HOUSE OF ASSEMBLY

Wednesday 28 June 2000

The SPEAKER (Hon. J.K.G. Oswald) took the chair at 2 p.m. and read prayers.

ALICE SPRINGS TO DARWIN RAILWAY (MISCELLANEOUS) BILL

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

PENSIONER CONCESSIONS

A petition signed by 123 residents of South Australia, requesting that the House consider pensioner concessions on bottled gas supplies in line with mains gas concessions, was presented by the Hon. M.R. Buckby.

Petition received.

PROSTITUTION

Petitions signed by 46 residents of South Australia, requesting that the House strengthen the law in relation to prostitution and ban prostitution related advertising, were presented by the Hon. M.R. Buckby and Mr Hamilton-Smith.

Petitions received.

LIBRARY FUNDING

A petition signed by 576 residents of South Australia, requesting that the House ensure government funding of public libraries is maintained, was presented by the Hon. R.G. Kerin.

Petition received.

SPEED ZONES

A petition signed by 738 residents of South Australia, requesting that the House delay the introduction of 40 km/h speed zones until an investigation into adopting a national limit of 50 km/h, was presented by Mr Hamilton-Smith.

Petition received.

LEGISLATIVE REVIEW COMMITTEE

Mr CONDOUS (Colton): I bring up the report of the committee on the Australian road rules regulations and move:

That the report be published.

Motion carried.

Mr CONDOUS: I bring up the 21st report of the committee and move:

That the report be published.

Motion carried.

QUESTION TIME

ELECTRICITY, PRIVATISATION

The Hon. M.D. RANN (Leader of the Opposition): My question is directed to the Premier: who is responsible for the four major errors which parliament is now being asked to correct and which, according to the Treasurer speaking in the Liberal Party room, have ramifications worth tens of millions of dollars in revenue for some of the parties involved in the purchase and sale of South Australia's electricity assets?

The Hon. J.W. OLSEN (Premier): No doubt exactly the same question is being asked of the leader of the other place at 2.15 p.m., so I suggest that the leader check the answer. Simply—

Mr Foley interjecting:

The SPEAKER: Order!

The Hon. J.W. OLSEN: No, not at all. The member for Hart, again, is just inaccurate because in his ignorance I have already done a press conference today. I did not walk away. The simple fact is that an error and mistake has been made, and nobody is wanting to walk away from that fact.

An honourable member interjecting:

The SPEAKER: Order!

The Hon. J.W. OLSEN: An error and a mistake have been made. We are not disguising that fact. We are fronting up and saying so. What you usually do when a mistake has been identified is move forward and correct it and then move on.

Members interjecting:

The SPEAKER: Order! Before calling the next question, I advise the House that the Deputy Premier will be taking questions on behalf of the Minister for Police, Correctional Services and Emergency Services.

MINISTER'S OFFICE REFURBISHMENT

Mr HAMILTON-SMITH (Waite): My question is directed to the Premier. Could he explain to the House, particularly for the benefit of the member for Wright, the difference between $242 000 and $43 000? Yesterday the member for Wright asked the Premier in question time about the cost of the refurbishment of Minister Lawson's offices which are collocated with those of the Minister for Human Services (Hon. Dean Brown). In her question the member for Wright seemed confused and implied that the Premier had got it wrong when he told the House that the cost of the office refurbishment was $43 000. We know that the opposition frequently get their facts and figures wrong—

Members interjecting:

The SPEAKER: Order!

Members interjecting:

The SPEAKER: Order, the member for Hart!

An honourable member interjecting:

The SPEAKER: Order! I warn the member for Wright. I am going to allow this question, but I would like to raise the matter of questions being asked that border on the continuing debate from a previous day. This one is on the borderline. I will allow the question but I would ask members to be conscious of references to continuing debates from previous occasions.

Mr ATKINSON: I rise on a point of order. The question as I heard it was asking the Premier to tell the difference between two different sums of money—a matter for which he is not responsible to the House. Can a question which makes no sense be remedied by the explanation?

The SPEAKER: There is no point of order. The chair was clarifying a position so that the question could proceed while pointing out that it was in a marginal area so that we do not get into this habit, as has happened already in this session, of

members starting to talk about questions, or raising issues, from other debates.

The Hon. J.W. OLSEN: I thank the member for his point of order because it underscores the difference: it is $199 000. You can tell when the opposition have run out of questions: when they start asking questions that they asked two years ago. The member for Wright asked this question on 4 June 1998, and she came back into the parliament and asked the same question. The member for Wright asked a question concerning the refurbishment of Minister Lawson's office in Pirie Street. As I mentioned, that is the same question as the member asked two years ago, when she claimed that the cost of refurbishing the minister's office was over $300 000. The member for Wright might have more success as 'the member for Wrong,' because constantly she gets it wrong. The cost of refurbishing Minister Lawson's office is, and always has been, $43 000. That is what I said in 1998, and that is still the cost today.

For the benefit of the member for Wright, let me explain it so that she does not have to spend the next two years poring over the issue to ask it yet again. Let me explain it very simply for her: in June 1998, the member asked me the question and said that the alleged cost was, then, $354 000. It has taken two years for her to come down to $242 000—

Members interjecting:

The Hon. J.W. OLSEN: And that is correct—

Members interjecting:

The SPEAKER: Order! There are too many audible interjections from both sides.

The Hon. J.W. OLSEN: And $242 000 is the correct figure—but for something else other than Minister Lawson's office: that is the point. The entire co-location and refurbishment of two ministerial offices and accommodation for departmental staff is included in that figure. That was explained to the member for Wright back in 1998. Two weeks later, when she questioned the current Minister for Mines and Energy about the issue, he explained that the refurbishment cost of $242 000 applied not only to the offices of Minister Brown and Minister Lawson but also to office accommodation provided for staff of the Department of Human Services. Again, in November 1999, in answer to an omnibus question, the member's question was answered again: yes, $242 000 for co-location and refurbishment of two ministers' offices. It is quite simple, really—

Members interjecting:

The Hon. J.W. OLSEN: I know that the shadow minister for education could not help the member for Wright, because she gets it wrong just about all the time, not on an occasional basis. Quite simply, there is no discrepancy in this issue. We have consistently answered throughout that the cost of refurbishing Minister Lawson's office is, and always will be, $43 000. The member for Wright either has failed in an attempt to be mischievous or she is just plain stupid.

Members interjecting:

The SPEAKER: Order! The House will come back to order.

Ms RANKINE: Sir, I have a point of order. I take objection to being called stupid, particularly—

The SPEAKER: Order!

Ms RANKINE: —when the Premier never had the courage—

The SPEAKER: Order! The member will resume her seat.

Mr WRIGHT: —to read the first question—

The SPEAKER: Order!

Mr WRIGHT: —in the first place.

The SPEAKER: Order!

Ms Rankine interjecting:

The SPEAKER: Order!

Members interjecting:

The SPEAKER: Order! I warn the member for Wright for the second time, and I remind her not to interject when the chair is on his feet. If we go back now to the use of the word 'stupid', I think that it is probably a little precious in the parliamentary debate to take offence to a word such as 'stupid'. However, if the member takes offence, I will give the Premier an opportunity to withdraw if he sees fit.

The Hon. J.W. OLSEN: I am more than happy to leave it, because the member has just been plain mischievous in misrepresenting the circumstances.

ELECTRICITY, PRIVATISATION

The Hon. M.D. RANN (Leader of the Opposition): My question is directed to the Premier. Given that the state has already spent almost $90 million in payments to consultants to manage the privatisation of ETSA, were any of these consultants in any way responsible for the mistakes that the parliament is now being asked to urgently correct and, if so, will they be required to pay back all or part of their so-called success fees and bonuses?

The Hon. J.W. OLSEN (Premier): As I am advised, a consultant did make an error but the consultant, in good faith, as I understand it, made that mistake and error. We are not shrinking from the position that a mistake has been made and we are prepared to acknowledge that, move on and correct that mistake. In relation to the—

Members interjecting:

The SPEAKER: Order! The member for Hart will come to order.

The Hon. J.W. OLSEN: The member for Hart regularly during question time makes speeches by way of interjection. He does not get up a question, but rabbits on. As to the detail of the question, I have no doubt that once again exactly the same question is currently being asked of the leader of the government in the other place and I am sure that the Treasurer would be more than happy to detail the information the leader wishes.

The Hon. M.D. Rann interjecting:

The SPEAKER: Order! The leader will come to order.

RAYMOND, Mr B.

The Hon. G.A. INGERSON (Bragg): My question is directed to the Minister for Tourism. Will the minister respond to the allegations made yesterday by the member for Lee concerning the resignation of Mr Bruce Raymond? Yesterday the member for Lee in his usual scurrilous style asked the minister about a resignation letter that was supposed to exist which detailed concerns of corruption, wastage and nepotism in the tourism area.

The Hon. J. HALL (Minister for Tourism): I thank the member for Bragg for the question, because yesterday we saw the member for Lee at his best—or some would say his worst—and that was making an absolutely baseless and destructive accusation. It needs to be responded to in some detail because as members of parliament we have some responsibility in the way we use question time and the way we answer. Yesterday when the question was asked I had no knowledge of the alleged letter to which the member referred.

I thought that before I responded in any detail I had better thoroughly check to see whether there was any basis to the accusation made in his question.

I point out to the member for Lee and to members of the opposition that there is absolutely no record of any such letter being written to me as the Minister for Tourism, to the Chairman of the South Australian Tourism Commission or to the Chief Executive of the South Australian Tourism Commission. To be absolutely sure, Mr Bruce Raymond was contacted and was read the question and the response. He emphatically denies writing any such letter. Mr Raymond personally was extremely concerned and he denied that any such letter of resignation was written by him. No such letter as outlined by the member for Lee has been received anywhere in the sorts of areas that the member for Lee referred to.

As I said yesterday, I have received a copy of the letter of actual resignation written by Mr Raymond. He appropriately addressed his letter of resignation to the person to whom you would expect him to address it—the General Manager of Australian Major Events, Belinda Dewhurst. I have a copy of that letter, and a quick read of it reveals that he talks about tendering his resignation with regret and about enjoying his time working at AME, and he goes on to use a number of other phrases. I have no idea what letter the member for Lee is referring to. I believe that he has some obligation to pursue this matter, because neither the Chairman of the commission nor the Chief Executive has any idea what he is talking about, nor does the person who allegedly wrote the letter.

The member for Lee used question time yesterday as a vehicle to make a rotten and shameless political point and smear against a highly respected individual in the tourism and event industry. I think casting aspersions such as that is absolutely scurrilous, and I hope that the member for Lee has the decency at least to apologise to Mr Raymond or to withdraw his scurrilous, bloody accusations or at least in some way to make some retribution for what he is saying. It is typical of the tactics of the opposition, that is, to be involved in personal smears. Members opposite also go out to oppose everything.

It is extremely destructive to get stuck into an individual like this and to cast those aspersions because he is not only still working for Australian Major Events in a part-time capacity but also trying to make a new career within the events and tourism industry; and it is just unconscionable that this should have been done.

The success of the tourism and major events industry of this government is something that the opposition does not like. It is clearly a growth industry; it is doing well; and it is employing a lot of people. I think it is about time that some of these sorts of personal insinuations and smears stopped. From my perspective, having had the report of Mr Raymond's distress yesterday, it is something for which this parliament deserves an apology. To make an accusation such as corruption is a bit rich, and I think that, if the member for Lee cannot produce the letter to which he referred, he ought at least to withdraw the allegation or, at very least, as I said earlier, apologise to Mr Raymond.

Members interjecting:

The SPEAKER: Order!

ELECTRICITY, PRIVATISATION

Mr FOLEY (Hart): When did the Premier first become aware of the urgent need to introduce retrospective legislation to amend the acts privatising ETSA Utilities and ETSA Retail and the Electricity Act; and what advice has he received from Crown Law in respect of the exposure, risks and liabilities that the state could now incur as a result of possible legal action by any of the parties involved in the purchase of ETSA and ETSA Retail?

The Hon. J.W. OLSEN (Premier): I think the Treasurer raised this matter with me verbally on Friday last with a view to bringing a submission into cabinet on Monday. That is my recollection at this stage.

Mr Foley interjecting:

The Hon. J.W. OLSEN: In wanting to bring the cabinet submission on Monday, I agreed and concurred with its being placed on the cabinet agenda for consideration that day. In relation to seeking Crown Law advice, that matter is being handled by the appropriate minister, that is, the Treasurer.

Mr Foley: What is the legal advice?

The Hon. J.W. OLSEN: You should ask the Treasurer.

Mr Foley: You're the Premier.

The SPEAKER: Order! The Premier is on his feet.

The Hon. J.W. OLSEN: I know that only one person on the other side has had any ministerial experience, but the simple fact is that ministers are responsible for their portfolios; they collect the data and the information.

Mr Foley interjecting:

The Hon. J.W. OLSEN: Yes; and I control the cabinet agenda and oversee the processes of the portfolios appropriately, but the Treasurer and the individual ministers seek Crown Law advice. The crown provides that advice to ministers. That advice ordinarily is provided as part of the cabinet submission that is ultimately considered by the cabinet.

Mr Foley interjecting:

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

The Hon. J.W. OLSEN: What might peeve the member for Hart is that the Treasurer, the responsible minister, is another place, but I am sure that the honourable member's colleagues in the other place are presenting the detailed nature of the member's questions to them. But there is one thing, Mr Speaker—

Mr Foley interjecting:

The Hon. J.W. OLSEN: Well, let us not forget who promoted the ALP economic platform in the last election campaign in 1997. It was the member for Hart, who lost $200 million in a press conference. The member for Hart was very embarrassed about that $200 million he lost, and it was the Wednesday before the election campaign. I remember it well and, from the honourable member's silence, he remembers it well, too. But one thing this opposition cannot take away is the debt retirement of $3.5 billion as a result of the implementation of this policy. I repeat to the House that we have effectively cleared the bank debt that Labor left future generations of South Australians. That has been the outcome of the policy and the determination—

Mr Foley: You made a mistake.

The Hon. J.W. OLSEN: The mistake was that the opposition spent $1.2 billion on REMM. The mistake was that the opposition spent money on 333 Collins Street. The mistake was that the opposition spent money on goat farming in South Africa. The mistake was—

The Hon. M.D. Rann interjecting:

The Hon. J.W. OLSEN: I thought the leader mentioned Hindmarsh Island, but if he wants to talk about Hindmarsh Island—

The Hon. M.D. Rann interjecting:

The SPEAKER: Order! The leader will come to order.

The Hon. J.W. OLSEN: Does the leader want to talk about the Hindmarsh Island bridge? The Leader of the Opposition goes to rallies egging on opposition to the Hindmarsh Island bridge. I remind the Leader of the Opposition that responsibility for the construction of the Hindmarsh Island bridge was a contract which was signed by John Bannon and which we inherited. Legal advice indicated that it would cost us approximately $60 million not to build the bridge. That is the fact of the matter, and there was certainly no choice.

The SPEAKER: There is a point of order.

The Hon. G.A. Ingerson interjecting:

The SPEAKER: Order! The member for Bragg will come to order.

Members interjecting:

The SPEAKER: Order!

Mr FOLEY: Mr Speaker, I specifically asked about a mistake in relation to the largest asset sale in this state's history. The Premier has a responsibility to answer the question.

Members interjecting:

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

The Hon. J.W. OLSEN: Perhaps the member for Hart might like to take a valium; I think that he needs one at the moment. I have answered the honourable member's question. I know that this is about entertainment for the television news services tonight. After seven years we have become accustomed to the tactics of the member for Hart. This is all about the circus for the television news services tonight. The member for Hart asked a question. I have answered specifically the nature of his question and my answer will be the same if the honourable member asks his question half a dozen times.

Mr Foley: You are running scared.

The SPEAKER: Order!

The Hon. J.W. OLSEN: We are running so scared that we have introduced legislation into the parliament to be debated. How is that trying to walk away from the circumstances? One of the consultants made a mistake; I have acknowledged that.

Mr Foley: What, a $100 million—

The SPEAKER: Order! The Premier will resume his seat. I am sorry to interrupt the Premier. I warn the member for Hart for continuing to interject after he has been called to order now on two other occasions. I know that it was a late night last night but I suggest that the House simmer down. All members have had a fair go this afternoon; let us get on with question time.

The Hon. J.W. OLSEN: For the benefit of the member for Hart I repeat that a consultant made a mistake in one of the formulas. There will be a correction of that formula. No consumer in South Australia will be disadvantaged as a result of the correction to that formula—none at all, and that is the important outcome of this process. I remind the member for Hart, who stands up in a holier-than-thou approach on this issue, about Labor's track record and performance in government. In 1993-94 we inherited a situation as a result of Labor's total incompetence in financial management. We are and will be working through processes to eliminate the best part of that debt.

The Hon. D.C. Kotz interjecting:

The Hon. J.W. OLSEN: Labor's mistakes were so bad that it did have a royal commission to work its way through them and the actions of compliance of members opposite.

The Hon. M.K. Brindal: How much did the royal commission cost?

The Hon. J.W. OLSEN: The member for Hart ought to acknowledge that, in delaying the legislation for 500 days through this parliament, the opposition has cost the taxpayers about half a billion dollars. Opposition members should not stand up in this place as hypocrites, having opposed for 500 days the legislation and denied the taxpayers of South Australia maximum debt retirement (and therefore interest reduction), in an effort to make issue about a mistake made by one of our consultants. We acknowledge the mistake. We simply want to correct that mistake and, at the end of the day, consumers of South Australia will not to any extent, as I am advised, be worse off.

CHILD ABUSE

Mr SCALZI (Hartley): Mr Speaker—

Members interjecting:

Mr SCALZI: Quiet, please!

The SPEAKER: Order! The member for Hartley will get on with his question.

Mr SCALZI: Thank you, Mr Speaker. Will the Minister for Education and Children's Services provide details of the department's arrangements in place for mandatory reporting in connection with notifying suspicion of child abuse?

The Hon. M.R. BUCKBY (Minister for Education and Children's Services): The honourable member's question is both timely and serious. In recent weeks, community attention, both here and interstate, has again been focused on this matter. Protecting our children from abuse and neglect is one of society's responsibilities. This responsibility does not fall on one agency alone: it is the responsibility of everyone in the community. My department recognises that it has a significant role to play in the protection of children and the part that education has to play in the prevention of abuse and neglect. It is most important that all schools are places where children and students are safe and can feel safe. To this end, it is expected that all teachers act in a positive way in the care of students and take any action that would reasonably be expected of them during the normal course of their duties.

Teachers in our schools are confident and practised in identifying children at risk. In South Australia, it is mandatory for teachers and other education and care workers to report suspected child abuse and neglect. Today, we have in place a number of strategies to support teachers, care workers and volunteers in identifying and reporting those children at risk. Since 1989, our teachers have undertaken training in mandatory notification, and since 1997 all new teachers, including contract and temporary relief teachers, have been required to undertake training in mandatory notification as a prerequisite to employment. Each year all staff who will be in direct contact with children are required to re-familiarise themselves with the mandatory notification requirements.

Schools have a particularly important role to play in the prevention of child abuse. To this end, a protective behaviours program is strongly supported across all levels of schooling and is underpinned by a range of child protection and abuse prevention materials available to all teachers. In addition, my department, in collaboration with the Department of Family and Youth Services, maintains a strong

history of cooperation in regard to prevention of child abuse. Mandatory notifications are collated and analysed by the Department of Family and Youth Services to provide a database of child abuse and to improve protection practices. I want to assure all members of this House that this issue is taken extremely seriously and that the government views the protection and safety of our children with the utmost priority.

ELECTRICITY, PRIVATISATION

Mr FOLEY (Hart): My question is again directed to the Premier. Why have neither the Treasurer nor the Premier consulted with or advised the Auditor-General, Mr Ken MacPherson, of the serious mistakes associated with the ETSA sales process that parliament is now being asked to urgently correct, given Mr MacPherson's formal role in overseeing the sales process—

Members interjecting:

The SPEAKER: Order!

Mr FOLEY: If I may, sir, I will repeat that question because the interjection clearly showed that the government did not understand it.

The SPEAKER: Order! There is no need to repeat the question.

Mr FOLEY: Why had neither the Treasurer nor the Premier consulted with or advised the Auditor-General, Mr Ken MacPherson, of the serious mistakes associated with the ETSA sales process that parliament is now being asked to correct, given Mr MacPherson's legislative role—his formal role—in overseeing the ETSA sales process and his clear warnings to the government last year about the possibility of such mistakes?

This morning I contacted the Auditor-General about this matter, and he advised me that he had not been consulted on the problems that our state now faces due to the government's mistakes in the ETSA sales process. The Auditor-General last November made repeated warnings about the speed with which the government was conducting the sales process and his concerns. He warned the Economic and Finance Committee that because government—and I quote Mr MacPherson—'has entered into a process contract, you have to meticulously ensure that it is managed according to its terms because, if you breach it, you will be liable.'

