affairs) obtained leave and introduced a Bill for an Act to amend the Industrial Employees Relations Act 1994. Read a first time.

The Hon. DEAN BROWN: I move:

That this Bill be now read a second time.

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

Leave granted.

This Bill addresses concerns held by a number of trade unions about the effect of the transitional provisions in the *Industrial and Employee Relations Act 1994* which deal with the continuing registration in SA of associations which are branches of, or otherwise affiliated with, organisations registered under the Commonwealth's *Workplace Relations Act 1996*.

The unions' concerns stem from amendments made to the State's industrial laws in 1991. The *Industrial and Conciliation and Arbitration (Commonwealth Provisions) Amendment Act, 1991* established a scheme of registration of associations in South Australia which intended a re-arrangement of registration of associations which were the branches of Federally registered organisations.

In effect and as a consequence of the *Industrial Conciliation and Arbitration (Affiliated Associations) Regulations 1992*, a state registered association which was named as "an affiliated association" with a Federally registered organisation, would, on the expiry of the transitional period, cease to have a separate legal identity within the South Australian industrial relations jurisdiction and its property, rights and liabilities would thereafter vest in the parent Federal body. The transitional period was originally identified as expiring on 31 December 1996. However as a consequence of the *Industrial and Employee Relations (Transitional Arrangements) Amendment Act 1996* (assented to on 12 December 1996) the transitional period was extended to 1 January 1998. The effect of the current law is to require that a body registered under State law which is branch of a federally registered union may be prescribed by regulation as an affiliated association. The *Industrial Conciliation and Arbitration (Affiliated Association) Regulations 1992*, contains a list of 42 affiliated associations and their federal parent organisations.

Without a change to the law, on expiry of the transitional period on 31 December, 1997 each affiliated association would cease to have a separate legal identity and its property, rights and liabilities would vest in the parent federal body which is the federal organisation identified in the Regulations. Upon the expiry of the transitional period the rules of the State registered body would be revoked. After that date, if the rules of the parent organisation provided for a South Australian branch and conferred upon that branch a reasonable degree of autonomy in the administration and control of South Australian assets and in the determination of local questions, then either of two circumstances would occur.

Firstly if the parent organisation so nominated, it would be considered as being registered under those provisions of the State Act which provide for registration without corporate status. In the alternative, and in the absence of such a nomination by the parent association the affiliated association (being the body previously registered under the State Act) would thereafter be registered as a branch of the parent organisation without separate incorporation and with rules as registered for the parent organisation under the Commonwealth Act. It is these eventualities which are particularly concerning to SA unions.

Under the current law, where an organisation attempted to amend its rules so as to confer the necessary degree of autonomy but failed in that attempt, it could apply to the President of the Industrial Relations Commission for exemption from the provisions outlined above. The effect of these existing provisions is that in all cases, other than where the President granted an exemption due to an inability to secure sufficient local autonomy, local branches of federal unions would lose their separate legal identity and their property, rights and liabilities would vest in the parent organisation.

As a result of these possibilities, a number of state registered associations of employees have during 1996 and 1997 indicated concern about the potential for them to lose State registration and separate legal identity and property rights and liabilities being vested in a parent Federal body. In the case of two of the associations, the concerns extended to challenging in the Supreme Court the validity of the legislation and the regulations. These proceedings have been adjourned, pending a consideration by Parliament of a change to the Act.

After consultation with members of the Industrial Relations Advisory Committee, including the United Trades and Labor Council, the Government now takes the view that the most expeditious way to resolve the unions' concerns is firstly to amend the Act and secondly to revoke the regulations.

The proposed amendment to the Act is explained in the Explanation of Clauses. It should be indicated that nothing in the principal Act, as amended by this Bill, would prevent a State registered union from voluntarily following the course of action which would otherwise be forced on it by the existing legislation (that is, to voluntarily restructure itself as an unincorporated branch of a federal registered organisation).

Explanation of Clauses

The provisions of the Bill are as follows:

Clause 1: Short title

This clause is formal.

Clause 2: Amendment of sched. 1

It is proposed to amend section 16 of schedule 1 of the Act in relation to the issue that may arise if an association is registered under the State Act and the Commonwealth Act (or if an association registered under the State Act is a branch of an association registered under the Commonwealth Act or has members that are also members of an association registered under the Commonwealth Act).

Section 16 of schedule 1 currently preserves the protection that applied under section 55 of the *Industrial Conciliation and Arbitration (Commonwealth Provisions) Amendment Act 1991* during a transitional period that is due to expire on 1 January 1998. (Section 55 of the 1991 Act in turn made reference to section 133 of the former Act before its amendment by the 1991 Act.)

Section 16 also continues the scheme established by section 55(4) to (7) of the 1991 Act relating to affiliated associations. This amendment will remove the limitation on the operation of the provision, and will also remove the provisions continuing the scheme established by section 55(4) to (7) of the 1991 Act, and will provide that no objection of the relevant kind (as provided by section 133(1) of the former Act) can be taken in relation to an association registered under the 1994 Act immediately before the commencement of this amending Act. Section 133(1) is to be set out in a note to the new provision.

Mr CLARKE secured the adjournment of the debate.

EQUAL OPPORTUNITY (SEXUAL HARASSMENT) AMENDMENT BILL

The Legislative Council intimated that it had disagreed to the House of Assembly's amendments.

Consideration in Committee.

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

That the House of Assembly insist on its amendments.

The Government insists on its amendments. The matter has been well debated, and I expect that there will be a conference to sort out the differences.

Motion carried.

NON-METROPOLITAN RAILWAYS (TRANSFER) BILL

Received from the Legislative Council with a message drawing the attention of the House of Assembly to clause 9, printed in erased type, which clause, being a money clause, cannot originate in the Legislative Council but which is deemed necessary to the Bill. Read a first time.

The Hon. DEAN BROWN (Minister for Industrial Affairs): I move:

That this Bill be now read a second time.

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

Leave granted.

The future of Australian National (AN) has been compromised since the creation of National Rail (NR) by the former Federal Labor Government in 1992. At that time AN lost the major part of its profitable inter-state operations, but was left with large debts, which have grown, and no long term business plan.

In good faith the work force have sought to restructure the business as a viable rail operation, in the process shedding some 8 000 jobs in the past decade. But they have been betrayed. Federal Labor left them with a poisoned chalice.

Last year Mr John Brew was appointed to review the operations of AN and NR, following which the Commonwealth Government resolved that AN's future as a public enterprise was not sustainable—and that it would be sold. In fact, the Commonwealth has decided to withdraw from rail operations altogether, and next year plans to sell its share of NR. If these two sales are effected as planned, the Commonwealth will retain responsibility for only the AN owned interstate track network.

Today, it is fair to say that AN is in caretaker mode. Morale is low and key skills are being lost as people seek alternative employment, which in turn is affecting AN's service performance. In the interests of AN employees, contractors and customers, this situation cannot be allowed to drag on unresolved.

These Commonwealth decisions have major ramifications for South Australia. Rail is a vital component of the State's transport network. Both AN and NR have significant business activities in South Australia, and are major employers.

From the start, the State Government has accepted the sale of AN as the sad, but inevitable outcome of years of poor policy and bureaucratic inertia stemming from Canberra. So rather than frustrate the sale, we have taken a positive stand resolving to work with the Commonwealth to secure the best outcomes for South Australia in terms of long-term viable rail operations and jobs.

To this end, the Government has consistently stated that our preferred position is for AN's interests now for sale in SA, to be sold as a whole. The Commonwealth has accommodated this view, structuring the sale to provide the best prospect for on-going rail operations.

The Commonwealth and the State have also agreed that the continued vertical integration of intra-state freight rail services is appropriate for what generally are single user lines. This means that any new operator will own both the track and services, except in the case of the Leigh Creek line, which I shall refer to later.

Meanwhile, the Commonwealth has recognised that to meet the State's obligations under the Competition Principles Agreement and to protect the interests of rail users in the context of private monopolies, a second Bill be introduced to establish an access regime to ensure the possibility of competition.

As honourable members will be aware, the State has a number of rights under the legislation introduced in the 1975 to give effect to the transfer of the non-metropolitan part of the former South Australian Railways to the Commonwealth. The 1975 Transfer Agreement has provided some leverage to negotiate with the Commonwealth regarding the sale outcome—but only in relation to ex-South Australian Rail assets. This is a critical point to understand when considering this Bill. Prior to 1975 all the Rail business in

South Australia north of Port Pirie, including the Leigh Creek line and the workshops at Port Augusta, were the responsibility of the Commonwealth—and therefore are not subject to the terms of the 1975 Transfer Agreement.

The Railways Agreement 1997

The Government has now negotiated and signed a new agreement with the Commonwealth which secures substantial benefits for South Australia, our rail industry and users, whilst enabling the Commonwealth to proceed with the sale of AN in a way that provides the best prospects for a viable future for rail—and rail jobs—in South Australia.

The 1997 Railways Agreement, which is a schedule to the Bill, addresses only those parts of AN now available for sale. It therefore preserves the State's rights under the 1975 Transfer Agreement to those aspects of AN not being sold at this time—that is, the exSA Railways interstate track and the Islington freight terminal. Other positive features of the Agreement include—

1. the transfer at no cost to the State of all former SAR and Commonwealth land now owned by AN in SA (excluding only the inter-state rail corridors and a few specific parcels) identified in a schedule of the Agreement;
2. "step-in" rights for the State to the infrastructure on this land, as a safeguard against non-performance by the new owner, and against asset stripping;
3. securing for the State the infrastructure on the Leigh Creek line, which in turn will give greater security to the future of power generation at Port Augusta;
4. the standardisation of the Pinnaroo line by the Commonwealth within twelve months of the sale, with a contribution of one third of the cost, up to $2 million, by South Australia;
5. options for re-opening of the South-east lines through the inclusion of these lines in the sale process, with provision for the State to find another buyer if these lines are not taken up by the successful bidder for AN;
6. provision for bidders to nominate the freight and passenger services they intend to provide, and for this level of service to be a criteria for step-in rights; and
7. the completion of the Commonwealth's environmental remediation program, for continuing Commonwealth liability in respect to its occupation of the land, and if needed, for SA to access unexpended funds from this program for any further works required resulting from pre-1975 contamination on the ex-SAR land (ie. that may have been missed or inadequately dealt with in this program).

Separate to this Agreement, the Commonwealth has agreed to fund the $2 million additional cost to the State in superannuation liabilities that arise as a consequence of the sale of AN for AN employees who are contributors to the State Superannuation scheme, plus a $20 million Rail Reform package to fund new job creation projects.

Accordingly, considering the current plight of AN, the 1997 Transfer Agreement is a good outcome for the State. It guarantees investment over the next 12 months in the upgrade of both the Leigh Creek and Pinnaroo lines and establishes the base for rail in South Australia to once again become a viable competitor to road. However, for the Agreement to take effect, and for the State to be eligible for the Rail Reform Funds, it is necessary for this Bill to be passed so the Commonwealth can proceed promptly with the sale of AN.

Last month the Commonwealth passed its sale legislation and is now free to sell those parts of AN not subject to the 1975 Transfer Agreement. These include the Port Augusta workshops, the Leigh Creek line and the Ghan and Indian Pacific services, as well as the Tasmanian services. Rather that this piecemeal approach and/or the closure of the rest of the business, it is now necessary to pass this Bill releasing the Commonwealth from its obligations under the 1975 Agreement as it affects all of AN's business now available for sale. The new Agreement has been negotiated as a package on the basis that the State would relinquish these rights, while the State does not intend to proclaim the legislation embodying this Agreement until it is satisfied with the new owner and its economic development plans. Clearly, it is preferable that AN's SA operations be sold as a whole, and that the benefits of this Agreement are achieved for the State.

The proposed bill

The Non-Metropolitan Railways (Transfer) Bill 1997 provides the framework for the sale of AN and the transfer to the State of Commonwealth land. The Bill—

1. ratifies the Railways Agreement, thereby permitting the sale of parts of AN to which the State owned pre 1975.
2. authorises the Minister to enter into land leases to the new operator(s), which will contain the step-in provisions;
3. vests land in the Minister, and provides for certificates for identification of real or personal property;
4. severs track infrastructure so it may be dealt with separately, allowing the Commonwealth to sell this;
5. provides a five year exemption from council rates and land taxes, as a concession to assist the new operator(s) to become established; and
6. provides a short exemption from liquor licensing to cover the time needed for processing of an application lodged by the inter-state passenger operator in the various States.

In conclusion, the future of rail in SA will inevitably be very different to the past. To give rail in South Australia the best chance of being a strong contributor to our transport system, to our economy, and to employment it is important that the best is made of the current opportunity presented to attract a viable new operator to the State, and to secure a strategic stake in the system through land ownership by the Government. The Non-metropolitan Railways (Transfer) Bill 1997 will provide these outcomes.

I commend the Bill to honourable members. The provisions of the Bill are as follows:

Explanation of Clauses

The provisions of the Bill are as follows:

Clause 1: Short title

Clause 1 is formal.

Clause 2: Commencement

The measure will be brought into operation by proclamation.

Clause 3: Interpretation

The Agreement referred to in this measure is the agreement set out in the schedule. A word or expression used in this measure that is defined by the Agreement has the meaning assigned by the Agreement (unless the contrary intention appears).

Clause 4: Railways Agreement

The Minister's execution of the Railways Agreement set out in the schedule is authorised and ratified. The Railways Agreement is to bind the State and the Minister and other instrumentalities and agencies of the State are authorised and required to do anything necessary to give effect to the Railways Agreement.

Clause 5: The Ground Lease and Passenger Terminal Site Lease

The Minister is, in accordance with the terms of the Railways Agreement, authorised to enter into the proposed Ground Lease and the Passenger Terminal Site Lease.

Clause 6: Vesting of land

Land is to be transferred to the State under the Railways Agreement and vested in the Minister for an estate in fee simple.

Clause 7: Ministerial certificates

This is an evidentiary provision with respect to the identification of real or personal property affected by the Railways Agreement.

Clause 8: Severance

Track infrastructure under the Railways Agreement will be taken for the purposes of the laws of the State to be severed from the land to which it is affixed so that it may be dealt with as personal property.

Clause 9: Exemption from rates and taxes

This clause provides for a 5 year exemption from land tax, and rates and other local government imposts, for certain land transferred under the Railways Agreement.

Clause 10: Interaction between this and other Acts

This measure (and the Agreement) will prevail over the 1975 arrangements, and the arrangements relating to the Tarcoola to Alice Springs Railway, to the extent of any inconsistency.

Clause 11: Liquor licensing exemption

This clause will grant a six-month exemption from the liquor licensing provisions for the purposes of the Passenger Terminal Site Lease (as envisaged by the Agreement).

Clause 12: Amendment of Wrongs Act 1936

This makes a consequential amendment to the *Wrongs Act 1936* in view of a specific reference to Australian National, which reference will now require further elaboration due to the sale of part of the operations of Australian National after the passage of this legislation.

Mr CLARKE secured the adjournment of the debate.

RAILWAYS (OPERATIONS AND ACCESS) BILL

Received from the Legislative Council with a message drawing the attention of the House of Assembly to clause 16, printed in erased type, which clause, being a money clause, cannot originate in the Legislative Council but which is deemed necessary to the Bill. Read a first time.

The Hon. DEAN BROWN (Minister for Industrial Affairs): I move:

That this Bill be now read a second time.

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

Leave granted.

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

In the rail sector reforms underway around Australia are leading to a greater presence of private operators in what has traditionally been a traditional public sector monopoly. This trend follows successful international experience with private rail operations in the United States, Britain, New Zealand and elsewhere.

In Australia, three firms (SCT, Toll-TNT and Patricks) have started providing private inter-state rail freight services in competition with National Rail. In Victoria the State Government has contracted two of its regional passenger rail services to private operators with plans to contract out others—and to sell V-line. Meanwhile, the Commonwealth Government passed legislation last month to permit the sale of AN, and next year plans to sell its share of National Rail.

In can be anticipated that privatised rail operations will expand throughout Australia over the next few years, especially in the context of the Competition Principles Agreement to which South Australia is a signatory, and the Trade Practices Act. So, irrespective of the AN sale issue, the private sector is likely to be a major provider of rail services in South Australia in the future.

While National Rail and AN are Commonwealth owned they are subject to Commonwealth rather than State legislation. Commonwealth rail operations have thus enjoyed exemption from a range of State regulation and taxation that would not be available to private operators, unless specific provisions were made.

Until recently there has been no need for specific legislation in South Australia to accommodate private rail operations or competition on rail. Last year, however, the Parliament passed the Rail Safety Act 1996 in recognition of the increasing need to provide for new and different operators of rail services.

Now there is also a need for South Australia to introduce legislation to provide an appropriate regulatory framework for rail operations in the State, in addition to the safety matters already covered. In particular there is a need to provide suitable powers to ensure rail operations can be undertaken efficiently and effectively, to ensure rail corridors are afforded competitive neutrality with roads and to provide an access regime that addresses competition issues in the context of possible monopoly power in private hands.

The vertical integration of the track and the services under the control of one rail operator, whether publicly or privately owned, is a common model for rail operations. In such circumstances, the rail customer can be vulnerable in terms of service standards and freight rates, with their only option being to transport goods by road which can be undesirable in community and safety terms. It is important therefore that arrangements are now made to enable access by third parties to essential rail infrastructure. Third party access promotes competition, which in turn will encourage the rail operator to provide best practice service to customers.

Honourable Members will appreciate that this approach is consistent with the Competition Principles Agreement and the Trade Practices Act. However as these measures would not necessarily cover all our intra-state rail services, and in any case would involve costly and time consuming processes, the Government considers that it is necessary to introduce a State access regime—but one that is light handed, as was enacted last year for access to our gas pipelines.

This Bill complements, but does not depend upon, the Non-Metropolitan Railways (Transfer) Bill 1997 that the Government is also introducing to Parliament with this Bill to enable the Commonwealth to sell AN's intra-state and passenger services, and to provide the State with strategic control over SA rail land (and, if it should be necessary, the rail infrastructure as well).

The Railways (Operations and Access) Bill 1997 provides a flexible and efficient regulatory framework for rail operations in SA.

In respect to rail operations, the Bill provides for:

1. land acquisition that may be needed for expansion of the rail system;
2. infrastructure to be dealt with as personal property, consistent with State ownership and leasing of land as proposed under the Non-Metropolitan Railways (Transfer) Bill;
3. the installation of traffic control devices by the operator and powers for the operator to authorise persons to control traffic in connection with the safe operation of the railway;
4. exemption of rail corridors from requirements for fencing, and from council rates and land taxes, to ensure rail corridors are not at a disadvantage to road corridors;
5. Ministerial authorisation to sell liquor and provide gambling facilities, so as to accommodate the special circumstances of national passenger services (such as in traversing different State jurisdictions) where these are not provided for by existing legislation; and
6. the making of by-laws by the Governor where these are required for effective rail operations.

In respect to the establishment of an access regime, the Bill provides for:

1. the proclamation of aspects of the rail service for coverage by the access regime as may be needed;
2. the segregation of rail business from other businesses and the segregation of accounting so as to ensure access can be established on grounds that are fair to both parties;
3. the appointment of an administrator so that a party with an access agreement can still be provided with a service if the rail operator fails to do so;
4. commercial negotiation of an access price between a floor and a ceiling price established according to principles set by the regulator, which is consistent with the Competition Principles Agreement, and necessary if the State's access regime is to be considered 'effective' and therefore take precedence over the national regime;
5. the development of an access information brochure by an operator when faced by an access application; and
6. arbitration and dispute resolution on a similar basis to that in place for pipelines.

The intention of the access regime is to minimise the imposition on an operator whilst ensuring another rail service provider can gain access to essential services. It provides a framework for access to be negotiated on fair terms as well as recourse to arbitration if needed. The regime may be invoked progressively as follows:

1. an access applicant may successfully negotiate access with the operator on any basis, in which case the regime is not triggered at all;
2. if this is not likely to be achievable or is unsuccessful, an application is made to the operator who must then provide an access information brochure, setting out the floor and ceiling prices and other access terms;
3. negotiation then takes place to set a price within this range;
4. if unsuccessful, the applicant may seek arbitration and the regulator may first attempt a conciliation;
5. if this is unsuccessful the regulator must then appoint an arbitrator, who would determine the access conditions and price according to principles set out in the bill; and
6. this determination may be appealed but access must be granted on these terms while the appeal is heard (unless otherwise determined by the Court).

The Bill also provides for the regulator to have the powers necessary to monitor costs and obtain information.

Overall, the Railways (Operations and Access) Bill 1997 will provide the necessary framework for competitive, best practice rail services in South Australia—an outcome that offers the best opportunity for the revitalisation of rail in South Australia and long term job security.

Explanation of Clauses

The provisions of the Bill are as follows:

PART 1

PRELIMINARY

Clause 1: Short title

This clause is formal.

Clause 2: Commencement

The measure will be brought into operation by proclamation.

Clause 3: Objects

This clause sets out the objects of the Act, which include to promote a rail transport system in the State that is efficient and responsive to the needs of industry and the public, to provide for the operation of railways, to facilitate competitive markets in the provision of railway

services and to provide access to railway services on fair commercial terms and on a non-discriminatory basis.

Clause 4: Interpretation

This clause sets out the terms that are defined for the purposes of the measure.

Clause 5: Joint ventures

This clause provides for joint and several liability with respect to the obligations under the measure in the case of a joint venture. The participants in a joint venture will be able to nominate a person who is able to act as a representative on their behalf.

Clause 6: Application to railways

The Act, other than the access regime (*see clause 7*), will apply to all railways in the State. However, the Governor will be able to exclude a specified railway from the application of the Act or specified provisions of the Act.

Clause 7: Application of access regime

The access regime will apply in relation to operators and railway services to the extent specified by proclamation.

Clause 8: Crown to be bound

This clause makes express provision with respect to binding the Crown in all its capacities (so far as the legislative power of the State extends).

Clause 9: The regulator

This clause permits the Governor to assign the functions of the regulator under the Act to a nominated authority, officer or person.

PART 2

CONSTRUCTION AND OPERATION OF RAILWAYS

Clause 10: Land acquisition

An operator will be able to acquire land for the construction or extension of railways with the written consent of the Minister. The *Land Acquisition Act 1969* will apply to an acquisition under this clause.

Clause 11: Fixed infrastructure may be dealt with as personal property

It is intended that fixed railway infrastructure will not merge with the land to which it is affixed and may be dealt with as personal property.

Clause 12: Traffic control devices

An operator will be able to install and operate traffic control devices as required.

Clause 13: Powers of authorised person

This clause will empower authorised persons to give directions associated with the safe operation of a railway, or to deal with an emergency.

Clause 14: Special reports

An operator will be required to provide a report to the Minister, on request, about a particular aspect of the operator's operations, or about a particular incident related to the operation of a railway.

Clause 15: Rail corridor need not be fenced

An operator will be exempt from the requirement to fence a rail corridor.

Clause 16: Exemption from rates and taxes

A rail corridor will be exempt from land tax and local government rates and compulsory charges.

Clause 17: Industry participant not to be common carrier

An industry participant will not be a common carrier.

Clause 18: Ministerial authorisation to sell liquor

The Minister will be able to authorise a person who is providing a passenger service to sell and supply liquor. The regulations will be able to address any necessary modifications to the *Liquor Licensing Act 1986*.

Clause 19: Ministerial authorisation to provide gambling facilities

The Minister will be able to authorise a person who is providing a passenger service to provide and operate gambling facilities. The regulations will be able to address any necessary modifications to the laws of the State relating to gambling.

Clause 20: By-laws

The Governor will be able to make by-laws in relation to matters connected to the operation of a railway.

PART 3

CONDUCT OF OPERATOR'S BUSINESS

Clause 21: Segregation of businesses

An operator will only be allowed to carry on an authorised business, as defined by subclause (2).

Clause 22: Segregation of accounts and records

Special accounting requirements will apply in order to assist in the implementation of the access regime.

Clause 23: Unfair discrimination

An operator must not unfairly discriminate in relation to access to a railway. An operator must not unfairly discriminate between a proponent and other industry participants, or between various industry participants.

Clause 24: Preventing or hindering access to railway services

An operator or industry participant, or related body corporate, is prohibited from engaging in conduct for the purpose of preventing or hindering access.

Clause 25: Report to Minister

The regulator will be required to report to the Minister if the regulator considers that there has been a breach of clause 21 to 24 in any respect.

Clause 26: Appointment of administrator

The regulator will be able to apply to the Supreme Court for the appointment of an administrator of an operator's business and assets if the operator becomes insolvent, or fails to make efficient and effective use of its railway infrastructure in the State.