The Hon. J.W. OLSEN (Premier): I know what he will be interested in; that is, that there is no impact on the price of electricity (that is, tariffs) or on the returns that the government will receive, and the taxpayers will not be billed for it.

The Hon. G.A. Ingerson interjecting:

The SPEAKER: Order, the member for Bragg!

AGED CARE AND RURAL DOCTORS

Mr MEIER (Goyder): My question is directed to the Minister for Human Services—

Mr Clarke interjecting:

The SPEAKER: Order! The member for Ross Smith will come back to order.

Mr MEIER: Will the minister outline to this House the benefits to South Australians of the recent announcement by the federal government of new aged care places being made available and rural doctor training incentives being made available?

The Hon. DEAN BROWN (Minister for Human Services): Yesterday the federal government made two very significant announcements that impact, first, on aged care in South Australia and, secondly, on the number of rural doctors in this state. First, let me deal with aged care. The federal minister has announced a total number of 1 400 extra places or packages for aged care. She has indicated that 17 high care beds will be made available on a permanent basis in South Australia; 755 low care beds (that is an enormous number and I would suspect the biggest number of extra low care beds ever allocated to South Australia); and an extra 608 aged care community packages.

These packages allow people who cannot care for themselves to stay in their home when they are aged, and therefore to receive additional assistance in the home. As well as that, there was the announcement in the federal budget of multi-purpose services, particularly for remote rural areas. So, put all of those together and we have an extra 1 400 aged care places and/or packages in South Australia.

The other announcement related to rural doctors. The federal minister, Michael Wooldridge, announced that an extra 50 rural GP training positions would be allocated for the whole of Australia. That now brings it to 200 rural training positions each year for rural Australia. That means that 200 of the 450 GP training positions for the whole of Australia will be specifically targeted to the country.

That is really good news, because the area of greatest need when it came to GPs was in the country. I have talked about it in this House previously, and I am delighted to hear that an extra 50 positions have been allocated. This is on top of a number of other initiatives that the state government has taken. We have the rural enhancement package worth $6.5 million a year and a special fee-for-service scheme worth $39 million a year for country rural GPs who work in our hospitals. On top of that, we have the scholarship scheme and a locum scheme, and we have also set up SARRMSA. Put all of these initiatives together and they are really starting to have an impact in terms of rural doctors in country areas. I am proud to announce that today we have 50 more rural doctors than we had two years ago in South Australia. That is a significant improvement for the health and medical care for people in rural South Australia.

ELECTRICITY, PRIVATISATION

The Hon. M.D. RANN (Leader of the Opposition): My question is to the Premier. Which consultant was involved in causing the mistakes in the ETSA sale process that the parliament is now being asked to correct; how much was that consultant paid; were they also paid a success fee or performance bonus and, if so, will the consultant concerned face any penalty or liability?

The Hon. J.W. OLSEN (Premier): I will seek the information for the Leader.

QUALITY TRAINING

Mr WILLIAMS (MacKillop): Can the Minister for Employment and Training inform the House how the government has improved the access for rural South Australians to quality training?

The Hon. M.K. BRINDAL (Minister for Employment and Training): I would like to thank the member for MacKillop for his question and note his keen interest in training issues and issues affecting rural South Australians. As the Minister for Employment and Training I am part of a government that believes that skilling our labour force is essential in order to adapt to changing environment—

Mr Clarke: You can answer this without notes?

The Hon. G.A. Ingerson interjecting:

Mr Clarke: You shouldn't need notes, Mark. You're pretty experienced.

The Hon. M.K. BRINDAL: The member for Ross Smith says that one should not use notes. I am not going to use the notes for the member for MacKillop because the answer is so detailed that I will get sat down by the House, so I will provide him with a detailed response afterwards. I would like to say that whatever we are doing for rural South Australia is much more than was done by the previous Labor government. Nowhere—

An honourable member interjecting:

The Hon. M.K. BRINDAL: I will. I have been asked to prove it so I will. Nowhere was that more evident than in estimates last week when the Leader of the Opposition came in and, to everybody's disbelief, tried to trumpet 12.3 per cent unemployment as an achievement. He came in and put this spin on it: that their record was much closer to the national level than ours was. They were then at 12.3 per cent. However, instead of saying they were at 12.3 per cent he said they were 1.1 per cent below the national average. He also went on to say that that was in the last national recession rather than mentioning—

Ms KEY: I have a point of order. The member is not answering the question he was asked. He is recounting what happened in estimates last week. Judging from your earlier order about previous questions from days gone by or in different categories—

The SPEAKER: I understand the member's point of order. I draw the attention of members of the House to a standing order that prohibits you from referring to debates that have taken place on another occasion. I would ask the minister to keep that in mind in his reply.

The Hon. M.K. BRINDAL: I will, sir. I would hardly describe the contribution on that day as a debate but nevertheless I will take your point on board. There was an allusion to the national recession. He did not mention that that was the recession that we had to have brought on by his friend and mate, the Hon. Paul Keating. We have not been told by this Leader of the Opposition that the Labor government in which he was a minister was the same government that broke the state and forced so many people onto the dole queue. It is probably time we should explain that, when South Australia's unemployment rate falls under double digits, that is the achievement. It is not an achievement to keep it in a double digit figure. We have brought down unemployment to 8.4 per cent, and a couple of months before that it was down to 7.7 per cent. At that time the national average was 6.9 per cent, so we were closer than 1 per cent to the national average—something for which the Premier had said we should aim and something which we have achieved.

Mr Conlon interjecting:

The Hon. M.K. BRINDAL: The member for Elder—

Mr Conlon interjecting:

The Hon. M.K. BRINDAL: It is now 8.4 per cent. It is now higher than we would like. But absolutely unlike the braying and crowing member opposite—

Mr Conlon: They should be angry with you, mate, not you angry with us.

The Hon. M.K. BRINDAL: Do you know, on this side of the House we have the passion to be angry with ourselves? None of us is proud—

Members interjecting:

The Hon. M.K. BRINDAL: None of us—

An honourable member interjecting:

The Hon. M.K. BRINDAL: No, none of us—

Members interjecting:

The SPEAKER: Order! The House will come back to order.

The Hon. M.K. BRINDAL: This is a serious subject. None of us on this side of the House is happy about one person in South Australia who is looking for a job and who cannot find that job, especially if we cannot give them the skill sets to do that job. That is why we are looking at skill sets. We are not happy with ourselves when unemployment in this state means that some people are not getting a job when they want to get a job. We have set ourselves very high standards, unlike members opposite, and we will answer to the people and try to keep to those standards, again, unlike members opposite. We do not just bray and crow: we try to deliver.

ELECTRICITY, PRIVATISATION

Mr FOLEY (Hart): Will the Premier confirm that the serious mistakes made by the government will have a major negative impact on at least one of the private companies that have leased or purchased ETSA, and is the government in any way legally exposed to possible damages from either of the companies that have now purchased or leased ETSA prior to these mistakes being identified?

The Hon. J.W. OLSEN (Premier): I notice that the terminology of the member for Hart changed. First of all, it was the serious mistake made by the consultants, now it is the serious mistake made by the government. This is an attempt by the member for Hart to sort of up the ante in the mind of the media about the nature of this matter.

Members interjecting:

The Hon. J.W. OLSEN: The member for Hart did not listen when I answered the last question. I clearly said that there was no impact on the price of the electricity—that is, tariffs; there will be no impact on the return that the government will receive. Taxpayers will not receive or foot any bill for this correction. I would have thought that the member for Hart was one person who would consider that the private sector was big enough to look after itself.

Mr Foley: What about AGL?

The SPEAKER: Order! The member for Hart has had a fair go. I do not want to warn him again.

DAIRY INDUSTRY

Mr VENNING (Schubert): My question is directed to the Deputy Premier. Given the decision by the Victorian dairy producers to deregulate on 1 July 2000, can the Deputy Premier please explain whether the continued debate under way in some other states is in the best interests of dairy farmers?

The Hon. R.G. KERIN (Deputy Premier): I thank the member for Schubert for his question and also his ongoing interest in this issue. Deregulation was always going to be hard for the dairy industry. Australia-wide it is an industry which has enjoyed a high level of regulation over many years. Thankfully, in South Australia, over a period of time that has reduced and this has made the industry perhaps better able to handle the rigours of deregulation.

It has been inevitable for quite a while: the Victorian industry made it clear up to two years ago that it was going to deregulate. It constitutes over 60 per cent of the industry.

What that meant was that it would flow a lot of milk over other state borders, which really made deregulation inevitable in the other states: whether or not they moved by legislation, it would have exactly the same impact.

So, there was no choice for the other states. Industry needed to be told that, and certainly the leadership of the dairy industry, both nationally with Pat Riley and locally, understands that. All players needed to be told the truth and held to the reality. Some obviously did not want to be told what was reality. We have seen some politicians, particularly in the eastern states, and break away industry leaders who have gone out and ignored reality and tried to tell some of the dissident dairy farmers that regulation could actually stay. That has created some real problems.

We are in a situation whereby the date for deregulation comes at the end of this week. A couple of parliaments still do not have their deregulation bills through. The package, which is an essential part of deregulation, is still at some risk if those parliaments do not come across. I was glad to hear early this morning that the ALP in Western Australia has decided to realise that it is inevitable. It was going to vote against it in the upper house with an Independent, and that threatened to bring the whole thing unstuck nationally.

So, there is still a level of debate out there that ignores reality. It is still failing to tell the last of the people to come across what it is all about, and that is still putting the package at some risk. It is a very difficult time for the dairy industry and will be a time of rapid change. It is the last time that you would want debate going on across Australia taking the confidence out of the dairy industry, spooking investors and giving the wrong message to the financial institutions, as this debate has done.

It is important that the dairy industry is told the truth about what is going on so that it can focus on how, as an industry, it can best adjust to the reality of a deregulated market and are allowed to focus. The amount of nervousness and indecision that we see at the eleventh hour has been brewing for some time. Three or four states have decided to play games over time and are forever saying that they want to go back to industry. That has put us in a difficult position. Hopefully over the next couple of days we will see the remaining state parliaments do what is right for the dairy industry.

ADELAIDE CITY FORCE SOCCER CLUB

Mr WRIGHT (Lee): Will the Minister for Tourism rule out any financial assistance or compensation to the Adelaide City Force Soccer Club to relocate from Hindmarsh Stadium during the Olympic soccer tournament? It has been reported that Adelaide City Force now wants some $500 000 or more to move from the Hindmarsh Stadium in the lead-up to and during the Olympics.

The Hon. J. HALL (Minister for Tourism): I am not altogether surprised that the member for Lee has asked me this question.

Mr Wright interjecting:

The Hon. J. HALL: Yes, I was actually a little surprised at the size of the ask from Adelaide Force, I must say.

Mr Foley interjecting:

The Hon. J. HALL: Absolutely. To say the least, I was somewhat amused that they thought that they might get a cheque for $500 000 to move out for a few months. As this House would know, the base agreement with SOCOG was signed several years ago, and that provided for Adelaide to host a tournament of Olympic soccer between 13 and 23 September. There are three agreements in place that cover the lead-up to the Olympics, the actual staging of the Olympics and the processes in between: the agreement between the state government and SOCOG; the agreement between the state government and the South Australian Soccer Federation for the use of the stadium; and, the subleases between the South Australian Soccer Federation and the national league soccer clubs.

It was agreed possibly 18 months ago (I can get the exact date for the member for Lee), when an offer was made to assist Adelaide City with some relocation costs for the duration of the period when their clubrooms would move from Hindmarsh Soccer Stadium to, at that stage it was thought—

Mr Wright: Centrepoint?

The Hon. J. HALL:—not Centrepoint, no—to Oakden, where they would base themselves between, essentially, the end of June and the end of October. Some delicate negotiations have been occurring although there seem to be a few difficulties encountered with negotiations. I can absolutely give this House an assurance that this state will stage a spectacular soccer tournament and that, if there are difficulties to be resolved, I am quite sure active soccer supporters in this state and sporting supporters generally would not support any moves of individual members of the board of Adelaide City or Adelaide Force in trying to prevent that occurring.

WORK TO LIVE CAMPAIGN

Mr CONDOUS (Colton): Can the Minister for Government Enterprises advise the benefits and the outcomes of WorkCover Corporation's Work to Live campaign?

The Hon. M.H. ARMITAGE (Minister for Government Enterprises): I thank the member for his question which enables me to report to the great success of the Work to Live campaign which commenced in February last year. The main strategy behind the Work to Live campaign has been to illustrate the general point that an injury at work actually injures the whole family. Research prior to the strategy's being undertaken indicated that this would be the most pointed strategy and most effective in impacting on the general public, in particular on families and wage earners because it actually personalises the impact of workplace injuries and illness.

The television campaign—which I am sure everyone would recall—focused on the *Naked Truth* series and highlighted the quite appalling statistics of workplace injury and death by showing naked bodies revolving around to indicate the vulnerability of everyone. The current phase of the campaign uses children's voices overlaying the original advertisement to remind viewers of the impact of a death or an injury on family members. WorkCover has supported that message with Work to Live messages on radio (including four segments presented in 14 languages on 5EBI), in the cinema, in the press, with direct mail, outdoor advertising and a number of other ways in which to get the message across.

Very pleasingly, independent research undertaken by McGregor Tan Research has confirmed that the campaign is making a significant impact in achieving positive health and safety behaviour change in South Australia's workplaces. It has confirmed not only a strong awareness of the campaign and the general issue of health and safety but, more importantly, it has confirmed that employers and employees are making real changes in their workplace. The specific results

are as follows: 58 per cent of employers and 50 per cent of employees surveyed in February said that the campaign had encouraged them to improve workplace health and safety; and 14 per cent of employers and 18 per cent of employees said it had significantly encouraged them to improve workplace safety. That is a total of 72 per cent of employers and 68 per cent of employees.

The research also very pleasingly found positive health and safety change actually happening in South Australian workplaces with 70 per cent of employers and 66 per cent of employees identifying improved health and safety outcomes in their workplace in the past year. Continuing on this positive theme, 64 per cent of employers and 60 per cent of employees said that there was a likelihood of genuine improvements in the following 12 months after the survey. We have got a spectrum of employers and employees saying that it had significantly encouraged them to improve workplace health and safety; it had already done so; and it was going to continue to do so in the next 12 months. That is an extraordinarily successful campaign in an area of great importance.

Because of the success of the campaign, WorkCover Corporation has set aside $2.5 million to fund the ongoing component and new elements of the campaign. We would hope to see even more improvement on those figures, which are already an indication of great success in an area of enormous importance. The Work to Live campaign is making significant inroads in the long-term attitudinal changes that need to be taken by both employers and employees in this particularly important area.

EMPLOYEE ENTITLEMENTS SUPPORT SCHEME

Ms KEY (Hanson): My question is directed to the Premier. What is the state government's position with regard to the federal government's Employee Entitlements Support Scheme and, more particularly, what assistance will the government extend to the former employees of Perry Engineering Pty Ltd and Pope Electric Motor Pty Ltd? I have received correspondence from the Australian Workers Union in which concerns are raised about the future of these employees. In part, the correspondence states:

> Many of the entitlements owed to the employees fall within the federal government's Employee Entitlement Support Scheme. This scheme is envisaged as being jointly funded 50-50 by the federal government and the state government. It is likely that if the state government refuses to fund the scheme generally, or in respect of any particular company, the recoveries available to employees under the scheme will be halved. When the insolvency of the companies in this instance became known, the Premier and the Minister for Workplace Relations both stated that, without prejudice to the government's position on the scheme generally, the state government would participate in the scheme in respect of Perry and Pope. Both John Braithwaite and myself [the letter is written by Michael Ats] have subsequently sought confirmation from the state government that this is in fact the case. No answer has been forthcoming.

The Hon. J.W. OLSEN (Premier): The South Australian government and a number of state governments have not joined the federal government in this particular policy. This policy, without consultation, has been put in place by the commonwealth. The commonwealth simply says, 'We believe this policy is right. We envisage that you might pay half towards the cost of it.' If the commonwealth wants to implement a policy of this nature, then it ought to debate the matter at a Premier's Conference or ministerial council meeting to seek and establish the concurrence of the states.

I argue that the federal government's responsibility is not 50 per cent but 100 per cent. If the commonwealth wants to adopt the policy, let it do so properly as a federal government and not, by coercion, apply pressure to respective state governments. My understanding of the circumstances is that neither Labor nor Liberal governments have accepted this federal government policy. I might stand corrected on that but my understanding is that no other state government—perhaps there is one—has accepted this policy ultimatum by the commonwealth government.

I will seek from the minister responsible details of the two companies on which the honourable member has posed her question. In one instance, we are working very hard to achieve continuity of the business operations—that is separate from the situation concerning those people who have had to exit its work force as a result of a decision by the company. We are trying to work on a system whereby the existing company and work force are able to get through a troubled period. The minister is having some discussions with a range of people in relation to that situation.

We have also had some discussions with the federal government in respect of—not so much a rescue package; that is the wrong term to use—an interim support proposal that would give one of the companies the capacity to trade through and on and therefore maintain current employment levels. I will also attempt to seek some details about that for the honourable member. I assure the honourable member that our endeavours will always be to assist, where it is feasible, a company to continue to trade its way out of some short-term difficulties. There are some occasions when it is simply not realistic to do so in that it is putting good money after bad, that is, there is not the likelihood of survival. However, where we can assist for survival we will certainly do so. We have a commitment to existing companies and that, of course, certainly extends to the human face—the workers in that company.

OUTBACK AREAS COMMUNITY DEVELOPMENT TRUST

The Hon. G.M. GUNN (Stuart): Will the Minister for Aboriginal Affairs outline to the House what the government is doing to implement the recent review of the operations and performance of the Outbreak Areas Community Development Trust? Does this relate to the development of a strategic management plan for the role of the trust? The House would be aware of the outstanding contribution that the trust has made to rural communities to assist them to have facilities which they would not otherwise be able to afford and that the trust is held in the highest regard by the communities that it serves.

The Hon. D.C. KOTZ (Minister for Aboriginal Affairs): As the Minister for Local Government, under which the outback trust applies, I am happy to address the member for Stuart's question. I also know of his long contact with this trust over a long period; in fact, the trust has not been in existence for as long as the honourable member has been in parliament. The trust has been there for some 20 years.

The Outback Areas Community Development Trust certainly does not often receive recognition for the work that it has done over a number of years for outback communities. Of the total area of South Australia, only some 15 per cent is under the control of local government authorities operating under the provisions of the Local Government Act. The

remaining 85 per cent of the area, excluding certain lands, are serviced by the trust.

The activities of the trust are generally directed to townships and communities serving the pastoral, farming, mining, tourism and transport industries. In accordance with the requirements of the Outback Areas Community Development Trust Act 1978, the trust works with and encourages community organisations in the provision of local amenities and services. Indeed, it financially assists these groups through grants and subsidies. The trust seeks to fulfil the role of a local government authority through its working relationship with each of these organisations.

The trust works as a local government authority. It works in conjunction with different organisations throughout the different communities. It provides certain services such as electricity, public conveniences and septic tank effluent drainage systems.

Following the outcome of the review of the trust's operations and its performance, the government will provide assistance to the trust to enable it to articulate objectives for the out-of-council areas under its care. To that end, in answering the member for Stuart's question, a strategic management plan will be developed. This plan will set out the trust's role clearly and give the trust a higher and more strategic profile, especially with state agencies.

The aim of the changes is to enable the trust to take a leading position on present and future developments in the outback areas. Importantly, these changes will also help the communities themselves to have a much stronger voice in decision making. The trust has already made quite a substantive start in this direction, having commissioned town plans in certain townships. Local plans developed by communities are certainly an essential component for any efforts at broader planning for the outback areas generally.

A very pleasing aspect of the review was that it showed that the communities think very highly of the trust. Therefore, it is our intention that the process of change now being put into place sustains that confidence, and we all recognise that the outback areas of our state are an important contributor to the economic and social fabric of South Australia. The review of the trust's operations and the changes that now flow from that review will ensure that the trust is able to provide a continued high level of support and service to the outback communities within our state.

GRIEVANCE DEBATE

Mr HILL (Kaurna): I rise today to speak about a dear friend of mine, a constituent, a woman who is a mother and a grandmother, a volunteer and who has cancer. The woman in question was told recently that she has a particularly virulent form of cancer. It is a recurrence of a cancer that she successfully fought some 13 years ago and she is determined—and I am sure she will succeed—in fighting it again. She attended the Flinders Medical Centre to seek some appointments to help her deal with this cancer. The Flinders Medical Centre wrote to her in a letter dated 1 June in which they said that they had organised for her to be seen by Professor Morley in the Haematology/Oncology Clinic on 5 June. In their letter they also say:

> We have also organised for you to be seen by Dr Sinclair on 8 June.

The letter further says:

> I have then organised for you to be reviewed by me in the Gynae/Oncology Clinic on 13 June.

The letter is signed by one of the doctors at Flinders. As I say, the letter was dated 1 June. Unfortunately, and sadly for my constituent, it was not posted until 13 June and she did not receive it until 14 June; that is, after all the appointments on 5 June, 8 June and 13 June had passed.

My constituent is a fighter and she came in to see me pretty hot under the collar about this letter. She makes a note on the bottom of the letter to me in which she says:

> I have no criticism of Dr—

and I will not mention the name of the doctor who signed the letter—

> just the understaffed hospital system. This letter was received on 14 June!!! The appointment on 8 June that I missed was urgent.

It is absolutely outrageous that a patient with a virulent form of cancer and who is fighting for her life should receive a letter, outlining three appointments, after the last of those appointments had passed. It is an absolute disgrace.

I am glad the Minister for Human Services is in the House today because I would ask him to look at what happened in this particular case and to ensure that other patients, who perhaps are not as bolshie as my constituent, are not treated in exactly the same way. I know that Flinders Medical Centre is overtaxed; I know a very high percentage of people use it; and I know the staff are struggling. I agree with my constituent: the staff do not deserve the criticism unless there was some obvious error in this case, but obviously they are overworked and understaffed and they need help.

Once again this case highlights the parlous state of our health system in South Australia about which we know that some 650 beds have been closed since this government has been in office; that the waiting lists have increased; and the number of people seeking urgent health in our hospital system is growing on a daily basis. I say with great sorrow in the case of my constituent, who is an absolute fighter—a wonderful person who still volunteers on a weekly basis at the Southern Hospice Centre where she works in the office every Friday—and on behalf of any other people who are so unfortunate to have cancer and to have been treated in the way in which she has been: fix it up, minister. We need a better system. We need a system that treats people in time and ensures that they get the appointments and the services that they need.

Mr HAMILTON-SMITH (Waite): I rise to speak about the problem besetting this country and this state in respect of how it is to deal with the situation presented to us by illegal refugees presently housed in refugee camps around the country. In particular, I address the issue of 400 or so former refugees who are soon to join our community over the next six weeks in South Australia, following the 54 refugees who have been granted temporary visas in recent weeks. I note from recent media reports that this forms part of a group of 1 700 released around Australia and that there are 3 300 more refugees due to be released over about a six week period from July onwards.

This matter has been one of concern to all of us, and in particular one which I raised about two years ago when I put it to people that it was an issue we needed to pick up with compassion and with alacrity. I was given quite a bashing by

the *Advertiser* which regarded the issue as incredible and unlikely to occur. In fact, just about everything that I predicted two years ago has come to pass, and I might add that the only thing that I am surprised about is that the number of refugees who have arrived has not been greater. I was very disappointed in the way in which the *Advertiser* dealt with the issue two years ago when I first raised it. I note that since then it has been far more sympathetic.

The reality is that these people who have arrived here following a very life threatening journey are refugees. They have suffered enormously in the countries from which they originated and the federal government has seen fit now to grant them temporary protection visas. The federal government has interviewed them, assessed their story and accepted, in accordance with our international obligations, that these people need our help. I completely agree with the Premier and with the government's position that the federal government, to some extent, has shirked its responsibility by not ensuring that they receive full entitlements as if they were immigrants in full order. In fact, it has thrown the problem upon the state.

How will we react? I put it to the people of South Australia that we must react with compassion and with dignity. I put it to the people of South Australia that each of these refugees has a story to tell. There have been some very hard-nosed reactions to the circumstances in which these refugees have found themselves. There are a lot of people in the community who do not welcome them, who would have liked to see the boats turned around at the shore and sent back and who would probably be quite happy today to see people herded onto vessels and returned to their countries of origin. The reality is that that is simply not possible. The crushing of the people by Sadam Hussein following the gulf war in Iraq and the crushing of people in Afghanistan as a consequence of the war of many years duration are well recorded. These people are refugees: they need our help.

They are now to become a burden upon the state, our churches and our resources. We must find a way to respond. I put it to the federal government that it should make more facilities available to help in the way of temporary resettlement and transition camp arrangements while we settle in these people. I thoroughly recommend that we reopen Hampstead Barracks (as we did for the Kosovars) to provide temporary lodging while we seed these people into our community. They are not undesirables; they are not to be demonised; they are not to be isolated and marginalised. We must recognise that they are to become Australians full on and we must accept them into our community. If we do not, we will force them into the margins where we risk them becoming criminals, drug addicts, or whatever. We must embrace them and have them as part of our community.

I have great faith that South Australians will do so. I have great faith that we will find volunteers to teach them English, to offer them part-time paid or unpaid work and that we will accept them into our community with an open heart. In 20 years' time they will be fully fledged members of our community and I think there is a real challenge for our multicultural community and for all South Australians to take up the cudgel to ensure that these people feel welcome. After all, many of our ancestors came from tragic circumstances as do these people and we owe them a fair go.

Ms BEDFORD (Florey): Last night I attended a function at the Otherway Catholic Centre in the city in honour of Shirley Peisley, one of the few women who was honoured in the Queen's birthday list this year. Shirley is a special person in many ways and I would like to inform the House of some of the things I learnt about Shirley last night that will go some way to illustrate why she and her work have been recognised. Shirley is a Ngarrindjeri woman from Kingston in the South-East of South Australia. She was born in Bordertown Hospital and, a few days later, she was taken to live at Blackford, the Ngarrindjeri country homelands (about 160 acres in all) settled by her great grandfathers, Jack, Harry and Alf Watson. Their father was John Watson, a Welshman, and a government surveyor; their mother, Maggie Dixon, a full blood woman of the Boandik/Meintangk clan group. Shirley was cared for by her grandparents, Mary of Raukkan and Horace Watson, the eldest son of Jack. Her mother, Betty, was forced to seek employment in the city, there being no pensions or benefits for a single mother to bring up an only child. Shirley's father had died at the Hampstead (infectious) wards with tuberculosis.

Shirley was a popular student at Kingston High, becoming Head Prefect and Captain of the School, excelling in studies and all sports. She won many trophies for basketball and tennis. She learnt to play the guitar and was a performer in local concerts in the town.

An incident in 1960 in Adelaide perhaps changed the direction of her life. She was questioned by police officers whilst out with a white male friend, with whom under then present day legislation she could not 'consort' unless holding an exemption from the Aboriginal Act. Shirley then discovered that her whole family, without their knowledge or consent, had been unconditionally exempted from that act and she was then entitled to deny her Aboriginality and she could vote, drink alcohol and be a census statistic.

In the 1960s, after attending business college in Adelaide, Shirley began work at the Postal Institute, then at the Adelaide Central Mission and afterwards at the Aborigines' Friends Association. She also began voluntary work assisting indigenous people in juvenile institutions, prisons and hospitals.

As a delegate for the Aboriginal Women's Council in South Australia, Shirley attended the 1967 FCAATSI meeting in Canberra and was later involved in activities leading up to the national referendum and the early land rights movement in South Australia.

Her working life has spanned more than 35 years, working in Aboriginal grassroots organisations, church groups, mainstream agencies and government departments. During her busy early years Shirley began family life, marrying Owen Peisley in 1969, and is the proud and loving mother of three sons: Justin, Damien and Simon; and now a proud and loving grandmother to Jamie-Lee, Caitlin, Anna Lise and Dylan.

In 1970 Shirley completed her in-service training with the Department of Social Welfare and became the department's first Aboriginal Probation Officer. A series of departmental appointments followed in welfare, health, local government, libraries and the arts where she continued working until she retired in 1992. She worked intensively on behalf of indigenous youth and in the interests of indigenous women and the community.

During the 1970s and 1980s Shirley also worked for the many grassroots agencies being established, including NAIDOC, the Aboriginal Legal Rights Movement, the Aboriginal Child Care Agency and the National Aboriginal Conference. In the early 1980s Shirley coordinated the first Aboriginal City Farm and Market Gardens at Enfield for five

years and gained recognition in Local Government Best Community Garden Awards and KESAB.

Due to the high incarceration rate of indigenous youth, she was later appointed to work as a liaison officer at the major youth holding centres to ensure that their legal interests were being catered for. In 1988 Shirley gained a ministerial appointment working for indigenous families suffering with Huntington's Chorea. Shirley assisted in the establishment of the first Aboriginal women's shelter in Adelaide, later becoming chairperson of its management committee.

When Shirley retired in 1992—if you could call it retiring—she continued her commitment to the Aboriginal community by sitting on a number of committees. I have a list of 19—too many to read—and she is still actively involved with seven of those committees. In 1998 Shirley toured provinces in Canada and the United States to forge links with first nation peoples and share common approaches to reconciliation, healing and cultural spirituality.

For my own part, I am very grateful to have Shirley's friendship, wisdom and guidance. She has been an instrumental figure and guide to the Florey Reconciliation Task Force and its work in our area. She is much loved and respected by all, because she is such a special person. All who know her share with Shirley her achievements and successes on behalf of the Aboriginal people of South Australia.

Time expired.

The Hon. R.B. SUCH (Fisher): I would like to share with the House today the results of a survey conducted in my electorate recently using my well-known newsletter *Such and Such*. It was distributed to approximately 10 000 households and 500 responded, which was very significant. I used the five-point Likert scale and asked a series of questions relating to current issues. I acknowledge that a survey, questionnaire or whatever you want to call it is only a guide but, nevertheless, I do take seriously the views of my constituents. They are above average in educational and occupational status. They are classic middle Australia: people who do not ask for much and, in many ways from governments at all levels, do not get much. As a community, we have the lowest unemployment in the state—about 4 per cent—which is a reflection of the determination of those people.

The first question that I asked related to whether genetically modified ingredients should be clearly labelled. There was resounding support for that: 93 per cent indicated that all products with genetically modified ingredients should be clearly labelled. I think that there is a message there for the federal government and, in particular, the Prime Minister.

In regard to shopping hours, a majority—52 per cent—agreed that all restrictions should be lifted on shopping hours. Clearly, a significant number disagreed—32 per cent. Nevertheless, the majority favoured lifting all restrictions, and 16 per cent were undecided.

In terms of prostitution, which is a very topical matter, I asked whether prostitution should be made illegal: 57 per cent disagreed and only 30 per cent agreed with making it illegal. The rest, of course, were undecided. In terms of licensing, registering and regulating prostitution, 68 per cent agreed, 21 per cent disagreed, and the remaining figure, of course, is those who were undecided.

In terms of speed limits, there was strong opposition to lowering the speed limit to 40 km/h in residential streets: 75 per cent disagreed, or strongly disagreed. When the question was put in terms of 50 km/h, it became much more even: 52 per cent agreed. With respect to whether it should be left at 60 km/h, 59 per cent agreed. Because they are multiple questions, of course, you have people having a bite at each cherry, so to speak.

In terms of dogs on leashes, which was a topical issue a few weeks ago given what happened in the parklands, 80 per cent want dogs kept on leashes less than two metres in length when dogs are on footpaths, beaches and in parks, but a majority—83 per cent—indicated that dogs should have areas set aside where they can run free. The favourite (and I know that this would be of interest to you, sir) was that 68 per cent wanted a penalty imposed on the owners of cats who allowed them to roam. Obviously, a significant majority of people out there in my community, at least, want action taken against cat owners who allow their cats to roam. It is not an easy subject, as I am sure you would appreciate, sir.

In terms of community facilities, there was strong support for more community facilities for young people—77 per cent compared to 68 per cent—for extra community facilities for elderly people. That reflects, of course, an electorate which has many young people.

In terms of the sale or lease of government assets, 47 per cent disagreed with selling or leasing the Ports Corporation and 60 per cent disagreed with leasing or selling the Lotteries Commission. In terms of the TAB, 51 per cent disagreed with selling or leasing.

I return to the point that I made at the start: any survey provides an indication. Clearly, you cannot canvass every aspect of every issue in a survey; space does not permit it. I also provide in my newsletter an opportunity for people to answer in an open-ended way, and about half of the 500 households responding took the opportunity to comment on a range of issues, which I clearly cannot canvass here today.

As I indicated earlier, I take these responses seriously, and they will form part of my decision-making process. I am happy to share them with other members, and I believe that there is merit in conducting regular surveys.

Time expired.

Mr MEIER (Goyder): One of the many success stories coming out of Yorke Peninsula has been the creation and the rise of Gulf FM90.3 on the FM dial. Gulf FM celebrated its second birthday last Thursday, 22 June, and I was very pleased to be able to absent myself early from estimates committees and to join in the celebrations that evening at Kadina.

Gulf FM is a community radio station and it is a tribute to all community members who first conceived of the idea well over two years ago and then put in a lot of hard work to ensure that Yorke Peninsula was able to have its own radio station. I particularly acknowledge the work of Mr Peter Thompson, Mr Jeff Ball and Mr Terry Inglis back in 1997. Peter Thompson was involved in many things at the time: he was a councillor on the local council and he really has helped to push this project along. Mr Jeff Ball was the inaugural chairperson of Gulf FM, and Peter Thompson has taken over that position now and currently serves as chairman. Terry Inglis at that stage was the CEO of the Yorke Regional Development Board. He has now left the area, and it was great that he was able to come back for the second birthday celebrations last Thursday evening.

It is not easy to start a new radio station. First, approval has to be sought to transmit on a trial basis. Basically, Gulf FM is still very much at that stage, although it has certainly received greater surety than was the case in earlier times. I

well recall one of the very early broadcasts from the Moonta showground—and I was informed last Thursday evening that we were broadcasting on one kilowatt, compared to some 1 000 kilowatts that is being used now. In fact, its studio on that occasion (which was in October 1997, before the station formally was born; it was in its formative period) was at the Moonta showground, and Terry Inglis conducted the interview.

I suppose I should mention that one person who was on deck on that occasion was Kevin Jungfer. Kevin has stayed with the station throughout the time, and he is marvellous. I had better be careful that I do not get myself into trouble by mentioning names, because so many have been involved, but certainly Kevin is someone who should be mentioned.

These days, Gulf FM broadcasts out of its own studio, which is part of the town hall complex at Kadina, but its transmitting tower is near Arthurton, farther down the peninsula. So, it truly is a Yorke Peninsula radio station. People are already receiving it in Adelaide, but the reception will improve in due course once approval is given for a higher output to be used. In fact, only recently it doubled its output and, therefore, people are hearing it much more than they were previously. Unfortunately, a few months ago, due to a very friendly bird on the tower at Arthurton, the cable was chewed through, moisture got in and caused a short circuit, which meant that power was reduced to a very minimal level, and very few people were receiving the station until about two weeks ago.

I would like to compliment everyone who has been involved with Gulf FM. I hope that I have the opportunity, in due course, to report further on its activities. As I have said, it is 90.3 on the FM dial and it is a radio station that really encompasses Yorke Peninsula and, in fact, most of my electorate across the Wakefield Plains as well. We are very proud of it. I wish everyone who is associated with Gulf FM all the very best for their third official year, and I look forward to further birthday celebrations in coming times.

PUBLIC WORKS COMMITTEE: ADELAIDE FESTIVAL CENTRE UPGRADE

Mr LEWIS (Hammond): I move:

That the 115th report of the committee, on the Adelaide Festival Centre upgrade—stage 2, phase 2—building audit works and back of house technical equipment, be noted.

In 1996, the Adelaide Festival Centre Trust commissioned a master plan study to chart the long-term directions for the centre and its environs. A comprehensive five-year plan was developed to address the ongoing management, upgrading and maintenance of the centre. Stage 1 was the subject of our 95th report in March last year and at the conclusion of stage 1 the need to undertake a complete building audit was recognised as being essential in order to plan the next phase of the upgrade. The primary risks identified through the audit are those areas related to health and well-being of people using the Adelaide Festival Centre and these items have received the highest priority in the proposed scope of the works. Other priority items identified relate to the viability of the Festival Centre's operations where the reliability of the plant and equipment is paramount to its business operations.

In general the plant and equipment was installed at the time of the Adelaide Festival Centre's construction and has reached or is close to reaching the end of its reliable life. The highest priority items are included in the proposed building condition rectification works. Items of a lesser priority will be undertaken as maintenance, separate projects or as minor works. Subsequent to the building audit and the back of house reports, a risk assessment of building infrastructure identified the highest risk items for inclusion in this proposal. Concurrently the Festival Centre Trust carried out year 2000 contingency planning and disaster recovery assessments.

The scope of the works include asbestos removal, fire services upgrading, disability access, electrical upgrading, structural rectification work, mechanical and plumbing upgrading and upgrading of the kiosk and the back of house equipment. These will address the requirements of the Building Code of Australia, the Disability Discrimination Act, the Occupational Health, Safety and Welfare Act and the maintenance and operation of efficiencies at the Festival Centre.

The Public Works Committee understands that the aim of this project is complimentary to future stages of the Adelaide Festival Centre's master plan. The work will provide a venue which has modern efficient services, up to date technical equipment, improved disability access, structural enhancements to comply with current codes, improved conditions for kiosk patrons and no risk to employees and patrons from asbestos contamination. The committee was also told that the work acknowledges the Riverbank precinct guiding principles and objectives, whatever they are.

The Festival Centre has developed a disability access action plan to provide equity of access and improved facilities for the disabled and continue the process of incorporating this in any program of upgrade works. Improved disability access provisions include getting the lifts into shape, providing better access into the theatre, disability information signs and public access toilet facilities to Elder Park. The Adelaide Festival Centre Trust is managing the asbestos contamination within the centre by determining the extent of asbestos present through the audit carried out in 1998, upgrading its register of asbestos sites in the building and developing an asbestos management plan to progressively reduce the extent of the contamination. Decontamination of the air-conditioning systems has been successful, with no disruption to the centre's operations, and the second phase is planned as part of this proposal.

The Festival Centre is also meeting all legislative requirements for monitoring of asbestos fibres. I am sure members will be reassured to hear that. The potable water mains also cater for fire requirements and cannot be boosted. A separate fire main is proposed with new hydrant stand pipes and associated boosting equipment up to the standards required by current regulations. Structural rectification work will waterproof joints in the plaza over the car park and restrain and strengthen movement joints within the car park to earthquake code requirements. At least that is what the committee was told. Even though that work is now under way, members will recall that in yesterday's rain storm there was substantial ingression of water flooding through the cracks and crevices and a good deal of sloppiness on the floor.

The committee understands that the schedule to upgrade and replace components will minimise disruption to its operations. Major down time will be coordinated with the centre's performance program. A contingency plan is being developed to ensure that performances are not disrupted due to non-supply of services. The Adelaide Festival Centre is listed on the City of Adelaide heritage register. However, the proposed building works are predominantly internal, services related or regulatory in nature and will not impact on the

heritage aspects of the centre. The proposed external works to the kiosk are temporary in nature and will be completed sympathetically in accordance with the general principles of the centre's heritage significance.

The committee was told that the venues will be more efficient and opportunities will be created for greater utilisation. In keeping with the Adelaide Festival Centre Trust's charter South Australia will have a series of performing spaces of similar technical standards to those in other states of Australia. The estimated cost of the proposal is $4.455 million and will be funded through Arts SA capital works program. An economic analysis has indicated that the best economic outcome is achieved if the proposed works are completed forthwith. In summary, a net present value analysis of proceeding with stage 2, phase 2 works now, proceeding with works after five years of delay, or doing nothing shows that option 1 only costs $1.849 million in net present value terms, whereas option 2, to replace it in five years, is $7.589 million and option three, if you do nothing, is $13.561 million in net present value costs.

The committee understands that the upgrade of essential building services will reduce recurrent maintenance costs and avoid breakdowns that will result in loss of income to the centre. The potential losses for the centre trust due to closure or cancellation of a show due to equipment failure or because of disruption due to the project works would be: closed one night, $50 000; closed down for a week, $300 000; closed for six weeks, extrapolated, comes in at $1.8 million. There will be loss of car park, catering and other revenues and possibly other venues within the complex unless this work is undertaken. The revenue of the State Theatre Company will also be affected. The centre would need to pay permanent staff and other contracts in the event of a closure and so the net operating loss to the trust would be considerably higher than just the revenue. The Adelaide Festival Centre hires its venue to a range of companies, including commercial promoters and presenters. Any company suffering a loss due to changes to venue availability or to public and staff safety may seek to recover that revenue from the centre and thus the government and the taxpayer.

When the upgrade of the centre is completed the theatres will meet the demands of modern performances with infrastructure to meet expanding demands with minimal additional expense. So, given these factors and pursuant to section 12C of the Parliamentary Committees Act, the Public Works Committee reports to parliament that it recommends the proposed public work.

Ms THOMPSON (Reynell): I support the committee's recommendation on this report and make just a few remarks. Clearly this is an important facility for our state both for our cultural, social and economic well-being and as one which is a little aged, needs to be kept in good repair and needs to keep up with developments in technology and methods of presentation within the arts. Certainly we saw during the Festival of Arts some of those new methods of presentation, particularly in *Writing to Vermeer*. We also note that the facility is not just used for the arts. In fact, many school children in this state have the satisfaction of being on stage at Festival Theatre some time. I hope that that gives them a feeling of being special and of being part of the cultural and social life of this state, which they will soon be leading.