PART 4

PRICING PRINCIPLES AND INFORMATION RELEVANT TO ACCESS

Clause 27: Pricing principles

The regulator will prepare pricing principles for the purposes of the legislation.

Clause 28: Information brochure

An operator will be required to prepare, on application, an information brochure giving general terms and conditions on which access may be provided.

Clause 29: Operator's obligation to provide information about access

An operator will be required to give a person with a proper interest in making an access proposal detailed information about the operator's railway infrastructure, the extent to which the infrastructure could be altered to meet proposed requirements, and generally the terms and conditions on which access might be provided. A charge may be made for information provided under this clause.

Clause 30: Information to be provided on non-discriminatory basis

Information is to be provided to persons interested in making access proposals on a non-discriminatory basis.

PART 5

NEGOTIATION OF ACCESS

Clause 31: Access proposal

A person who wants access to a railway service or to vary an existing access contract may put an access proposal to the operator.

Notice of the nature and extent of the proposal is required to be given to other proponents and industry participants who, together with the operator, become respondents to the proposal.

Clause 32: Duty to negotiate in good faith

The respondents to an access proposal are required to negotiate in good faith.

Clause 33: Limitation on operator's right to contract to provide access

An operator is prevented from entering into an access contract unless all other proponents and industry participants required to be given notice agree or unless the operator gives written notice of the proposed access contract and either there is not formal objection to the notice or all objections made are withdrawn.

A contract entered into in contravention of the section is void.

PART 6

ARBITRATION OF ACCESS DISPUTES

Clause 34: Access dispute

This clause sets out the circumstances in which an access dispute exists.

Essentially, a dispute exists after negotiations have broken down.

Clause 35: Request for reference of dispute to arbitration

Where there is an access dispute, a proponent may request the regulator to refer it to arbitration.

Clause 36: Conciliation and reference to arbitration

On receipt of a request, the regulator must attempt to settle the dispute by conciliation, or appoint an arbitrator and refer the dispute to arbitration.

The regulator is not obliged to refer a dispute to arbitration if it is trivial, misconceived or lacking in substance or there are other good reasons why the dispute should not be referred to arbitration.

The regulator is not to refer a dispute to arbitration if the proponent notifies the regulator that the proponent does not wish to proceed.

Clause 37: Appointment of arbitrator

The arbitrator must be properly qualified to deal with the dispute.

The regulator must consult on the suitability of the arbitrator before making the appointment.

Clause 38: Principles to be taken into account

This clause sets out principles which an arbitrator must take into account.

Clause 39: Parties to arbitration

This clause defines the parties to an arbitration. The parties are the proponent, the operator, other proponents, and any other person the arbitrator considers it appropriate to join.

A party can seek leave of the arbitrator to withdraw if its interests are not materially affected.

Clause 40: Representation

A party may be represented by a lawyer or, by leave, another representative.

Clause 41: Minister's right to participate

The Minister has the right to call evidence and make representations in arbitration proceedings.

Clause 42: Arbitrator's duty to act expeditiously

The arbitrator must proceed with the arbitration as quickly as possible.

Clause 43: Hearing to be in private

The proceedings are to be in private unless all parties agree.

The arbitrator may give directions about who may be present.

Clause 44: Procedure on arbitration

An arbitrator is not bound by technicalities or rules of evidence.

The arbitrator may inform himself or herself in such manner as he or she thinks fit.

Clause 45: Procedural powers of arbitrator

The arbitrator has power to direct procedure including delivery of documents and discovery and inspection of documents.

The arbitrator may obtain a report of an expert on any question.

The arbitrator may proceed in the absence of a party provided that party has been given notice of the proceedings.

The arbitrator may engage a lawyer to provide advice on the conduct of the arbitration and to assist in the drafting of the award.

Clause 46: Giving of relevant documents to the arbitrator

A party to an arbitration may give the arbitrator a copy of all documents (including confidential documents) relevant to the dispute.

Clause 47: Power to obtain information and documents

The arbitrator may require information and documents to be produced and may require a person to attend to give evidence.

Information need not be given or documents need not be produced where the information or contents are subject to legal professional privilege or tend to incriminate the person concerned of an offence. The person concerned is required to give grounds of objection to providing information or producing documents.

Clause 48: Confidentiality of information

The arbitrator is given power to impose conditions limiting access to or disclosure of information or documents.

Clause 49: Termination of arbitration in cases of triviality etc.

Where the dispute is trivial, misconceived or lacking in substance, or where the person on whose application the dispute is referred to arbitration has not engaged in negotiations in good faith, the arbitrator may terminate the arbitration.

The arbitrator may also terminate the arbitration by consent of all parties.

Clause 50: Proponent's right to terminate arbitration

A proponent has the right to terminate an arbitration on notice to the other parties, the arbitrator and the regulator.

Clause 51: Awards

Before an award is made a draft must be circulated to interested parties to enable representations to be made.

An award must be in writing and must set out the reasons for it.

If access is to be granted, the award must set out the conditions.

A copy of the award must be given to the regulator and the parties.

Clause 52: Restrictions on awards

An arbitrator cannot make an award that would require the operator to bear the capital cost of increasing the capacity of railway infrastructure unless the operator otherwise agrees.

An arbitrator cannot make an award that would prejudice the rights of an existing industry participant unless the industry participant agrees or unless the industry participant's entitlement to access exceeds the entitlement that the industry participant actually needs and there is no reasonable likelihood that the industry participant will need to use the excess entitlement and the proponent's requirement cannot otherwise be met satisfactorily.

Clause 53: Consent awards

An award can be made by consent if the arbitrator is satisfied that the award is appropriate in the circumstances.

Clause 54: Proponent's option to withdraw from award

After an award is made, the proponent has 7 days within which to withdraw from it. In that event the award is rescinded and te proponent is precluded from making as access proposal within 12 months unless the regulator agrees. The regulator may impose terms.

Clause 55: Variation or revocation of award

The regulator can vary an award if all parties affected by the variation agree.

If the parties to the proposed variation do not agree, the regulator may refer the dispute to arbitration.

The regulator need not refer the dispute to arbitration if there is no sufficient reason for doing so.

The arbitration provisions of the Bill apply to a proposal for a variation referred to arbitration.

Clause 56: Appeal on question of law

An appeal to the Supreme Court is allowed only on a question of law. An award or decision of an arbitrator cannot be challenged or called in question except by appeal under this clause.

Clause 57: Costs

The costs of the arbitration are the fees, costs and expenses of the arbitrator, including the fees, costs and expenses of any expert or lawyer engaged to assist the arbitrator.

In an arbitration, costs are at the discretion of the arbitrator except where the proponent terminates an arbitration or elects not to be bound. In that case the proponent bears the costs in their entirety.

The regulator may recover the costs of an arbitration as a debt.

Clause 58: Removal and replacement of arbitrator

An arbitrator may be removed from office if he or she becomes incapable of performing his or her duties, is convicted of an indictable offence or becomes bankrupt.

If an arbitrator is removed from office, the regulator is empowered to appoint another in his or her place.

Clause 59: Non-application of Commercial Arbitration Act 1986

This clause provides that the *Commercial Arbitration Act 1986* does not apply.

PART 7
MONITORING POWERS

Clause 60: Regulator's power to monitor costs

This clause allows the regulator to require the provision of information in order to keep costs of railway services under review.

Clause 61: Copies of access contracts to be supplied to regulator

This clause requires copies of access contracts to be provided to the regulator on a confidential basis.

Clause 62: Operator's duty to supply information and documents

This clause requires the operator to give to the regulator specified information and copies of documents relating to the provision of railway services.

Clause 63: Confidentiality

This clause requires the operator to maintain confidential information as confidential.

The regulator may, however, give confidential information to the Minister if in the public interest to do so.

Clause 64: Duty to report to the Minister

This clause requires the regulator to report to the Minister at the request of the Minister.

PART 8
ENFORCEMENT OF THIS ACT

Clause 65: Injunctive remedies

This clause empowers the Supreme Court to grant injunctive remedies if required to enforce the Act or the terms of an award.

Clause 66: Compensation

This clause enables the Supreme Court to order compensation to any person where there has been a breach of the Act or an award made under the Act.

An order may be made against all persons involved in the contravention.

Clause 67: Enforcement of arbitrator's requirements

If a person fails to comply with an order or direction of an arbitrator, the failure to comply can be certified to the Supreme Court which can then inquire into the matter and make appropriate orders.

PART 9
REGULATIONS

Clause 68: Regulations

This clause empowers the Governor to make regulations for the purposes of the Act.

Mr CLARKE secured the adjournment of the debate.

Mr MEIER: Mr Speaker, I draw your attention to the state of the House.

A quorum having been formed:

INDUSTRIAL AND EMPLOYEE RELATIONS (REGISTERED ASSOCIATIONS) AMENDMENT BILL

Adjourned debate on second reading (resumed on motion).

(Continued from page 1956.)

Mr CLARKE (Deputy Leader of the Opposition): The Opposition is prepared to concede to this Bill and to help it to be expedited through the Parliament both here and in another place.

The Hon. Dean Brown interjecting:

Mr CLARKE: No. There are some occasions when the Opposition agrees with the State Government on industrial matters. It is a pity that the Government did not take more advice from the Opposition, because it would find that its industrial legislation would be expedited far more quickly than it currently is. This Bill ensures that unions which have not been able to organise their internal affairs in respect of being a State registered union and a branch of a Federal organisation will not have their registration on a State basis challenged after 31 December 1997 when the provisions of the former Act would have kicked in and made liable some unions, which, for a variety of good and cogent reasons, have not been able to establish a relationship between being a State registered union and a branch of a Federal organisation.

This legislation is fully supported by the United Trades and Labor Council of South Australia and unions such as the Shop Distributive and Allied Employees Association, the AWU and the Public Service Association of South Australia Inc., just to name a few of the unions that are involved. As it is likely that this will be the last sitting week before the next State election and that, as a consequence, a new Parliament will not sit until 1998, it is in the best interests of those organisations concerned that this Bill be passed into law as quickly as possible. The Opposition will help to facilitate that.

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

IRRIGATION (TRANSFER OF SURPLUS WATER) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 22 July. Page 1922.)

Mr CLARKE (Deputy Leader of the Opposition): The Opposition has carefully studied the provisions of this Bill, in particular the second reading explanation. The member for Custance looks astonished, as he often does, at someone having more knowledge than himself in respect of agricultural matters. The fact of the matter is that this is a commonsense measure which will enable irrigators who are unable to use the water allocated to them to have it consolidated through a regulator and redistributed to those who can use it. This will be done on a temporary basis—it will not be a permanent reallocation of those water resources—and it makes commonsense. Again, the Opposition is prepared to support the facilitation of this legislation through both Houses of Parliament in the knowledge that this will probably be the last sitting week of Parliament this year.

Mr Venning interjecting:

Mr CLARKE: The member for Custance is man enough to apologise, so I will accept his apology. The Opposition supports the Bill and will facilitate it through both Houses.

Mr ANDREW (Chaffey): I rise to support this Bill and to make a positive contribution. At the outset, as a Riverland irrigator I formally declare an interest in the benefits of this Bill which will apply not specifically to me but to many Riverland irrigators. These amendments are a logical, valuable and progressive move forward to the already significant changes this Government has brought about to the Irrigation Act since its coming to office, particularly in the past couple of years. Previous amendments have enabled the Government, with respect to its irrigation areas, to move to self management—to irrigator ownership—through the provision of private irrigation trusts from the Government schemes. Other provisions as part of this process also involve the freeing up and increasing of the flexibility of transfer of irrigation allocations between irrigation areas and private irrigators.

Indeed, the current amendments come as a consequence of those earlier amendments to the Irrigation Act and the subsequent formation on 1 July of the Central Irrigation Trust. It is no coincidence that something like 2½ weeks ago on 4 July the Premier was in the Riverland officiating at the hand over of the transfer of assets and control to local irrigators with the formation of the Central Irrigation Trust in South Australia to operate what was formerly the Government highland irrigation areas. Following that ceremony on 4 July, the week after I used the five minute grievance debate to summarise the irrigator supported achievement and to thank and congratulate all those involved in what had been a very cooperative negotiation process over the past three years.

Without reiterating all the specific detail relating to those changes, I will briefly put on the record by way of overview three or four fundamental aspects that give the appropriate background to these current amendments. First, it was a pre-election commitment of this Government to provide for the conversion to the private irrigation districts of the Government highland irrigation areas and, importantly, this was wholeheartedly supported by the irrigators. A formal agreement, proposal and requirement was put to the irrigators by way of a written submission, and over 85 per cent of local irrigators formally responded in support of the move to self-management.

However, over the past three years it is important to recognise that a business plan was negotiated between the Government and the growers, effectively enabling $150 million worth of State-owned assets to be transferred debt free to the local irrigators at a cost of only 20 per cent of the cost of rehabilitation of the Government highland irrigation areas. That has been paid for as part of an additional rate by the irrigators over the past few years, and the full amount will be paid off over the next two to three years. Also it will mean that importantly there will be a reduction in costs for the supply of irrigation water and an increase in efficiency in water application. There will be reduced detrimental environmental impact and greater savings of water because of the efficiencies that have been generated by this process, potentially allowing more irrigation water for further development.

It is in this context that these proposed amendments are required now to maximise and best implement the value of these potential water savings. This Bill and these amendments highlight some fundamental aspects, which include the fact that the decision to move to self-management was correct and a good one and one that could not happen soon enough, in conjunction with the rehabilitation of the Government highland irrigation areas.

In addition to my earlier comments with respect to self-management, I emphasise that the new authority—the Central Irrigation Trust—the combination of the eight former Government highland irrigation areas, as a local grower or irrigator owned authority, can now quickly, efficiently and effectively respond to local needs. For example, the Central Irrigation Trust, with a board of directors elected by the irrigators, can now act immediately, as it has in helping to suggest these amendments, with the power, authority and responsibility both to and of the irrigators they represent.

In contrast, although previously the irrigation authority operated through a Government department, it had the power with the Minister's edict to set the rates (in other words, determine the cost of irrigation water and supplying it) and, even though there were grower advisory boards which, considering the mechanisms available, worked cooperatively with the Government water authority of the day, there is no doubt in my mind that this mode of operation very much created a demarcation line between growers and the Government department. The irrigators could not determine their own destiny, but now as a separate entity with their own control they can move forward, and with this in mind these amendments are required.

In other words, because the management and the policies can be determined on behalf of the growers by the board, whilst still being sanctioned from the bottom up because the board is responsible to irrigators, this process is more efficient and responsive, hence the need for these amendments. The Riverland economy overall, particularly the horticultural economy, is particularly buoyant and booming. There are difficulties with the citrus industry with respect to juice prices and competition but, notwithstanding that, the wine and almond industries and some of the vegetable crops are in a real growth phase. The availability of irrigation water is one of the major impediments to further growth and development of these horticultural industries.

While the interstate water trade option is being actively pursued and the State Government is being positive and proactive in ensuring that the current allocations can be transferred efficiently, as is happening up and down the length of the river in terms of moving to areas with the appropriate infrastructure and soil profiles to maximise development opportunities, over and above this these amendments will take another pro-active step in freeing up existing locked up Murray River irrigation water within the private irrigation areas, particularly within the Central Irrigation Trust.

Much of the water referred to in the amendments is held in small parcels because it is not possible to readily reuse it. Some is in properties that are effectively landlocked, and there is no ability for an irrigator or grower to further expand the unused allocation for that property. In some cases irrigators may be using only 80 or 85 per cent of their irrigation allocation and, even allowing in a worst case scenario for very dry years where further irrigation water may have to be used, it currently leaves in the order of 5 to 10 per cent that can either be sold off—which is possible under the existing legislation—or leased out. These amendments will allow for such leasing on a longer term basis, and they will allow the board of the trust to ensure that the insurance factor is preserved in terms of a dry year, and certainly enough irrigation water will be maintained to provide maximum crop productivity.

The other benefit is that the amendments will facilitate, in terms of the ability to lease off these small parcels, a net cash return which will be generated to the owner of that allocation of the unused water asset; and, as appropriately required, the legislation allows for this to be passed back to the individual grower. The other aspect is that the board will be able to assemble these smaller parcels into larger parcels. They will be much more negotiable volumes and readily attractive to developers. The other advantage is that, if the irrigation development takes place in conjunction with the trust itself, there will be benefits to the existing irrigators because that volume will be able to be spread over a greater total irrigation area, which will reduce overheads and the total cost structure to all irrigators involved in that system.

In conclusion, I am assured that this proposal has the full support of the board of the Central Irrigation Trust, and I note and reiterate that this proposal is directly applicable to the new Central Irrigation Trust where the growers and irrigators have that irrigation allocation designated or assigned to their property. On the other hand, some of the existing irrigation trusts which came into being or which were already in being before the Irrigation Act was changed last year held the total allocation themselves. In this case, it is appropriate that the trust should deal with those individual allocations effectively owned by the irrigator or grower. This is what I would call a 'win-win-win' proposal. It is a win for existing irrigators; new and expanding irrigators; the new developers for the local regions up and down the river, particularly in the Riverland area that I represent; and the State as a whole for the generation of economic growth that will arise out of further development from the parcelling together of this water.

It has indeed been a pleasure to work with and represent the interests of progressive irrigators such as the board of the new Central Irrigation Trust. Its goals for growth and development for the region are entirely consistent with mine and also with this State Government's goals for the region and the State. On behalf of the region I formally congratulate and thank the Premier in his present capacity and as the former Minister for Infrastructure, and also the current Minister for Infrastructure, for being so responsive in seizing upon this new opportunity and so ensuring that it can be acted upon as soon as possible. The speed and efficiency of this legislative process will undoubtedly facilitate economic growth, development and jobs, and that is what this Government is all about. I look forward to continuing to work with the irrigation trusts and developers to ensure that this legislation maximises irrigation development for the Murray River region in the State of South Australia. I commend the Bill.

Mr LEWIS (Ridley): I shall not be repeating what the member for Chaffey has said. I simply say regarding all those things, with same measure of delight as the member for Chaffey has said them, 'Ditto.' I add to what he has said my belief that this will show the way for upstream irrigators interstate who presently have similar organisational arrangements to obtain their water for irrigation purposes, generally referring to them as 'diversions'. They will see from the

South Australian example that it is better to improve the technology by which we take the water from the stream and measure it as we take it rather than guessing at it. Having so measured it, we take care to ensure that we use an optimum amount of water which maximises the marginal physical product obtained from the use of the water.

In simple terms, that means making the most profit possible from all the available inputs, including water, fertiliser, capital invested in land, management techniques for the control of pests and diseases, and investment in equipment, whether as machines to aid in the general work of husbandry of the species to which the irrigation water is being applied—that is, the crop—or for harvesting that crop. It means that we put them all together in a way that ensures that we do not allocate more dollars than we ought to one function by comparison with another, to ensure we get the best outcome—the maximum profit.

For too long we have done things today just because we did them yesterday, and we think it appropriate to continue doing the same things tomorrow for the same reasons. In other words, we live by rote and not by reason; we act in ritual rather than on good science. I commend the commonsense that has been shown throughout the past few years by all the people who have been involved in any way, shape or form helping us to decide that those trusts which undertake to change the technology for diverting their water from the river can now benefit from the commitments they have given and the costs they have incurred in the process of doing those things by selling what is now surplus to their needs.

Surplus water allocation is defined in this measure as being that amount which is over and above what the trust requires to meet the needs of irrigators within the trust. They can decide that; they do not need a bureaucrat to tell them how much they need. They do not need somebody paid at public expense regulating how much water comes through their channel, because channels are history; they create problems. They were okay when we introduced them; there was no better way to go. We simply did not have the capital or the manufacturing capacity to produce the alternative mode for conveying that water from the main channel of the river (or from wherever else it was taken) onto the block to which it was to be applied. They can now sell that water and use the money obtained to retire debt or for any other purpose whatsoever, as in relation to any other commodity they have on the farm. It is no different, and they ought to treat it the same way. It has never been possible to do that until now. This measure will make it possible.

This measure then stands side by side with the other recent changes that have been made to the way in which water is diverted in the private sector. Where irrigators have allocated water licences and where there is integrity and security in the measure of that water, it has been possible to sell it. We have made great progress by agreeing with the upstream States of New South Wales and Victoria to allow a trade in water anywhere from the Murray mouth to Nyah, which is near Swan Hill, across the South Australian border. Any water at all which is allocated by measure can now be traded among people anywhere in the system. I believe that the decision taken by the Murray-Darling Basin Commission was very sensible, and it was strongly supported, indeed proposed and mooted, by this State in the first instance, to enable that to happen.

Once we get it going, the other States will see the great benefits to be derived and they will follow suit. I do not want anyone here to tell them that a good deal of the water they are currently wasting will end up in South Australia. As I have told members previously, if this water is used upstream to grow rice or pasture at, say, Kerang, it will generate only $18, $25 or $30 per megalitre. On the other hand, if we allow it to run downstream to where we have a better climate and suitable soils in this country of ours, and a market for the products that can be grown, we will be able to sell that product not for $18, $25 or $30 a megalitre but for $6 000 to $7 000 a megalitre. That is the difference between using water for flood irrigation of rice or pasture, compared with using water for the production of potatoes, grapes for wine production or fresh market sale in east Asia, dates or olives in the lower Murray in these latitudes and in that climate.

Mr Brokenshire: Cheese and milk through pasture.

Mr LEWIS: The member for Mawson raises a very interesting question. Whilst the use of water on the lower Murray dairy swamps produces more than $30 a megalitre, it is a long way short of the several thousand dollars which will be obtained if we use the same amount of water for horticultural production.

Mr Brokenshire: You don't want to destroy your dairy industry.

Mr LEWIS: I did not say we would destroy the dairy industry: I am sure we would not. I know that when they get their allocation of water by measure—properly metered—the dairy farmers will decide to do what is now possible in the irrigation trusts that are privatised, following recent legislation, to which this particular Bill addresses itself. They will decide whether it is better for them to sell their water on the open market and invest the money in some other thing rather than to try to go on using it on their particular farm for milk production. Some of them are outstanding; some dairy swamps are very efficient and productive, whereas others are not so, and it is for good reasons unrelated perhaps to irrigation practice, though often it is related to irrigation practice.

The good reasons unrelated are soil salinity and soil type. Another good reason in some locations is the very salinity of the water itself in that location that they are compelled to use, but it does not matter: they will be able to sell the water without the salt. There is no compulsion to take any measure of salt. So, you choose the location in which you get the best possible quality of water for the purpose for which you wish to use it.

I have no doubt that as a nation—not only a State—we will generate a far greater gross domestic product by allowing free trade in water. I also happen to hold the view that it is better—as the Deputy Leader implied—to regard the water being transferred as an annual expense, and then it can be written off the annual cost of production, rather than to regard it as a capital investment, which it is not possible to write off the cost of production. If you invest capital in it, you pay tax on the money before you can invest in the water in the first place. The only expenses you can deduct in relation to that water from your taxable income are the costs of lifting it and putting it on your crop. That is regardless of whether it is leased or amortised annually through any other system or owned outright by capital.

In my judgment it is far better to have the water made available for limited tenure of, say, eight years and then for those people who wish to use the total amount of water that is available to re-tender for it. That will ensure that the people who can make most profit from the water by using it on the crops for which it is most suited and profitable will get the water. That is prudent investment, and I invite the members

for Spence and Unley to listen in a tad so that they might understand how to more effectively allocate natural resources in bringing them to account in the cost of production and the production cycle.

The DEPUTY SPEAKER: The members for Spence and Unley are having a completely separate debate.

Mr LEWIS: By doing so, they will be able to help their constituents understand the benefits which come from having a more responsive cost recognition mechanism in the production cycle, identifying how to get best use of the resources at their disposal. Whilst I have no interest, as does the member for Chaffey, at this time, it is my intention in fairly short order to have some interest, buy some water and get into production. It has not been possible to do that before this point in our history, but it will be from now on. I am getting older and getting tired of trying to tell other people how they can do it better.

Mr Brokenshire interjecting:

Mr LEWIS: I will. In response to the invitation of the member for Mawson to me to show them, I will.

Members interjecting:

Mr LEWIS: I have no intention of doing so—no more than the member for Custance would contemplate leaving or contemplate quitting his farming interests.

Members interjecting:

Mr LEWIS: Never. You will carry me out of here in a box. Having put that rumour to rest once and for all, without any odium reflected on me or anyone else, let me come back to the substance of the Bill and again point out the great benefits that come from having more flexible ownership of the water available to us for irrigation purposes and the great benefits it will bring on a continuing basis to the enterprises in which we engage by using that water here in South Australia. It is not lost on me, of course, that it may be, as the metropolitan area expands, that the owners of the licence to provide potable water to homes and industry may have to enter the market to buy some of the water that becomes available to ensure that they can meet their obligations under that licence to continue supplying water to the expanded populations in Adelaide.

The freer the market, the better, because the greater will be the benefit. No-one but no-one stands to lose. I must disabuse the Deputy Leader and point out to the House that it is not a measure which envisages only the transfer of water temporarily. It does that but it also facilitates the permanent transfer of water at this time from that trust which has no further use for it to whomever it is who wishes to offer the trust what it considers to be a fair price for the purpose. In conclusion, I say that the more water that is transferred from irrigators upstream to irrigators downstream, the greater will be the benefit to the rest of the ecosystem in the river, because the greater will be the volume flow coming downstream to those irrigators closer to the mouth. The greater that volume flow, the greater will be the measure of dilution of the salt which is currently being picked up from springs and other points of entry of saline ground water into the river. By that means, too, we all benefit. Nature will take its course, the market will assist and the benefits will be to everyone without exception and to everything without exception.

Mr VENNING (Custance): I support the Bill and particularly the comments of the members for Chaffey and Ridley. I do not want to repeat what they said but I fully support the Bill and I thank the Opposition for its support. I note the remarks of the Deputy Leader. I apologise for guffawing because I thought he would make only a short comment but the Deputy Leader displayed that he understood what he was talking about and I am the first to apologise. With this Bill we see the opportunity for water licences to flow (pardon the pun, but there are a few puns in relation to this subject) from irrigators who are not currently using all or part of their allocations to other irrigators who need that water, whether it be a small or total portion or whether it be for a short time, a long term or permanent sale, because the flexibility is there.

We shall also see a full flow from irrigators of low return crops, as the member for Ridley just said, to irrigators of high value crops, that is, from cotton and rice growers to wine grape growers, and there my interest is rather obvious.

Mrs Rosenberg interjecting:

Mr VENNING: I did not hear that interjection. South Australia should be greatly advantaged by this legislation through the increased water allocations coming to our State. South Australia is lucky to have a larger proportion of higher value crops. Certainly, we have the better soil types, usually much better work practices and modern farming expertise. This legislation allows growers to sell or lease their quota on a short or long-term basis and that can be by a contract, whichever way they wish, because it is a saleable commodity.

Irrigators with fully charged calculators will quickly be able to assess whether they should sell or lease a valuable tradeable commodity, that is, a water allocation. The market will decide what happens in relation to the price, and that is the best possible outcome. No-one can complain: there is no Government involvement, no red tape, no price fixing and no favouritism. It will be purely a market-driven trade in water allocations.

As a member representing irrigation areas, particularly the Barossa Valley, Clare Valley and part of the Riverland from Blanchetown to Mannum—and, hopefully, after the election, including Mannum—I welcome this Bill. The only involvement the Government will have is getting the water to those irrigation areas, and in that regard I draw attention to the Swan Reach pipeline. Certainly, growers in the Barossa Valley will be buying a water allocation as soon as they are able, but the water must be delivered via the Swan Reach pipeline. I know that there is unused capacity in the pipeline, but I am concerned that it will soon be fully allocated and, down the track, the Government may have to look at some other ways, including a duplication of the pipeline.

Another spin-off is that the market price will decide what the water is worth, and other options can and will enter the equation. This matter has not been discussed today, but I raise the Bolivar sewage pipeline option. Anyone who knows what the water is worth and what Murray water costs will then know what he or she is prepared to pay for Bolivar water and can be involved in the decision-making process.

If the vegetable growers of Two Wells do not want it, are not prepared to pay the price or cannot justify the cost, then I believe the Barossa Valley wine growers will, with only a few more kilometres of pipeline to be laid. Water is the only barrier to the Barossa's unlimited success.

Mr Brokenshire interjecting:

Mr VENNING: Surely, using a megalitre of water sparingly on a grapevine is more desirable than flooding rice fields with, literally, feet of water.

Mr Brokenshire interjecting:

The DEPUTY SPEAKER: The member for Mawson is interjecting upon his own colleague. I find it bad enough when members interject on members opposite.

Mr VENNING: The member for Mawson does interject, and I know that, because I represent the Barossa Valley, he does suffer an inferiority complex. McLaren Vale is certainly improving, but the Barossa Valley is the premier wine-growing district. I enjoy going to the honourable member's area and drinking the wines. The Deputy Premier agrees: I am indeed lucky, in fact the most blessed member of this House, to represent the premier wine-growing district of not only Australia but the world. All we need is to get the water to the growers. I do not care whether it is Murray water or Bolivar water: I am sure it will improve the taste and the protein. I can understand the member for Mawson's anxiety and certainly I live with that, but I am prepared to cooperate to get along with him.

Another spin-off is that water will be a bankable commodity, that is, it has a value and anyone wishing to go to the bank to borrow money will be able to borrow money against a water allocation. Everything has a value, and one only needs to be a risk taker. We have many business men on this side of the House and, in relation to the attack on the Minister for Primary Industries, many of us on this side are involved in business and would gamble in business because that is the way to get on. The way that the State will get out of trouble is to reward its risk takers: those who want to gamble and borrow money against water allocations, and I would welcome that. When we know what a litre of water is worth, people can go to the bank, borrow money against it, and use it to further develop their vineyard. They have an asset but now we will know what it is worth.

I know constituents who are waiting for this process to begin. One constituent who has a property abutting a river has no allocation, yet his neighbours who do not abut the river have a water allocation. That is mainly due to the fact that my constituent was not using the water when the allocations were made but the neighbours were. In fact, the neighbour's pipelines go under his property, so it is a very difficult situation. He has no allocation and is trying to buy one, yet he is currently unable to do so. I am in correspondence with him and as soon as they are traded I am sure he will be one of the first in the queue. Being the first there, I bet he gets it very cheaply. I am sure that when the true value of this water is known in the Barossa and Clare Valley wine growing areas, the people who get in early will get a bargain. My constituent was locked out but I am sure that shortly he will be able to buy an allocation.

Farming practices change over the years. As we all know, times change, the climate changes and, this being the second last day of the Parliament and speaking about the climate, I hope that our State is blessed with life-giving rain in the next couple of weeks. Since I made this comment two weeks ago, we have had only minimal rainfall averaging 30 to 40 points. I hope that in the next couple of weeks we will see three-quarters of an inch of rain which we need within the next two weeks, otherwise the State will be in a diabolical situation. These water allocations will be worth even more then. Those in a situation to buy, I agree should get in early.

With farming practices changing, this Bill gives flexibility to people to buy and sell water allocations. I congratulate the Government on this Bill. It is practical, workable and very much needed legislation. I also congratulate the Minister and commend the Bill to the House.

The Hon. G.A. INGERSON (Deputy Premier): I thank members on our side for their contributions. I think this Bill is very worth while and should have a speedy passage through the House.

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

NATIONAL WINE CENTRE BILL

Consideration in Committee of the Legislative Council's amendment:

Page 4, lines 8 to 11 (clause 6)—Leave out the clause and insert new clause as follows:

'Application of Development Act

6. The *Development Act 1993* will apply to a proposal by the Centre to undertake development of land of the Centre as follows:

(a) section 49 of that Act will apply—

(i) whether or not the development is to be undertaken in partnership or joint venture with a person who is not a State agency; and

(ii) as if an application for approval of the development under that section were only required to be lodged with the Minister within the meaning of that Act;

(b) on the lodging of such an application, that Act will then apply as if a direction had been given by that Minister and a determination made by the Major Developments Panel under section 49(16a) of that Act that a PER be prepared with respect to the development.'

Mr CLARKE: Mr Speaker, I draw your attention to the state of the House.

A quorum having been formed:

The Hon. G.A. INGERSON: I move:

That the Legislative Council's amendment be disagreed to and that an alternative amendment be made in lieu thereof, as follows:

Clause 6, page 4, after line 11—Insert subclauses as follows:

(2) The following requirements apply (in addition to the requirements of section 49 of the *Development Act 1993)* in relation to any application for approval of the erection of new building, or the use of an existing building, on the land of the Centre as part of its facilities lodged with the Development Assessment Commission before the prescribed day:

(a) the Commission must ensure that the application is available for public inspection for 15 business days at the office of the Commission and must, by public advertisement, give notice of the right to inspect the application and invite interested persons to make written submissions to the Commission on the application within that period of 15 days;

(b) the Commission must allow a person who has made a written submission to it within that period and who, as part of that submission, has indicated an interest in appearing before the Commission, a reasonable opportunity to appear personally or by representative before the Commission to be heard in support of his or her submission;

(c) the Commission's report to the Minister on the application must contain an assessment of the submissions made on the application by interested persons as referred to in paragraph (a) or (b);

(d) the Minister must, as soon as practicable after determining the application under section 49, prepare a report on the matter and cause copies of that report to be laid before both Houses of Parliament.

(3) Expressions used in any of the paragraphs of subsection (2) have the same respective meanings as in the *Development Act 1993*.

(4) A regulation prescribing a day for the purposes of subsection (2) cannot come into operation until the time has passed during which the regulation may be disallowed by resolution by either House of Parliament.

The importance of the National Wine Centre project for this State cannot be overestimated. As an industry, wine production alone accounts for over 2.5 per cent of South Australia's manufacturing work force, and this does not include the significant employment created in industries that service this major growth sector. It is therefore important that we do not do anything that may jeopardise the National Wine Centre's

being located in Adelaide, as to lose this centre may also see the focus of the industry move interstate.

However, in saying this, the Government still believes it is essential that there is a mechanism by which the stakeholders and other interested members of the community can have an involvement in the development of the design options, including landscaping, of the National Wine Centre. The Government does not believe that the Public Environment Report (PER) provisions of section 46 of the Development Act 1993 are an appropriate method by which to undertake this process of public involvement. The PER process is designed to be used when major unknown factors are present, and is aimed at resolving matters of environmental, social and economic uncertainty. There are no such unknown factors present in this project.

The issue we are dealing with in this instance relates to the design and appearance of the National Wine Centre development and its interrelationship with adjoining uses. To assure this House and the public of South Australia that the Government is committed to establishing a facility that is sensitively and sympathetically integrated with the Botanic Gardens and other adjacent facilities, I will be moving an amendment to the Bill. This amendment will require that a formal consultative process be undertaken as part of the development assessment process.

The amendment I propose to introduce includes a statutory public consultation period of 15 days in addition to the 13 days allowed for public comment prior to the decision being made on the design. It will not, however, extend the statutory time for development assessment by three or four months without any increase in the effective public involvement, as would a PER.

In addition to this amendment, I inform the Committee of the total commitment by the Government to the consultative process. The three-stage process we will undertake will enable stakeholders to have input into the development of the design options and the South Australian public to have an opportunity to comment on these options.

The program identifies three categories of participants, being the key stakeholders, interest groups and the wider community. Key stakeholders have been invited to sit on the steering committee during the design development stages of the project. The groups identified as key stakeholders are the Australian Wine Industry, the South Australian Government, the Adelaide City Council and the board of the Botanic Gardens.

The major interest groups have been identified as those groups, organisations and individuals who have an interest in the interface and design issues associated with the site and therefore should have an opportunity for their opinions to be heard. These interest groups have been identified as the Adelaide Parklands Preservation Association, Friends of Botanic Gardens, St Peters Council, St Peters Residents Association, St Peters College, National Trust, East End Coordination Group, Royal Australian Institute of Architects, Civic Trust of South Australia and the Architects Foundation of South Australia.

Throughout the process, these interest groups will be invited to participate in a series of briefings to be undertaken by the steering committee and the design team. This group will meet on a regular basis to discuss issues associated with master planning and the centre's interface with the surrounding areas and to provide feedback to the design team. Activities undertaken in Stage 1 are:

1. Individual interest group briefings on key elements;

2. Written communication to outlining any concerns or issues expressed at the meeting and inviting further communications;

3. Development of design parameters;

4. Combined interest group briefings and feedback;

5. Develop concept design and landscaping options.

Following the development of design and landscape options, a second stage of the consultation process will be undertaken to give the general public the opportunity to comment and get feedback on the proposed options.

Activities undertaken in Stage 2 are:

1. Briefing of the elected members of the Adelaide City Council and the Board of the Botanic Gardens and State Herbarium;

2. Public display and presentation of design and landscape options for 30 business days;

3. Accept and assess submissions from the public on design options;

4. Finalise landscape and design options;

5. Select preferred landscape and design (or options);

6. Commence site remediation, including decontamination works.

Once the final option has been selected, the statutory assessment provisions of section 49 of the Development Act 1993 and the development provisions required by this Act will come into effect. The process for a Crown development under section 49 of the Development Act requires:

1. Application to be lodged with the Development Assessment Commission (DAC) and the Adelaide City Council;

2. Council to provide comments to the Development Assessment Commission within two months;

3. The Development Assessment Commission to report to the Minister on the application (or applications). The commission report includes the extent to which the proposal complements the policies in the development plan and the comments of the council;

4. Minister decides whether to approve or refuse the application (the approval can include conditions).

5. Building rules requirements assessed by a private certifier or some other person accepted by the Minister as having appropriate qualification.

The additional statutory assessment provisions required by the amendment are:

1. DAC to call for public submissions via notice in the paper (I assume that is the daily paper);

2. Members of the public to provide comments to the commission within 15 business days;

3. The commission report to the Minister is to include an assessment of the comments from the public and any suggested changes to the design or any conditions of approval;

4. Minister must as soon as practicable after determining the application prepare a report on this matter and have copies laid before both Houses of Parliament.

This process provides for a significant level of involvement by interested groups and the general public in the design process. Given that it has always been the Government's intention to undertake a community consultative process on this project, the process I have just outlined can be undertaken without any major threat to the time schedule set for the construction of the facility.

I assure this House that the Government and the wine industry are both committed to making the National Wine Centre a facility of which all Australians can be proud. To

ensure the development is capable of achieving this public pride as well as gaining international recognition, a number of objectives have been identified that must be achieved in the development of the centre. The Government will therefore instruct the steering committee and the design team to deliver these objectives in the final design.

The design of the centre must complement the Bicentennial Conservatory and enhance this Adelaide landmark by developing an attractive approach to, and view of, that building and should seek to reflect the real ambience and quality and excellence of the Australian wine industry. The centre also needs to be developed as part of the whole precinct in which it is cited. Therefore, linkages with adjacent Botanic Gardens and the East End precinct are essential. This integration will be achieved by creating a seamlessness with the Botanic Gardens and the creation of common points of access. One such access option that is being explored is for a dual entrance from Hackney Road for the gardens and the wine centre.

I trust that this amendment and the commitment by the Government to undertake the additional consultative process will allay any concerns that members may have had regarding the public and stakeholder input into the National Wine Centre project. I urge members of the Committee to accept this amendment.

Ms WHITE: I want to comment briefly on the situation in which we find ourselves with this Bill. The amendment moved by the Labor Party in the Lower House to introduce public consultation into this process, in the form of a PER process under the Development Act, was supported in the Upper House, and we now have this disagreement between the Houses.

It is interesting that the argument the Government used against the Labor amendment to introduce this 30 business day public consultation process was that it would delay the process of the development, yet the Minister's statement just now has included a 45 business day process. The argument of time delay is one that the Labor Party just does not accept.

Quite clearly, for some reason, the Government does not want to go through the formal processes outlined in the Development Act. The effect of the Labor amendment to introduce a PER process for a 30 business day public consultation period was as follows. A report must be compiled which included the following: first, a statement of the expected environmental, social and economic effects of the development; and, secondly, the extent to which the development was consistent with any relevant development plan or planning strategy. We believe that that would ensure that the development was in keeping with the surrounding environs, which many people in Adelaide are passionate about. As it is in our city centre, many people in our community wish to ensure that an appropriate development comes to pass. That was certainly something that would have had to be redressed in that report. The report also had to contain a commitment to avoid any potentially adverse effects of the development on the surrounding environment. So, quite clearly, matters that the Government should guarantee in the course of this very important development are addressed.

The next part of the process was to ensure that the Minister refers that report to the relevant councils and 'such other authorities or bodies as the Minister thinks fit' for comment. So, a report had to be prepared and referred to councils or any other relevant bodies. The next part of the process was to ensure that copies of that report were available for 30 business days for public consultation and to advertise that availability to the public and invite them to make a written submission to the Minister about the report and its contents. During that 30 days a public meeting was to be conducted. This is something that I do not believe adds terribly to the process, but that was included in this PER process.

The final part is that, after the Government had prepared a report, referred it to the councils and opened it to public consultation for 30 business days, the proponents of the development had to respond to the submissions and provide them to the Minister, who then had to prepare an assessment report commenting on those submissions and the proponents' responses to those submissions—that is, the Minister's report must be made public. So, it was a very short process, involving consultation of 30 business days.

The Minister says that he is willing to have a public consultation period of 45 days. Under the Labor amendment, the process I have just outlined under the PER is legislated. The Government has indicated that, in addition to its amendment which legislates for 15 days, it would have an additional 30 business days for public consultation. That is the amendment that is in disagreement between the two Houses. The Minister is now moving a further amendment to that clause for part of that 45 business day consultation—the 15 business days—once the development application has been lodged with the Development Assessment Commission.

In its present form, the amendment is not acceptable to the Opposition, in that it narrows the issues that the public can comment on at that stage—and this is once the final design is available—and we would prefer to see wording that opened to public consultation applications for developments on the site. So, I would propose to the Minister that, with respect to the wording that he has put forward in his amendment, the words 'any application for approval of the erection of a new building or the use of an existing building' be deleted and replaced with the words 'application for approval of development'.

There are many issues which I believe should be open to the public for consultation at that point. The Minister is limiting the consultation to erection of a new building or the use of an existing building. There are many other issues, as the Minister has indicated in his contribution just now, that are of additional relevance to the community, and I would seek to have that amended. Our preferable position, as an Opposition, is to go through the PER process, but I understand that the Democrats may not persist with that in the Upper House and, in that case, would seek to see an improvement, at least, on the Government's proposed amendment here today.

The Hon. G.A. INGERSON: My understanding is that the original amendment put forward by the Opposition would have created a staged position and would have added somewhere between three to four months. The proposal that we put forward enables all of the staging to take place during the statutory required period, and my advice is that it would add no more than a week, at the most, to a traditional Crown development. However, as the process moves along, people can be brought in to discuss design and be part of any landscaping and the process can become continuous, instead of the stop-start process that was first proposed by the Opposition.

The Government does not accept the Opposition's amendment. We believe that our amendment picks up all of the issues that have been expressed not only in this Chamber

but in another place, and that is the amendment that we would like the Committee to accept.

Motion carried.

MOTOR VEHICLES (FARM IMPLEMENTS AND MACHINES) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 22 July. Page 1923.)

Mr ATKINSON (Spence): The Bill in the form in which it arrives before the House is supported by the Opposition. This Bill is before us because the Government finds it expedient to rid itself of the legislative requirement for people to register walking speed, self-propelled farming machines such as cherry pickers and hydraulic lift platforms. It costs the Department of Transport more to process the registration of these vehicles than it recovers in registration fees. The Opposition's worry about the proposal concerns the insurance of these types of farm machines when on a public road. Compulsory third party insurance premiums are currently part of the registration fee.

The Government tells us not to worry because the risk of these vehicles causing an accident on a road is low. Moreover, the Government says that the compulsory third party insurance of the towing vehicle will now be extended to cover the farm machines in question. The Opposition has uppermost in its mind not a minor cost saving in motor registration but the large number of accident victims of uninsured motorists. Farm machines on public roads will be covered by the insurance of the towing vehicle, but what if the farm machine is proceeding under its own steam or is alone and stationary on a public road or on the verge of a road at night? It is not enough for the Government to say that the insurance would be picked up by a farm's public liability insurance, because many farms no longer carry public liability insurance. In summary, the Opposition supports the Bill in its current form and will resist its amendment by the Government.

Mr VENNING (Custance): I rise to support the Government's amendments. I have been involved with this part of the legislation since I first entered Parliament seven years ago. This part is the only remaining anomaly. It is an area on which we do not seem to be able to agree. I remind the House that cherry pickers are slow moving and self-propelled farm machines usually used in orchards and seldom on a road. However, an accident could happen if one of these machines was crossing a road. The amendments by the Democrats and the Opposition in the other place would involve so much more complicated paperwork that they would be completely and totally counterproductive.

The amendments put forward by the Government will solve the problem—the member for Chaffey will give more detail of this in a moment—as any farmer or orchardist who owns a cherry picker or a mobile auger, which would come under the same category as a cherry picker as it is a farm machine which moves on its own at a slow speed, will be able to use them on the road risk free as long as they have a public risk policy to the value of $5 million (as proposed by the Government). If they do not wish to take out such a policy they can register the machine under the current Government initiative of the farm registration scheme, which requires the payment of a fee only for compulsory third party insurance and administration fees. There is no registration fee. So, an option exists for owners of cherry pickers and augers and other associated equipment of similar vein which comes to light.

I welcome the Government's decision to put this into position because currently people are operating machines with a cloud over their head. No-one wants to operate machinery whilst being exposed to litigation because they may or may not be involved in an accident. I think that the Democrats and the Opposition in another place have been very unreasonable. They have not understood the situation. If they had asked the growers and the orchardists, I am sure they would have been better informed. Farmers, of whom you, Sir, and I are one, detest paperwork and bureaucracy, and their amendments would have given us just that. I look forward to what the member for Chaffey will say because his electorate has the most cherry pickers. I support the Government's amendments.

Mr ANDREW (Chaffey): I thank the member for Custance for holding the floor of the Chamber briefly while I was detained on the telephone regarding the arrangements for the opening of the Berri bridge on Sunday—a significant achievement.

I want to make some comments regarding this Bill. At the outset, I must declare an interest because, as the owner and shareholder of a family company involved in horticultural production, I use some of the implements that are encompassed by this measure. I wish to make a few background comments regarding the amendments. Members would be aware that last year the Government amended the Road Traffic Act to provide for conditional registration and options which I believe create a cost-effective and efficient mechanism to cover the many grey areas that existed in respect of the previous permit process for tractors and farm implements in terms of how they were allowed to operate on roads and whilst crossing roads. Indeed, I think there was quite a bit of agreement by the farming and rural community that there were some grey areas in the way in which those procedures previously operated.

The new measures that were introduced last year streamlined the registration process and its operation, although I acknowledge that the initial administrative registration process for many primary producers was something with which they had to come to terms because they had to fill in a number of registration forms for tractors and other special purpose registered vehicles. Importantly, those changes provided for efficient and effective third party coverage. It was put on the record when that matter was debated that some farm properties would have been at risk because they would not have had third party coverage had they had a serious accident on the road involving a tractor or other farm machinery. So, there was a real risk of third party claims affecting primary producers in that regard.

I will not specifically review the changes that were made last year other than to say that, despite the initial administrative requirements, this conditional registration procedure for special purpose vehicle registrations, which the Government instituted, has been very well received by the rural community. It has accepted this process strongly and appreciatively not only because it has reduced third party risk but because it has been provided at a very small charge. For conditional registrations, the Motor Vehicles Department has introduced a no registration charge with a fee of about $20 per year, which is only an administrative charge to cover the cost of providing the service.

These amendments are important to the horticultural producers in my electorate because they take into account machines which the public generally refer to as cherry pickers but which more commonly are known as hydroplats in the Riverland, and a range of other agricultural self-propelled farm machines such as mobile post borers and particularly mobile grain augers. Regarding cherry pickers or hydroplats, I cite a practical example as a scenario to illustrate why we believe it is important that these machines be covered. Certainly, we became aware, after passing legislation last year, that there was not so much an anomaly but a unique set of machines, to which I just referred, that did not fit into any specific category.

I refer to the case of cherry pickers or hydroplats, which might move under their own power, because they are effectively self-propelled, across a road or be on the edge of a road. With these categories of machines, although they are unique, under the legislation as at last year, they would certainly not have to be registered if used solely on the operator's property, nor would they have to be registered if being towed across or along a road by a primary producer's vehicle, in which case they would be covered by the registration of that vehicle.