I have been pleased throughout the examination of this project to see the responsible approach that has been taken to identify and remove asbestos which has been contaminating this important building; and also to note the thorough way in which the resultant situation has been monitored using latest technology both to identify the asbestos and then to ensure that its effect has been beneficial and that staff, performers and patrons are in no way exposed to the risk of some of the dreadful diseases that can result from asbestos.

I suppose the only disturbing aspect of this proposal is the reference to the Riverbank Precinct project. This first came to the notice of the committee in November 1998 when we were alerted to the redevelopment of the Adelaide Convention Centre. The committee recognised the importance of keeping the Convention Centre up to speed. However, we wanted to ensure that the redevelopment was undertaken in a practical way and achieved solid gains for the money spent. One of the benefits suggested at that time in relation to the Convention Centre was its integration into the Riverbank Precinct proposal to allow access from North Terrace to Torrens Lake and unite in some ways the various important buildings along the Torrens riverbank. However, even then we were disturbed by the fact that we really did not know what the Riverbank Precinct proposal was. It was a very glossy brochure with some very ambitious diagrams on it, but nothing behind it.

When we were looking again at the Convention Centre, conformity with the Riverbank Precinct proposal was considered to be one of the criteria that the extensions to the Convention Centre had to meet. It seems that conformity with the Riverbank Precinct proposal has cost this state at least $10 million so far; and we are expecting something like $11.5 million to $13 million to come before the committee and the House in the near future to build a grand stairway to link the Convention Centre to the Torrens Lake. I think it is important to note that this grand stairway will significantly change the ambience in that area. Some of the community will want to keep as it is, some might look for something new, but I think that most people are asleep and do not realise how dominating the Riverbank Precinct proposal is.

In relation to the Adelaide Festival Centre upgrade, we are told that the Riverbank Precinct proposal is something to which it must conform. This stage of the upgrade has related to technical issues within the theatre and so there are no issues, but we are told that the next stage will include conformity with the Riverbank Precinct proposal. We understand from evidence given that quite a senior committee comprising at least three, and perhaps five, cabinet ministers is driving this proposal, so that questions might not be answered by one single minister because it is not one single minister's responsibility. As I understand it, this committee has existed for nearly two years but all we have seen from it is a glossy brochure and expensive costs of otherwise important projects.

I am quite concerned about what might be happening with this Riverbank Precinct development. It may well be something that we will generally applaud, but the secrecy after the glossy brochure, I must say, makes me a little cautious. I hope that it is not long before the community, the House, and particularly the Public Works Committee, have an opportunity to scrutinise the Riverbank Precinct development to see whether it is something that will bring economic, social and cultural values to our community or whether it is in fact something that will so change the current amenity of the lake that many of us will feel alienated from it.

With those cautionary comments—which in no way relate to the proposal to upgrade the back of house technical equipment at the Festival Centre—I commend this project to

the House, and I commend the proponents for the thoroughness of their preparation of the material for the Public Works Committee's scrutiny and thank them for their cooperation.

Motion carried.

PUBLIC WORKS COMMITTEE: STATE LIBRARY REDEVELOPMENT

Mr LEWIS (Hammond): I move:

That the 127th report of the committee, on the State Library redevelopment, be noted.

The Public Works Committee has considered a proposal to redevelop the State Library at a cost of $40 million. The project is scheduled to be completed in June 2003 and it will feature reorganised services and collections with improved levels of open access to the research collections; modern and expanded levels of computer equipment for users; new areas for information technology and exhibitions; an increased space of around 27 per cent for public spaces and increased services; new mechanical services and a completely new heating and cooling system; new facades and entrances; improved access for people with disabilities; and improved care of the collections which are conservatively valued at $200 million: in fact, I suspect they are worth more than that, as some of the material held there is priceless.

In an associated project, the three State Library buildings will be strengthened to reduce the risk of damage to the collections arising from earthquake. I know that members of the committee, as well as members of various government agencies, now see me as the doomsayer who has raised the question of earthquakes and their effect on our buildings to the point where all buildings are now being assessed and upgraded to make them safe in that regard. I acknowledge the support of the member for Hartley for my crusade in that respect; indeed, all members of the committee, without exception, understand the importance of it.

As part of the redevelopment, the heritage and urban design context of the North Terrace precinct will be improved by restoring the original Jervois Building facade. In addition, the Jervois and Bastyan Buildings will be separated to open up the back of the North Terrace cultural precinct and create a new walkway to other organisations such as Artlab, the Migration Museum and the South Australian Museum. The exterior of the library on Kintore Avenue will also be upgraded and made much more inviting to passers-by. The cultural and heritage significance of all heritage listed buildings in the precinct will be respected in the redevelopment. After the redevelopment, the Jervois wing will showcase the library's 19th century treasures and also provide quiet reading areas.

This association between significant heritage collections and the 19th century Jervois wing will complement the South Australian Museum's galleries and enhance the Jervois Building. Many of the library's hidden collections such as the Children's Literature Research Collection and the Wine Literature of the World Collection will be able to be displayed and be available to members of the community who are interested in them.

Digitisation projects will create greater on-site and remote access to the research and heritage collections. Digitisation of the unique South Australian collections will be given priority and this will allow the library to take commercial advantage of its treasures through facsimile reproduction. In particular, the digital library will make the State Library more accessible to rural South Australians.

The main Bastyan building will be closed during the main construction phase of the project and the library will operate from the Jervois and Institute buildings during that time. All existing tenants housed in the library will be provided with accommodation, and every attempt will be made to assist them while parts of the library are closed. The committee understands that all these organisations support the redevelopment project.

The proposed project will offer significant public benefits, including substantially greater and more efficient access to the collections; increased capacity for the collections to be linked with and to support the broader state education process; augmenting the state's cultural tourism goals; providing regional South Australians with improved on-line access to the collections; enabling fragile material to be accessed in electronic format; improving the library's capacity to earn significantly more of its revenue from non-Treasury sources through the consultancies that it will do or the research services that it provides on a fee-for-service basis, some of which I have used, and they are excellent; improving the heritage ambience of the North Terrace precinct, linking it to the historical precinct behind the library itself; and facilitating access for disabled persons to those collections.

The redevelopment will also directly improve the State Library's ability to care for the state's key reference and historical collections—a unique state treasure valued at over $200 million, as I have stated, by upgrading the security, fire safety, mechanical systems and earthquake strengthening to which I have already referred. The project will also allow efficiencies to be realised through fewer staff service points, better layouts and improvement to operating capacity.

In response to community concern, the committee explored whether part of the capital cost of this project is being provided by a reduction in public library funding for the budget year 2000-01. The committee was told that the project is not being funded by reductions in the level of community library services. The funds for public libraries have apparently previously been paid in a single instalment by Arts SA on 1 July each year to the Libraries Board, and this has enabled substantial interest earnings to be generated. This accumulated interest has been held as reserves in a bank account to meet the cost of forward orders for books. Mr Speaker, $3 million has been accumulated in that account, but Arts SA advises that the highest value of forward orders ever recorded was $1.8 million. Consequently, there is no need to retain $3 million in reserve funding.

The committee, through its inquiries, discovered this and, because of this situation, the committee is told that the government has made a once-off reduction of $1.2 million in its subsidy for public libraries. The Libraries Board has made a corresponding contribution from the reserves. The net benefit to government is being re-invested in the proposed project.

Notwithstanding this assurance, the committee is disturbed by the complex decision-making structure involved in the administration of library funding. It is particularly concerned at the potential for proper accountability to be avoided. As a result of this concern, the Public Works Committee recommends that the House recommend that the Statutory Authorities Review Committee should examine the organisational structure, relationships and adequacy of the arrangements for the administration of funding for libraries in South Australia.

That is no simple and inappropriate proposition: it is a very serious one indeed. The committee trusts that the House

will note the report and make that recommendation to the Statutory Authorities Review Committee. Given its findings and, pursuant to section 12C of the Parliamentary Committees Act, the Public Works Committee recommends that the proposed public works proceed.

Ms THOMPSON (Reynell): I also support the report, particularly the recommendations relating to the referral of the funding issue to the Statutory Authorities Review Committee. Many members have received a number of representations relating to recent issues with respect to local library funding. The suggestion had been made that local libraries may be penalised to enable this development to proceed. The committee did explore that issue because all members were most concerned to promote the wellbeing of our local libraries, recognising them as a most important community facility.

The committee attempted to grapple with the funding arrangements and, ultimately, members satisfied themselves that our local libraries were not suffering in the immediate future in order to undertake this most important redevelopment, but we could see how difficult it is for local libraries, and indeed anyone, to work out exactly what would happen with funding for libraries. We also recognised the increasing use of technology in this area and that the important role of libraries in the community in providing access to that technology would afford funding challenges.

A point made to the committee throughout its consideration of this project was that there is an extraordinarily complex relationship in most areas of the arts between the many competent and dedicated boards that administer various aspects of the arts and departmental and ministerial responsibility. It seemed to the committee that, given this background, it was appropriate for the Statutory Authorities Review Committee to investigate the relationships of the various library bodies, including those through the Local Government Association, and how the funding arrangements benefited or penalised any one of those bodies.

The committee recognised the tension in balancing excellence in central collection and accessibility at a local level and sees that this redevelopment will enhance the excellence and availability of our very important library resources and, after thorough scrutiny, agreed that it is important.

With respect to technical aspects, a number of issues had to be investigated—earthquake strengthening and the method of fire retardation were important in this project. We certainly do not want a system where the prevention of fire ruins most of our assets. The committee thoroughly explored that issue. It was satisfied that the proponents had also explored the matter thoroughly and had developed systems that were appropriate to the level of importance of the various collections. Those collections that are most rare will have a different form of fire suppression from those that are less valuable and more easily replaced, even if they are more expensively replaced, whilst at the same time balancing the importance of the collections against the need to protect absolutely the human life that is involved in using and staffing the library at any time.

Another issue that the committee wanted to clarify was the role of consultants in relation to this project. The committee became aware during its investigations that Mr David Klingberg had been employed as a consultant and would be chairing the steering committee for the project. This raised the issue of accountability. The committee wanted to be sure that, if there were problems in relation to this project, no-one would be able to say, 'Well, it was the consultant's fault, not mine, not the minister's and not the chief executive's.' The committee recalled the proponents to explore the detail of these arrangements.

We received an absolutely firm guarantee from the Executive Director Mr Tim O'Loughlin that he would take complete responsibility for all decisions that are made and for all the procurement processes throughout this process. The role of the steering committee and Mr Klingberg will be to advise the Executive Director, and we are told that the only thing he signs off will be the minutes of the weekly meetings. All decisions authorising expenditure and all issues relating to accountability will be the responsibility of Mr O'Loughlin.

We also noted that the library has a target of achieving 25 per cent of revenue from non-Treasury sources by 2020. We attempted to explore how this might be achieved, because all members of the committee recognise the importance of free access to knowledge through the library system as being an important foundation of our democracy. However, we also recognise that the state has some resources that are used for commercial benefit and for what might be called tourism or entertainment benefit and that in some cases it may be appropriate to charge for those services. However, at this stage we were told that with a number of senior staff at the library being new, there are no clear commitments as to how this target will be achieved. I suggest to the parliament and to the community that they monitor the situation over the years so that we can ensure that we still have ready access for all the communities to the knowledge base held in the library, but balance that against what might be appropriately commercial knowledge.

Two highlights to come out of the redevelopment, as has been mentioned by the chair, are the fact that the Wine Literature of the World collection will now be much more readily available to the community. This should complement very well the National Wine Centre. We were interested to find out whether the National Wine Centre was coveting the collection. However, we are told that there has been no interest, which says more about the wine centre than it does about the library. To the library I say, 'Well done! Keep the collection. We know that, from your track record to date, you will display it well.' I am sure it will become an important feature of tourism in this state as people move from the Aboriginal Cultures Gallery to see the Wine Literature of the World collection.

Another important collection of world status is the Children's Literature Research collection. This includes books, games and toys, which give us quite an insight into children's development over the years and the social constructs that have informed the way children have developed over the years. It reminds us about how important our library is, the importance of housing it appropriately and, therefore, of this redevelopment. I was pleased to note that the development is not nearly as much as it might have been. As I recall, the original bid was for some $20 million more than the final approval. The original bid of $59 million, put forward by the libraries board, was reviewed by a consultant. Negotiations were undertaken with various stakeholders and the many important community bodies that have a place in the library, and compromises were made. For instance, a 300 seat theatre was removed from the project, and it means that not quite as much of the collection will be accessible by the public. However, the result is 50 per cent accessibility of the collection to the public, and this meets general world

standards. I am very pleased that we have come up with a development of $36 million—somewhat less than the original bid. I hope that this is a record that will be emulated by others.

Mr SCALZI secured the adjournment of the debate.

PUBLIC WORKS COMMITTEE: PORT ADELAIDE ENVIRONMENT IMPROVEMENT PROJECT

Mr LEWIS (Hammond): I move:

That the 128th report of the committee, on the Port Adelaide environment improvement project stage 1—Queensbury waste water diversion—final report, be noted.

The Public Works Committee has considered a proposal to divert low salinity waste water from the Queensbury drainage area to the Bolivar waste water treatment plant where it is treated for potential reuse via the Virginia pipeline scheme. By the way, Queensbury is near Port Adelaide in the area where the member for Lee's electorate is located, around West Lakes, Grange, Tennyson and Semaphore. The pumping main will transfer raw waste water from the Queensbury pumping station to the Rosetta Street gravity sewer. That, in turn, feeds the Bolivar pumping main. The committee is told that the project will include facilities to inject oxygen into the pumping main in order to prevent odours from being generated through anaerobic decomposition and then released at the discharge point or the vents along the way.

The project has an estimated cost of $7.34 million and constitutes stage 1 of an environment improvement program for the Port Adelaide waste water treatment plant to achieve compliance with the legislative requirements of the Environment Protection Act 1993. Stage 2, involving the redevelopment or relocation of the Port Adelaide plant, is at the concept development stage. The committee understands that the Environment Protection Agency supports the project. Because the volume of treated waste water will be reduced, the proposal will lead to lower gas emissions and odour, and will give us a small improvement in environmental amenity for families living near the Port Adelaide treatment plant.

The odour control facilities are incorporated as part of the current environment improvement program upgrade at the Bolivar plant. Therefore, families in the Bolivar area will not be adversely affected by the increased volume diverted there for final treatment. The project is also expected to improve water quality in the Port River through substantial reductions in the volume of treated waste water discharged to the river. The committee is told that the semi-closed nature of the Port Adelaide River estuarine system results in poor flushing and mixing of the lower salinity water in the river's upper reaches, with high saline tidal inflows from Gulf St Vincent. This contributes to the creation of suitable conditions for the development of large blooms of toxic phytoplankton. The reduction in the amount of waste water discharged into the river is, therefore, likely to reduce the incidence of these red tides which are caused by algal blooms.

The committee further understands that cabinet has given in-principle approval to the relocation of the Port Adelaide plant to Bolivar which will remove all waste water discharged from the Port River. However, the project has significant benefits, irrespective of whether the final solution is developed to upgrade or relocate the Port Adelaide plant to treat the residual high salinity flows. The salinity of treated waste water into the Port Adelaide plant is more than three times the accepted limit for general irrigation. Let me say that 76 per cent of the flow of the Queensbury drainage area is suitable for reuse and can be diverted to the Bolivar drainage area and treated for potential reuse as irrigation water.

By separating out the salinity flows, this proposal will result in producing an additional flow of about 11 million litres per day being available for potential reuse via the Virginia pipeline scheme. This will enable increased horticultural production in the Virginia area and enhance opportunities for improved management of the scarce ground water resources in the Northern Adelaide plains. Notwithstanding its support for the project, the Public Works Committee does not accept the financial analysis provided in evidence. The committee was told that a financial evaluation undertaken according to the Treasurer's guidelines indicates a net present value loss, or cost, of $8.9 million to SA Water and a full economic evaluation applied to the project, which we asked for—indeed, demanded—revealed a negative net present value of $7.6 million.

Evaluations considering the economic value of the project are incomplete and misleading when prepared according to the Treasurer's guidelines: under them the notional savings to SA Water from this proposal are disregarded. Because of the project, SA Water will be able to construct a new Port Adelaide treatment plant with 30 per cent less capacity, and so it will avoid an estimated capital cost of $14.2 million. Now, that is, if you discount it from the future to the present, $12.4 million in present value terms. So, if you do a revised evaluation, which the committee had requested, it reveals that the proposal offers a net present value of $9.491 million and a benefit cost ratio of 1:1.92. This includes sales of $2.2 million relating to potential additional reuse of water in the Virginia area.

The Public Works Committee, pursuant to section 12(c) of the Parliamentary Committees Act, recommends the proposed public work. I say in final explanation of the project: the salty ground water, in which the bulk of the mains in the residual area are situated—the mains from which sewage is taken but not sent on to Bolivar—at present finds its way into the mains. Let me say that again in another way. The old mains which have been installed in the Queensbury area in the precincts of the Port River in the suburbs that I referred to are below sea level. They are in trenches which are below the ground water table which has a salinity level greater than that of sea water. Accordingly, there is ingression or seepage of saline ground water into those tiled drains where they are cracked or otherwise loose, not containing any back pressure; hence, the saline nature of the effluent which is transported through them by pumping, and hence the need to segregate those waters where the old pipelines have ground water ingression and treat them separately from the waters which otherwise are pumped to Bolivar.

To put that saline ground water, which seeps into the pipes and contaminates the sewage, in with the other water that is going to Bolivar would be to destroy its value for irrigation purposes, because it would become too saline altogether. For that reason, the two parts of the project have been segregated, quite sensibly, and, even though the committee asked for consideration to be given to replacing all the old sewerage pipes with new sealed pipes which would not allow the salty sea water to seep into those mains, it was not possible to do so in any short time frame and the cost of doing that would be much higher than the benefit which could result from it.

Ms THOMPSON (Reynell): This was a project that I did not quite understand when we started examining it. I could

not understand how a third of a district was infested by saline waters, how this third of the district was any different from the surrounding areas, how it was going to be isolated and what the benefits of that were. I think the member for Hammond has explained quite well the issue of many homes and businesses in the Port Adelaide area, particularly in what is called the Queensbury waste water area, having been built on what effectively was reclaimed swamp. The ground water is salty and often rises to the level of the sewerage pipes, including the sewerage pipes on domestic properties and those that are the public property.

A combination of cracks and gaps in those pipes, together with the pressure from the flow, means that the salty ground water seeps into the sewage flow. I was relieved that that was what happened because the alternative was that what was in the sewerage pipes seeped out into the environment. So, I was pleased that the issue was under sufficient control; that is, the seepage was inwards not outwards. However, it does raise issues about the cracks and gaps in the sewerage mains, both on private property and in the public area. We asked the agency to explore different options for dealing with this matter and ascertain whether there might be some benefit to the community in the introduction of a provision that, when private owners are redeveloping their properties, they be required to upgrade their sewerage pipes.

The reason for wanting to get improved quality of sewage—which again sounds a bit strange, but the member for Hammond explained that, if the sewage is not saline, then it is available for reuse—was that sewage that is highly saline is not suitable for the sort of reclamation projects that we have developed so far. Going back to the issue of whether private property owners can assist in expanding the amount of sewage we have for reuse by plugging the cracks and gaps on their property, we discovered that there is about 700 kilometres of pipes on private property in this area and about 600 kilometres of pipes in total belonging to the public arena. After comprehensive economic modelling it did seem that the cost of replacing or repairing those pipes was greater than the cost of the almost available desalination technology which can be used to improve the chances of reuse of this sewage.

Having started off with a project that was talking about a third of the sewage being affected by salinity and my wondering why this was a problem, we got to the stage where we were looking at whether the community could contribute towards reducing this problem, but found that the expenses were really prohibitive. After reviewing the economic analysis with the sorts of adjustments the member for Hammond indicated in terms of looking at long-term benefits, we were quite confident that this project will benefit the environment and improve the state's economic capacity by making greater amounts of water available for reuse.

I know that it is very trendy at the moment to look at saving the Murray, but it is important that the community looks at saving all the water that we can save. One area in which we can save water is by reuse, and we can all contribute to that by looking at our own homes and properties and the quality of the water and sewage available there. We can do that by taking the simple step of not washing our cars on the concrete, but doing it on the lawn so that we are not washing oils into the waste water; we can do it by keeping our sewerage pipes in good condition. This is not just because we do not want sewage seeping out; some people may not be so worried about that. They might think it is an in-house fertiliser. It is really about protecting the integrity of our whole sewerage system and that we, as individuals, have a responsibility to do this as well as SA Water having a major responsibility.

I daresay that many in the community would be amazed about why this became such a matter of interest to me. However, it does show the complexities of the issues with which are dealing in this very dry state and in looking at how we can maximise the value of our water supply. I thoroughly commend the project and SA Water for the way it has gone about doing it.