However, there are very real examples where these hydroplats or cherry pickers have to be moved across a road, particularly in the horticultural areas of the Riverland, from one property to another. It is common not only for growers to own properties across a formal road but, in some of the irrigation trust areas, there is an easement between various properties. It may be only a few metres wide, but as it is effectively a public thoroughfare and access, for the purposes of third party liability it would be classed as a public road and for these reasons it is important that they receive special cover or consideration. In these cases, where they will be moving under their own power and at less than walking speed, it is not practical or efficient to tow such machines across such easements or roadways and therefore the logical approach, as originally intended, was to give these machines special exemption as happens already with such things as golf buggies.

However, I am unhappy and disappointed that amendments moved in another place by the Hon. Terry Cameron very much went over the top in trying to ensure that the absolute worst case scenarios were covered. The intent of the other place reflected nothing more than the sledgehammer to drive in a tack. Not only does it result in more regulation but also a greater cost impediment for primary producers in the rural community.

The proposition before this place with the proposed amendments requires that these types of machines will be covered provided there is public liability cover for not less than $5 million. That is a fair and reasonable amount of cover in the current litigation climate. I am not an actuary, but I recognise the degree of risk to which these machines are likely to be involved given the speed at which they travel and the rare occasion on which they are near other vehicles or activity in terms of accidents or contact and so instituting a third party claim or requirement.

Most rural farm businesses and some small horticultural properties in my electorate would have public liability cover of about at least $5 million, so it is appropriate that this option would not incur any specific increase in cost to those operators. The option of those owners of such machines having to register them under the special purpose provisions will still apply. That option is still available, but it is apparent that the $5 million minimum coverage will most likely be a reasonable and logical amount of cover that will in most cases be held by existing primary producers and not incur any additional cost impediment for the primary producer operating these types of machines and continuing their business.

I support the legislation on the basis of the proposed amendment and hope that this will tidy up the responsibility with respect to these machines so that the owners and operators, particularly in my electorate, who use hydroplats, cherry pickers and other machines I have mentioned will be able to enjoy third party security without any cost impediment and can get on with being productive with these machines in their horticultural pursuits. I commend the Bill to the House.

The Hon. S.J. BAKER (Treasurer): I thank members for their contribution to the debate. Life is meant to be a little easier and these changes are practical and recognise that we are not talking about mainstream vehicles. The vehicles we are talking about are those normally drawn by another vehicle and therefore the responsibilities attach to the principal vehicle: that is the way it should be. There is nothing special about a trailer except that it hangs behind a car. It has been an anomaly for some time that, if you run into a trailer and incur damage, it is against the CTP on the trailer. That has changed. We should be changing the laws to show that it is the towing vehicle to which primary responsibility should attach.

Under the circumstances in this regard, there are means by which a person can self-propel these vehicles under strict conditions and drivers who incur injury as a result of poor driving or inattentiveness regarding one of these self-propelled vehicles has a right to claim against the public liability policy. If they are being towed, the liability attaches to the principal vehicle. It is a practical way of handling a situation that has had anomalies over a number of years.

In relation to the amendment moved in another place, the Government believes that it is another load of work placed upon people to get what I suspect is a different outcome. The Opposition has indicated to the Government that it intends to pursue its amendment, which is now part of the Bill. The Government is saying that it is not acceptable and we will be pursuing an amendment to the Bill.

Bill read a second time.

In Committee.

Clauses 1 to 3 passed.

Clause 4.

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

Page 2, lines 16 to 29—Leave out subsections (2a) and (2b) and insert new subsections as follows:

(2a) Subject to subsection (2b), a prescribed farm machine may be driven on roads without registration or insurance.

(2b) A prescribed farm machine must not be driven without registration or insurance on the carriageway of a road unless—

(a) the prescribed farm machine is driven only—

(i) to move the machine across the carriageway by the shortest possible route; or

(ii) to move the machine from a point of unloading to a work site by the shortest possible route; or

(iii) to enable the machine to perform on the carriageway a special function that the machine is designed to perform; and

(b) there is in force a policy of public liability insurance indemnifying the owner and any authorised driver of the prescribed farm machine in an amount of at least five million dollars in relation to death or bodily injury caused

by, or arising out of, the use of the prescribed farm machine on a road.

The subsections that we wish to insert reinstate the original provisions in the Bill so that basically there is a means by which these unregistered, non-CTP insured vehicles can be practically moved. There is a means of covering the liability should there be an accident as a result of the movement of those vehicles. It is a far more satisfactory outcome than that being suggested by the Opposition.

Amendment carried; clause as amended passed.

Clauses 5 to 7 passed.

Clause 8.

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

Page 3, line 24—After 'registration' insert 'or insurance'.

This is consistent with the previous amendment.

Amendment carried; clause as amended passed.

Title passed.

Bill read a third time and passed.

ROAD TRAFFIC (EXPRESSWAYS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 22 July. Page 1924.)

Mr ATKINSON (Spence): The Opposition has constantly supported the Southern Expressway, which was known in the planning stages as the third southern arterial. I can assert that the Opposition has constantly supported the expressway, because I was the Opposition transport spokesman at the relevant time and I have always supported it. The building of the road was postponed during the latter years of the most recent State Labor Government, and when the current Government came to office it decided to build only half the road, namely, one side of the road.

An honourable member: Better than no road at all.

Mr ATKINSON: Yes, that is true. This halved the cost of the project to the Government. It was odd that—

An honourable member interjecting:

Mr ATKINSON: Well, the Minister says it was. I wish he would read the speeches which his department prepares for him on the second reading and which he tables with the leave of the House without reading. If he had read that speech he tabled (and I always read them), he would know that it was he who said that the cost had been substantially reduced—nay, halved—by the reversible arrangements that they had made for the construction of the road. So, I do not want the Minister to contradict his own second reading speech.

It was odd that the first public announcement that the road would be a one-way expressway, reversible as motorist demand required, was in response to an Opposition question on notice; it was a question I had asked. So, occasionally, Parliament works in the way it was intended. The Bill makes amendments to the Road Traffic Act that are necessary to accommodate a fully reversible roadway. In this instance, all traffic will travel north to the city in the morning and south from the city in the evening. The Opposition is happy to facilitate these necessary amendments so that the Southern Expressway may work as well as possible. The Opposition shares the Government's concern that a motorist might leave his vehicle unattended on the edge of the expressway, perhaps because it has broken down, and then return to the vehicle later without realising that the direction of the traffic has changed. It is important that authorised officers be able to remove the vehicle, whether or not it obstructs traffic or access. The Opposition supports the Bill.

The Hon. W.A. MATTHEW (Bright): At last, a Bill that will help facilitate the Southern Expressway.

An honourable member interjecting:

The Hon. W.A. MATTHEW: The member for Spence knows what is coming. I was amused to hear the member for Spence say the Opposition has constantly supported the expressway. The Labor Party might have constantly supported the expressway, but it never built it. It promised year after year, but it never delivered. There is a big difference between supporting, promising and delivering. The Labor Party promised but never delivered. So, at last, now that this Government has been elected, the Liberal Party is delivering the Southern Expressway.

It is a very important Bill that we have before this Parliament, for it facilitates the expressway by effectively amending the Road Traffic Act 1961 so as to provide for the safe and efficient operation of the expressway. To facilitate the traffic reversal process that will operate for the expressway, stage 1 of the expressway from Darlington to Reynella will open in December 1997 and a continuation of the expressway to the Onkaparinga River will open in December 1999. The reversible nature of the expressway will be such that the expressway will normally change direction every 12 hours, but this may need to be varied from time to time to cater for special occasions, when traffic flow is anticipated to vary from the normal patterns. Regulations will also ultimately accompany this Bill to enable sensible variation to be applied when needed.

This road is something about which I have spoken in Parliament since my maiden speech. Indeed, on 20 February 1990, when I delivered my maiden speech to this Parliament, I stated in part (and I quote for the benefit of members who may not recall it or who were not here at that time) as follows:

Brighton Road continues to choke under the daily congestion of heavy traffic with no relief now or in the foreseeable future in sight under the present Government. People in my electorate have witnessed consistent delays in the commencement of the third arterial road and have become fed up with the endless procrastination and hollow excuses for its non-eventuality.

Still on 20 February 1990, I went on to say:

Two projects which must surely rate top spots on the agenda directly affect the electorate of Bright. These projects are: first, the third arterial road, which has been deferred to 1993 because of funding constraints, and which is a vital project to assist in meeting the travel demands of the growing population in the southern. . . areas; and, secondly, major improvements to South Road at Darlington.

It was for very good reason that I made reference to the third arterial road, as it was then known, in my maiden speech, because prior to my time in politics—and after it started—I witnessed the continual promising of the road by the Labor Party but non-delivery. To illustrate that point I intend to refer to a number of reports. The first is an *Advertiser* article of 16 August 1984, headed '$45 million road plan to cut Darlington bottleneck', which states in part:

The nine kilometre road will be built in two stages between Sturt Road at Tonsley and Reynella.

It goes on further to state:

The Premier, Mr Bannon, said yesterday the Government, through the Minister of Transport, Mr Abbott, would direct the Highways Department to start immediately with the design work and

preconstruction work. It was hoped that the road, a pretty high priority project, would be open in about 10 years.

That was in 1984. I ask the member for Spence to cast his mind back to 1984 when the then Labor Government under then Premier Bannon and then Minister Abbott and the then Highways Department promised a third arterial road. Where was it? What happened to it? It never eventuated under a Labor Government. Time moved on to 1991, and I now refer to a *Guardian Messenger* article (11 September 1991)—it is unfortunate that the member for Giles has just left the Chamber, because this article refers to him—which states:

Transport Minister Frank Blevins has reaffirmed that work on the third arterial road will start in late 1993.

The member for Giles is here and I apologise; I am pleased he is here, because the article continues:

At a public meeting in Happy Valley last week Mr Blevins said, 'Work on upgrading Marion and South Roads will start in 1993.'

That was an important turning point, because in 1991 we had the then Transport Minister, Mr Blevins, saying that work on the first phase would commence in 1993, involving a widening of South and Marion Roads. However, that was never part of the 1984 intended project—it was never part of the project at all. That was a separate project, as I clearly enunciated in my maiden speech in this Chamber in February 1990. The Labor Government fudged the project and brought in something totally separate. Admittedly, it started widening Marion and South Roads and tried unsuccessfully to convince the electorate that that was the third arterial road project. In this Chamber the member for Spence has again tried to imply that that was part of the third arterial road project. What a load of rubbish! There is no way that the widening of two existing roads in any way, shape or form is part of a third arterial road project.

If Labor Party candidates in this coming election are going to try in some lame way to claim that they started the third arterial road project, the electorate will laugh at them. However, it did not end there and I now refer to an article in the *Southern Times Messenger* (Wednesday 30 October 1991) and the headline 'Eight lane highway to ease traffic problems', as follows:

Plans for a $100 million eight lane highway from Reynella to Darlington are set to ease chronic traffic problems for long-suffering southern commuters. Plans for the third arterial road project were announced by the State Government last week in a road transport briefing to southern MPs. Phase 1 is an $18 million upgrade of the existing road system.

There they go again, trying to imply that a project of that nature was part of the third arterial road project. Of course it was not, and of course the electors in the south did not fall for it. In the *Southern Times* (12 August 1992) we saw the headline 'Funds wait puts $100 million highway plans on hold', and the article states in part:

Plans for most of a $100 million highway from Darlington to Reynella have been put on hold as the State Government waits anxiously for a decision on Federal funding. A spokesman for Transport Minister Frank Blevins said, 'Phase 1 of the third arterial project was due to start in September but phase 2 depended on the Government gaining finance.'

Yet again another delay. Then on 27 August 1992 the then Transport Minister, Hon. Frank Blevins MP, put out a press release entitled 'Green light for third arterial road project' and it stated:

Good news for southern commuters. Transport Minister Frank Blevins today announced work will begin on the $20 million third arterial road in February next year instead of November 1993.

Here we have the Labor Party promising that work on the third arterial road will start in February 1993, conveniently in an election year. You would think that they might have been able to deliver then but, no, they could not deliver, they did not deliver and that project was never commenced. With all that occurring, and as I said from the outset, it was for good reason that I made the third arterial road one of the major issues with which I came into this Parliament.

Mr ATKINSON: Mr Deputy Speaker, I rise on a point of order. The Bill before us is about making arrangements to remove unattended vehicles from the proposed Southern Expressway. Could you rule on the relevance of the member for Bright's line of debate?

The DEPUTY SPEAKER: The member for Bright is expanding the subject matter of the debate somewhat, and I simply ask him to relate his comments directly to the debate and then the Chair and the member for Spence would obviously be happy.

The Hon. W.A. MATTHEW: Thank you, Mr Deputy Speaker; I appreciate the sensitivity of the member for Spence because, of course, the matter I am now outlining is extremely relevant to the Bill, as it relates to the road existing in the first place in order for this Bill to be of any use whatsoever.

Mr Atkinson interjecting:

The Hon. W.A. MATTHEW: The member for Spence does not like this at all but he is going to hear what has happened in relation to this road—

Mr Atkinson interjecting:

The Hon. W.A. MATTHEW: The Chair has given a ruling: I abide by the Chair's ruling, and I am relating this very strongly—

Mr Atkinson interjecting:

The Hon. W.A. MATTHEW: It is not just about the removing of vehicles, as the member for Spence knows: this Bill facilitates the whole process involving lane reversal, and that is relevant to this Bill. It became a major issue on my coming to this Parliament, and on two occasions I moved motions in this Parliament to make this road a reality, to enable Bills like the one we are debating today to be debated at an earlier time. Indeed, on 1 March 1990 I moved:

That this House notes the concern of local residents about increasing traffic volumes on Brighton Road and calls on the Government to bring forward the construction schedule for the third arterial road to help alleviate southern traffic problems.

Also, on 28 November 1991, I moved:

That this House calls on the Government, as a matter of priority, to commence construction of phase 2 of the third arterial road in order to alleviate traffic problems on Brighton and South Roads and condemns the Government for attempting to spread the road building project over an unacceptable level of time.

Both of those motions, as a result of the Labor Party's usual delaying tactics, lapsed. The member for Spence may not like—

Mr ATKINSON: Mr Deputy Speaker, I rise on a further point of order. The member for Bright appears to be reflecting on a decision of the House in regard to those motions. I thought it was out of order to reflect on decisions of the House—

Members interjecting:

Mr ATKINSON: —whether in the last Parliament or any other Parliament. It is for Parliament to decide what the priorities of its motions will be.

The DEPUTY SPEAKER: The honourable member does not have a point of order. Members may not reflect on

decisions of the House made during the current session of Parliament, nor indeed quote from debates and *Hansard* in the present session. However, decisions made in the past can certainly be reflected upon.

The Hon. W.A. MATTHEW: Thank you, Mr Deputy Speaker. I do not doubt that the member for Spence is sensitive about these points, because it is a matter of fact, a matter of history and a matter of record that this Government is introducing this Bill, which is being debated today, which will facilitate the use of the Southern Expressway, which will enable southern residents to use the Southern Expressway and which will enable residents of the forgotten south, as it became known during the time of the Labor Government, to take advantage of a road they wanted.

It is refreshing, as I stand in this Chamber, to hear behind me encouragement from the member for Mawson, who was elected at the last election, and to see the members for Reynell and Kaurna who also were elected at the last election: members who have ensured that the south has strong representation on issues like this Bill before us today. In the last Parliament, the only voices for the southern suburbs were those of the member for Fisher and myself—the two Liberal members for the south. We are pleased and proud to have our numbers swelled to five with those three adding their voice. I am sure they will be speaking to this Bill and advocating its passage, just as they so ably have represented their constituents in the south to a far greater extent than their predecessors were ever able to do, and I look forward to listening to the contributions of the members for Mawson, Reynell and Kaurna as they continue to represent strongly and advocate the needs of their electorates in this House.

It is also fair to say that people need to be thanked in relation to this Bill being here today and in relation to the road being built to make the Bill something that is a useful exercise. First, I mention David Gray, who is a director of Maunsell. David Gray, as director of Maunsell, has a responsible role in the Southern Expressway project, because his company is the project manager. Many projects are often unfairly criticised by members in this House. In relation to Maunsell, it is important to note the way in which they have handled this project. The community interface has been nothing short of impeccable. I have been thoroughly impressed with the way in which this company, and particularly its State Director, has handled the conduct of the community consultation exercise.

In my electorate and in the adjoining electorate of Reynell, our constituents have had every opportunity to be involved in processes for the Southern Expressway, from the explanation to our constituents of the things that this Bill is about, through to the lane reversal process and how it will work, and also involvement in the landscaping of the road. They have had an opportunity to have a say in the species of plants involved; to be physically involved in the planting of trees and shrubs; to have a say in the bridge overpasses through their areas—the nature and final appearance of the bridges, and the materials used; and to meet with the personnel involved.

I single out David Gray because, even though he is a director of Maunsell, he has been at most community consultation meetings. He has been there speaking to the communities involved so that he could gain a first-hand appreciation of the issues about which they have concerns. I think that is particularly impressive. For the road to be built, it was important that a major structure in its path be removed and, for that to occur, a new one had to be built. That could occur only through the building of the new Sturt Police Station and the vacation of the Darlington Police Station. I was pleased to have a dual involvement in that construction—first, as Minister for Police and, latterly, as Minister for State Government Services responsible for construction—to see that building go up in the time required so that the road could become a reality and so that this Bill could become an eventuality.

Mr ATKINSON: I rise on a point of order. Mr Deputy Speaker, I refer to my earlier point of order, which you upheld on relevance; that perhaps the history leading to the construction of the expressway was not relevant to a Bill about the removal of vehicles from the road. Now the member for Bright is talking about the history of the erection of a police station which is somewhere near the Southern Expressway and which I would have thought was even less relevant. I ask for your ruling and I ask for it to be made binding on the member for Bright.

The DEPUTY SPEAKER: The member for Bright is certainly extending the debate far beyond the subject matter of the Bill. The Chair has been more tolerant than the member for Spence is inclined to be in the dying moments of the honourable member's contribution. The member for Bright.

The Hon. W.A. MATTHEW: I thank you, Sir, for your tolerance. I can understand the member for Spence not being as tolerant, because the police station was another failed Labor Government promise. This Bill will facilitate the use of the Southern Expressway. Like the members for Reynell, Kaurna, Mawson, Fisher and Finniss, I look forward to seeing our constituents use the Southern Expressway and take advantage of it. My electorate at the northern extremity will also benefit through a lesser traffic burden on Brighton Road. This is a sensible Bill, a Bill we should have seen in this House more than a decade ago, and a Bill that the Labor Government failed to introduce. I am pleased that they support it; they promised it enough times yet they never delivered. At last it is here and the road is about to become a reality. It will be a momentous occasion to see its opening, and I trust that the member for Spence will hop on his bicycle and perhaps be one of the first to use the excellent veloway facility that will be accompanying the Southern Expressway.

Mrs ROSENBERG (Kaurna): I support the Bill. I have not spoken at great length about the Southern Expressway, because in the past it has impacted more on the electorates of Bright and Reynell which is where Stage 1 is being built. In the longer term, after the first stage is opened in December 1997, the second stage (which is well under way in terms of planning) will eventually meet up with parts of my electorate of Kaurna.

In remarks I made during the Estimates, I suggested that the consultation process that has taken place in relation to the Southern Expressway is one of the best I have ever seen. The member for Bright also mentioned that, and it is basically due to David Gray and the way in which he has conducted that public consultation process. I have had the honour of attending a few of the first processes put in place for Stage 2, and I have noted that they consider all suggestions.

Some of the issues raised at a couple of consultation meetings are exactly the things that are covered by the Bill, that is, what happens if there is a major catastrophe or breakdown on the roadway; how the roadway is planned in terms of clearing that traffic; and the question of the reversibility of the road. Definite questions have been raised fairly

consistently by the community about decisions being made for the reversibility perhaps being different Monday to Friday from Saturday to Sunday. As the second reading explanation indicates, consideration is being given to the reversibility of the road and computer programs in place, involving information technology and that sort of progress, which will put South Australia well ahead in Australian conditions in terms of how the process will be managed on those roadways. I do not want to spend too much time, other than to say that it is a road that has been a long-term waiting process for the southern area.

In relation to my own electorate, some major upgrades are now in place for Commercial Road; the lights at Seaford Road and Commercial Road are now in place for the purpose of directing traffic off Commercial Road and onto the Southern Expressway where it will meet South Road at Old Noarlunga in two years time. Forward planning by the Department for Transport in terms of roads that will eventually lead and connect to the Southern Expressway has been very good in the electorate. I have supported the public consultation process the department has undertaken in concert with public consultation for the expressway.

The two roads, particularly the one in my electorate, need to meet up with the Southern Expressway for the expressway to work well for those areas in the southern section of Kaurna. I support the Bill. It is a sensible Bill. As the member for Bright said, it has been a long time coming and I appreciate it for my electorate.

Mr BROKENSHIRE (Mawson): I am certainly very pleased to be able to stand up here as one of the team of southern members, and it is a team, because we work closely together down our way. That has been a great attribute for ourselves as far as getting things done in the south is concerned. It is also a great attribute for our fellow community members of the south, because it gives a strong push to opportunities for the south within the terms of the Government. I have heard some good debating here this afternoon, and I would like to add a little more to that.

I see this as being one of the essential elements in another piece of the jigsaw puzzle that will create long-term opportunities for everything that many of us desire for the future of our children and our families—to look after the region from the point of view of its landscape and also to be able to create jobs and economic wealth, and to be able to offer a future for the young people in our region, rather than having them leave our region and, as has been the case in the past, our State to get work.

Whilst it has been a long time coming, this piece of legislation will allow some of the technology, visionary and well thought out engineering that will also be beneficial to the environment—which I will touch on a little later—to be able to take place. The Southern Expressway was talked about *ad nauseam* by the Labor Party when in Government, going well back to the late 1970s and the early 1980s. It ran three election campaigns in the south on the promise that it would build a third arterial road, as it called it. The community in the south were fairly patient, because they are a good community, but their patience had run out by 1993, and they had had enough.

The bottom line is that we have honoured our promise and stuck to it. Before Christmas we will see, both ahead of our time schedule and below budget, stage 1 of the Southern Expressway become a reality. What saddens me is that back in the good old days when the Liberal Government was in power for many years, and only spent within its means and did not bankrupt this State (as did the previous Labor Government and its ineptitude, although we are working our way out of it), a lot of land was purchased under the old MATS scheme. That would have allowed a true north-south corridor. If ever there was an occasion when we could have created opportunities for all South Australians, no matter whether they lived in the northern or southern parts of the metropolitan area, or in the rural areas, that was it. The north-south corridor was essential.

I would like to say just one thing on that in respect of an area that I will give as an example, and I refer to the Metro meatworks. One of the main reasons the Metro meatworks no longer exists in the south is that its natural catchment area was very much reduced because of the change in agricultural pursuits from mixed farming and dairying to horticulture and viticulture, as well as the concrete slabs that went up on the good prime land due to poor planning and lack of vision to protect the area. Because we do not have a good road corridor network, I understand that it was too expensive for Metro to truck its sheep and cattle right through Adelaide and therefore, due to the costs it would have incurred and lack of profitability, it is supporting Samcor and Murray Bridge.

If we had capitalised on the land purchased and put aside by the Liberal Government of the day, I would suggest that 500 jobs would have still been in the south at Metro Meat today. However, when the Labor Party began to spend more than it was earning, before it really became absolutely inept and cost us $4 billion just with the State Bank, it started selling off that corridor. Now, sadly for future generations, there is no opportunity to develop a north-south corridor.

At least we now have a Government that understands what the McKenzie report and others have said, although I might add that they have collected dust for many years, cost us money and have not contributed to our economic wealth. The McKenzie report (for one) identified that one of the fundamental elements for increased economic opportunity by virtue of increasing the Lonsdale, Hackham and McLaren Vale industrial areas was that we needed a decent arterial road. As I have said, stage 1 will be opened partly as a result of this Bill.

The other thing to which I will refer, adding to the reference by the member for Bright, is the fact that the member for Giles, when Minister for Transport, announced on a couple of occasions—in 1991 and again in 1993—that the Labor Government would build a third arterial road but that it was not possible because of a lack of Federal funding. It used the Federal Government as an excuse.

Mrs Rosenberg interjecting:

Mr BROKENSHIRE: As the member for Kaurna just said, 'Who was in Federal Parliament then?' Guess what? It happened to be Labor Prime Ministers Hawke and Keating, yet the State Labor Government could not get any money. That is how effective it was at drawing money out of the Federal Government. In other words, it was absolutely ineffective. However, despite the massive debt we inherited, the bottom line is that we are building a $112 million Southern Expressway for our community in the south with State money, and I call that good management and good business.

The south is no longer forgotten. As long as I have breath in my body, I will continue to fight for the south, as will the rest of the southern team. We will remember the south, unlike the Labor Party, which, time and again, moves its Labor candidates from one area to another. Some of them come

from New South Wales, others from Unley. All of a sudden, they get really excited and itchy about the importance of the south. They come down and create warm and fuzzy images, and say, 'I am here to look after you. I love the south. I am a community person'. They say that even though they have been in the area only five minutes. Guess what happens? They either stay around long enough to get a pension and then leave the State or, when they lose the election, they leave the south, so they have five minutes of passion for the south. That is the sort of basic problem the Labor Party has had in the past. However, I point out that our community now has a very long memory.

The Maunsell group, a magnificent engineering and management group which is now international, has done a brilliant job with the private contractors, MacMahon, in building this Southern Expressway. Wherever I go now—whether I am out door-knocking and visiting or at a meeting—members of my community say, 'Isn't that a superb job.' And they are noticing that spray seed is already occurring, and trees are being planted, even though this expressway is not open. The great part for my electorate of Mawson is that, by Christmas, Stage 1, will hook straight onto the northern end of my electorate and the majority of my community will be able to use that expressway from then. I am delighted with that, because it will create jobs in the south, and when people travel to Adelaide they will save money in petrol, wear and tear and time. There are a couple of other points which I would like to mention.

An honourable member: Must you?

Mr BROKENSHIRE: Yes, I must, because I believe it is important that this all gets on the public record. In the past, we have seen examples where people have been railroaded when it comes to building an expressway or an arterial road and have not had a chance to have any input. On this occasion, there has been consultation with the community. I was privileged to attend one of those meetings recently, and it is great to work with your community—

Mr Brindal: You are always at community meetings.

Mr BROKENSHIRE: As the member for Unley said, I am often at meetings, but that is part of being a member of Parliament, and it is a particularly interesting and pleasurable part of the job, because you get to spend time with your community. However, the fact of the matter is that where there is a problem with the road—maybe someone is concerned that it is a little close to their house, or they might want better screening—Maunsell is working with the community to ensure that that is resolved.

Finally, I want to touch on environmental issues. The cost return on this project is not only good from an economic point of view but it is also good from an environmental point of view because, instead of having cars stopping and starting through something like 20 sets of traffic lights from Old Noarlunga to Adelaide, that number will be cut by at least half—and most of the pollution that occurs when you are travelling is when you are stopped and idling at a traffic light. This will be a true expressway, as this Bill highlights: people will drive along at 100 kilometres an hour and their cars will be running efficiently, with pollution down to a minimum.

Additionally, 80 000 trees are being planted. I would like to commend the young school children, the Trees for Life group and all those committed community people who are currently involved in propagating and planting those trees. So, what we will see is a green corridor—not a roadway or an expressway. Also, there will be the opportunity for a fully equipped veloway, the first one in South Australia, which I understand even the Olympic—

Mr Atkinson interjecting:

Mr BROKENSHIRE: The member for Spence is in agreement with that, because he understands that our Government is working hard to increase bike usage in South Australia. I must give credit where it is due: the member for Spence is certainly bipartisan on that point, because he spends a lot of time pedalling his bike. The veloway will provide the south with opportunities to bring Olympic teams over to practice, and perhaps create hospitality and tourism opportunities and, subsequently, jobs. There will also be walking trails, picnic areas and opportunities for families to spend some leisure time there.

This is great news for the south. Look at what we are doing with tourism and the wine industry; look at what is happening at Lonsdale now, with Sealy moving to the area; look at the Britax announcements; look at the commitment that Mitsubishi is making in the south; and the general building work that is going on in the Lonsdale and Hackham areas. The newest area, Woodcroft, only recently opened as an industrial area and already three new factories and businesses are moving in there, because they know that they will have decent infrastructure. This is only the start. There is a lot more to come over the next few terms of Government, and I trust that we will continue to fill that jigsaw puzzle of the Fleurieu Peninsula with further infrastructure projects like the Southern Expressway.

I congratulate all the people who have been involved in this, particularly the Minister (Hon. Di Laidlaw) who has been absolutely committed to this project. She has visited the area on numerous occasions and has realised that this is an important project for the south. I would also like to congratulate a member of the media, big Bob Francis from 5AA. I had the pleasure the other day of travelling down the first stage of the Southern Expressway with Bob. Bob realises that we have to get these infrastructure projects up for South Australia.

He is a journalist and radio personality who understands the importance of talking up the economy of South Australia, who is passionately South Australian, and who has a program through which he helps to support the growth and direction of the whole of South Australia. Whilst his program is late at night, he was still up early in the morning on his Harley Davidson to travel the expressway with us and then go back to his talk-back radio program and tell people what he had seen. So, congratulations to a member of the media who is prepared to get out there with the community and the politicians, travel the expressway and see where his and other taxpayers' money is being spent. I look forward to the opening of Stage 1 before Christmas.

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

The Hon. DEAN BROWN (Minister for Industrial Affairs): I thank all members for their valuable contribution to this debate. As members would realise, I am a keen supporter of the Southern Expressway. This project has been sitting around for a long time. This Bill deals with a potential problem that might exist to make sure that, with the new technology that is being used on the Southern Expressway, vehicles do not block the road. I am sure that all members of this House realise that this Government made the commitment to build the expressway.

I recall hearing a commitment made in this Parliament to build the expressway at the beginning of the 1980s, and I heard that commitment made at every subsequent election. This is the first time—and I hope that the people of the south realise this—that a Liberal Government has made that commitment and has carried out that commitment. By the end of this year, stage 1 of the Southern Expressway will be opened and operating for the people of the south—a great achievement indeed. I therefore urge support for the passage of this Bill through the House.

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

Mr ATKINSON: Mr Speaker, I draw your attention to the state of the House.

A quorum having been formed:

NON-METROPOLITAN RAILWAYS (TRANSFER) BILL

Adjourned debate on second reading (resumed on motion).

(Continued from page 1924.)

The Hon. FRANK BLEVINS (Giles): I support this Bill on the basis that there is not a great deal of option. I also want to say a few words about the Minister who has invested a lot of time in this Bill. I have some clear understanding of the difficulty she has had putting this Bill together and getting it through the Parliament. She has had difficulty because at the end of the day South Australia has no leverage in this area. Since 1975-76 or whenever the Bill finally went through Parliament, South Australia has had no direct interest—certainly no financial interest—in the non-urban railways of South Australia. To try to get the Commonwealth to do anything to assist a State that has no financial interest in its property is very difficult, because it works on the basis that it is its property and it can do as it wishes. After we sold the railways we had no real further say in them.

So, I express my understanding—I am not sure I will go so far as to compliment the Minister, because that could be misunderstood—of how difficult a job this has been and how well she has come through those difficulties. AN was doomed from the day the National Rail Corporation was formed. Everyone knew that: there was nowhere for AN to go. The National Rail Corporation was formed out of a desire of the Federal Government to have a uniform system throughout Australia as far as practicable. In my view and in the view of South Australia, the logical way to do that was to build on the existing national railway service, which was Australian National. Unfortunately, the two principal eastern States of New South Wales and Victoria would not have a bar of Australian National. Why that was I never really found out, but at the end of the day their wish came true, because it was stated clearly by Mr Max Moore-Wilton—and I will come back to him in a moment—who was running rail transport, in particular, in New South Wales at that time, that AN would not be tolerated.

I believe that the Commonwealth itself wanted to build on AN, there was no doubt that South Australia did, and I believe that Western Australia also would have been happy to go along with that, but the problem was that we did not have any trains. New South Wales and Victoria had the trains, they had all the say, they vetoed AN and that was the end of AN. From that day to this, it has been a foregone conclusion that at some stage we would finish up with a Bill such as this and with AN in the position that it is in.

Some people have been critical of AN. I am not one of those, although I was not too keen on the way it closed down its passenger services to regional South Australia. However, when the figures are put in front of you, it is hard to argue, although we did argue vigorously; we took them to arbitration and won the case, but the Commonwealth Government ignored the results. That was one of the failures of the Rail Transfer Agreement: there were no penalties involved. I am not sure what penalties could have been put in anyway, because the Commonwealth's attitude was, 'If you want to run the trains, run them.' With a $100-odd subsidy per trip, no-one was keen to get back into running passenger trains in this State.

So, whilst we condemned the Federal Government for that action, there was not much we could do about it. I thought that it was a folly that of all the railways that we had running in Australia the only one that ran at a profit was AN. I thought that the last thing we needed was another railway, but the National Rail Corporation was brought about. I thought that we would have tried to reduce the number of railways rather than increase them. But we increased them and in the process we smashed the only profitable railway in Australia.

Australian National won no friends because long before economic rationalism was fashionable the management of AN realised that, if it did not stop pouring the Commonwealth's money down a huge, black, bottomless hole, it would be in serious trouble. The Commonwealth Government told it that in as many words, so the management of AN acted quite ruthlessly to make it profitable. It had a fair bit of cooperation from its work force. It certainly picked up the charter of the Federal Government of the day and I thought that it did it reasonably well. I was not one of those who enjoyed kicking Australian National, but many people did and that was unfortunate.

There was also a misunderstanding. Some criticism has been made of successive South Australian Governments about not defending AN. I am not sure what one could do. If we wanted to take them over, I think that the Commonwealth Government would have been happy to give them back to us. Other than Tasmania in relation to, I assume, something called Tasmanian railways, the States got a good deal, South Australia by selling the South Australian railways to the Feds in the mid 1970s. Once you have sold the article, you lose almost all rights over what happens to it after that.

So, the bureaucrats did not want to know and were not interested in the views of South Australia whatsoever. It was very difficult to make political people in Canberra have any regard for South Australia's position. In fact, they said that, if you want to buy into the National Rail Corporation, you can do that; we will take a few million dollars from you and you can be a partner. We found that easy to decline. We did not want to get involved in interstate rail again.

One thing that ought to be remembered is that we got a standard gauge rail line from Melbourne to Adelaide. It was put squarely on the previous Labor Government that, if we wanted the Melbourne to Adelaide line standardised, we had to accept some of the other parts of the package and stop whingeing about particular things that were certain to occur after the National Rail Corporation was established, take the standardisation, which was a huge project of enormous benefit to South Australia, take the money for the standardisation and shut up. It was put in those terms. I can easily understand the Commonwealth's doing that. The State would have been screaming State rights at every turn if the boot had been on the other foot and the Commonwealth had been

telling us how to run South Australia. We can all imagine what would be the response of the South Australian Government in areas that were purely in our jurisdiction and not the Commonwealth's jurisdiction. I am not sure what this or any other Government could have done once the railways were transferred to the Commonwealth.

The former Premier of New South Wales, Nick Greiner, said that one of the silliest things New South Wales ever did was to not transfer its railways to the Commonwealth when the offer was made in the mid-1970s. Every State should have done the same and let the Commonwealth close them all down. From memory, the railways in New South Wales were losing something like $3 million a day—it was certainly a seven figure sum a day that it was losing.

It was something that the New South Wales Premier did not appreciate but, if the New South Wales Government attempted to close down any of these lines, which it did from time to time, the whole community and local members were up in arms, pleading to the Ministers that they would lose their seats if a line was closed. The only problem is that all these people who demonstrated and complained never went on the trains. It made it very difficult for the New South Wales Government to keep them going financially or to close them down because nobody ever used them. It made it very difficult indeed. Mr Greiner thought that it would have been a good idea if in the mid-1970s they had handed the whole problem of the non-metropolitan railways over to the Federal Government and got some money for them instead of paying out enormous sums on a daily basis.

I am not sure how much interest Nick Greiner took in the details of the National Rail Corporation's being established and, because it was established, the slow death of AN. His chief operative at all the discussions in this regard was Mr Max Moore-Wilton, who is now the head of the Prime Minister's Department in Canberra. The naked hatred of Max Moore-Wilton for the railways and its employees, and in particular for Australian National, has brought us to the position we are in today. He had the trains and the backing of the New South Wales Government and he would not hand over the trains other than on his terms.

That is the way it fell. I was sorry that it happened that way, but that is the way it is. There is not a great deal one can do about it. I do not know that the end result would have been much different because Governments these days are hard-headed and there are a lot of romantic people around who love trains. The only pity is that they will not use them.

We hear some members from rural constituencies talking about trains all the time. You ask them how they shift their wheat and they say that it is by road. It is much cheaper to do it that way and that is the way they do it. I support their doing that, but their hypocrisy in standing up here or being seen on the last passenger train between Pirie and Adelaide, fighting to save the trains and assisting in carrying coffins, when they will not use the trains either as a passenger or for the not inconsiderable amount of freight they generate through their rural properties, is such that you have to name them a bunch of hypocrites.

I do not know what the future holds for rail. I am pessimistic. I know it is not fashionable to be so because we are supposed to stand up and say how desperately the State needs the Alice Springs to Darwin rail link. Maybe it does, I do not know: I am retiring and it will no longer be my worry. My understanding is that there is not the freight to go on it. Nevertheless, if they want to order a load of steel from Whyalla to build train lines, I will not argue. It will employ no more people in Whyalla—there is not one job in it for Whyalla. It is just another order that will stand in the queue and there are no jobs in it for Whyalla but, if the Commonwealth wishes to spend its money like that, so be it. However, I understand that plan B is being moved up and it will be the South Australian taxpayer who pays. It is extraordinary.

Railways over the years were run by the private sector when there was a quid in it, when it was profitable and when the roads were not so good. Then various Governments at various time lines took them over when there was no longer a quid in it, and we subsidised the losses. That might have been a good thing. With the Darwin to Alice Springs railway, we are rounding up all those losses for the future and giving it to them first. It is usual to wait until it makes a loss and discuss it with the Government to see whether it can help subsidise the loss, but in this case they have added up the loss first and said, 'Here is $300 million; they are the losses you will make', and it all looks like a clean financial operation.

I do not know; I hope it all works out well. Apart from people who like to play with trains, especially using other people's money, I have yet to meet anybody who says that the Alice Springs to Darwin railway is anything but another black hole for taxpayers' money, if only because the freight is not there. I hope that we are all proved wrong and that we will all be cheering it on. All I can say is that I wish Australian National well in its new guise. It will be a very difficult row for it to hoe, but things come and go. We have had to face that in the steel industry, where things have changed dramatically and now they turn out three times the amount of steel with a third of the work force. It may be that picking a few select lines where a dollar can be made to keep it going was inevitable. I think there is not the affection for trains that there used to be, and that trains have been kept going by grown-up boys who just liked playing with them. They are very expensive toys. If you want to play with big toys such as trains you had better have a lot of money.

The road transport industry comes in for a bit of flak, which is completely unjustifiable, in my view. I am not talking about an odd truck driver who does the wrong thing or the occasional company that goes broke: the industry as a whole is a superbly efficient industry. The problem for rail is that it has a devastatingly efficient competitor in road transport. Whether it is taking freight from Adelaide to Darwin or overnight between Melbourne and Adelaide, rail has it all ahead of it to try to compete, other than on a few select lines, moving very large tonnages of usually low value freight. Nevertheless, I wish AN well.

I know that the Minister and Deputy Leader have worked hard and long on trying to get something out of the Commonwealth, and I think they have succeeded in safeguarding any severance conditions and superannuation that may be due to the workers. I think the Minister and Deputy Leader should be congratulated on squeezing some of these things out of AN and the Commonwealth Government, particularly given that neither of them have the least bit of leverage. All they can use is their charm, and they have a lot of that. From what I can see of this Bill, they have been reasonably successful and they ought to be very satisfied with arriving at this result. I think it is particularly good for the Minister, the shadow Minister and the Deputy.

The Hon. H. ALLISON (Gordon): For me this is at the same time a momentous debate and also a disappointing one, and I think my sentiments were probably reflected in the comments made only a few moments ago by the member for

Giles. I must admit I was a little surprised that the member for Giles was so pessimistic about the future of rail services in general, particularly when they are so important to his electorate and the people of Port Augusta, but it was pleasing to hear him acknowledge the work that has been put in by the State and Federal Ministers to perform some sort of rescue operation. I am sure the Minister would appreciate that. At the same time, the member for Giles acknowledges the immense pressure that has been put on the Labor Party by the people in his and the adjoining electorates.

I say it is momentous for me, because I made my maiden speech in September 1975—almost 22 years ago—on this very Bill, the 1975 Rail Transfer Agreement. I said *inter alia* in that debate that I felt that at some time in the future South Australia, particularly rural South Australia, would have a pretty small voice in negotiating with Canberra, compared with the voice it had in negotiating with its own State Minister for Transport, and therefore relinquishing the rail system to Canberra was of great significance to the people in rural South Australia. I said that we would virtually lose our voice if we lost control of the railways to Canberra.

Some protection was afforded by clause 9 of that 1975 Rail Transfer Agreement, which enabled South Australia to take the Federal Government to arbitration in the event of any dispute, particularly in the winding down or closure of any part of South Australia's rail network. Although there were some closures and some fairly weak capitulations by the South Australian State Labor Government prior to 1993, in 1993 at last we took the Federal Government to arbitration over its intended closure of the Wolseley to Mount Gambier rail passenger service, while keeping open the Adelaide to Wolseley section of the line. The State exercised that power, albeit somewhat reluctantly. I think I was instrumental in persuading the then Minister for Transport, the current member for Giles, to make representations and take the matter to arbitration. I assisted the State Government in its case quite considerably by making my decade or so of personally acquired information available so that it could put that matter to the arbitrator.

I also made a personal submission of well over 100 pages to the arbitrator. He thought it was a major submission, because he said two submissions were worthy of note: one was from our opponent in this matter, Australian National Rail; and the other one he said was the submission of the member for Mount Gambier (as I was then), the Hon. Harold Allison. I suspect that my submission and that of the Minister through his Crown Solicitor's staff must have been of significance, because the arbitrator awarded us a decision against Australian National, 14 points to nil, and ordered it to reinstate the line, put back the passenger sleeper service, give them better catering facilities, improve the timetabling and so on. It was 14 points to nil, and we were greatly satisfied.

But what a hollow victory that turned out to be, because the State Government, having taken the matter to arbitration and supported me in my case before the arbitrator, then did what no Olympic prize winner would do: it failed to pick up the medal. It did not enforce the decision made by Arbitrator Newton; instead, it simply capitulated in the face of an offer made by the Federal Government to standardise the line from Melbourne to Adelaide, to grant $123 million to standardise the line from Adelaide to Port Adelaide, and to give some sort of guarantee (and how specious that turned out to be) that Port Augusta would be a national rail maintenance centre.

So, the State Minister accepted that $123 million, sold Mount Gambier down the line, and allowed the closure of the passenger rail service from Wolseley to Mount Gambier. I am not complaining about the passenger rail service, because Bond's bus service provides an excellent service now, extending up through Keith and into Tailem Bend, and another service from Mount Gambier through Robe and Kingston to Tailem Bend, where the two buses meet, absolutely on time, and travel through to Adelaide. The reason I contested the Federal Government's intention to close down the passenger rail service was that I and other people in the South-East recognised that this would be the thin end of the wedge and that if the passenger service was allowed to close the freight service would be next in line.

I might mention also the somewhat cynical comments made by the member for Giles about the failure of people to use the passenger rail service. While he was speaking I jotted down a few things that occurred to me about that passenger rail service. People in the South-East declined to use it and used their own motor cars or an alternative bus because the lights used to fail in the train; the heating/cooling system used to break down regularly; the brake service on the train service used to fail and they had to stop and be replaced en route; there was a 13-hour trip between Mount Gambier and Adelaide—and you can blooming well walk to Adelaide in less time than that these days—

Mr Clarke interjecting:

The Hon. H. ALLISON: I am pretty fit, I can tell the honourable member, even though I can give him about 30 years in age difference. The time tabling was atrocious because it suited ANR when the trains ran but not when the passengers actually wanted the train to leave Mount Gambier and arrive in Adelaide or *vice versa* Adelaide to Mount Gambier. It was atrocious and, although there were promises of improvement and people used to come down from ANR and sit in offices in Naracoorte and Mount Gambier, they made absolutely no contact with the customers whom they were trying to woo. The two sleeper cars were burned out and never replaced. When it is an overnight train service, I ask you, with people sitting up and no sleepers or alternatives, what sort of service is that? So, no wonder people preferred the Bond's bus service when it was introduced, and good luck to Bond's.

But, as we anticipated after 1993, the freight rail service in its own right was closed down. It has been closed down for two or three years. The railway line is still sitting there. It is first-class iron, really good quality iron. It is a good 80 km/h track to link up with that 120 or 130 km/h track from Melbourne to Adelaide, but it needs a few of the sleepers, say, one in five or one in eight, replaced and strengthened to give the line some stability. It does not involve a massive expense; about $5 million or $6 million is required to bring it to a reasonable operating standard. There are other alternatives. The bilogrevic wheel allows the train to run on both the standard and the broad gauge simply by moving from a set of points onto the different gauge when the different line is reached. That is something a Sydney company is currently mooting and it might be an alternative to standardising the line. I have advised State and Federal Ministers of that, as well as other people who might be interested.

But, as I said, to its shame the State Government failed to collect the prize and not only failed to insist on reinstatement of the passenger rail service but then allowed the freight service to close down in exchange for that Federal Govern-

ment inducement: 'We will standardise the line from Melbourne to Adelaide if you allow us to bypass the arbitrator's decision and close down the Mount Gambier to Wolseley line.' That was shameful, particularly since the South-East, by the very latest set of statistics released by the Bureau of Census and Statistics, is the most prosperous part of South Australia. It is responsible for about 30 per cent of South Australia's export produce, it produces a tremendous amount of goods for interstate, intrastate and export trading and, apart from that, Mount Gambier itself is one of the few areas in South Australia on yesterday's statistics that still has a reasonably quickly expanding population. It is about a 3.3 per cent expansion according to the last statistical survey. Why has the State Government in the past not done something about reinstating that line and ensuring that the South-East, one of the highly productive parts of the State, is still part of a national integrated rail system?

In mitigation, I would say that I have always refused to be pessimistic, as the member for Giles was a few minutes ago. I have always been optimistic, because I believe there is certainly a strong case still to be made out for an integrated national rail system with the South-East, from Mount Gambier up to Darwin, and the national system from Sydney through to Perth as a complete system. There is no reason why the South-East should be left out, particularly since Victoria, which retained possession of its railway system, has decided to standardise on the north-south routes from, I think, Ararat, Ballarat and Bendigo down to Geelong and from Ararat down to Portland, encompassing the major ports. The South-East could easily be linked with that system on a standardised line from Mount Gambier through to Heywood and northwards up to Wolseley. I have not lost hope.

However, this Bill is enabling legislation. It allows the State Minister and the Federal Minister to sell the South Australian railway system. I hope that they are able to do that to some company—probably an international company or consortium—which has a lot of money that it can spend and invest on the system to make it into one of the world's best rail systems. Australia will stand or fall on the material it exports. We are a small market. With a population of 18 million people in Australia, we manufacture far more than we can use among that small population and, therefore, we have to export or die. It is our transport system—road, rail, air and shipping—that will enable us to export.

I hope that the people who buy the system will recognise the vast potential of the Mount Gambier area in particular and the Upper and Lower South-East in general as producers of materials for export. If they do, they will realise that the railway line has to be included in their national system. If they do not, I hope the opportunity will be given in the three to six month period allowed under this legislation to put the potential for purchase up to Australian or local purchasers. Indeed, I understand there have been expressions of interest from people who are interested in doing that, simply taking over the line as a local regionalised line, with a view to integrating it with the alternatively owned Federal system. If that is the case, there is still substantial hope for the South-East to become part of that national integrated system. I do not share the member for Giles' pessimism in this matter—

The Hon. Frank Blevins interjecting:

The Hon. H. ALLISON: If the member for Giles will cease interjecting, if you look around the world and Australia, where money has been spent on railway lines, whether in Western Australia, New South Wales or Victoria, they are proving to be increasingly successful. There is more than just a nostalgia for railway lines. There is recognition that they are a fast means of transport. You can move a lot of people very quickly at relatively low cost once you have the infrastructure, and the infrastructure in Australia is already in existence, particularly between Wolseley and Mount Gambier. The member for Giles should not give up hope, because there is still plenty of promise in Australia.

Of course, Australia has an expanding population and expanding potential. We are not a shrinking violet. It is the people who are pessimistic who will literally write off Australia's future, as opposed to the people who are optimistic and who see the best of things happening for Australia. We are a wonderfully promising continent. We can provide the world with a tremendous amount of food and goods. We are the world's food basket if only we utilise the potential of this country to its fullest advantage. I do not share the member for Giles' pessimism and despondency. Certainly, I can see why he is leaving Parliament and I cannot see, after having made this speech, why I am leaving Parliament. I think I should jolly well be here for another term, but that decision has been made.