I just want to place on record that this is another project that will be delivered under the variation agreement with United Water—a variation agreement that was not supposed to happen according to the early press releases relating to the agreement with United Water, but nevertheless it is. We have not yet, as a community, had a chance to scrutinise just how much value we are getting from that variation agreement. At the moment we have to take the matter on trust.

However, United Water is certainly being used in a large range of projects, including the Bolivar upgrade, which is a very important project. In this project, United Water will be responsible to SA Water's Project Manager for Design, Procurement and Construction Management associated with the project, using the engineering, procurement and contract management approach in accordance with the terms of the variation agreement with SA Water.

We have had a bit of experience just today with problems that can be associated with distancing the management of important projects from the minister. I have just been able to speak about the way in which it is not being done in arts. I am a little concerned about the impact of the variation agreement in relation to SA Water and the way that it can distance its responsibilities through the use of the variation agreement. I hope that it is not long before we have some comprehensive scrutiny as to whether we or not are getting good value through this variation agreement with United Water. However, that is apart from this project. It is an important project and I commend the committee's report to the house.

Motion carried.

PUBLIC WORKS COMMITTEE: SITE INSPECTION TOUR

Adjourned debate on motion of Mr Lewis:

That the 125th report of the Public Works Committee, on the committee's site inspection tour of 15 to 17 March 2000, be noted.

(Continued from 31 May. Page 1313.)

Ms THOMPSON (Reynell): In commencing my remarks, and in referring to the remarks of the member for Hammond, I must say that we noted how this site inspection tour from 15 to 17 March enabled us to look at four projects together in order to get a better understanding of just what was happening with those projects. The projects include the Qualco Sunlands salt water interception scheme. We looked also at the issue of drains in the South-East as well as the use of irrigation on reclaimed swamp waters. The member for Hammond has outlined those projects quite comprehensively. However, the fourth project we looked at was the redevelopment of the Murray Bridge Hospital. The House has not yet had the benefit of much information about that scheme, so I wish to address that matter first and then return to some of the issues about the other projects involved.

The stage 1 redevelopment of the hospital was completed in 1984, but stage 2 was not pursued at that time. The hospital has conducted a needs survey of the 104 000 people in the

Mallee region to help better design its redevelopment. Consequently, the hospital has established a link with the Mount Barker Hospital under which the Mount Barker Hospital will become a high-tech hospital. High population growth is affecting the dynamics of the planning challenges. Many people in the area have severe access problems in travelling to Adelaide for health treatment: there is the extra travel time involved and the extra expense. Many people in the Murray Bridge area do experience poverty, and this limits people's capacity to travel both for treatment and to visit their loved ones when they most require their support. So, this arrangement between Murray Bridge Hospital and Mount Barker Hospital, under which many people will have to travel only as far as Mount Barker, seems to be very sensible and is welcomed.

In relation to the Murray Bridge Hospital, the committee noted that the current physical set-up has a poor layout. There are greatly scattered functions, and a review of the current building shows that it is operating at only 47 per cent effectiveness. The committee noted that some functions were being undertaken in very inappropriate areas—for example, x-ray rooms were being developed out of former cleaners' closets, and the changerooms were not very hospitable to people who, understandably, might have a feeling of trepidation before any examination.

The committee was told that the hospital receives 500 to 600 mental health admissions per year, out of a total of 4 000 admissions. At the moment, there is no provision to cater for the needs of these patients and the danger that they may present to themselves, the staff, and possibly the community is exacerbated by the current layout. Often at night, in particular, only one or two staff members service quite a large floor area in many different areas. There are complexities with them having to carry keys to move from place to place, in addition to there being many areas in which someone who is temporarily unbalanced may lurk. So, it is quite a fearful environment. The committee was told that consideration has been given in the design to provide for culturally sensitive areas, to meet the needs of the local population. The proposed design also has identified interim minor works that will facilitate the major redevelopment by enabling a saving of seven months in construction time.

The tour of the hospital enabled the committee to note the disjointed facilities and untidiness caused by making do with available space. Members noted that the birthing unit is dull and utilises poor, old-fashioned colours and has poor standard shower and toilet facilities. The proposals allow for culturally sensitive birthing areas, especially to accommodate the Turkish community (which is quite large in that area) and the indigenous community, both of which groups have special needs in relation to birthing processes and, in some instances, in relation to death.

The committee believes that the trip will greatly assist its consideration of the complex issues of the swamp irrigation, the drainage and the salt water interception. I also want to ensure that it is placed on the record that this was not a jaunt in which the committee was living it up. Indeed, our overnight accommodation consisted of one night at Loxton, where we were able to consult with the local community as well as gain a better understanding from some of the people who were working on various projects of just what was involved, and our second night was spent in camping accommodation at Policeman's Point. Certainly, we thank the operators for making it easier for us. Normally we would have had to travel with sheets, towels and pillowcases: however, they provided those items. But that gives an indication that we were doing our work, not living it up.

Motion carried.

TAB (DISPOSAL) BILL

The Hon. M.H. ARMITAGE (Minister for Government Enterprises) obtained leave and introduced a bill for an act to make provision for the disposal of the business of the South Australian Totalisator Agency Board; to amend and subsequently repeal the Racing Act 1976; to amend the Stamp Duties Act 1923 and the State Lotteries Act 1966; and for other purposes. Read a first time.

The Hon. M.H. ARMITAGE: 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 give parliamentary approval to, and the necessary legislative authority for, the Government's decision to sell the South Australian Totalisator Agency Board (SA TAB) as announced on 8 February 2000.

A companion bill, named the Authorised Betting Operations Bill 2000, will establish the necessary regulatory framework for a privately owned SA TAB business in place of the existing provisions of the *Racing Act* and relevant sections of the *Lottery and Gaming Act*. Further details of that framework will be outlined in the second reading speech for that bill.

This bill will provide flexibility for the restructure and sale of SA TAB in a number of different ways. In particular, it will be open to the Minister to agree to a sale of the assets of or the shares in the SA TAB upon it being converted to a company under the Corporations Law.

These provisions—which are consistent with the approach taken in other Government asset sales—will enable the Government to manage the sale process so as to maximise the outcome for the State.

The breadth and flexibility of powers under this bill are primarily to ensure that the potentially varying interests of bidders in a sale process can be accommodated.

SA TAB will be the fifth TAB in Australia to be privatised.

The Government's comprehensive review of the business has identified that, under continued Government ownership, both the SA TAB and SA Lotteries would, in the future, find it increasingly difficult to compete in the rapidly changing and intensely competitive Australian and global gambling markets.

Amongst other things, the Government would find it difficult to allocate scarce financial resources towards the expansion of the SA TAB, in order for it to effectively compete—at the expense of funding for core services such as health, education and public safety.

The Government does not believe that it is either prudent or responsible for it to continue ownership of these gambling enterprises within such an emerging higher risk environment.

Any delay to the sale of the SA TAB could therefore see the value of the business to the taxpayers of South Australia diminish—through reduced and less stable net earnings and ultimately a lower sale price.

The review of the business and subsequent sales process has had regard to three broad stakeholder groups—namely SA TAB employees, the South Australian Racing Industry (SARI) and South Australian taxpayers more generally. Each has distinct interests to be recognised and protected.

Employees

The Government has been concerned to ensure that SA TAB employees have some certainty about their terms and conditions of employment in the context of a sale, and that any retrenched employees are appropriately compensated.

The sale process will provide for a framework for dealing with all staffing issues including a requirement for potential purchasers to identify their expected workforce requirements in their bids, which will be evaluated by the Government based on a number of factors.

The Government has clearly stated that the price offered for the business will not be the only important factor in evaluating bids—other issues such as employment of existing staff and service standards will also be very important considerations.

While the Government has been actively pursuing negotiations with Employee Representatives, it has not been possible to reach agreement on transition arrangements at this time.

Accordingly, the legislation has been prepared in a form which guarantees that SA TAB employees' existing conditions will be protected and also provides for improved redundancy and transfer incentives, over and above their existing employment entitlements.

The Government believes that the transition arrangements proposed in the sale legislation are very reasonable and balanced having regard to employees' existing conditions. However, should Employee Representatives and the Government subsequently agree to a package, the legislation provides for those arrangements to take precedence during the sales process.

In the absence of such an agreement, Schedule 2 to the bill sets down "safety net" conditions upon which required employees employed on a full-time basis will transfer with the business.

Transferred employees will, amongst other things:

- receive a scaled transfer incentive payment of up to $20,000 depending on length of service;
- have continuity of service for the purposes of calculating long service leave, sick leave and annual leave entitlements and for any future retrenchment entitlements and these leave entitlements;
- be transferred to the new owner;
- enjoy no less than their current terms and conditions of employment;
- have a guaranteed minimum period of one year's employment from date of settlement of the sale transaction;
- have guaranteed prescribed retrenchment payment of 10 weeks notice and a scale of payments based on years of service to a maximum of 63 additional weeks if the purchaser retrenches a transferred employee within a period of one year following the expiration of the guaranteed period of employment; and
- be entitled to reject a request from the purchaser to relocate interstate and be eligible for the retrenchment payment during the first two years provided there is no suitable alternative position in South Australia.

The provisions of Schedule 2 to the bill also extend to the large number of casual employees who have had at least twelve months continuous service and who have regularly and systematically been rostered for 12 months with the SA TAB, If in a position required by the purchaser these employees, will transfer with the business. Transferred employees will, amongst other things:-

- receive a scaled transfer incentive payment of up to $20,000 depending on length of service;
- have continuity of service for the purposes of calculating long service leave and for any future retrenchment entitlements;
- have their accrued long service leave transferred to the new owner;
- be employed on no less than the current terms and conditions of employment;
- be guaranteed a minimum period of six months employment from date of settlement with their minimum average hours of engagement being guaranteed to be the same as those which the employee worked during the period six months prior to the date of sale. If the purchaser does not maintain the employee's minimum average hours (unless any variation is agreed to between the employee and the purchaser) during the six months period, the purchaser will be required to continue to pay that employee as if he or she were working the minimum average hours; and
- be paid the prescribed termination payment in the purchaser retrenches the employee within a period of two years following date of settlement.

The introduction of this legislation will not preclude negotiations continuing between the Government and relevant Employee Representatives in an attempt to reach agreement on a Memorandum of Understanding prior to the sale of SA TAB.

South Australian Racing Industry (SARI)

A vital part of the sale process has been to establish long-term formal arrangements between SARI and SA TAB, to secure an ongoing commercial role and source of revenue for the South Australian racing sector while allowing the SA TAB to remain competitive and viable in the future.

On 22 June, 2000, a Heads of Agreement—detailing a financial package for SARI going forward—was signed by the Government and SARI's authorised negotiating team, the Racing Codes Chairmen's Group (RCCG).

It is intended that this Heads of Agreement will translate into a 'Racing Distribution Agreement' between SA TAB and SARI, which fully documents and formalises the agreed commercial arrangements to apply following the sale of SA TAB and which cannot be altered by the new owner of SA TAB without SARI's agreement.

This security is enhanced by requirements within the associated Authorised Betting Operations Bill that SA TAB must keep in force the commercial agreement with SARI.

The agreed package is balanced and reasonable and, when combined with reforms currently being considered by the racing industry generally, can contribute to self-management and funding by SARI of its future operations.

The Government has been flexible in relation to the requests of SARI in the finalisation of the Heads of Agreement to the maximum possible extent, having regard to its broader responsibilities to other parts of the community.

Undue delays in the sale process from here will put in jeopardy the funding that SARI needs to underpin its revitalisation and moves towards self-management.

Taxpayers

The fundamental driving force for the sale of SA TAB is to remove the taxpayers of South Australia from the direct commercial risks and exposures of the gambling industry.

This is not an area of business activity that the Government should be sponsoring on the taxpayer's behalf—it is neither a core area of competency nor focus of Government and, put simply, it is placing scarce financial resources at risk.

The more appropriate path to follow is to sell the SA TAB and the expert advice received is that the best financial outcome will be achieved via a parallel trade sale of both the SA TAB and SA Lotteries.

The interest savings on retired debt will, together with the new taxation regime to be applied to the privatised businesses, generate a far more secure revenue stream for the State Budget to fund critical community services.

The public also has an interest in the sale being conducted fairly and efficiently.

In this regard, Deloitte Touche Tohmatsu has been appointed as Probity Auditor for the sale with a view to ensuring that public confidence is maintained in the integrity of the process. This bill provides for the Probity Auditor's report to be tabled in both Houses of Parliament once the sale has been completed.

This measure of accountability and transparency is complemented by the requirement in the associated Authorised Betting Operations Bill that the SA TAB Licensing and Duty Agreements also be tabled in both Houses.

I commend the bill to the House.

Explanation of Clauses

PART 1

PRELIMINARY

Clause 1: Short title

Clause 2: Commencement

These clauses are formal.

Clause 3: Interpretation

This clause contains definitions necessary for the purposes of the measure.

'Company' is to mean TAB as converted to a company under the *Corporations Law—see* clause 8. Such a conversion is to occur before a sale agreement may be made under clause 10.

Clause 4: Application of Act

This clause applies the measure outside the State to the full extent of the extra-territorial legislative capacity of the Parliament.

PART 2

PREPARATORY ACTION

Clause 5: Preparation for restructuring and disposal

This clause defines the parameters of what is called the authorised project—a project for investigating the best means of selling the business of TAB and preparing for the sale.

The directors and employees of TAB or the Company are required to participate effectively in the process.

Prospective purchasers may be authorised by the Minister to have access to information relevant to a potential sale.

Clause 6: Authority to disclose and use information

This clause authorises the disclosure of confidential information in the course of the authorised project.

Clause 7: Evidentiary provision

Evidentiary aids are provided in relation to the authorised project.

PART 3
DISPOSAL

Clause 8: Conversion of TAB to company

Provisions contained in Schedule 1 apply for the purposes of the conversion of TAB to a company under the *Corporations Law*.

Clause 9: Transfer order

This clause provides the means for restructuring TAB in preparation for sale.

The Minister is empowered to transfer assets or liabilities of TAB or the Company to a Crown entity.

Provision is made for the order of the Minister to deal with the consequential need to change references in instruments.

Clause 10: Sale agreement

This clause authorises the actual disposal of the business of TAB as converted to a company.

Two methods of sale are authorised: a direct sale of the Company's assets and liabilities; a sale of the shares in the Company.

Clause 11: Supplementary provisions

These provisions support the transfer of assets and liabilities and in general terms provide for the transferee to be substituted for the transferor in relation to the transferred assets and liabilities.

Clause 12: Evidentiary provision

Evidentiary aids are provided in relation to transfers under the measure.

Clause 13: Tabling of report on probity of sale processes

The Minister is to table in Parliament a report on the probity of the processes leading up to the making of a sale agreement. The report must be prepared by an independent person engaged for the purpose.

PART 4
STAFF

Clause 14: Transfer of staff

If a sale agreement takes the form of a transfer of assets and liabilities (rather than the shares in the Company), the Minister is, by an employee transfer order, to transfer all of the persons then employed by the Company to positions in the employment of the purchaser. Employees' remuneration and leave entitlements are unaffected and continuity of service is preserved.

Clause 15: Memorandum of understanding

The Minister is empowered to make an order to give effect to any memorandum of understanding entered into between the Government, the Public Service Association, the Australian Services Union and the Employee Ombudsman about employee rights. Provisions contained in such an order are to take effect as contractual terms binding on TAB, the Company, a purchaser or any succeeding owner of the Company's business.

Clause 16: Application of Schedule 2 staff provisions

Schedule 2 contains provisions relating to employee entitlements that will have effect subject to any exclusions contained in an order of the Minister giving effect to a memorandum of understanding under clause 15.

PART 5
MISCELLANEOUS

Clause 17: Amount payable by Company in lieu of tax

This clause makes provision for the Company to make payments to the Treasurer in lieu of income and other taxes.

Clause 18: Relationship of Company and Crown

This clause ensures that the Company will be regarded an instrumentality of the Crown but not after the shares in the Company are transferred under a sale agreement.

Clause 19: Registering authorities to note transfer

The Minister may require the Registrar-General to register or record a transfer under the measure.

Clause 20: Stamp duty

This clause provides for an exemption from stamp duty for transfers under the measure.

Clause 21: Interaction between this Act and other Acts

This clause ensures that transactions under the measure will be expedited by being exempt from various provisions that usually apply to commercial transactions.

Clause 22: Effect of things done or allowed under Act

This clause ensures that action taken under the measure will not adversely affect the position of a transferee or transferor.

Clause 23: Regulations

This clause provides general regulation making power.

SCHEDULE 1

Conversion of TAB to Company

This schedule contains technical provisions associated with the conversion of TAB to a company under the *Corporations Law*.

SCHEDULE 2

Staff Provisions

This schedule contains provisions establishing employee entitlements that will have effect subject to any exclusions made by an order of the Minister giving effect to a memorandum of understanding under clause 15.

The schedule provides for a transfer payment to be made to 'transferred employees', that is, employees who are transferred to the employment of the purchaser under a sale agreement or who continue in the employment of the Company after the shares in the Company are transferred to a purchaser. The amount of the payment ranges from 20 per cent to 80 per cent of an employee's earnings in the last financial year, depending on the employee's continuous years of service. The provision for a transfer payment does not apply to an employee employed under a fixed term contract, an executive or a casual employee unless engaged on a regular and systematic basis for the preceding year.

Retrenchment payments are provided for under the schedule:

- an employee of TAB or the Company while in Government ownership may not be retrenched unless the employee is given 10 weeks notice (or a payment in lieu of notice) and paid the prescribed retrenchment payment.
- a transferred employee (other than a casual employee) may not be retrenched unless the employee is given notice equal to 10 weeks plus any period remaining before the end of the employee's first year as a transferred employee (or a payment in lieu of such notice) and paid the prescribed retrenchment payment.
- a transferred casual employee may not be retrenched unless the employee is given notice equal to 10 weeks plus any period remaining before the end of the employee's first 6 months as a transferred employee (or a payment in lieu of such notice) and paid the prescribed retrenchment payment.

The prescribed retrenchment payment ranges from 3 times the employee's average weekly earnings to 63 times the employee's average weekly earnings, depending on the employee's continuous years of service.

Retrenchment entitlements do not apply to casual employees unless engaged on a regular and systematic basis for 52 weeks.

Such a casual employee will be taken to be retrenched if reduced to zero hours in any month after becoming a transferred employee (that is, without the employee's consent or any proper cause).

The retrenchment entitlements are in addition to and do not effect entitlements to superannuation payments or payments in lieu of leave entitlements.

The retrenchment entitlements do not apply to employees employed under fixed term contracts or executives.

A transferred casual employee (engaged on a regular and systematic basis for 52 weeks) must be remunerated for each month in the employee's first 6 months as a transferred employee as if the employee had been engaged for at least the employee's average monthly hours during the 6 months before the employee became a transferred employee.

SCHEDULE 3

Amendment of Racing Act

This schedule contains amendments to the *Racing Act* consequential on the conversion of TAB to a *Corporations Law* company.

SCHEDULE 4

Repeal of Racing Act, Amendment of Stamp Duties Act and State Lotteries Act and Transitional Provisions

This schedule is to come into operation on a day to be fixed by proclamation.

It is proposed that this commencement would coincide with the commencement of the proposed *Authorised Betting Operations Act* and the issuing of the major betting operations licence under that measure.

On the commencement of the schedule:

- the *Racing Act* is repealed
- consequential amendments to the *Stamp Duties Act* and *State Lotteries Act* take effect
- transitional provisions set out in the schedule also take effect.

Mr FOLEY secured the adjournment of the debate.

AUTHORISED BETTING OPERATIONS BILL

The Hon. M.H. ARMITAGE (Minister for Government Enterprises) obtained leave and introduced a bill for an act to provide for the licensing and regulation of totalisator and other betting operations; and to amend the Criminal Law

(Undercover Operations) Act 1995, the Gaming Supervisory Authority Act 1995, the Lottery and Gaming Act 1936 and the Workers Rehabilitation and Compensation Act 1986. Read a first time.

The Hon. M.H. ARMITAGE: 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 provides for a comprehensive and consistent new regulatory regime for betting operations to be conducted by the SA TAB, racing clubs and bookmakers in place of the existing provisions of the Racing Act.

It is appropriate, in the context of the sale of the SA TAB, to establish a consolidated and more robust system for the regulation of betting operations in the State.

A major feature of the bill is that the SA TAB will be subject to a comprehensive probity, regulatory, licensing and compliance regime overseen by the Gaming Supervisory Authority (GSA) and the Liquor and Gaming Commissioner—both of whom will have expanded supervisory and enforcement functions.

The GSA and the Commissioner will have new powers to ensure the probity and integrity of betting operations.

Importantly, the Government also proposes that the new regulatory framework will require the business operator to implement GSA-approved codes of conduct for advertising and responsible gambling. These provisions give effect to the Government's response to Parliament's Social Development Committee Gambling Inquiry Report.

That means, for example, that SA TAB will be required to display information about responsible gambling and the availability of rehabilitation and counselling services for problem gamblers.

SA TAB will also be required to provide point-of-sale information on player returns.

The GSA will also have extensive powers that are directed towards ensuring the probity of the owner of SA TAB, its directors, executive officers and associates. Changes in the identity of any of these groups, and dealings with the licence or major aspects of the licensed business, will require GSA approval.

Overall, the regulatory framework represents a responsible balance of commercial considerations – in particular, the need to allow the business to continue to operate and compete effectively—with Government's broader social responsibilities.

The licence issued to SA TAB under the legislation will be known as the Major Betting Operations Licence. The first licence will be issued to the SA TAB shortly after it converts to a company, but while still in Government ownership. Thereafter, a change in ownership of that company, or a transfer of the licence, as part of the sale process will require the approval of the Governor, upon the recommendation of the GSA.

The bill sets down the authority conferred by the Major Betting Operations Licence and also provides that there will be only one such Licence issued.

An Approved Licensing Agreement, between the Minister and the Licensee, will set down the scope of the Licence more generally, and will deal with such matters as the term of the Licence; exclusivity rights; the maximum commission rates which may be earned on totalisators and other commercial matters and the detailed aspects of business regulation.

Many of the detailed commercial issues will be finalised as part of the sale process, once the preferences of bidders, and the consequential value to taxpayers, can be assessed against a range of financial, social, economic and other considerations.

Indicatively, the Government's current thinking is to offer a licence term of 99-years to the market, with a 15-year exclusivity period, in line with the Adelaide Casino model.

Also consistent with the Casino legislation, and in the interests of transparency and accountability, the Approved Licensing Agreement – and any subsequent amendments -will be tabled in Parliament, once entered into by the Minister and approved by the GSA.

The Licensee will also enter into a duty agreement with the Treasurer, establishing a State taxation regime and dealing with other financial matters. This agreement will also be tabled in Parliament.

Importantly, in order for the Major Betting Operations Licence to be granted, the Licensee must have in place a formal commercial agreement with the SA Racing Industry concerning the payments to be made to the SA Racing Industry by the Licensee for the provision of local and interstate racing information.

The bill provides for licensing of racing clubs to conduct on-course totalisator betting and licensing of bookmakers and bookmaker's clerks. The substance of the regulatory framework is largely unaltered but the institutional arrangements will change with responsibility for the issue of licences, together with associated probity and regulatory functions, to reside with the GSA and the Commissioner.

This bill establishes a comprehensive yet balanced licensing and regulatory framework for all betting operations in this State.

The bill should give all South Australians full confidence that a privately owned SA TAB will operate to the highest standards of probity and that fairness to customers, and other matters of public interest, have been adequately addressed.

This bill has been prepared having regard to the Racing (Controlling Authorities) Amendment Bill 2000, which is currently before Parliament.

I commend the bill to the House.

Explanation of Clauses

PART 1

PRELIMINARY

Clause 1: Short title

This clause is formal.

Clause 2: Commencement

This clause provides for commencement by proclamation. The operation of section 7(5) of the *Acts Interpretation Act* (providing for commencement of the measure after 2 years if an earlier date has not been fixed by proclamation) is excluded in relation to Schedule 2 (Consequential Amendments).

Clause 3: Interpretation

This clause contains definitions for the purposes of the measure.

Clause 4: Approved contingencies

Betting operations authorised under the measure may relate to races held by licensed racing clubs or to approved contingencies. This clause provides for approval by the Authority of contingencies. The contingencies may (but need not) be related to other races or sporting or other events within or outside Australia.

The approval is to relate to specified kinds of betting operations. This enables the Authority to approve in appropriate cases, for example, certain contingencies for totalisator betting conducted by the major betting operations licensee and different contingencies for fixed odds betting by licensed bookmakers.

The Authority may give a general approval for any form of betting on any contingency relating to an event of a specified class (for example, betting on the outcome or any combination of outcomes or the margin or margins in a series of matches) or may give a more limited approval for a particular form of betting on a particular contingency relating to a particular event (for example, fixed odds betting on the winner of a particular match). The clause allows the Authority to adjust the type of approval as it considers appropriate.

Subclause (2) provides that the Authority must not approve contingencies unless satisfied as to the adequacy of standards of probity applying in relation to the contingencies and the appropriateness in other respects of the contingencies for the conduct of betting operations generally or the particular betting operations concerned.

Approvals may be varied or revoked. The Minister is given power to give the Authority binding directions preventing or restricting the approval of contingencies or requiring the revocation of an approval.

Clause 5: Close associates

This clause defines the meaning of close associates so as to cover all parties in a position to control or significantly influence another.

Clause 6: Designation of racing controlling authorities

Under this clause, the Governor may, by proclamation, designate the racing controlling authorities for the various racing codes (horse racing, harness racing and greyhound racing).

For a club to be a racing club for the purposes of the measure it must be related to a racing controlling authority through its membership of the authority or the membership of the members of its governing body. The racing controlling authorities are also given a role to play in the racing distribution agreement that must be entered into between the major betting operations licensee and the racing industry.

PART 2

MAJOR BETTING OPERATIONS LICENCE

DIVISION 1—GRANT, RENEWAL AND CONDITIONS OF LICENCE

Clause 7: Grant of licence

There is to be one major betting operations licence granted by the

Governor. In the first instance the licence is to be granted to TAB (as converted to a company under the *Corporations Law*). Any later grant is to be made on the recommendation of the Authority.

Clause 8: Eligibility to hold licence

The licensee is required to be a body corporate.

Clause 9: Authority conferred by licence

This clause sets out the betting operations that may be authorised by the licence as follows:

- to conduct off-course totalisator betting on races held by licensed racing clubs;
- to conduct off-course totalisator betting on approved contingencies;
- to conduct on-course totalisator betting under agreements with licensed racing clubs on races held by the licensed racing clubs and on approved contingencies;
- to conduct other forms of betting on approved contingencies (other than fixed-odds betting on races within Australia on which licensed bookmakers are authorised to conduct betting).

Part 3 governs the granting of licences to racing clubs and bookmakers.

Clause 10: Term and renewal of licence

The term of the licence is to be governed by the approved licensing agreement (an agreement that must be entered into between the Minister and a prospective licensee before the grant of the licence).

The licensee is to have no expectation of renewal but, provided a new approved licensing agreement, a new racing distribution agreement and a new duty agreement are entered into, the Minister may renew the licence on the recommendation of the Authority.

Clause 11: Conditions of licence

The measure itself fixes various conditions of licence and the approved licensing agreement may fix other conditions of licence.

DIVISION 2—AGREEMENTS WITH LICENSEE

Clause 12: Approved licensing agreement

This clause sets out the requirement for there to be an approved licensing agreement between the licensee and the Minister.

The agreement is to be about—

- the scope and operation of the licensed business; and
- the term of the licence; and
- the conditions of the licence; and
- the performance of the licensee's responsibilities under the licence or the measure.

The agreement has no effect unless approved by the Authority.

The agreement binds the Minister, the Authority and the Liquor and Gaming Commissioner (the Commissioner) and may contain provisions governing the exercise of their powers under the measure or the *Gaming Supervisory Authority Act 1995*. The agreement may also bind any other person who consents to be bound.

The agreement may contain a provision relating to the exclusivity of the licence.

The agreement is required to set out the maximum commission that may be retained by the licensee out of bets made with the licensee.

A specific authorisation is included for the purposes of section 51 of the Commonwealth *Trade Practices Act*, and the *Competition Code of South Australia*, in relation to the agreement.

Clause 13: Racing distribution agreement

This clause requires there to be a racing distribution agreement between the licensee and the racing industry about terms and conditions on which the licensee may conduct betting operations on races held by licensed racing clubs.

The agreement will include provisions relating to—

- the arrangement of racing programs and the provision of information to the licensee about races (whether held within the State or elsewhere in Australia); and
- the payments to be made by the licensee to the racing industry.

The clause also provides for the racing controlling authorities to be able to give licensed racing clubs binding directions for the purposes of enabling the racing industry to perform its obligations and exercise its rights under the agreement.

A specific authorisation is included for the purposes of section 51 of the Commonwealth *Trade Practices Act*, and the *Competition Code of South Australia*, in relation to the racing distribution agreement.

Clause 14: Duty agreement

This clause requires there to be a duty agreement between the licensee and the Treasurer. The duty agreement may (but need not) extend to a requirement to pay all or part of unclaimed winnings or totalisator fractions to the Treasurer. Provisions for interest and penalties, security and returns are included.

Clause 15: Approved licensing agreement and duty agreement to be tabled in Parliament

The approved licensing agreement and the duty agreement (and any variation of either agreement) are to be laid before both Houses of Parliament.

DIVISION 3—DEALINGS WITH LICENCE OR LICENSED BUSINESS

Clause 16: Transfer of licence

Transfer of the licence requires the approval of the Governor, which may only be given on the recommendation of the Authority.

The clause ensures that the transferee is bound by the approved licensing agreement, the racing distribution agreement and the duty agreement.

Clause 17: Dealings affecting licensed business

This clause sets out the kinds of transactions that the licensee must not enter into without the approval of the Authority. In general terms any transaction under which another will gain an interest in the licensed business or a position of control or significant influence over the licensee is caught.

Clause 18: Other transactions under which outsiders may acquire control or influence

This clause recognises that there are various transactions beyond the control of the licensee by which a person may gain a position of control or significant influence over the licensee. The licensee is required to notify the Authority within 14 days after becoming aware of such a transaction.

If the Authority is not prepared to ratify such a transaction, the Authority may make orders designed to 'undo' the transaction. The Authority's orders may be registered in the Supreme Court for the purposes of enforcement. Provision is made in Part 7 for an appeal against an order of the Authority under this clause.

Clause 19: Surrender of licence

Approval of the Authority is required for the surrender of the licence.

DIVISION 4—APPROVAL OF DIRECTORS AND EXECUTIVE OFFICERS

Clause 20: Approval of directors and executive officers

Before a person becomes a director or executive officer of the licensee, the licensee must ensure that the person is approved by the Authority.

Executive officer is defined to mean a secretary or public officer of the body corporate or a person responsible for managing the body corporate's business or any aspect of its business. The Authority may limit the range of executive officers to which the section applies in a particular case by written notice to the licensee.

DIVISION 5—APPLICATIONS AND CRITERIA FOR DETERMINATION OF APPLICATIONS

Clause 21: Applications

This clause covers—

- an application for the grant, renewal or transfer of the licence;
- an application for the Authority's approval or ratification of a transaction to which Division 3 applies (other than the transfer of the licence);
- an application for the Authority's approval of a transaction to which Division 3 would apply if the transaction were entered into;
- an application for the Authority's approval of a person who is to become a director or executive officer of the licensee.

It sets out who may make an application and the requirements relating to an application.

Clause 22: Determination of applications

This clause sets out the criteria to be applied to applications by the Authority including requirements relating to the suitability of a person to hold the licence or to conduct, or to control or exercise significant influence over the conduct of, the licensed business.

In assessing the suitability of a person, the Authority may have regard to a wide range of factors, including—

- the corporate structure of the person; and
- the person's financial background and resources; and
- the person's reputation; and
- the character, reputation, and financial background of the person's close associates; and
- any representations made by the Minister.

The concept of close associate is defined in Part 1 and includes partners, directors, executive officers, shareholders, persons who participate in profits and the like.

DIVISION 6—INVESTIGATIONS BY AUTHORITY

Clause 23: Investigations

The Authority is required to carry out the investigations it thinks necessary to enable it to make recommendations or decisions and to

keep under review the continued suitability of the licensee and the licensee's close associates.

Clause 24: Investigative powers

This clause gives the Authority various powers to enable it to obtain relevant information.

Clause 25: Costs of investigation relating to applications

Applicants are to be required to meet the cost of investigations (other than investigations relating to an application for approval of a person to become a director or executive officer of the licensee).

Clause 26: Results of investigation

The Authority is required to notify the applicant and the Minister of the results of investigations in connection with an application.

DIVISION 7—ACCOUNTS AND AUDIT

Clause 27: Accounts and audit

This clause requires the licensee to keep proper financial accounts in relation to the operation of the licensed business, segregated from accounts relevant to other business carried on by the licensee.

Clause 28: Licensee to supply authority with copy of audited accounts

The licensee is required to give the Authority a copy of the audited accounts kept under this Division and those kept under the *Corporations Law*.

Clause 29: Duty of auditor

This clause requires the auditor of the licensee's accounts to report any suspected irregularities to the Authority.

DIVISION 8—PAYMENT OF DUTY

Clause 30: Liability to duty

This clause imposes the obligation to pay the duty as set out in the duty agreement.

Clause 31: Evasion of duty

This clause makes it an offence for the licensee to attempt to evade the payment of duty and enables the Treasurer to reassess the duty payable in the case of an attempted evasion.

DIVISION 9—GENERAL POWER OF DIRECTION

Clause 32: Directions to licensee

The Authority is empowered to give directions to the licensee about the management, supervision and control of any aspect of the licensed business. The Authority must, unless the Authority considers it contrary to the public interest to do so, give the licensee an opportunity to comment on proposed directions.

PART 3

LICENSING OF OTHER BETTING OPERATIONS

DIVISION 1—LICENCES

Clause 33: Classes of licences

The classes of licences that may be granted by the Authority under this clause are as follows:

- a licence authorising a racing club to conduct on-course totalisator betting on races held by the club and on approved contingencies;
- a licence authorising a person to act as a bookmaker conducting fixed-odds betting;
- a licence authorising a person to act as the clerk of a licensed bookmaker;
- a licence authorising a licensed bookmaker to conduct fixed-odds betting on races and approved contingencies at specified premises situated within the City of Port Pirie.

Bookmakers and clerks must be persons who have attained 18 years of age.

The requirement for a racing club to hold a licence is new. The other licences reflect those currently required to be held under the *Racing Act*.

Clause 34: Term of licence

The regulations are to set out the terms of licences and the renewal process.

Clause 35: Conditions of licence

The Authority is empowered to impose conditions of licence and to vary the conditions by written notice to a licensee.

The Authority is required to attach conditions to an on-course totalisator betting licence fixing the commission that may be retained by the licensed racing club. The Minister may give the Authority binding directions relating to such conditions.

Clause 36: Application for grant or renewal, or variation of condition, of licence

This clause sets out requirements for applications.

Clause 37: Determination of applications

This clause sets out the criteria to be applied to applications by the Authority, namely, requirements relating to the suitability of a person to hold the licence and, in the case of an on-course totalisator betting licence, the adequacy of the standards of probity that will apply to races held by the racing club.

In assessing the suitability of a person, the Authority may have regard to a wide range of factors, including—

- the person's financial background and resources; and
- the person's reputation; and
- the character, reputation, and financial background of the person's close associates; and
- any representations made by the Minister.

DIVISION 2—LIABILITY TO PAY DUTY

Clause 38: Liability to duty

The regulations will impose a requirement to pay duty on licensed racing clubs and licensed bookmakers. This may (but need not) extend to a requirement to pay unclaimed winnings or totalisator fractions to the Treasurer. Provisions for interest and penalties, security and returns are included.

Clause 39: Evasion of duty

This clause makes it an offence for a licensee to attempt to evade the payment of duty and enables the Treasurer to reassess the duty payable in the case of an attempted evasion.

PART 4

REGULATION OF BETTING OPERATIONS

DIVISION 1—BETTING OPERATIONS OTHER THAN BOOKMAKING

Clause 40: Approval of rules, systems, procedures and equipment

The major licensee and licensed racing clubs are required to have rules governing betting operations conducted by the licensee, and related systems and procedures, approved by the Commissioner. The Authority can require other systems and procedures, or equipment, to also be approved by the Commissioner.

Clause 41: Location of off-course totalisator offices, branches and agencies

Before establishing an office, branch or agency, the major licensee is required to obtain the Authority's approval of its location. The Minister may give the Authority binding directions preventing or restricting the approval of the location of offices, branches or agencies.

Clause 42: Prevention of betting by children

The major licensee and licensed racing clubs are required to have systems and procedures approved by the Commissioner designed to prevent bets from being made by children.

Clause 43: Prohibition of lending or extension of credit

The major licensee and licensed racing clubs are prohibited from extending credit in connection with the making of a bet.

Clause 44: Cash facilities at certain premises staffed and managed by major betting operations licensee

The major licensee is prohibited from providing, or allowing another to provide, a cash facility within a part of premises that is staffed and managed by the licensee and at which the public may attend to make bets.

A cash facility is—

- an automatic teller machine; or
- an EFTPOS facility; or
- any other facility, prescribed by regulation, that enables a person to gain access to his or her funds or to credit.

Clause 45: Player return information

The major licensee and licensed racing clubs are required, in accordance with determinations made from time to time by the Commissioner, to provide information relating to player returns at places at which the public may attend to make bets with the licensee, on betting tickets issued by the licensee and otherwise as required by the Commissioner.

Clause 46: Systems and procedures for dispute resolution

The major licensee and licensed racing clubs are required to have systems and procedures approved by the Commissioner for the resolution of disputes about bets or winnings arising in the course of the licensee's betting operations.

Clause 47: Advertising code of practice

The major licensee and licensed racing clubs are each required to adopt a code of practice approved by the Authority on advertising.

Clause 48: Responsible gambling code of practice

The major licensee and licensed racing clubs are each required to adopt a code of practice approved by the Authority relating to signs, information and training of staff in respect of responsible gambling and the services available to address problems associated with gambling.

Clause 49: Major betting operations licensee may bar excessive gamblers

The major licensee is given powers to deal with situations where the welfare of a person, or the welfare of a person's dependants, is seriously at risk as a result of excessive gambling.

The major licensee may bar the person—

- from entering or remaining in a specified office or branch staffed and managed by the licensee;
- from making bets at a specified agency of the licensee;
- from making bets by telephone or other electronic means not requiring attendance at an office, branch or agency of the licensee.

A person may apply to the Commissioner for a review of a barring order.

This provision is similar to that applying in relation to gaming machines.

Specific provision is included to protect the major licensee against claims for damages or compensation in connection with a decision or failure of the licensee to exercise or not to exercise powers under this clause.

Clause 50: Alteration of approved rules, systems, procedures, equipment or code provisions

This clause allows the Authority or the Commissioner (as the case requires) to require a licensee to make an alteration to approved rules, systems, procedures, equipment or code of practice provisions.

DIVISION 2—BOOKMAKING OPERATIONS

Clause 51: Restriction on use of licensed betting premises

This clause continues the provision in section 108 of the *Racing Act* preventing the betting shop at Port Pirie from operating when horse races are being conducted at a racecourse within 15 km of the shop.

Clause 52: Cash facilities at licensed betting premises

Cash facilities are not to be available at the betting shop at Port Pirie in the same way that cash facilities are not to be available at premises staffed and managed by the major licensee at which the public may attend to make bets.

Clause 53: Licensed bookmakers required to hold permits

This clause continues the requirement in section 111 of the *Racing Act* for the acceptance of bets by licensed bookmakers to be authorised by permit.

The permits are to be issued by the Commissioner.

Clause 54: Granting of permits

This clause contemplates the granting of permits to accept bets on races held by licensed racing clubs or approved contingencies made on a specified day and at a specified place (compare sections 112 and 112A of the *Racing Act*).

The granting of permits for racecourses is dependent on consultation with the relevant licensed racing club.

The granting of permits for other places is dependent on consultation with the person or body occupying or controlling the place. The Minister is empowered to give the Commissioner binding directions about the granting of such permits.

Clause 55: Permit authorising telephone bets etc.

As currently contemplated in section 112(6) of the *Racing Act*, this clause allows for permits authorising the acceptance of bets by telephone or other electronic means.

Clause 56: Conditions of permits

The Commissioner is empowered to attach conditions to permits (as in section 112(3) and (4) of the *Racing Act*).

Clause 57: Revocation of permit

The Commissioner may revoke a permit (as in section 112B of the *Racing Act*).

Clause 58: Operation of bookmakers on racecourses

This clause is the equivalent of section 113 of the *Racing Act* and gives a bookmaker with the appropriate permit an entitlement to accept bets at a racecourse if the bookmaker has paid the appropriate fee to the licensed racing club.

Clause 59: Prevention of betting with children by bookmaker

Licensed bookmakers are required to have systems and procedures approved by the Commissioner designed to prevent bets from being made by children.

Clause 60: Prohibition of certain information as to racing or betting

This clause makes it an offence for information about probable race-results and betting with bookmakers to be communicated so as to prevent SP bookmaking. It takes the place of sections 119 and 120 of the *Racing Act*.

Clause 61: Rules relating to bookmakers' operations

The Authority is empowered to make rules relating to the operations of licensed bookmakers. The clause takes the place of section 124 of the *Racing Act*.

PART 5

ENFORCEMENT

DIVISION 1—COMMISSIONER'S SUPERVISORY RESPONSIBILITY

Clause 62: Responsibility of the Commissioner

This clause provides that the Commissioner is responsible to the Authority to ensure that the operations of each licensed business are subject to constant scrutiny.