As I have often said, the South-East is one of the jewels in the crown of Australia, not only of South Australia. It has tremendous potential and I hope that whoever buys Australian National will realise that potential and will reinstate that railway line.

This speech is by way of a plea. It is a plea that I have been making for 22 years, and for about 18 or 19 of those years we managed to keep the passenger and the freight railway service open in spite of opposition—and I might mention this for the benefit of members who are present—and in spite of the gross inactivity of the extremely pessimistic member for Giles, who was instrumental in accepting the money from the Federal Government to standardise the Melbourne to Adelaide line and to close down the Wolseley to Mount Gambier line. I am pleased that he is here. I am not surprised to hear his pessimism, but I certainly do not share one iota of it. There is tremendous promise in Australia and in South Australia for a continuing, prosperous, well-managed and well-operated railway line.

The SPEAKER: I take it that the Deputy Leader is the lead speaker.

Mr CLARKE (Deputy Leader of the Opposition): Yes, Sir. I would like to thank my colleague, the member for Giles, for being here on time whereas I was not by a few minutes—which is one of the problems when the Parliament House dining room is booked out and you have to travel a bit further. As other speakers have already mentioned, we must remember the history leading up to the Bill before us today. It certainly is an interesting history which needs to be set out for the record, because it is unfortunate that there is nothing further that the Labor Party can do to oppose the privatisation of Australian National. The vote in the Senate a couple of months ago sealed its fate. The State Government, for all intents and purposes, had very little bargaining power left with the Federal Government once those Senators crossed the floor and allowed the Bill to pass.

I am sorry that the Bill is being debated tonight rather than Friday. The reason is very simple: on Friday, the AN commission, the trustees of the superannuation fund, will make its decision as to whether or not the $4.5 million that the actuaries have said is within the fund will be distributed to the 325 AN workers and whether or not they will get a redundancy pay-out under that superannuation scheme. At the

moment, the superannuation scheme provides that no worker will receive the employer's share of the scheme until they have served for 15 years. The superannuation scheme began in 1991 and, therefore, it is impossible for the 325 workers to serve the 15 years to qualify for that superannuation pay-out. The trustees are under no obligation to pay that money if they do not wish to; if they do not, the money simply goes to the Commonwealth Government.

The Labor Party wanted to say to this Government and the Australian Democrats that we should not pass this Bill until, at the very least, those 325 workers at AN are guaranteed their superannuation pay-out. It is worth between $10 000 and $15 000 each for them. They will be dismissed through no fault of their own and they are in a superannuation scheme which does not provide for retrenchment payments in terms of superannuation.

The last bit of leverage that we had on the Federal Government to ensure that the moneys were paid out was by holding on to this piece of legislation in the State, and to say that we would wait until we know whether or not workers have been short changed before deciding on our final attitude. Regrettably, neither the State Liberal Government nor the Australian Democrats saw fit to say, 'We will wait until Friday.' I understand the Australian Democrats are more worried about processing measures like the native vegetation legislation. I am not saying that it is not important legislation, but for the livelihood of 325 workers I would have thought it was worth our while to come back on Friday to find out the final decision of the AN commissioners on that point, because I am about helping those individual workers to re-establish themselves after they have been retrenched through no fault of their own.

I am less harsh on the Government because I never expect the Liberal Party to look after the interests of workers, but I do resent members of the Australian Democrats, who purport to represent the interests of the small person, worrying more about native vegetation than the livelihood of 325 workers.

The Hon. G.A. Ingerson interjecting:

Mr CLARKE: The Minister interjects and asks whether that has been sorted out. It has not been in the finality. It is true that the State Minister—and I will pay her due respects later on—has been diligent in following up matters raised by us and the shadow Minister for Transport, the Hon. Terry Cameron. I believe she has done her best in that respect. Certain advice has been provided to her which she is not able to convey to the Parliament and, of course, you cannot bind what the trustees of the superannuation scheme will do on Friday. As a former union secretary who has been involved in various deals, I always wanted to ensure that the signature was on the bottom line before I would say for certain the money would be there.

Going back to what the Minister said by way of interjection, certainly Senator Brian Harradine crossed the floor on this issue in the Senate on a nod and wink from Senator Alston (representing the Federal Minister for Transport) who said that the AN commissioners would look at this issue favourably and, if they did not look at it favourably, the Commonwealth Government would step in. On that nod and a wink understanding—and it is in the Federal *Hansard*—Senator Harradine crossed the floor and allowed the Federal Government to get this Bill through by a majority of one in the Senate.

That was over a month ago, yet the commission has not finally deliberated on it. It is getting reports from actuaries and it is meeting this Friday to make a final decision. I have been involved in many circumstances where, before final delivery of goods on your doorstep, someone has ratted on you in the meantime. I always prefer to have whatever leverage is available to ensure that that is held on to until the last minute to ensure that undertakings and understandings, a nod and a wink in the Federal Parliament, is carried into effect before you let loose that last bit of leverage.

I will deal with those issues separately and in more detail later. We have heard a lot in this House and in another place, and over some time, about the state of Australian National and how it is all the fault of the former Federal Labor Government. Let us go back to the history of when our State railway, as it was in Tasmania, by and large, was handed over to the Commonwealth Government in 1975. That was a good decision for this State. Notwithstanding the member for Gordon's making a very good swansong of a speech in this place supporting his electorate—and I commend him for a very good speech on that matter—if he were in Government in 1975 he would have voted for that Bill.

It relieved the South Australian taxpayer of huge losses incurred every day, every week and every financial year in running a rail system which was costly because of our small population and the large area it had to service. We transferred that burden to the Commonwealth Government and it freed up considerable sums of money in this State under the former Dunstan and Corcoran Governments which we spent on things such as health and education. Admittedly, we never got around to spending it on the sewerage plant at Finger Point, but it was because of the obstinacy of the member for Gordon over those years that it was not achieved earlier. If he had been defeated in an election, I am sure it would have materialised very soon thereafter, but it was his obstinacy that caused that delay.

It was the stupidity of other Conservative State Governments that operated in Australia at that time which stopped Australian National from being the vehicle for a national freight and passenger transport operator in all States. The then State Liberal Governments in New South Wales and Victoria were adamantly opposed to the transfer of their State railway systems. Likewise with Queensland, but what could you expect under Bjelke-Petersen; and it was the same in Western Australia. It was the cry of States rights, notwithstanding the economic nonsense that that made with respect to the running of an efficient freight rail network throughout Australia.

The legislation, which has passed at Federal level, does have a bearing in terms of the Bill currently before us. The Federal Parliament voted, by narrow majority, to give the two Federal Ministers, namely the Federal Minister for Finance and the Federal Minister for Transport, total power with respect to how they would dispose of AN assets here in South Australia and Tasmania, without any further reference to the Commonwealth Parliament. It was basically a 'trust me' process.

In looking at some of the points that led the Commonwealth Liberal Government to take the decision it finally did, to privatise AN, I note that the current Federal Minister, when shadow Minister for Transport, was only too happy to come to my electorate and visit the Islington workshops and also the Port Augusta workshops, and hand out Coalition policy statements on AN, promising AN workers a future under a Coalition Government, that AN was safe and would remain so within the hands of a Coalition Government. Within a matter of a couple of months, Minister Sharp and the Howard Liberal Government ratted on their word.

Of course, that is not the first time they have broken an election promise, but it was certainly tragic for the workers of AN, because many of them put their faith in a Coalition Government coming into office federally and retaining AN, because they had experienced years and years of reductions in staff numbers under Labor Governments, and the introduction of the National Rail Corporation (which I will deal with later). They had constantly heeded the advice of those in management, in the Government and the media that, if they got their act together and became more efficient, ultimately those remaining in employment would be secure. However, they were betrayed.

When the Chairman of Australian National, Mr Smorgan, wrote to the now Federal Minister for Transport, Mr Sharp, indicating that the anticipated loss of AN for 1995-96, which was expected to have been $26 million, was anticipated to be over $100 million, the Minister sought to blame the former Government and commissioned Mr John Brew to conduct an inquiry into the cause of this financial difficulty. The Federal Minister sought to make cheap political points about the number of job losses and line closures that had occurred in Australian National in the preceding 13 years.

I might say that that is an interesting point. Obviously there have been a lot of job losses in Australian National over the years, but what no member of the Liberal Party in this Parliament or the Federal Parliament has stated is that the job losses in the rail industry throughout Australia have been enormous, under other State Governments, both Liberal and Labor, and in all States. So, it is not something unique to Australian National. The job losses that occurred in Australian National were replicated across the board under other State railway systems operated by both Conservative and Labor State Governments in every other State.

In terms of improving productivity and efficiency, eliminating lines of demarcations, award restructuring and a host of other factors, there was a substantial decline in employment in the railway industry across the whole of Australia. Let us also look at a bit of the history of Australian National. If we go back to the Fraser Government, we see that in 1982-83 Australian National recorded a loss of $106 million or, in today's dollar terms, $192 million. In 1981-82, there was the loss of $73 million, which in today's dollar terms is roughly $146 million.

Generally speaking, the subsidisation of rail by Government, State or Federal, has been the norm throughout most of the world. What we tend to forget is the enormous cross-subsidisation that occurs in our road network. The road transport companies that operate in Australia and use our roads pay part of the cost of the roads in the sense of the excise duty that they pay on the fuel they use, but let us be realistic about it. Companies such as TNT, Mayne Nickless and the like do not have up-front capital costs of building those roads in the first place and paying interest on those borrowings from day one, unlike the railway system. The cost of the upkeep of roads is nowhere near recovered from the transport companies and the heavy trucks that cause so much damage to Australia's national highways, even though they do pay some form of tax towards it by virtue of the fuel levy. However, they do not meet anywhere near the capital costs of the establishment of those roads in the first place.

If we also look at more recent figures in respect of Australian National, we see that basically the 1992-93 financial year was a bad year, and that was not unexpected. Many companies had a bad time in that period, simply because there was a national recession. In 1993-94, it was a much better year than it had had for a long time. However, 1994-95 was not so great but it was okay, and 1995-96 was certainly better than some of the years in the early 1980s. If we look at the more recent history of the financial affairs of Australian National, it was doing reasonably well relative to its history since 1975, and certainly by comparison with the other State railway systems.

The Brew report was a very narrow inquiry into the running of Australian National, very much that of an accountant's view of the world. Much of the Brew report is still confidential, although my colleague the Hon. Terry Cameron in another place was given the opportunity for a couple of hours to read a copy of the report, after the State Minister for Transport made it available, following permission being granted by the Federal Minister for Transport for him to read the report in her office. However, no copies could be made and the full report was not made available to the public. It was only at the insistence of a majority vote of the Senate that selected summaries of that report were finally released.

The Brew report in a significant respect is already under a cloud in terms of its credibility. As was subsequently found out through the media and investigation in the Federal Parliament, at the time he wrote his report Mr Brew was also a financial planner, counsellor or adviser to a consortium that wanted to buy a privatised AN. I must say that his findings have to be looked at in the context of at least having been significantly compromised by the fact that he stood to gain personally from the privatisation of AN.

The establishment of the National Rail Corporation in 1991-92, without a doubt, brought about the demise of Australian National. Australian National might have still been privatised, even if the NRC had not been established, simply because of the ideological bent of the current Federal Government. But it certainly was well and truly put on the skids through the establishment of the National Rail Corporation and the taking over by the NRC of virtually all the profitable freight lines run by Australian National in South Australia. The member for Giles has given a more accurate picture than I would have, because he was a member of the State Cabinet at the time when the NRC was established, and he is in a far better position to know the facts than I. But his views seem to accord with the evidence that I have been able to gather on this matter as well, and that is that the former Hawke Labor Government did, indeed, want to establish a national rail freight network.

You may recall, Mr Deputy Speaker, that the Federal Government was being pressed by industry, employers, the coalition Parties (in Opposition at that time) and State Governments that an efficient national Australia-wide freight network should be established, integrated with what the employers, in particular, saw as an efficient waterfront network—so-called labour market reform, which basically means, in their parlance, smashing the unions and driving down wages and conditions in those areas.

We had a conservative Government in New South Wales led by Nick Greiner at the time, who said that he did not want AN to be the national freight carrier. That was the clear, preferred position of the Hawke Labor Government. We wanted AN to be the carrier, because AN had shown that it could run freight more efficiently and at less cost than any other State railway system in Australia.

The Hon. Dean Brown interjecting:

Mr CLARKE: I will come to that in a moment. The National Rail Corporation was established because of the

obstinacy and the State rights attitude of the New South Wales Liberal Government of the time, which controlled a large share of the locomotives. If you did not have locomotives, you could not run a national rail corporation.

That brings me to the role of the then State Labor Government in South Australia. The South Australian Government barely had a freight-carrying locomotive. You have to remember, Mr Deputy Speaker, by that time all the freight lines, basically, in South Australia were run by Australian National: it owned the locomotives. The South Australian Government had a few red hens for the suburban lines, and that was about it. So, in terms of saying that the State Labor Government could have objected to the Federal Government—Liberal or Labor, although it was obviously Labor at the time—with respect to the establishment of the NRC, it was a nonsense, because if you are going to enter into the card game you have to have some money to put on the table and play your part.

The South Australian Government did not have a freight locomotive or a rolling stock to enter the game and that is why we were not a shareholder in the NRC. Why would you want to buy a share in a company when you do not have any rolling stock to pay with? You were not giving up an asset, because you had none: you had already sold it to the Commonwealth Government in 1975 through the Railway Transfer Agreement at that time. So, it is totally fallacious to believe that the South Australian Government could have stopped the NRC's being established, simply because we were not a player in the game as we did not have the stock or the locomotives, and Premier Greiner in New South Wales was saying, 'I am the one with the locomotives, and if you want a national rail freight corporation in Australia we will do it, but you have to establish it under a new body whereby our State Government, which is providing the rolling stock and the locomotives, is a shareholder, and we will not allow Australian National to be the flagship in that area.'

If one compares the National Rail Corporation with Australian National, it is 'funny' in terms of ideology. The Commonwealth Liberal Government says that it has to get rid of Australian National because it is losing money to the tune of $1 billion: it is in debt to the tune of $1 billion and it is losing scores of millions of dollars each year. But National Rail, on the other hand, is doing comparatively well and is on target to achieve its five year objective to be at a commercial break-even point. However, the Commonwealth Liberal Government wants to sell the NRC as well. That was not even proposed in the Brew report. So, for ideological reasons only, the Commonwealth Liberal Government is saying that it has to sell AN because it is losing money and it is deeply in debt, and that it will also sell the NRC, even though the Brew report does not recommend that, and even though it is well on its way to being at a break-even point.

Let us look in more detail at the so-called $1 billion that AN is supposed to owe. It included, for example, $580 million-odd relating to superannuation. And what did that reflect? For many years, Australian National has been fully funding its superannuation by paying its obligations into consolidated revenue, with the Commonwealth Government meeting its obligations from time to time. In other words, $580 million was simply an existing obligation that the Commonwealth always had, and always would have. Similarly, with respect to the debt, $790 million-odd worth of debt was already a Commonwealth liability. The sum of $50 million was said to be part of an environmental clean-up that was necessary. That was based on an estimate put forward by Australian National that, for example, if it ceased operations overnight and had to clean up all the yards and property owned by AN, if it had to remediate all the land, it would have to meet $50 million. That is a bit of a furphy, because the whole of the $50 million would not necessarily have been called up for an environmental clean-up in the one go. It was an imaginary figure but one that happened to suit the circumstances of the Liberal Government.

I want to discuss the impact of the situation on the workers of Australian National. Australian National currently employs about 1 600 workers in South Australia. They are spread throughout the length of the State, with workshops at Port Augusta, Islington, Port Lincoln and elsewhere. The fact of the matter is that, according to the State Minister for Transport in a recent media release, at best 600 of those workers will get the sack: at worst, 800 will get the sack.

I was talking to the National Secretary of the Public Transport Union this afternoon and it is his estimate that by the time the whole process of the sale of AN has been gone through we will be lucky to retain in this State 500 jobs of the 1 600 that currently exist. In a State which has a huge unemployment problem we cannot afford to lose 1 000 jobs simply to fit in with the ideology of a Federal Liberal Government which says that we must privatise AN, particularly when so many of that Government's figures to justify the sale of AN are bodgie and do not bear up to scrutiny.

What do we get out of this Federal Liberal Government in respect of the interests of these workers? This is another area in which the Labor Party campaigned against the privatisation of AN at both a Federal and State level. It is not a Johnny-come-lately: for over 12 months the Labor Party has consistently opposed the privatisation of AN. The Leader of the State Opposition, the Federal Leader of the Opposition, the Federal shadow Minister for Transport and I have attended meetings at Port Augusta and Islington and other general meetings of AN workers in this State consistently over the past 12 to 15 months. We have done this not once: in my own case it was at least four or five times to Port Augusta, and on a number of occasions visits have been made by Kim Beazley and at least on a couple of occasions by Lindsay Tanner, the Federal shadow Minister for Transport.

The interesting thing about this is that Labor politicians have always been prepared to front up to the workers and discuss these issues even though we have known that we would cop a bit of stick, because not unnaturally the workers are disappointed, hostile, upset and angry. They feel betrayed because they see the introduction of the National Rail Corporation in 1991-92 as the cause of their predicament today—and in large measure they are right. On every occasion we have fronted up and been prepared to take the flak. The former Federal Minister for Transport, the Hon. Laurie Brereton, was also prepared to front up at Port Augusta and cop pain from the workers during the lead up to the Federal election in 1996.

What an interesting contrast! Labor politicians, particularly those who are blamed for the AN workers' plight given the introduction of AN, were prepared to front up and talk to the workers and to cop the stick if it was being offered, but where is the Hon. John Sharp? The Federal Minister for Transport was last seen in Port Augusta prior to the Federal election in 1996 when he and Barry Wakelin, the Federal member for Grey, were handing out leaflets telling AN workers that they would be safe under a Coalition Government. Where was the Hon. Trish Worth, the Federal member for Adelaide? She was last seen talking to the workers at Islington prior to

the 1996 Federal election when she handed out leaflets saying, 'Your jobs are safe under a Coalition Government', but she has not been seen there since.

I understand that the Hon. John Sharp will be in town tomorrow and that AN is turning on a bit of a bash for him in celebration of the passage of this piece of legislation which will lead to the privatisation of Australian National. Australian National is putting on three locomotive engines to ensure that if one breaks down there are two spares to carry the official party to various places including Port Augusta. I hope that the Hon. John Sharp has the guts to go to the workshops, look the workers in the face and say, 'I am putting down your employment life; I am cocking the gun and I am going to blow out the brains on an employment basis of one in two of you'—or perhaps one in three, if the National Secretary of the PTU is correct and only 500 jobs will survive. I would like to see the Hon. John Sharp face the workers that he is going to put out of employment. He might have the guts to do it after it becomes a *fait accompli*, but he has never had the guts during the 15 months when he was a Minister in government to talk to the workers at Islington, Port Augusta, Port Lincoln or anywhere else along the railway lines serviced by AN.

Mr Sharp's Government will do a grave disservice to the workers of AN, because not only will they suffer the indignity of the traumatic loss of their employment through no fault of their own because of the privatisation of AN but also, because of the changes to the Department of Social Services regulations dealing with the payment of redundancy pay and accumulated long service leave, this magnificent, heart-warming Federal Liberal Government has brought in a rule that will come into effect on 21 September which provides that, before anyone who is laid off—not quit the job of their own volition but sacked or made redundant—can access unemployment benefits, they have to use up all their accumulated long service leave, redundancy pay and superannuation component.

That will amount to thousands and thousands of dollars for individual workers, and there is nothing these workers can do about it. They cannot quit before 21 September because if they do they will not get any redundancy pay. They will also be penalised by the Commonwealth Government for resigning voluntarily from a job without going to another job. So, they are chained into having to stay with Australian National knowing that two-thirds of them will get the sack anyway. If they cannot get the sack before 21 September, it will cost them thousands of dollars in having to spend their accumulated long service leave, superannuation and redundancy payout.

Mr Lewis: Why?

Mr CLARKE: I tell the member for Ridley that it is because his clown of a Federal Government, the Government that he supports in Canberra, changed the DSS rules so that anyone who is made redundant on or after 21 September must access all their redundancy benefits before they can claim unemployment benefits.

Mr Lewis: What's wrong with that?

Mr CLARKE: The member for Ridley asks, 'What's wrong with that?' There you have it—in one. That is why you are on that side of the House representing the Liberal Party and I am on this side of the House unashamedly supporting the workers.

Mrs Hall: In Opposition.

Mr CLARKE: Yes, as the member for Coles interjects, in Opposition. I can sleep at night because I do not support that type of punitive legislation that kicks families of working class men and women in the guts. That is the difference between Liberal and Labor. That is the fundamental point. The member for Ridley does not understand. He should go outside and check whether there is a full moon.

The State Minister has approached her Federal colleagues to see whether or not an exemption could be made for these AN workers. No such exemption will be made. The reality is that there is not enough time. If one reads last night's *Hansard* from another place, one will see that the Minister herself said that the tender process will close at the end of this month. At the earliest, it will take a couple of weeks for those tenders to start to be assessed and finalised.

Mr Lewis: They'll get a job; no problem at all.

Mr CLARKE: The member for Ridley says that they will get a job without any problem at all. That shows how out of touch he is. In his own electorate, in the city of Murray Bridge, there is almost twice the State level of unemployment. He is saying to those workers in Murray Bridge that it is easy for them to get a job when country regions have twice the State level of unemployment. At Port Augusta there are 400 homes for sale, and they cannot be sold. The workers there are so specialised, and your lousy Government will not even pay for a training program to give those poor buggers the chance to get another job. They closed down that program, cut it out, on 31 December. This is the type of Liberal Party thinking that says that these workers have got it easy, that they will easily get a job and be able to easily provide for their families. That is a nonsense.

That speaks volumes about the Liberal Party. The State Minister of Transport said last night in another place that the earliest tenders would be assessed by mid-August, maybe a sale concluded by the end of August and, by the time all the formalities and paperwork are gone through for the sale of an enterprise of that size, it is unlikely that it can all be done by 21 September. After 21 September, if there are new owners, they will go around and pick who they want. They know that two-thirds of the workers will get the sack and that act will cost them thousands of dollars. Why do they need that money? Because they need to provide for their families. They need that financial buffer so that they can pay their mortgage and try to buy a business of their own or move out of a city like Port Augusta where employment prospects are bleak and try to re-establish themselves.

Instead they will not be able to take the risk and will have to live on a week by week proposition. They know that, if someone has been there for 10 to 15 years with Australian National, with the size of their pay-out they may have to go 18 months before they can claim unemployment benefits. They cannot be guaranteed a job within 18 months, particularly if they are stuck out in the middle of nowhere or in an area such as Port Augusta where employment prospects are not good.

They will not be able to take the risk, because they have weekly commitments in terms of mortgage payments and providing bread and butter on the table for their families. They will not be able to take the risk because, if they do and spend all their money on a private business venture they might try to set up, move house or spend a third on doing a training course in Adelaide (as there are no such training courses in Port Augusta) and still not get a job, they still do not get unemployment or social security benefits and their families cannot eat. So, they cannot take that risk. That is what I am getting at. The Federal Liberal Party, with its decision on these matters, shows its contempt for ordinary working people.

I will also deal with ANLAP (Australian National Labour Adjustment Program). That program, which was running for about five years up until it was axed by John Sharp and John Howard in the budget last year, provided retrenched workers at AN—

Members interjecting:

Mr CLARKE: I can go on for as long as you like. If you are inviting me to do so, I will take it up—not a problem. ANLAP was established by the former Federal Labor Government because it knew that it was shedding lots of jobs in AN and that those workers needed assistance because, if you work in the rail industry, you have a high degree of specialisation in that industry that is not readily transferable unless you are retrained. A lot of those workers, including those at Port Augusta, had the opportunity to get work at Roxby Downs and elsewhere as plant operators and the like, but those courses are run in Adelaide, not in Port Augusta. With those courses you are talking not of a TAFE fee of $200 or $300 but of fees of $5 000 to $8 000. You then have living away allowances and transport costs for those workers living outside metropolitan Adelaide who have to come to Adelaide to do the course. ANLAP paid for the fees and a small contribution towards the living away from home allowance. It did not pay the full cost by any stretch of the imagination but helped with some of the day-to-day costs those workers incurred in living away from home.

Many of those workers—and I had the pleasure of meeting a few of them with the State Leader of the Opposition only six months ago when we were trying to get the State Government to move and cajole the Federal Government to continue with the program—have found work at Roxby Downs and elsewhere because of the retraining programs they undertook. That program was axed on 30 June last year, and only those workers who were still midway through their course were allowed to finish it, but all had to cease as at 31 December last year, which did happen.

What do we have in its place? We have a $20 million over two years reform package. Ho, de, ho, ho! As Rod Nettle said, that is about the equivalent of buying 3 000 beach barbecue sets. It is about as relevant as that in terms of the dimensions of the problems of the people in Port Augusta. It is not only Port Augusta that will get the $10 million. It will get a share of the $10 million, but claims are also being put in, not unnaturally, by workers in Peterborough, Port Pirie, Adelaide, Tasmania and no doubt Port Lincoln—and so they should—in terms of getting assistance for those people and for local communities in those districts which are looking for funding to try to find some source of alternative employment.

The $10 million on its own is a joke. It is nowhere near enough to provide the scale of alternative employment for that number of people in South Australia who will be made unemployed as a result of the privatisation of Australian National. All the Labor Party wanted was for the Federal Government to reinstate ANLAP so that workers retrenched, particularly in rural areas such as Port Augusta, had a chance of being retrained and being able to find alternative employment in the mining industry and elsewhere in the State where such programs have worked with success in the past.

The other point related to apprentices who worked for AN. Fourth year apprentices were looked after. Second and third year apprentices still have not been, although I appreciate the efforts being put in by the State Minister for Transport in this area. It is possible that those second and third year apprentices can be taken up and their income maintained with that new employer, but nothing on these matters is in concrete. They are gestures of goodwill but have no certainty. That is not good enough in my view, particularly when we have had the Premier and other Ministers saying that they have had to scour the world looking for skilled tradespeople, that there is a shortage of skilled tradespeople in this State and that we have to go overseas and find them. When we have second and third year apprentices I would have thought that we should grab them straight away and put them on the Government payroll if necessary to ensure that their training is maintained, which will be to the benefit of the State as a whole if they are able to finish off their indentures and go out, if not in the Government work force into private industry, and meet the skill shortages the Premier keeps telling us about.

Mr Condous: Information technology he was talking about.

Mr CLARKE: It is not just information technology, for the information of the member of Colton. These apprentices are not clowns. You are talking about electricians, fitters and turners, and various other tradespeople who, we are told, face shortages in their industries.

This is a very sad day for me in particular with respect to this Bill. I have felt a particular obligation to the workers of Australian National, not only because one of their workshops happens to be in my electorate (although many of the workers do not reside in my electorate) but because of what I regard as the betrayal of those workers over the years. I regret that our Federal Labor Government was very much browbeaten by Greiner into establishing the National Rail Corporation, which has caused so much pain and anguish to the workers of AN. They were not given a fair go, and I would have preferred the Federal Labor Government to stand up to the Greiner Government, kick it and ultimately apply as much pressure as possible. It is easy for me to say that; I was not there in Canberra as the then Federal Minister for Transport negotiating with a recalcitrant, conservative State Government that would not yield on the question of AN being the national freight carrier.

I particularly remember the words said to me a year ago when, with Kim Beazley, Mike Rann and Lindsay Tanner, I went to Islington for a meeting of members of combined workers.

Mr Lewis interjecting:

Mr CLARKE: No; for the information of the member for Ridley, I have been there on a number of occasions since, and also to Port Augusta and elsewhere; and if he would like a road map to those places I am more than happy to provide him with one. Those workers were fairly disillusioned with what they saw as the Federal Labor Government's betrayal of them through the establishment of the National Rail Corporation. I remember a worker coming up to me, looking me squarely in the face and saying, 'Just tell me that you're dinkum about this—about trying to save our jobs. You won't remember me in a year's time, but I'll remember you. I want to know whether you're really dinkum about trying to save my job.' I said, 'I will say, "Yes, of course I am dinkum", but you won't believe me until I actually try to do the job, and then you can judge me for yourself.' Not just myself, but the Federal and State Labor Party teams have consistently opposed the privatisation of AN. We were sold out in the Senate by Brian Harradine—not for the first time—which took away most of our negotiating powers at a State level.

On even these issues to which I wanted answers, as did our State shadow Minister, we did not want this legislation passed before we had at least found out whether the workers of AN had been shafted with respect to their superannuation

entitlements when the commission meets to determine that issue on Friday of this week. We wanted to hang onto our last little bit of leverage until at least Friday of this week, when we were quite happy to come into Parliament to discover what the trustees or the AN commission did with respect to these workers who need their $10 000 to $15 000 pay-out under their superannuation scheme.

Mr Brindal interjecting:

Mr CLARKE: For the information of the member for Unley, the AN commission was not meeting until Friday, would not meet earlier and said it could meet only on Friday of this week to consider its final decision. If necessary, this House should have been recalled on Friday, even if we were not planning to sit on that day, to ensure that justice was done to these 325 workers and that undertakings given by the Federal Minister in the Senate were in fact carried out before we passed this legislation. At the very least, I believed we owed it to them to attend to the superannuation issue, because I am fed up as they have been fed up with a lot of pious good wishes—a nod and a wink and 'We'll look after you'! I do not believe those promises until such time as they are delivered. I think we owed those workers that much at the very least for what we have done to them.

When I go to Port Augusta and talk to the workers there, many of whom are in my own age bracket, with children coming out of secondary school, they say to me, 'Where will the jobs be for my kids? How am I going to sell my home and move somewhere else where there are better employment opportunities when there are 400 homes already on the market in Port Augusta, with values at rock bottom?' It is all very well for Joy Baluch as the Mayor of Port Augusta to try to paint a rosy picture; it may suit her purpose, but it does not help a great deal a worker in Port Augusta who knows the reality. To know that two-thirds of those workers will probably get the sack after 21 September and lose benefits worth thousands of dollars to them because this Federal Liberal Government changed the social security rules to say you have to use up all your redundancy pay and accumulated long service leave before you can access unemployment, sickness or any benefits is a disgrace.

Mr Lewis: Why?

Mr CLARKE: The member for Ridley asks, 'Why?' Because, when the workers are retrenched, particularly in rural areas, they need that financial buffer. It will be very interesting after this State election, because a number of MPs on the Government side will lose their seats. They have families and, when they go along to the dole office and are told they have to use up their superannuation pay-out before they can access social security benefits, it will be very interesting to see just what attitude they will take over the types of views expressed and put into action by this Federal Coalition Government.

Perhaps some will quote the Port Augusta Trades and Labor Council, with which I have had close association, and say they support privatisation. Indeed, I have been there on a number of occasions and spoken to the workers. A number of them said that they want to get the pain over and done with; they do not want to suffer any more of these deaths by 1 000 cuts. They are all begging to be sacked before 21 September. It is not the Labor Party's fault that this Bill and the Federal Bill took the time they took. They were not delayed one day by the Labor Party in either the Federal Parliament or the State Parliament.

The Federal Government could not get its own legislative program in order before the end of June this year, when the sale Bill went through both Houses of the Federal Parliament. It is its legislative delay, which will cost 1 000 AN workers thousands of dollars when they are laid off after 21 September. I hope Liberal members, particularly Barry Wakelin and Trish Worth, the Liberal members for Grey and Adelaide respectively, remember that when their constituents come to visit them and ask why they have missed out on so much money because of the heartless action by the Federal Government.

This piece of legislation does not give me any joy whatsoever. All I know is that, when I look into the faces of workers of AN, I see a look that says, 'Why have we been so betrayed so consistently and for so long? Despite all our efforts, despite all our attempts, despite all the promises made in Canberra by Federal Liberal politicians prior to the last election, why have we been betrayed right along the line? And, just to add insult to injury, we are going to get screwed on our unemployment benefits because this Government cannot get its act together in time to ensure that those of us who will be sacked are sacked in time to be able to get the full benefits of retrenchment pay so that we can go about re-establishing our lives.' That is a pretty sad tale to tell, and it is on the head of every Liberal politician in Australia.

Mrs PENFOLD (Flinders): I support the Bill. I commend the Minister for Transport and her departmental officers on their successful negotiations with their Federal counterparts which has resulted in this Bill, which at last allows a viable rail network to be developed across South Australia. The *Business Review Weekly* (21 July) sums up public ownership of railways in Australia very well, as follows:

> Australian National is the first off the block and National Rail Corporation will be sold off next year. It is probably a fitting end to the era of Government ownership of rail, which has been marked by bungling and ineptitude from the very beginning when the State Government could not even agree on a uniform rail gauge.

The member for Giles says how expensive rail is, and the member for Ross Smith says how costly it is because of our small population, but they say nothing of the cost to rail caused by the trade unions and Labor Governments. From memory, when studying the union system while at university many years ago, there were about 80 different trade unions involved in the east-west railway (certainly there were a lot)—yet in America, where rail was very successful, there was one rail industry union. No wonder we had a difficult job here in Australia to make rail profitable. The member for Ross Smith says that we have highly specialised workers. How much better it would have been if they had been multiskilled, as in America. If anyone has betrayed the workers, I believe it is the Labor Government and the union leaders.

My interest in this matter is the future of the Eyre Peninsula narrow gauge section of railway line which stretches from Penong in the west to Buckleboo in the northern part of Eyre Peninsula. Unlike the picture painted by the member for Giles, this railway line carries approximately 70 per cent of the grain delivered to the terminal ports of Thevenard and Port Lincoln through the country silo system. The rest of the country delivered grain—only 30 per cent—is carried to the terminal ports by road train. The amount of grain varies but on average would be about 600 000 tonnes per annum. If the Eyre Peninsula railway network is not sold as a going concern, there is every likelihood that it will eventually close. Losing all these

employment prospects will be tragedy enough. However, consider how much pressure this closure would put on the Eyre Peninsula road network. Without a railway, this grain will have to be carried by road trains on a road system that is already under great pressure.

Without a railway we could expect an additional 12 000 road train journeys per annum on our already stressed road system. That would be an additional 500 road train round trips per week while the main grain export season is under way. That is about another 800 road trains driving through the centre of Port Lincoln on a street that is already a busy shopping precinct for this provincial city. A letter to my office of 20 February from the District Council of Elliston says the council is concerned that the proposed sale of the Eyre Peninsula railway infrastructure will result in a significant shift of grain from rail freight to road freight. It is the council's opinion that the Eyre Peninsula road network is already overtaxed, and the addition of more road trains will result in significant tangible costs such as loss of life, vehicle damage and road deterioration. I emphasise the last paragraph of the council's letter to me, as follows:

> Council requests that you give serious consideration to the consequences of any proposals which will result in the transfer of grain from rail to road freight.

I was delighted to note the speedy passage of this Bill through the Upper House, and I wish to note that the South Australian Farmers Federation Grains Section Chairman, John Lush, said on 1 July:

> We [SAFF] remain adamant that we do not want to see any further delays in the sale of Australian National. We are opposed to any halt to the sale process. Any delay will add further uncertainty for major rail users and Australian National employees.

Mr Lush went on to say that the outcome of the sale of AN was a great concern to the grains industry, a concern that has been reflected in the contacts made with my office. The South Australian grain industry is a major customer of AN. As well as the request that the Government give a commitment to standardise the Pinnaroo line, the grain industry has also requested a step-in right by the State Government. I am pleased to say that that has been included in the Non-Metropolitan Railways (Transfer) Bill. This will permit the Government to step in and resume the track if private operators default on agreements. This is a very important factor to be considered, especially for the track on Eyre Peninsula. This line is used for several important primary products, including gypsum and cereal grains. Who knows what the future will hold as mining exploration gets under way in the Gawler Craton.

During the Estimates Committee hearing in June the Minister for Transport, Hon. Diana Laidlaw, put the situation in respect of Australian National very clearly and bluntly. She said that AN was dying a slow death and selling it to the private sector was its only salvation. Australian National was 'gutted' by the previous Federal Labor Administration. It took all the revenue away from Australian National with the express purpose of destroying it. Now there is at least the opportunity to make it a vibrant operation, particularly on Eyre Peninsula.

In 1993, the Federal Labor Government allowed all of AN's interstate freight business to be transferred to National Rail, virtually signalling the end of AN. I refer to three statements from the Brew report that the member for Ross Smith thinks so little of. First, the financial and operational position of AN is extremely serious and deserves urgent consideration and action by the Government. Secondly, in comparative terms the overall loss and debt position of AN is four to five times that of the Australian National Shipping Line which the previous Government attempted to sell. Thirdly, this financial year AN's railway loss is likely to exceed $130 million, and there is no prospect of it making a profit in the foreseeable future. AN has already shed 3 700 staff over the past six years (representing 60 per cent of its work force), but it has only had a minor impact on costs and revenue. The 1993 decision to transfer all interstate rail freight business from AN and the State systems to the National Rail Corporation made it almost impossible for Australian National to operate profitably. In effect, it has been death by a thousand cuts.

It can be argued that privatised rail operations will expand across Australia over the next decade. Premier John Olsen and the Chief Minister of the Northern Territory have progressed an Alice Springs to Darwin rail line further than any previous State Government. Irrespective of the sale of AN, the private sector is likely to be a major provider of rail services in the nation. Three firms—SCT, Toll-TNT and Patricks—are providing interstate rail freight services in competition with National Rail.

This rail sector reform with competition from private operators leading to efficiencies and new technology is a trend being experienced in the United States, Britain, New Zealand and now here in Australia. Private industry taking business from what has been a sacred cow for a public sector monopoly is further strengthened by the Competition Principles Agreement, to which South Australia is a signatory, and the Trade Practices Act. Whatever this Parliament achieves, and irrespective of the whole AN sale issue, the private sector is likely to be the big player for rail services in South Australia.

Today, AN is a slumbering giant. It has all the equipment, locomotives, wagons and manpower but it is only in caretaker mode. Staff morale is low, key skills are being lost with people leaving to seek more certainty in their lives, and who can blame them? As the Eyre Peninsula railways manager in Port Lincoln put it a little obscurely, the workers 'don't know what they are doing'. This cannot be allowed to drag on any further. These workers, I believe, are looking forward to the sale of the railway and becoming part of a successful industry on Eyre Peninsula and not one that is subsidised by the taxpayers. I support the Bill.

The Hon. DEAN BROWN (Minister for Industrial Affairs): I thank members for their contributions to the debate. I would like to take up the point raised by the Deputy Leader of the Opposition concerning, first, the efforts of our Minister for Transport here in South Australia. I think she and the officers involved have done an outstanding job in putting through this legislation. They have done an outstanding job in arguing a position for South Australia. The Minister has made the point, even today, that the quicker we sell the better the outcome will be for the workers. The history of rail in South Australia has been a sad tale. I am one of those members in this House who can recall debating the transfer of the country section of the railways from the South Australian Government to the Federal Government in 1977. I can still recall the fact that an election was called around that issue—

Mr Clarke interjecting:

The Hon. DEAN BROWN: Sorry, it was the 1975 election—an election which we almost won. It was an issue about which I believe not enough thought was given to the

long-term rail services for Australia, but the biggest disappointment of all is the fact that for probably 20, 30 or 40 years rail services in Australia have been running down. They have not had the attention needed to turn them into efficient business operations. It is a pity that there has not been private enterprise competition in respect of the rail systems of Australia for the past 30 years.

My view is that, if there had been private competition on the rail system, members would see a dramatically different rail system in Australia today compared with what we currently have. What we now have is a rail system which has been depleted, which has been Government owned and which has incurred enormous debt. We are talking here about Australian National, but members should look at the debt of the rail system of Australia, particularly on the eastern seaboard of Australia. If members think that the Federal Government has a debt problem, I assure them that the debt level of the rail system of the eastern part of Australia, which includes New South Wales, Victoria and the National Rail Corporation, is much greater indeed.

We have this most unfortunate piece of legislation in that it ends a sad saga in terms of the running of the rail system when, in fact, it should have been one of the main forms of competitive transport for the whole of Australia. I pay tribute to the way that our State Minister for Transport in another place has worked so hard to achieve the best possible outcome for South Australia. She has done it with a great deal of determination—as she undertakes all tasks—and she has done it with the best interests of South Australia and the South Australian workers in mind. One only hopes that, as a result of this legislation, we end up with a reasonable or moderately reasonable outcome. It will be an unfortunate demise. We know that a lot of jobs will be lost, but out of it we hope to salvage as many jobs as possible. I thank members for their contributions to the debate and I urge all members to now support the legislation.

Bill read a second time.

In Committee.

Clause 1 passed.

Clause 2.

The Hon. G.M. GUNN: This is an important clause because it gives me an opportunity to comment in relation to this matter. The commencement of this legislation is important to many of my constituents who have been hung out to dry for too long. Over the years, we have seen the rail system in South Australia and in this country treated in a shabby manner. In the past 10 years, 8 000 people have lost their jobs in the rail industry.

I recall, Mr Chairman, as you do, being involved in a vigorous election campaign in 1975 in relation to the original decision to transfer the South Australian railways to the Commonwealth. I recall Premier Dunstan, aided and abetted by the now Leader of the Opposition, racing around the country, and I remember telling people at Peterborough, 'When this goes through, that will be the end of you.' If members go to Peterborough today, you can fire a shotgun in those workshops and not hit a soul because, thanks to the rail transfer agreement, jobs have disappeared.

I remember when the bogey exchange was there. It was the coldest spot you could ever be in. I know exactly what has taken place. We listened at length to the Deputy Leader of the Opposition tonight. I do not know whether it is his swansong or his final speech as Deputy Leader of the Opposition before he is relegated to the backbench after the next election, but I recall people like the Deputy Leader farewelling the member for Gordon on a number of occasions.

I want to speak on this clause to bring some relevance to the Deputy Leader's contribution. I am very much aware that, when the Deputy Leader and one or two others went to Port Augusta, only 30 people attended the meeting. Most of the people walked straight past. After the meeting there were interesting comments made over the radio. I understand that, when the Deputy Leader was challenged, he said, 'Don't worry, we will not stop it. This is only a stunt. We are putting on a political stunt. We will not stop it.' That is what the Deputy Leader told the workers.

This charade tonight and these crocodile tears are because his own colleagues ratted on his union members at Port Augusta and throughout Australia, because they got rid of 8 000 jobs. It is terribly important that this legislation comes into effect as soon as possible so that a new operator can take over the running of those workshops to create opportunities. The Port Augusta and Islington workshops are some of the last heavy engineering operations in this State. This State needs heavy engineering operations, and it needs to be able to provide services not only to the rail system but also to other sections of the economy.

The quicker this legislation and the other complementary legislation can be brought into effect to secure the future of those people and to provide opportunities for private enterprise to expand and improve those operations, the better it will be for the people of Port Augusta and the people involved in the rail industry. We already have private rail operators using the rail system in Australia. Obviously, there will be a lot more of it. I am one of those people who believes that it is important to get this legislation through because I think the Commonwealth of Australia should continue to own the main tracks and that they should be hired out to all those people who want to be involved.

I remember driving along the road and listening to Bob Hawke on the radio when he said, 'I will guarantee the Alice Springs to Darwin rail service. We will honour the promise made by Malcolm Fraser.' Lloyd O'Neill told me he was sitting alongside him when he made that promise. But what happened? He got David Hill, his trendy Labor mate from New South Wales, to do a con job. They dudded the people of South Australia and the rail industry because they went back on a solemn obligation. If that rail system had been in place today, there would be a lot more secure jobs in the rail industry. So, it will take the hard work of another Liberal Government to secure that project.

The South Australian Minister for Transport has done an outstanding job in her negotiations by including people from the work force at Port Augusta in making recommendations in relation to the sorts of projects that should be put forward for funding. Within half an hour of each of those meetings finishing, the Deputy Leader or his staff have been on the phone ringing up certain people, not a bit interested about getting this legislation into effect or getting some money from the Commonwealth, but trying to get himself involved in political scuttlebutt.

In the Deputy Leader's rambling 40 minute speech tonight, there was one thing that was very interesting: there was not one mention of the Leigh Creek line. He has conveniently forgotten it. He does not want to know anything about it, and that is because he wants to follow his mate Mr Egan in New South Wales and privatise. We know that. That is why in a rambling 40 minute speech he did not make one comment, because it is terribly important to the future of

the power industry that the freight rates be reduced on that rail line between Leigh Creek and Port Augusta so that we can secure once and for all.

Under Mr Keating's competition policy, those people are subject to competition from around Australia. The work force at Leigh Creek and the power station at Port Augusta have done an outstanding job. They have improved their efficiency and are a credit to South Australia. But it is no credit to the Deputy Leader of the Opposition, who has completely abandoned them. He is following Mr Egan. Both he and his Leader want to get their hands on the money so they can spend it on their trendy left wing mates. He has completely ignored them in a rambling 45 minute speech, and we know why—because he wants to spend the money. I will say more about that when we come to the schedule of the Bill.

It is important for all South Australians that these people be given the chance to get new employment with a new operator. As soon as that takes place, the better, because many people have left the industry and have accepted jobs at Kalgoorlie and various parts of Australia while all this indecision has taken place. It has been interesting to read some of the comments in the local newspaper. Following the meeting with the Deputy Leader and one or two others, in the local *Transcontinental* on 18 June, there was an interesting headline. We have—

The CHAIRMAN: I draw the honourable member's attention to relevance.

The Hon. G.M. GUNN: I will certainly link up my remarks, because we are talking about the commencement. I am trying to point out that the Deputy Leader and his colleagues want to slow down the process so that the legislation cannot commence. This headline reads, 'Too little, too late. Delays surrounding AN costing contracts, say workers'. They make some very complimentary remarks to Mr Tan and others, and it has been well reported. I will not bore the Committee, but the Deputy Leader has not given any explanation for that situation. The Deputy Leader criticises Mr Sharp, and it is interesting that he is not particularly impressed with things, because in today's *Transcontinental*, the headline reads 'Mr Sharp to visit'. The article states:

> Federal Transport Minister Mr John Sharp will be in Port Augusta tomorrow [Thursday]. Mayor Baluch said he would arrive by plane at about 2 p.m. and will host a barbecue for the Port Augusta Australian National workers in the main workshops.

It goes on to say:

> Mr Sharp, myself, the City Manager, and possibly Ian Brown, Frank Shapira and Kym Thomas from the AN task force will then board the Ghan to Alice Springs.

He will take three people from the shop floor and have a barbecue to sit down face to face, quite contrary to what the Deputy Leader has had to say.

Mr Clarke interjecting:

The Hon. G.M. GUNN: We know that the Deputy Leader is interested only in political scuttlebutt and nonsense. He is not interested in fact or long-term welfare and creating opportunities. The quicker this Bill can come into operation and be proclaimed, the better. I look forward to taking it to the Governor so that the people will benefit.

For the benefit of the Deputy Leader, I point out that this year the Commonwealth is spending $10 million in the compensation fund. It is also spending $10 million next year. If the Deputy Leader does not want any of that money spent in his district or in the metropolitan area, there are plenty more projects that the people in the northern parts of the State will willingly put forward. If he does not want it, that is good. The money can be well invested and we have plenty of suggestions. We will pass on to Mr Sharp his comments that they do not want it. We can create lots more opportunities in the northern parts of the State and do some good for the people.

I have been very interested in listening to what I would term this rambling apology. I do not now whether it was an apology to the member for Playford for his actions, because we are used to the Deputy Leader carrying on late at night. Normally, the later it gets, the more verbose he becomes, and the less sense he makes. I look forward to this legislation. Fortunately, the people of this State have been well represented by a good and effective Minister. I support the clause.

Mr CLARKE: I am particularly interested in the comments of the member for Eyre. It reminds me very much of the comments that Cromwell made at the end of a long Parliament when he dismissed them and said words to the effect, 'You have been here too long. It is time for you to go.' I would say, by paraphrasing Cromwell, that is exactly the situation with respect to the member for Eyre and his contribution tonight. Where has the member for Eyre been for the past 15 months on this issue? Where has the member for Eyre made one contribution in this place with respect to standing up for the citizens of Port Augusta and the workers of AN?

I have been there regularly enough with Ben Brown, our candidate for the seat of Eyre, who I am glad will be the new member for Stuart after the next State election. The member for Eyre talks about Peterborough and the loss of jobs there, and blames the railways sale in 1975. I would have thought that rail standardisation had a fair bit to do with the end of the bogey exchange at Peterborough. But the member for Eyre will never let the facts stand in front of a story.