DIVISION 2—POWER TO OBTAIN INFORMATION

Clause 63: Power to obtain information

This clause enables the Authority or the Commissioner to require a licensee to provide information that the Authority or Commissioner requires for the administration or enforcement of the measure.

DIVISION 3—INSPECTORS AND POWERS OF AUTHORISED OFFICERS

Clause 64: Appointment of inspectors

This clause allows for the appointment of Public Service inspectors and for the provision of identification cards by the Commissioner.

Clause 65: Power to enter and inspect

The powers under this clause are provided to the Commissioner, the members and secretary of the Authority, inspectors and police officers (collectively called authorised officers). The circumstances in which the powers may be exercised are set out in subclause (2). A warrant is required in respect of entry to a place in which there are not any operations of a kind authorised under the measure being conducted.

PART 6

POWER TO DEAL WITH DEFAULT OR BUSINESS FAILURE

DIVISION 1—STATUTORY DEFAULT

Clause 66: Statutory default

This Division gives the Authority various powers to deal with statutory default on the part of a licensee.

A statutory default occurs if—

- a licensee contravenes or fails to comply with a provision of the measure or a condition of the licence; or
- an event occurs, or circumstances come to light, that show a licensee or a close associate of a licensee to be an unsuitable person; or
- operations under a licence are improperly conducted or discontinued; or
- a licensee becomes liable to disciplinary action under the measure or on some other basis.

It is made clear that the races held by a licensed racing club are to be considered to be operations under the licence.

Clause 67: Effect of criminal proceedings

Proceedings under this Part (apart from the issue of an expiation notice) may be in addition to criminal proceedings. However, the Authority is required, in imposing a fine, to take into account any fine that has already been imposed in criminal proceedings.

Clause 68: Compliance notice

The Authority may issue a notice to a licensee requiring specified action to be taken to remedy a statutory default. Non-compliance with such a notice is an offence attracting a maximum penalty of $100 000 in the case of the major betting operations licensee and $20 000 in any other case.

Clause 69: Expiation notice

The Authority may issue an expiation notice to a licensee alleging statutory default and stating that disciplinary action may be avoided by payment of a specified sum not exceeding $10 000 in the case of the major betting operations licensee, and $1 000 in any other case, within a period specified in the notice.

Clause 70: Injunctive remedies

The Minister or the Authority may apply to the Supreme Court for an injunction to prevent statutory default or to prevent recurrence of statutory default.

Clause 71: Disciplinary action

The Authority may take disciplinary action against a licensee for statutory default as follows:

- the Authority may censure the licensee;
- the Authority may impose a fine on the licensee not exceeding $100 000 in the case of the major betting operations licensee and $20 000 in any other case;
- the Authority may vary the conditions of the licence (irrespective of any provision of the approved licensing agreement excluding or limiting the power of variation of the conditions of the licence);
- the Authority may give written directions to the licensee as to the

winding up of betting operations under the licence;
- the Authority may suspend the licence for a specified or unlimited period;
- the Authority may cancel the licence.

The licensee must be given a reasonable opportunity to make submissions. Provision is made in Part 7 for an appeal against a decision of the Authority to take disciplinary action.

Clause 72: Alternative remedy

This clause makes it clear that the Authority may, instead of taking disciplinary action, issue a compliance notice.

DIVISION 2—OFFICIAL MANAGEMENT

Clause 73: Power to appoint manager

The Minister is empowered to appoint an official manager of the business conducted under a licence if the licence is suspended, cancelled or surrendered or expires and is not renewed, or if the licensee otherwise discontinues operations under the licence.

Clause 74: Powers of manager

This clause sets out the powers of the official manager to run the licensed business.

DIVISION 3—ADMINISTRATORS, CONTROLLERS AND LIQUIDATORS

Clause 75: Administrators, controllers and liquidators

This clause puts an administrator, controller or liquidator in a similar position to that of the licensee.

PART 7
REVIEW AND APPEAL

Clause 76: Review of Commissioner's decision

A person aggrieved by a decision of the Commissioner under the measure may, within 30 days after receiving notice of the decision, apply to the Authority for a review of the decision.

Clause 77: Finality of Authority's decisions

The Authority's decisions are final except as follows:
- an appeal lies to the Supreme Court against a decision to take disciplinary action against a licensee; and
- an appeal lies to the Supreme Court against an order made under clause 18(4); and
- an appeal lies, by leave of the Supreme Court, against a decision of the Authority on a question of law.

Clause 78: Finality of Governor's decisions

The Governor's decisions are final.

PART 8
MISCELLANEOUS

Clause 79: Lawfulness of betting operations conducted in accordance with this Act

This clause ensures that betting operations conducted in accordance with the measure are lawful and do not, in themselves, constitute a public or private nuisance.

Clause 80: Payments to racing clubs from duty paid by bookmakers

This clause continues the requirement under section 114 of the *Racing Act* for 1.4 per cent of the amount bet with bookmakers in relation to traditional racing to be returned to the relevant racing club.

Clause 81: False or misleading information

This clause makes it an offence to provide false or misleading information under the measure.

Clause 82: Offences by body corporate

This is a standard clause making each member of the governing body and the manager of the body corporate criminally responsible for offences committed by the body corporate.

Clause 83: Reasons for decision

Reasons for decisions under this measure need not be given except as follows:
- the Authority must, at the request of a person affected by a decision, give reasons for a decision if an appeal lies against the decision as of right, or by leave, to the Supreme Court;
- the Commissioner must, at the request of the Authority, give reasons to the Authority for a decision of the Commissioner under this Act.

Clause 84: Power of Authority or Commissioner in relation to approvals

This clause enables approvals under the measure to be of a general nature and subject to conditions.

Clause 85: Delegation by Authority to Commissioner

This clause contemplates the Authority delegating its powers or functions under the measure to the Commissioner (other than a power or function relating to the major betting operations licence).

Clause 86: Confidentiality of information provided by Commissioner of Police

This clause protects the confidentiality of information provided by the Commissioner of Police.

Clause 87: Service

This clause provides for the methods of service of notices or other documents under the measure.

Clause 88: Evidence

This clause provides evidentiary aids.

Clause 89: Annual report

The Commissioner is required to report to the Authority and the Authority is required to report to the Minister. The Authority's report is to be tabled before both Houses of Parliament.

The Authority's report is to contain—
- details of any statutory default occurring during the course of the relevant financial year; and
- details of any disciplinary action taken by the Authority; and
- details of any directions given to the Authority or the Commissioner by the Minister; and
- the Commissioner's report on the administration of the measure together with any observations on that report that the Authority considers appropriate.

Clause 90: Regulations

This clause provides general regulation making power for the purposes of the measure. In particular, it allows for *ex gratia* payments by the Treasurer in relation to unclaimed winnings if paid to the Treasurer under the measure.

SCHEDULE 1
Transitional Provisions

Clause 1: Racing clubs

Registered racing clubs are to be taken to have been granted an on-course totalisator betting licence.

Clause 2: Bookmakers, clerks and licensed betting premises

This clause provides for the continuation of licences for bookmakers, bookmakers' clerks and for the Port Pirie betting shop. It also provides for the continuation of permits granted to bookmakers.

Clause 3: Financial arrangements with racing industry

Under this clause the existing financial distribution to the racing industry from bets made with TAB is to be continued while TAB remains an instrumentality of the Crown.

SCHEDULE 2
Consequential Amendments

Clause 1: Amendment of Criminal Law (Undercover Operations) Act

These are technical amendments to take account of the amendments to the *Lottery and Gaming Act* and the repeal of the *Racing Act* under the TAB (Disposal) legislation. Unlawful bookmaking remains serious criminal behaviour for which undercover operations may be approved.

Clause 2: Amendment of Gaming Supervisory Authority Act

The amendments are consequential on the expansion of the role of the Authority and are made with a view to avoiding the need for further amendment if further functions are given to the Authority under legislative schemes in the future.

The opportunity has been taken to make amendments—
- to make it clear that the Authority is an instrumentality of the Crown but not subject to Ministerial direction or control;
- to ensure that the Authority may obtain from the Commissioner a report on any matter relating to the operation, administration or enforcement of an Act under which functions are conferred on the Authority;
- to make it clear that the Authority may conduct meetings or proceedings, and allow persons to participate in proceedings, by telephone or other electronic means;
- to enable the Authority to delegate to a member, deputy member or the Secretary of the Authority any of the powers or functions of the Authority under the Act or a prescribed Act (other than the conduct of an inquiry or review or appeal);
- to correct a reference in section 16 to employees of the Authority (the effect of section 16 as amended will be to prevent the members of the Authority and the Commissioner from participating in gambling activities to which the Authority's statutory responsibilities extend);
- to ensure that restrictions do not apply to the appropriate passing on of confidential information to officials and the Commissioner of Police.

Clause 3: Amendment of Lottery and Gaming Act

These amendments are consequential on the new regulatory scheme and remove references to the *Racing Act*. The Act is amended to make it clear that it binds the Crown. A new offence is created to ensure that agents or others who act dishonestly in the course of

conducting a lottery are subject to a criminal penalty. Divisional penalties are also converted.

Clause 4: Amendment of Workers Rehabilitation and Compensation Act

Currently under section 58(2)*(b)* sporting injuries suffered by an employee authorised or permitted under the *Racing Act* to ride or drive in a race as defined in that Act may be compensable. The amendments are consequential and maintain the status quo.

Mr FOLEY secured the adjournment of the debate.

LOTTERIES COMMISSION (DISPOSAL) BILL

The Hon. M.H. ARMITAGE (Minister for Government Enterprises) obtained leave and introduced a bill for an act to make provision for the disposal of the business of the Lotteries Commission of South Australia; to amend and subsequently repeal the State Lotteries Act 1966; to amend the Racing Act 1976; and for other purposes. Read a first time.

The Hon. M.H. ARMITAGE: 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 give Parliamentary approval to, and the necessary legislative authority for, the Government's decision to sell the Lotteries Commission of South Australia (SA Lotteries) as announced on 8 February 2000.

A companion bill, named the Authorised Lotteries Bill 2000, will establish the necessary regulatory framework for a privately owned major lotteries business in place of the existing provisions of the State Lotteries Act and relevant sections of the Lottery and Gaming Act. Further details of that framework will be outlined in the second reading speech for that bill.

This bill will provide flexibility for the restructure and sale of SA Lotteries in a number of different ways. In particular, it will be open to the Minister to agree to a sale of the assets of or the shares in SA Lotteries upon it being converted to a company under the Corporations Law.

These provisions—which are consistent with the approach taken in other Government asset sales—will enable the Government to manage the sale process so as to maximise the outcome for the State.

The breadth and flexibility of powers under this bill are primarily to ensure that the potentially varying interests of bidders in a sale process can be accommodated.

The Government's decision to sell the SA Lotteries follows a comprehensive review by the Government of the business supported by advice from leading financial advisers.

The review of the SA Lotteries clearly highlighted that the increasing competitiveness in the gambling market—including through the formation of gambling conglomerates within Australia and elsewhere, interstate privatisations of gambling businesses and technological change—will present new, complex and significant challenges for owners of lotteries businesses in the future.

While lotteries are widely accepted as a "soft", relatively harmless form of gambling, lotteries businesses themselves will be subject to the same form of acute competition for market share as any other form of gambling.

There is an undoubted risk that SA Lotteries will find it increasingly difficult to maintain its successful record of the past, particularly under continued Government ownership.

By moving to sell SA Lotteries now, before the emerging risks take their toll on business performance and contributions to the Budget, the Government will be able to achieve maximum value on behalf of taxpayers, both in terms of sale value and the consequential interest savings on debt retirement.

This, combined with the future revenues to be sourced through much lower-risk lotteries tax revenues, will more than offset the funding for health currently channelled into the Budget by SA Lotteries.

The tensions of Government ownership of any gambling business will only increase in future. More and more often, the Government will find itself in positions where it needs to decide on competing demands for funding from providers of crucial core services and from gambling businesses seeking to acquire/retain capital to remain competitive.

These tensions are even greater for Government as both a regulator of gambling in the State and an owner of a business in the market.

There can be no doubt that the Government cannot, on a sustained basis, compete with the private sector in business—particularly in areas of rapid business expansion and innovation. It is not a question of "people power", it is simply the wider range of deliverables—well beyond "bottom line" considerations—that Government "shareholders" rightly demand.

Further, while SA Lotteries is in relatively good shape at present, lessons of the past, particularly in the early 1990's with financial deregulation, dictate that Governments should take a proactive stance in reviewing and redefining their functions and the nature of participation in fiercely competitive markets.

The business review and sales process has taken into account three broad stakeholder groups—SA Lotteries employees, lotteries agents and South Australian taxpayers. Each has distinct interests to be recognised and protected.

Employees

The Government has been concerned to ensure that SA Lotteries employees have some certainty about their terms and conditions of employment in the context of a sale, and that any retrenched employees are appropriately compensated.

The sale process will provide for a framework for dealing with all staffing issues including a requirement for potential purchasers to identify their expected workforce requirements in their bids, which will be evaluated by the Government based on a number of factors.

The Government has clearly stated that the price offered for the business will not be the only important factor in evaluating bids—other issues such as employment of existing staff and service standards will also be very important considerations.

While the Government has been actively pursuing negotiations with Employee Representatives, it has not been possible to reach agreement on transition arrangements at this time.

Accordingly, the legislation has been prepared in a form which guarantees that SA Lotteries employees' existing conditions will be protected and also provides for improved redundancy and transfer incentives, over and above their existing employment entitlements.

The Government believes that the transition arrangements proposed in the sale legislation are very reasonable and balanced having regard to employees' existing conditions. However, should Employee Representatives and the Government subsequently agree to a package, the legislation provides for those arrangements to take precedence during the sales process.

In introducing this legislation, the Government recognises that the Public Service Association is currently contesting in the Industrial Court whether the 1996 Memorandum of Understanding, as extended in the Wages Parity Enterprise Agreement for the SA Public sector, applies to SA Lotteries staff.

The Government has confirmed to all SA Lotteries Employee Representatives that it does not intend that the sale legislation would override the outcome of any court rulings and has provided an undertaking that it will abide by the judgements arising from the litigation process. If required, the Government will amend relevant provisions of the sale legislation accordingly.

The Government continues to hope to reach a negotiated settlement with the unions and the legislation provides that any Memorandum of Understanding, if it can be agreed, will form the basis of transfer and redundancy conditions. If such negotiations fail to reach a Memorandum of Understanding, the following arrangements—provided for in Schedule 4— will apply.

Employees in positions required by the purchaser will transfer with the business. Transferred employees will, amongst other things:

- receive a scaled transfer incentive payment of up to $20 000 depending on length of service;
- have continuity of service for the purposes of calculating long service leave, sick leave and annual leave entitlements and for any future retrenchment entitlements;
- have their accrued long service leave, sick leave and annual leave transferred;
- enjoy no less than their current terms and conditions of employment;
- maintain membership in the Lotteries Commission of South Australia Superannuation Plan in accordance with the relevant Trust Deeds and Rules;
- have a guaranteed minimum period of one year's employment from date of settlement of the sale transaction;

- have guaranteed prescribed retrenchment payment of 10 weeks notice and a scale of payments based on years of service to a maximum of 63 additional weeks if the purchaser retrenches a transferred employee within a period of one year following the expiration of the guaranteed period of employment; and
- be entitled to reject a request from the purchaser to relocate interstate and be eligible for the retrenchment payment during the first two years if there is no suitable alternative position in South Australia.

The introduction of this legislation will not preclude negotiations continuing between the Government and relevant Employee Representatives in an attempt to reach agreement on a Memorandum of Understanding prior to the sale of SA Lotteries.

Lotteries Agents

The Government has recognised that the SA Lotteries agency network comprises a large number of relatively small businesses, many of which regard ticket sales commissions as a very important element of their revenue base.

At the same time, however, the Government is of the view that a new owner of SA Lotteries should, over time, have reasonable flexibility to implement commercial and business strategies in relation to the distribution and marketing of its products—within the regulatory regime approved by Parliament.

The Government has actively consulted with SA Lotteries agent representative groups—including the Newsagency, State Retailers, Clubs and Hotels Associations—to identify an appropriately balanced set of sale transition arrangements for agents.

As a result of this productive two-way consultative process, in-principle agreement has been reached on transition arrangements that the Government believes will provide agents with a high degree of certainty and comfort on such things as agent-related costs, competition from other outlets and matters of tenure in the early years after sale.

These arrangements have been confirmed to the Agents Representative Group in a letter dated 22 June 2000 and Government intends to formalise that agreement as part of the legislative and sale process.

Taxpayers

The fundamental driving force for the sale of SA Lotteries is to remove the taxpayers of South Australia from the direct commercial risks and exposures of the gambling industry.

This is not an area of business activity that the Government should be sponsoring on the taxpayer's behalf—it is neither a core area of competency nor core focus of Government and, put simply, it is placing scarce financial resources at risk.

The more appropriate path to follow is to sell SA Lotteries and the expert advice received is that the best financial outcome will be achieved via a parallel trade sale of both SA Lotteries and SA TAB.

The interest savings on retired debt will, together with the new taxation regime to be applied to the privatised businesses, generate a far more secure revenue stream for the State Budget to fund critical community services.

The sale of a major lotteries business has to date been an unusual occurrence—although the Government can foresee the same issues arising for other governments globally as this century unfolds. It is anticipated that the "first mover advantage" will offer the Government an opportunity to realise a premium sale price for the business, on behalf of taxpayers.

The public also has an interest in the sale being conducted fairly and efficiently.

In this regard, Deloitte Touche Tohmatsu has been appointed as Probity Auditor for the sale with a view to ensuring that public confidence is maintained in the integrity of the process. This bill provides for the Probity Auditor's report to be tabled in both Houses of Parliament once the sale has been completed.

This measure of accountability and transparency is complemented by the requirement in the associated Authorised Lotteries Bill that the SA Lotteries Licensing and Duty Agreements also be tabled in both Houses.

I commend the bill to the House.

EXPLANATION OF CLAUSES

PART 1

PRELIMINARY

Clause 1: Short title

Clause 2: Commencement

These clauses are formal.

Clause 3: Interpretation

This clause contains definitions necessary for the purposes of the measure.

'Company' is to mean the Lotteries Commission as converted to a company under the *Corporations Law—see* clause 8. Such a conversion is to occur before a sale agreement may be made under clause 10.

Clause 4: Application of Act

This clause applies the measure outside the State to the full extent of the extra-territorial legislative capacity of the Parliament.

PART 2

PREPARATORY ACTION

Clause 5: Preparation for restructuring and disposal

This clause defines the parameters of what is called the authorised project—a project for investigating the best means of selling the business of the Lotteries Commission and preparing for the sale.

The directors and employees of the Lotteries Commission or the Company are required to participate effectively in the process.

Prospective purchasers may be authorised by the Minister to have access to information relevant to a potential sale.

Clause 6: Authority to disclose and use information

This clause authorises the disclosure of confidential information in the course of the authorised project.

Clause 7: Evidentiary provision

Evidentiary aids are provided in relation to the authorised project.

PART 3

DISPOSAL

Clause 8: Conversion of Commission to company

Provisions contained in Schedule 1 apply for the purposes of the conversion of the Lotteries Commission to a company under the *Corporations Law*.

Clause 9: Transfer order

This clause provides the means for restructuring the Lotteries Commission in preparation for sale.

The Minister is empowered to transfer assets or liabilities of the Lotteries Commission or the Company to a Crown entity.

Provision is made for the order of the Minister to deal with the consequential need to change references in instruments.

Clause 10: Sale agreement

This clause authorises the actual disposal of the business of the Lotteries Commission as converted to a company.

Two methods of sale are authorised: a direct sale of the Company's assets and liabilities; a sale of the shares in the Company.

Clause 11: Supplementary provisions

These provisions support the transfer of assets and liabilities and in general terms provide for the transferee to be substituted for the transferor in relation to the transferred assets and liabilities.

Clause 12: Evidentiary provision

Evidentiary aids are provided in relation to transfers under the measure.

Clause 13: Tabling of report on probity of sale processes

The Minister is to table in Parliament a report on the probity of the processes leading up to the making of a sale agreement. The report must be prepared by an independent person engaged for the purpose.

PART 4

STAFF

Clause 14: Transfer of staff

If a sale agreement takes the form of a transfer of assets and liabilities (rather than the shares in the Company), the Minister is, by an employee transfer order, to transfer all of the persons then employed by the Company to positions in the employment of the purchaser. Employees' remuneration and leave entitlements are unaffected and continuity of service is preserved.

Clause 15: Memorandum of understanding

The Minister is empowered to make an order to give effect to any memorandum of understanding entered into between the Government, the Public Service Association and the Employee Ombudsman about employee rights. Provisions contained in such an order are to take effect as contractual terms binding on the Lotteries Commission, the Company, a purchaser or any succeeding owner of the Company's business.