The fact is that Mr Sharp is apparently going to Port Augusta tomorrow. I believe I stated that in my speech, if the member for Eyre had listened. He is going there but only after he has put the sword straight through them. That is how much guts Minister Sharp has with respect to that matter, and he will have a barbecue with them. Well, you beauty! 'I have just kicked you out of a job. Not only that, I have screwed you on Social Security from 21 September, and I have the 100 per cent support of the member for Eyre.' That is what Minister Sharp says. That is how effective the local member has been.

I give the State Minister some credit. At least she has sought, after the Labor Party had approached her with respect to many of those issues, including ANLAP, super and so on, to get answers for us before this legislation was dealt with, and she has coordinated and reported back to us regularly: I thank her for those courtesies and for the work she is doing. I thank her for doing it. It is her job to do it, as a State Minister of the Crown: I do not need to get down on my hands and knees and kiss her feet.

But who stood up for the workers of Port Augusta and those who live in that area? It was the Labor Party. We were the ones who brought up the issue of superannuation and the payouts. We were the ones who have been to the Federal Government seeking the extension of the ANLAP program—and late last year I made public comments on that matter, trying to get the Federal Government to stand up for it. But we have the member for Eyre, too mealy-mouthed—with his colleague, the Federal member for Grey—to stand up for the workers there and call publicly for the retention of the ANLAP program. Do we have the member for Eyre making public protestations to the Federal Minister for Social

Security, saying that superannuation benefits of the workers should not be knocked off them on 21 September? Is the member for Eyre standing up for those workers in Port Augusta, Peterborough and elsewhere trying to ensure that they are looked after following 21 September?

And, member for Eyre, I do know that there is $10 million this year and $10 million next year. I refer simply to the Regional Assistance Scheme. I refer him to one of his own constituents, the former National Party candidate for the seat of Grey, Mr Rod Nettle, a former Chamber of Commerce and Industry economist, who said that it is about as useful as getting 3 000 barbecue sets. It is not enough for the city of Port Augusta. It is not just $10 million for Port Augusta: it is for the entire State plus Tasmania. Even though it might get the majority share of it, nonetheless, it is not enough for Port Augusta.

The member for Eyre, who represents Port Augusta, should get up and say that it is not enough for a city which has 400 vacant houses and which has double the average unemployment rate of the State. It is not good enough to just roll over to the Federal Government and say that $10 million is good enough. The member for Eyre did not make any contribution whatsoever when Barry Wakelin, the Federal member for Grey, said, 'Sacking all those people at Port Augusta is not such a bad idea. They will get all their redundancy pay, and they will spend it all. It will generate economic conditions.' On that sort of basis, Bangladesh would be the economic powerhouse of Asia. The fact of the matter is that, when workers get the sack, once they receive the money they pay off their mortgage, they batten down the hatches and they hope like hell that they can find another job. And there is very little available in Port Augusta.

The member for Eyre has taken cheap shots at me and the Federal Labor Party over this issue. I have news for the member for Eyre. For the past three years I have been a regular visitor to Port Augusta—so regular that people believe I am the local member. The only time that Port Augusta is mentioned in this place is when a member of the Labor Party makes a contribution. The member for Eyre does not, except when he wants to come in and try, at this late stage, to garnish himself with a few clothes of respectability by pretending that he cares for his area. He has not done it at all. The people of Port Augusta know that, and he knows that too; that is why he made the contribution he made tonight. So, member for Eyre, look forward to further visits from me; they will be regular and in company—

The Hon. Frank Blevins: They think you're the local member.

Mr CLARKE: Yes. But now they are getting to know Ben Brown, our candidate, much better than the member for Eyre. They think Ben Brown is doing a pretty good job: he knows what the workers are up to and he knows what they want. At the meetings I have had with the workers at the Port Augusta Trades and Labor Council, they have sometimes expressed disappointment; and sometimes they have wanted us to expedite the sale of AN, to expedite the legislation both at a Federal and State level, just as the member for Eyre has. But we have had the courage to go up there and say to them, 'If we let this legislation through, do you know that 325 of you might miss out on superannuation and your redundancy payment? Do you want your ANLAP deal back again? Do you want your Social Security benefits restored in case, through no fault of your own, you are sacked after 21 September this year?'

When you explain to the workers that you are trying to help them out, to get an extra few bob if you possibly can, do you know what the workers say to you, Mr Chairman? They say, 'Good on you. At least you are giving it a go. At least you are throwing your arm in and trying to get us another zack, which is more than we have now.' That is what they appreciate—honesty and straightforwardness. They do not blame you if you try and you fail: what they cannot stand is when you do not try at all. And that is exactly what the member for Eyre has done—huff, bluff, back to 1975. It is a sad indictment of a member who has been in this House for too long. As Oliver Cromwell said when he knocked off the long Parliament in 1649: 'You have been here too long. You have done nothing. It is time to go. The country cannot afford you.' The electorate of Eyre and the citizens of Port Augusta can no longer tolerate, or put up with, the retention of this current member for Eyre.

An honourable member interjecting:

The CHAIRMAN: I believe that the same comment might have applied to the Deputy Leader. I allowed the Speaker some latitude because, despite the Deputy Leader's comments, the Speaker is deprived from making a contribution during the second reading stage simply because, if he is in the House, he is in the Chair. It is as simple as that. However, if any other member thinks that he is going to make a second reading speech under clause 2, 'Commencement', then I suggest he think again.

Mr VENNING: Thank you, Mr Chairman, I will think again.

The CHAIRMAN: Good.

Mr VENNING: Quite clearly, clause 2 provides that the Act will come into operation on a date to be fixed by proclamation. I have a concern regarding the Nuriootpa railway station, which is currently leased by the young people of the Barossa (affectionately known as Track 4). They took this building over two to three years ago as a derelict building and have spent thousands of hours of their time and thousands of dollars of community money upgrading it for use as a community centre. I was very concerned about what happens to this investment when it starts operating. I have written to the Minister to ascertain whether this railway station could be excluded from the sale process.

At this stage it is unclear, but I am concerned that on the day of operation the youth of the Barossa may find themselves out of a home, after spending thousands of dollars of community money, with community support. I want to pay tribute to the youth of the Barossa, who are doing a fantastic service there, and this would be a real slap in the face for them. I reiterate the earlier comments made by my colleagues. I will be very interested to see what happens with the sale process, particularly as a grain grower and a member representing country areas, because it is a very important issue.

I have heard the debate tonight. It is certainly a very important debate, and I have heard good points made from both sides. I am sure that, whatever happens, the rail service will continue in South Australia and those chief rail users, whether they be freight transporters or passenger transporters, will be able then to operate fairly, which they have not done for many years in this State, because rail has been trading with its hands tied behind its back. I have always wondered why the rail service had to pay tax on diesel when it is not wearing out roads, and many other things such as that. So, before our rail system is completely gone, now that it is to be put into the private area, hopefully, it will be able to compete

and provide the people of South Australia with a service that they badly need—particularly in those small country towns which do have not passenger services but still have a railway line. I look forward to that. This is a very important Bill and I congratulate the Minister, the Federal Minister and all those involved in the debate tonight.

Clause passed.

Clauses 3 to 8 passed.

Clause 9.

The Hon. DEAN BROWN: Clause 9 is a money clause. As such, it cannot originate in the Legislative Council. I move:

To insert clause 9.

Clause inserted.

Clauses 10 to 12 passed.

The Schedule.

The Hon. G.M. GUNN: The schedule promotes a wide range of discussion. It was particularly interesting to listen at some length to the froth and bubble, stuff and nonsense that has flowed freely from the Deputy Leader of the Opposition. Let me say to him—

The CHAIRMAN: Does the honourable member wish to make a further contribution to the debate? This is tantalising rather than contributing.

The Hon. G.M. GUNN: In my time in this place, one of the things on which I have always prided myself is that when I have spoken on the floor of the Chamber I have conducted myself appropriately. I have never disgraced the Parliament or my colleagues by my conduct or my actions. I have not held up the Parliament late at night by conduct. That is one thing that the Deputy Leader could never say. Let me get on—

Mr Clarke interjecting:

The Hon. G.M. GUNN: Well, you have had a personal shot at me. I could say lots of other things. I have never fallen off a stool in this place. Let me say, Mr Chairman—

The CHAIRMAN: I call the honourable member to order. By inference, the honourable member may be impugning members on both sides of the Committee.

The Hon. G.M. GUNN: With respect to the Leigh Creek mine, it is my understanding that if this agreement comes into operation it has the potential to save the power generating organisation $15 million a year and, because of the efficiencies that have been made at the Leigh Creek coal mine and through the purchase of some very extensive plant and equipment, the future of the powerhouse is guaranteed.

I ask the Minister how long it will be before he anticipates that the power generating organisation will be in a position to benefit from those savings, which I have been advised will be a considerable number of dollars per tonne. As I understand it, there is a saving to be made in excess of $6 a tonne. I also understand that there is a need to upgrade the track from Leigh Creek to Port Augusta because of insufficient maintenance being carried out. Will the Minister indicate when that maintenance will be done, because it is important not only for the future of Leigh Creek but the power station at Port Augusta?

The Hon. DEAN BROWN: The member for Eyre asked when can we expect the State to benefit through the ETSA Corporation generating organisation, which is now called Optima, in terms of increased efficiency on the track to Leigh Creek. The answer is simply that it depends very much on the tender process and, until the tenders have been assessed and the winning tenderer has been determined, it will be difficult to know the exact time frame, but it could be a matter of only months before that occurs.

In terms of the specific information about the upgrade of the line, I will need to obtain more information for the honourable member, but it is acknowledged that there is the potential to make significant savings on the Leigh Creek line, and that will flow through to the efficiency of Optima. We expect the new operator to be interested in taking over the operation of that line. As a result of contract negotiations with Optima, we hope to make significant savings worth many millions of dollars to the power consumers of this State.

The Hon. DEAN BROWN (Minister for Industrial Affairs): I move:

That the time for moving the adjournment of the House be extended beyond 10 p.m.

Motion carried.

Mr CLARKE: I understand that the line from Leigh Creek to Port Augusta will be transferred to Optima Energy, which will take it over. As Optima Energy is a State statutory authority, why not simply put it in the name of the State Government, which in turn could allow Optima Energy to use it for whatever purpose?

The Hon. DEAN BROWN: The land comes to the State, the track goes to Optima.

Mr Clarke: Why can't the State have the track as well?

The Hon. DEAN BROWN: Because this will allow Optima to make decisions in terms of what investment should be made to upgrade the track, supposedly on a commercial basis. Third party access is available to the track. What would be the advantage to the State Government of actually owning the track? There would be the difficulty of the State Government owning the track and having to ask Optima to spend money on upgrading it, or the State Government would have to spend money to upgrade the track for Optima. It is a much cleaner operation for the State Government to own the land and for Optima to own the track and invest the funds to upgrade it.

The Hon. G.M. GUNN: I am pleased with the answers that the Minister has given, because together with a considerable number of issues in relation to this subject I have had considerable involvement, and I am pleased with the outcome. Will the rolling stock currently used between Leigh Creek and Port Augusta also be included? Those wagons probably would not be useful elsewhere, and there would be a considerable capital cost to Optima. Therefore, it will incur more costs, and that will interfere with its productivity and its ability to compete nationally. Will the Minister indicate whether that rolling stock is part of the deal?

The Hon. DEAN BROWN: The rolling stock is part of the assets being put up for sale as part of the tender process. The new owner will own the rolling stock. The new owner would want the Optima contract, because it is a major contract and the sort of contract that any new rail operator would want to have. The State Government has given an assurance that the best endeavours have been made through Optima to make sure that a contract is signed between the new operator and Optima. I think this produces the best outcome. The specific answer is that the trucks there at present will be purchased by the new owner of the assets.

The Hon. G.M. GUNN: In relation to the sale and general operation of the facilities, it would be fairly obvious that there will be surplus land and assets, particularly in places like Port Augusta, which probably will not be used by a new operator.

Will the Minister indicate whether the State Government is prepared to make recommendations in support of the local community getting hold of that land? There is a large amount of land along the foreshore at Port Augusta which I understand is still owned by Australian National. It would appear to me and to most people interested in this matter that a commercial operator would have no use for that. Can that land be made available to the Corporation of the City of Port Augusta for public purposes? Australian National, previously the Commonwealth Railways, owns a large portion of land along the foreshore at Port Augusta and along the old wharf area. I have had ongoing discussions with the corporation and its officers concerning this land.

I also point out that that is only one of a huge number of issues in relation to this matter with which I have been involved on behalf of my constituents, contrary to what the Deputy Leader has had to say. I have been in regular contact, virtually on a daily basis, with ordinary individuals, the unions at Port Augusta and with the corporation and other members of the community. The Deputy Leader can go up there, wave around his arms and organise rallies, but unfortunately that did not stop the sale of AN.

Mr Clarke interjecting:

The Hon. G.M. GUNN: The honourable member knows that his colleagues got rid of 8 000 jobs. Where was he? I have copies of correspondence signed by Laurie Brereton and Kim Beazley in which they signed off and agreed to exactly what the Australian National Board wanted them to do. I well remember the Chairman of the Board of Australian National coming up to Port Augusta, sitting down in the council chambers and taking people through what would happen with the new five-year plan. If ever an industry has been unnecessarily run down and the victim of poor Government planning and less than prudent management, it has been the rail industry. A huge country like this needs an effective, well managed, well resourced rail industry.

It is ludicrous to have truck after truck tailgating across the Nullarbor or going up the Stuart Highway when we should have a competitive, effective, well organised rail system. Even if it means that the Commonwealth Government has to put in money to subsidise the operation to at least get it going on a regular footing, I have no problem with that. I am not a free marketeer—never have been. There is a role for the Government to get involved in certain industries to stabilise them and to ensure that they are put on a sound footing.

Mr Clarke: Water?

The Hon. G.M. GUNN: There would not be a water system in the country areas if it were not for Government involvement. The State Government has just done what your colleagues did not do for 20 years: put water west of Ceduna. If it were not for the Government there would not be a roads system. There is a strong argument for keeping the rail industry going in this country. That some of these assets include substantial amounts of land is a matter of concern. Of further concern is buildings in Port Augusta in a poor state of repair. Not far from the Primary Industries Department building is a hostel and another opposite the high school. Those buildings are empty, and I do not believe that a new proprietor will want them. If they are not to be used, something constructive ought to be done with them, because it is not good for the general amenity of the town to leave them in a derelict condition. They ought to be given to the high school or the corporation. Many people in that city need accommodation, including itinerant people who come down to get medical attention.

Mr Clarke interjecting:

The Hon. G.M. GUNN: Unlike the Deputy Leader of the Opposition, in a few years when I determine to leave this place I will be doing something constructive for the community. I will return to being a farmer and creating export income, unlike the honourable member, talking guff and hot air. I look forward to getting out in the sun and getting dirt on me, as I have done all my life. I am happy to get out into the real world after I retire from this place on my own decision. I look forward to the Minister's responding.

The Hon. DEAN BROWN: The land on which the main tracks exist will transfer to the new owner of the AN assets. The land at Port Augusta will revert to the State Government, which will lease to the new operator the land it needs for railway purposes. The rest of the land remains in the ownership of the State Government. It is acknowledged that there will be land along the foreshore at Port Augusta surplus to requirements of the new operator. That land will then be available for some development, possibly in conjunction with the Port Augusta council.

I take this opportunity to acknowledge what the member for Eyre has done in helping to negotiate that issue as well between the State Government, the Minister for Transport and the Port Augusta council. It is appropriate to record in *Hansard* the excellent work done by the member for Eyre in looking after the workers of the AN system at Port Augusta over many years. I recall on at least two or three occasions, as Premier, visiting Port Augusta and meeting with the member for Eyre, who invited me down to the AN workshops to look at the operations and to talk to a number of the workers.

I can recall a meeting in August 1996 in the office of the member for Eyre, where we met with representatives of the trade unions representing the workers at AN in Port Augusta. They expressed to me their great appreciation of what both the Minister for Transport and the member for Eyre had achieved for the workers at Australian National. They recognised the fact that they had been let down by a series of Federal Governments and certainly by Laurie Brereton. They were extremely critical of Laurie Brereton. They certainly acknowledged the efforts of the present State Government in fighting to get the best deal. They agreed that it was now appropriate to go ahead with the sale of assets of Australian National.

They particularly agreed with the point raised by the member for Eyre that the most fundamental mistake was made when the interstate operations of the rail system of Australia were transferred to a new corporation called the National Rail Corporation. That automatically meant the demise of AN around Australia, particularly of thousands of jobs in Australian National here in South Australia. Many of those jobs are at Port Augusta. Other jobs are scattered around the State, including Adelaide, particularly at Islington. I record from personal experience the tremendous involvement, effort and energy the member for Eyre has put into fighting to preserve as many jobs as possible in Port August and into fighting with the Minister for Transport for the best possible outcome in terms of the sale of the assets of Australian National.

Schedule passed.

Title passed.

Bill read a third time and passed.

RAILWAYS (OPERATIONS AND ACCESS) BILL

Adjourned debate on second reading (resumed on motion).

(Continued from page 1961.)

Mr CLARKE (Deputy Leader of the Opposition): This legislation follows significantly on the heels of the legislation we have just debated and passed in this House, so I do not believe I can say any more or add to the debate on the issue. The Labor Party never supported the privatisation of Australian National and still does not support it, for all the reasons I stated in my contribution on the Non-Metropolitan Railways (Transfer) Bill 1997. I express the same sentiments for this Bill as I did in my second reading contribution to the previous Bill. In so far as I put aside the issue of privatisation itself, I must say that the State Minister has achieved about as mush as she could to protect the rights of South Australia in the context of a privatised railway system.

The Opposition has had an opportunity to examine the Bill, and my colleague the shadow Minister for Transport in another place has had extensive consultations with the State Minister for Transport. He also took up a number of issues in Committee in another place. I have read the *Hansard* report, and there seems little point going through the same questions in this House, given that the Minister has answered them quite adequately in another place. So, the Opposition is quite happy for this matter to go through as quickly as possible. It cannot go straight through to the third reading, because an amendment has to be dealt with for constitutional reasons. All the reasons I stated earlier also apply to the principles behind this Bill, which is more a nuts and bolts Bill, and I appreciate that. In terms of nuts and bolts within the privatised system, which we oppose, the State Minister has negotiated about as good a deal as she was able to get in the worst circumstances of a privatised railway set up.

Mr VENNING (Custance): I wish to respond to what the Deputy Leader just said in congratulating the Minister on what I see as a very good deal for the State. I know it has taken her a long time; it has involved her for more than 18 months, and especially in the past six months she has been involved in very heavy negotiations. I congratulate her very much on behalf of the Government and Parliament generally, because I think a very good deal has been achieved for the State. There are some little issues that I would like tidied up, but I am confident that they can be addressed. We look forward, not with anxiety but with a lot of interest, to see what will happen.

Mr Clarke interjecting:

Mr VENNING: We know it is a big change; I am the first to admit that, and we have been well served by our railways for many years. It is regrettable that the railways came to grief when the then Premier, Mr Dunstan, sold SAR. We have not had a proper rail service since then. Since that time we have seen the closure of country services and the pulling up of our infrastructure. That has been very regrettable, particularly in areas that are not well served by other services.

When I first came to this House, Sir, you would be well aware of the arguments I put forward in debates to try to stop the removal of infrastructure, particularly now when we see what is happening with the removal of the railway infrastructure south of Clare. That corridor is now used as a walking trail, which is called the Riesling Trail, and many of the bridges that were taken out have been put back so that people can walk over the culverts. So why were they removed in the first place, because only scrap metal prices were received for them? One large memorial stands out there—and I will take some credit for it—and that is the bridge at Yacka. As you drive past Yacka you will see a large railway bridge. That was going to go to the scrappers, but it was the action of the Yacka Progress Association through me that saved that bridge, which now stands perhaps as a permanent memorial to the railway, but it certainly stands there for future use, should anyone want to build another corridor across the Broughton River at Yacka.

A lot of history has gone before this, and I think we are about to create history by putting the railways out to private tender. It is a shame; we probably should have done this 20 years ago, not long after then Premier Dunstan sold the railway lines. It may have been very difficult, because really what we are selling is a mere fragment of what we had previously. As a country person I know that we do rely and have relied very heavily on the railways in the opening up of our State. When the railway arrived, that is when the towns grew up—usually around the rail heads. It is very sad to see what remains.

Hopefully, the new operator will see fit to run a passenger service, particularly into the Barossa. If they do not wish to do so, I hope they enable TransAdelaide or a private operator to run such a service. That is currently being negotiated through the Barossa Regional Development Association (BRDA). Certainly, much is happening in this area. Once again I commend the Minister. She has certainly battled on very well. I have been honoured to be on her policy committee, and it is one of the most enjoyable and constructive committees that one could serve on. I commend her and I will be watching the progress after this Bill.

The Hon. DEAN BROWN (Minister for Industrial Affairs): Again I thank members for their contribution to this debate. One of the issues I have noted in this Bill—and it is a matter I wish to take up with the Minister—is that I see that one of the rights is to exempt the owner of the railway corridor from being required to provide fencing. That puts the fencing obligation onto the owner of the adjoining land. In fact, some railway lines in this State—

Mr Venning interjecting:

The Hon. DEAN BROWN: Yes; that is basically the law at present. There are some areas in the State where the obligation for the building and maintenance of a fence lies not with the owner of the adjoining land but with the railways. I think I am right in saying that any railway in this State constructed prior to 1872 is in that category. I will ask the Minister, because it is appropriate to ensure that those people whose property adjoins railway land that was established prior to 1872 have this right preserved. It is a matter that the Minister should look at before this Bill is finalised in another place. It is a matter that has only just dawned on me, and perhaps we can deal with it in Committee. I recall that, when I happened to be an owner of some land adjoining the railway, I put the obligation on the railways to build an entirely new fence, because when we investigated it I found that they were legally obliged to do so. It was land owned by the railways for a railway constructed prior to 1872, if I remember rightly. I raise that matter because I think the House needs to look at it further.

Bill read a second time.

In Committee.

Clauses 1 to 15 passed.

Clause 16.

The Hon. DEAN BROWN: This is a money clause and, as such, it cannot originate in the Legislative Council. I move:

To insert clause 16.

Clause inserted.

Clause 17.

The Hon. DEAN BROWN: I raised the point just a moment ago concerning the obligation for fencing for those property owners who adjoined railway land where the railway was established prior to 1872. I have been assured that exactly the same provisions are being applied here as applied under the old AN provisions. This means that for those people who adjoined railway land, where the railway was established prior to 1872, the obligation for the fencing lies with the railways and not the landowner adjoining the railway. There has been no change in that regard and I can assure the Committee of that fact.

Mr VENNING: Having heard what the Minister said in relation to fencing, it is an area I overlooked. I assumed that the *status quo* would continue, and I am assured that that is the case. I will declare an interest because we have a large slice of railway going through the middle of the farm. That was not our choice, as the member for Giles will remember, but the fence is in good condition. I am not sure whose obligation it is to replace it, but I hope it is the railways because it was not our choice. Over the years it has always been a vexatious issue if you abutted a railway line, particularly when the fence fell down.

The Hon. Dean Brown interjecting:

was a hurtful situation about 20 years ago. There is always a vexatious question about railway fences because not in every case has AN looked at its obligations, and many fences are in bad repair. Will the transfer mean that we will be able to see a renewal of the obligation whereby the buyer will renew the fences?

The Hon. DEAN BROWN: I remind the honourable member, who is probably not aware of what his fencing obligations are with land adjoining the railway, that the obligation is no doubt on his shoulders. I think I said the cut-off point was any railway established prior to 1872. The only railway established in South Australia prior to 1872 was, first, the railway from Goolwa to Port Elliot, and it may have extended to Victor Harbor by 1872; and, secondly, the railway that extended from Strathalbyn to Goolwa. This was the only other railway built at that time in South Australia.

I know about this because I owned land adjoining the Strathalbyn to Goolwa railway line and, when I asked AN, which at that time owned that land, about reconstructing the fence and paying half the cost, it came back after a couple of embarrassing exchanges and said, 'The entire obligation is on us. We will pay the full cost,' which it then did. As to the railway going past the honourable member's property, I do not think he would be eligible for any compensation from the owner of the railway.

Mr VENNING: I suppose that is the reason why railway fences from Adelaide to Port Pirie are generally in poor condition and, unless the landowners replace them, they will stay that way.

Clause passed.

Remaining clauses (18 to 68) and title passed.

Bill read a third time and passed.

ADJOURNMENT

At 10.28 p.m. the House adjourned until Thursday 24 July at 10.30 a.m.