Clause 16: Application of Schedule 2 staff provisions

Schedule 2 contains provisions relating to employee entitlements that will have effect subject to any exclusions contained in an order of the Minister giving effect to a memorandum of understanding under clause 15.

PART 5

MISCELLANEOUS

Clause 17: Amount payable by Company in lieu of tax

This clause makes provision for the Company to make payments to the Treasurer in lieu of income and other taxes.

Clause 18: Relationship of Company and Crown

This clause ensures that the Company will be regarded an instrumentality of the Crown but not after the shares in the Company are transferred under a sale agreement.

Clause 19: Registering authorities to note transfer

The Minister may require the Registrar-General to register or record a transfer under the measure.

Clause 20: Stamp duty

This clause provides for an exemption from stamp duty for transfers under the measure.

Clause 21: Interaction between this Act and other Acts

This clause ensures that transactions under the measure will be expedited by being exempt from various provisions that usually apply to commercial transactions.

Clause 22: Effect of things done or allowed under Act

This clause ensures that action taken under the measure will not adversely affect the position of a transferee or transferor.

Clause 23: Regulations

This clause provides general regulation making power.

SCHEDULE 1

Conversion of Commission to Company

This schedule contains technical provisions associated with the conversion of the Lotteries Commission to a company under the *Corporations Law*.

SCHEDULE 2

Staff Provisions

This schedule contains provisions establishing employee entitlements that will have effect subject to any exclusions made by an order of the Minister giving effect to a memorandum of understanding under clause 15.

The schedule provides for a transfer payment to be made to 'transferred employees', that is, employees who are transferred to the employment of the purchaser under a sale agreement or who continue in the employment of the Company after the shares in the Company are transferred to a purchaser. The amount of the payment ranges from 20 per cent to 80 per cent of an employee's earnings in the last financial year, depending on the employee's continuous years of service. The provision for a transfer payment does not apply to an employee employed under a fixed term contract, an executive or a casual employee.

Retrenchment payments are provided for under the schedule:

- an employee of the Lotteries Commission or the Company while in Government ownership may not be retrenched unless the employee is given 10 weeks notice (or a payment in lieu of notice) and paid the prescribed retrenchment payment.
- a transferred employee (other than a casual employee) may not be retrenched unless the employee is given notice equal to 10 weeks plus any period remaining before the end of the employee's first year as a transferred employee (or a payment in lieu of such notice) and paid the prescribed retrenchment payment.

The prescribed retrenchment payment ranges from 3 times the employee's average weekly earnings to 63 times the employee's average weekly earnings, depending on the employee's continuous years of service.

The retrenchment entitlements are in addition to and do not effect entitlements to superannuation payments or payments in lieu of leave entitlements.

The retrenchment entitlements do not apply to employees employed under fixed term contracts, executives or casual employees.

SCHEDULE 3

Amendment of State Lotteries Act

This schedule contains amendments to the *State Lotteries Act* consequential on the conversion of the Lotteries Commission to a *Corporations Law* company.

SCHEDULE 4

Repeal of State Lotteries Act, Amendment of Racing Act and Transitional Provisions

This schedule is to come into operation on a day to be fixed by proclamation.

It is proposed that this commencement would coincide with the commencement of the proposed *Authorised Lotteries Act* and the issuing of the major lotteries licence under that measure.

On the commencement of the schedule:

- the *State Lotteries Act* is repealed
- consequential amendments to the *Racing Act* take effect
- transitional provisions set out in the schedule also take effect.

Mr FOLEY secured the adjournment of the debate.

AUTHORISED LOTTERIES BILL

The Hon. M.H. ARMITAGE (Minister for Government Enterprises) obtained leave and introduced a bill for an act to provide for the licensing and regulation of the conduct of lotteries; and to amend the Gaming Supervisory Authority Act 1995 and the Lottery and Gaming Act 1936. Read a first time.

The Hon. M.H. ARMITAGE: 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 provides for a comprehensive and consistent new regulatory regime for lotteries to be conducted by the Lotteries Commission of South Australia (SA Lotteries).

It is appropriate in the context of the sale of SA Lotteries, to establish a consolidated and more robust system for the regulation of lotteries in the State.

A major feature of the bill is that SA Lotteries will be subject to a comprehensive probity, regulatory, licensing and compliance regime overseen by the Gaming Supervisory Authority (GSA) and the Liquor and Gaming Commissioner—both of whom will have expanded supervisory and enforcement functions.

The GSA and the Commissioner will have new powers to ensure the probity and integrity of lotteries.

Importantly, the Government also proposes that the new regulatory framework will require the business operator to implement GSA-approved codes of conduct for advertising and responsible gambling. These provisions give effect to the Government's response to Parliament's Social Development Committee Gambling Inquiry Report. That means, for example, that SA Lotteries will be obliged to display information on responsible gambling and the availability of rehabilitation and counselling services for problem gamblers.

SA Lotteries will also be required to provide point-of-sale information on player returns.

Additionally, this bill will effect an increase in the age —from 16 to 18 years—at which SA Lotteries products may be legally purchased.

While the Government recognises that lotteries products are generally accepted as a relatively "soft" form of gambling, it nevertheless believes that these provisions should be introduced now.

Competition for the gambling dollar, through innovative products and new distribution means, will only increase in future. Even now, there are distribution outlets where SA Lotteries' Keno product competes directly with other wagering and gaming products and the case for heightened consumer awareness in regard to all forms of gambling grows stronger by the day.

The GSA will also have extensive powers that are directed towards ensuring the probity of the owner of SA Lotteries, its directors, executive officers and associates. Changes in the identity of any of these groups, and dealings with the licence or major aspects of the licensed business, will require GSA approval.

Overall, the regulatory framework represents a responsible balance of commercial considerations—in particular, the need to allow the business to continue to operate and compete effectively—with Government's broader social responsibilities.

The licence issued to SA Lotteries under the legislation will be known as the Major Lotteries Licence. The first licence will be issued to the SA Lotteries shortly after it converts to a company, but while still in Government ownership. Thereafter, a change in ownership of that company, or a transfer of the licence as part of the sale process, will require the approval of the Governor, upon the recommendation of the GSA.

The bill sets down the authority conferred by the Major Lotteries Licence and also provides that there will be only one such Licence issued.

An Approved Licensing Agreement, between the Minister and the Licensee, will set down the scope of the Licence more generally, and will deal with such matters as the term of the Licence; exclusivity rights; the maximum commission rates which may be earned on lotteries and other commercial matters and the detailed aspects of business regulation.

Many of the detailed commercial issues will be finalised as part of the sale process, once the preferences of bidders, and the

consequential value to taxpayers, can be assessed against a range of financial, social, economic and other considerations.

Indicatively, the Government's current thinking is to offer a 99-year licence to the market, with a 15-year exclusivity period, in line with the Adelaide Casino model.

Also consistent with the Casino legislation, and in the interests of transparency and accountability, the Approved Licensing Agreement—and any subsequent amendments—will be tabled in Parliament, once entered into by the Minister and approved by the GSA.

The Licensee will also enter into a duty agreement with the Treasurer, establishing a State taxation regime and dealing with other financial matters. This agreement will also be tabled in Parliament.

As well as regulating the major lotteries business, the bill brings together provisions for authorised lotteries and licensing of minor lotteries which are presently found in the Lottery and Gaming Act. While it is considered appropriate for the Lottery and Gaming Act to continue to deal with prohibitions, the opportunity has been taken to consolidate the regulatory provisions for small lotteries and the like within the provisions in one Act.

Various other changes to the small lotteries provisions have been made to streamline or improve the licensing and regulation of minor lotteries but, with the exception of the introduction of a new licence to cater for the emergence of management of small lotteries sales and marketing, there has been no material departure from the provisions of existing legislation.

This bill establishes a comprehensive yet balanced licensing and regulatory framework for all lotteries operations in this State.

The bill should give all South Australians full confidence that a privately owned SA Lotteries will operate to the highest standards of probity and that fairness to customers, and other matters of public interest, have been adequately addressed.

I commend the bill to the House.

Explanation of Clauses

PART 1

PRELIMINARY

Clause 1: Short title

This clause is formal.

Clause 2: Commencement

This clause provides for commencement by proclamation. The operation of section 7(5) of the *Acts Interpretation Act* (providing for commencement of the measure after 2 years if an earlier date has not been fixed by proclamation) is excluded in relation to Schedule 2 (Consequential Amendments).

Clause 3: Interpretation

This clause contains definitions for the purposes of the measure.

Clause 4: Close associates

This clause defines the meaning of close associates so as to cover all parties in a position to control or significantly influence another.

PART 2

MAJOR LOTTERIES LICENCE

DIVISION 1—GRANT, RENEWAL AND CONDITIONS OF LICENCE

Clause 5: Grant of licence

There is to be one major lotteries licence granted by the Governor. In the first instance the licence is to be granted to the Lotteries Commission of South Australia (as converted to a company under the *Corporations Law*). Any later grant is to be made on the recommendation of the Authority.

Clause 6: Eligibility to hold licence

The licensee is required to be a body corporate.

Clause 7: Authority conferred by licence

The licence may authorise the licensee to conduct lotteries. However, if the disposal or distribution of prizes in a lottery is wholly or partly dependent on contingencies related to a third-party conducted event the contingencies must be approved by the Authority for the conduct of lotteries under the licence.

A third-party conducted event is an event conducted within or outside Australia by a person other than the major lotteries licensee for a purpose unrelated to the conduct of a lottery.

Subclause (3) provides that the Authority must not approve contingencies unless satisfied as to the adequacy of standards of probity applying in relation to the contingencies and the appropriateness in other respects of the contingencies for the conduct of lotteries generally or the particular lotteries concerned.

Approvals may be varied or revoked. The Minister is given power to give the Authority binding directions preventing or restricting the approval of contingencies or requiring the revocation of an approval.

Clause 8: Term and renewal of licence

The term of the licence is to be governed by the approved licensing agreement (an agreement that must be entered into between the Minister and a prospective licensee before the grant of the licence).

The licensee is to have no expectation of renewal but, provided a new approved licensing agreement and a new duty agreement are entered into, the Minister may renew the licence on the recommendation of the Authority.

Clause 9: Conditions of licence

The measure itself fixes various conditions of licence and the approved licensing agreement may fix other conditions of licence.

DIVISION 2—AGREEMENTS WITH LICENSEE

Clause 10: Approved licensing agreement

This clause sets out the requirement for there to be an approved licensing agreement between the licensee and the Minister.

The agreement is to be about—

- the scope and operation of the licensed business; and
- the term of the licence; and
- the conditions of the licence; and
- the performance of the licensee's responsibilities under the licence or the measure.

The agreement has no effect unless approved by the Authority.

The agreement binds the Minister, the Authority and the Liquor and Gaming Commissioner (the Commissioner) and may contain provisions governing the exercise of their powers under the measure or the *Gaming Supervisory Authority Act 1995*. The agreement may also bind any other person who consents to be bound.

The agreement may contain a provision relating to the exclusivity of the licence.

The agreement is required to set out the maximum commission that may be retained by the licensee out of the total amount paid for tickets in a lottery.

A specific authorisation is included for the purposes of section 51 of the Commonwealth *Trade Practices Act*, and the *Competition Code of South Australia*, in relation to the agreement.

Clause 11: Duty agreement

This clause requires there to be a duty agreement between the licensee and the Treasurer. The duty agreement may (but need not) extend to a requirement to pay all or part of the amount or value of unclaimed prizes to the Treasurer. Provisions for interest and penalties, security and returns are included.

Clause 12: Agreements to be tabled in Parliament

The approved licensing agreement and the duty agreement (and any variation of either agreement) are to be laid before both Houses of Parliament.

DIVISION 3—DEALINGS WITH LICENCE OR LICENSED BUSINESS

Clause 13: Transfer of licence

Transfer of the licence requires the approval of the Governor, which may only be given on the recommendation of the Authority.

The clause ensures that the transferee is bound by the approved licensing agreement and the duty agreement.

Clause 14: Dealings affecting licensed business

This clause sets out the kinds of transactions that the licensee must not enter into without the approval of the Authority. In general terms any transaction under which another will gain an interest in the licensed business or a position of control or significant influence over the licensee is caught.

Clause 15: Other transactions under which outsiders may acquire control or influence

This clause recognises that there are various transactions beyond the control of the licensee by which a person may gain a position of control or significant influence over the licensee. The licensee is required to notify the Authority within 14 days after becoming aware of such a transaction.

If the Authority is not prepared to ratify such a transaction, the Authority may make orders designed to 'undo' the transaction. The Authority's orders may be registered in the Supreme Court for the purposes of enforcement. Provision is made in Part 8 for an appeal against an order of the Authority under this clause.

Clause 16: Surrender of licence

Approval of the Authority is required for the surrender of the licence.

DIVISION 4—APPROVAL OF DIRECTORS AND EXECUTIVE OFFICERS

Clause 17: Approval of directors and executive officers

Before a person becomes a director or executive officer of the licensee, the licensee must ensure that the person is approved by the Authority.

Executive officer is defined to mean a secretary or public officer of the body corporate or a person responsible for managing the body corporate's business or any aspect of its business. The Authority may limit the range of executive officers to which the section applies in a particular case by written notice to the licensee.

DIVISION 5—APPLICATIONS AND CRITERIA FOR DETERMINATION OF APPLICATIONS

Clause 18: Applications

This clause covers—

- an application for the grant, renewal or transfer of the licence;
- an application for the Authority's approval or ratification of a transaction to which Division 3 applies (other than the transfer of the licence);
- an application for the Authority's approval of a transaction to which Division 3 would apply if the transaction were entered into;
- an application for the Authority's approval of a person who is to become a director or executive officer of the licensee.

It sets out who may make an application and the requirements relating to an application.

Clause 19: Determination of applications

This clause sets out the criteria to be applied to applications by the Authority including requirements relating to the suitability of a person to hold the licence or to conduct, or to control or exercise significant influence over the conduct of, the licensed business.

In assessing the suitability of a person, the Authority may have regard to a wide range of factors, including—

- the corporate structure of the person; and
- the person's financial background and resources; and
- the person's reputation; and
- the character, reputation, and financial background of the person's close associates; and
- any representations made by the Minister.

The concept of close associate is defined in Part 1 and includes partners, directors, executive officers, shareholders, persons who participate in profits and the like.

DIVISION 6—INVESTIGATIONS BY AUTHORITY

Clause 20: Investigations

The Authority is required to carry out the investigations it thinks necessary to enable it to make recommendations or decisions and to keep under review the continued suitability of the licensee and the licensee's close associates.

Clause 21: Investigative powers

This clause gives the Authority various powers to enable it to obtain relevant information.

Clause 22: Costs of investigation relating to applications

Applicants are to be required to meet the cost of investigations (other than investigations relating to an application for approval of a person to become a director or executive officer of the licensee).

Clause 23: Results of investigation

The Authority is required to notify the applicant and the Minister of the results of investigations in connection with an application.

DIVISION 7—ACCOUNTS AND AUDIT

Clause 24: Accounts and audit

This clause requires the licensee to keep proper financial accounts in relation to the operation of the licensed business, segregated from accounts relevant to other business carried on by the licensee.

Clause 25: Licensee to supply authority with copy of audited accounts

The licensee is required to give the Authority a copy of the audited accounts kept under this Division and those kept under the *Corporations Law*.

Clause 26: Duty of auditor

This clause requires the auditor of the licensee's accounts to report any suspected irregularities to the Authority.

DIVISION 8—PAYMENT OF DUTY

Clause 27: Liability to duty

This clause imposes the obligation to pay the duty as set out in the duty agreement.

Clause 28: Evasion of duty

This clause makes it an offence for the licensee to attempt to evade the payment of duty and enables the Treasurer to reassess the duty payable in the case of an attempted evasion.

DIVISION 9—GENERAL POWER OF DIRECTION

Clause 29: Directions to licensee

The Authority is empowered to give directions to the licensee about the management, supervision and control of any aspect of the licensed business. The Authority must, unless the Authority considers it contrary to the public interest to do so, give the licensee an opportunity to comment on proposed directions.

PART 3

LICENSING OF OTHER LOTTERIES

Clause 30: Classes of licences

The classes of licences that may be granted by the Commissioner under this clause are as follows:

- a licence authorising an association to conduct a lottery as a fundraiser on its own behalf (a fundraiser lottery (general) licence) (as in regulation 11*(a)* of the *Lottery and Gaming Regulations 1993*);
- a licence authorising an association to conduct bingo sessions as a fundraiser on its own behalf (a fundraiser lottery (bingo) licence) (as in regulation 11*(b)* of the *Lottery and Gaming Regulations 1993*);
- a licence authorising an association to conduct instant lotteries as a fundraiser on its own behalf (a fundraiser lottery (instant) licence) (as in regulation 11*(c)* of the *Lottery and Gaming Regulations 1993*);
- a licence authorising a person to carry on a business of supplying instant lottery tickets (an instant lottery tickets supplier's licence) (as in Part 3 of the *Lottery and Gaming Act*);
- a licence authorising a person to conduct a trade promotion lottery (a trade promotion lottery licence) (as in Division 2 of Part 3 of the *Lottery and Gaming Regulations 1993*);
- a licence authorising a person to carry on a business of conducting, or assisting in the conduct of, lotteries on behalf of others (a lottery manager's licence) (a new class of licence).

Clause 31: Term of licence

The regulations are to set out the terms of licences.

Clause 32: Conditions of licence

The Authority is empowered to impose conditions of licence and to vary the conditions by written notice to a licensee.

Clause 33: Application for grant, or variation of condition, of licence

This clause sets out requirements for applications.

Clause 34: Conduct of lottery by unincorporated association or group of unincorporated associations

This clause requires an application on behalf of an unincorporated association or group of unincorporated associations to be made by one or more responsible persons.

A responsible person is—

- in relation to an unincorporated association—a member of the management committee of the association for the time being nominated as the responsible person for the association by written notice to the Commissioner signed by the members of the management committee or a majority of the members of the management committee;
- in relation to a group of unincorporated associations—a member of the management committee of any of the associations forming the group for the time being nominated as the responsible person for the group by written notice to the Commissioner signed by the members of the management committee, or a majority of the members of the management committee, of each of the associations forming the group.

The responsible person is to be responsible to meet the requirements imposed under the measure.

Clause 35: Licences may be held jointly

This clause allows a licence under this Part to be held jointly.

PART 4

AUTHORISED LOTTERIES

DIVISION 1—MINOR FUNDRAISER LOTTERIES

Clause 36: Minor fundraiser lotteries

This clause is equivalent to regulation 5 of the *Lottery and Gaming Regulations 1993* and exempts minor fundraiser lotteries from the requirement to be licensed.

Clause 37: Bingo played at certain bingo sessions

This clause is equivalent to regulation 6 of the *Lottery and Gaming Regulations 1993* and exempts minor bingo sessions from the requirement to be licensed.

Clause 38: Sweepstakes

This clause is equivalent to regulation 7 of the *Lottery and Gaming Regulations 1993* and exempts minor sweepstakes from the requirement to be licensed.

DIVISION 2—NON-FUNDRAISER LOTTERIES

Clause 39: Lotteries where all proceeds go in prizes

This clause is equivalent to regulation 8 of the *Lottery and Gaming Regulations 1993* and exempts lotteries where all the proceeds (after

deduction of administrative expenses) go in prizes from the requirement to be licensed.

Clause 40: Minor trade promotion lotteries

This clause is equivalent to regulation 9 of the *Lottery and Gaming Regulations 1993* and exempts minor trade promotion lotteries from the requirement to be licensed.

Clause 41: Calcutta sweepstakes

This clause is equivalent to regulation 10 of the *Lottery and Gaming Regulations 1993* and exempts minor Calcutta sweepstakes from the requirement to be licensed.

PART 5
REGULATION OF CONDUCT OF LOTTERIES

Clause 42: Approval of rules, systems and procedures and equipment for major lotteries licence

The major licensee is required to have rules governing lotteries conducted by the licensee, and related systems and procedures, approved by the Commissioner. The Authority can require other systems and procedures, or equipment, to also be approved by the Commissioner.

Clause 43: Rules for lotteries under other licences

Rules for fundraiser and trade promotion lotteries will continue to be set out in regulations. This clause makes compliance with the rules a condition of licence.

Clause 44: Location of offices, branches and agencies of major lotteries licensee

Before establishing an office, branch or agency, the major licensee is required to obtain the Authority's approval of its location. The Minister may give the Authority binding directions preventing or restricting the approval of the location of offices, branches or agencies.

Clause 45: Prevention of participation of children in lotteries

The major licensee is required to have systems and procedures approved by the Commissioner designed to prevent participation in lotteries by children.

Clause 46: Prohibition of lending or extension of credit by major lotteries licensee

The major licensee is prohibited from extending credit in connection with the purchase of a lottery ticket.

Clause 47: Cash facilities at certain premises staffed and managed by major lotteries licensee

The major licensee is prohibited from providing, or allowing another to provide, a cash facility within a part of premises that is staffed and managed by the licensee and at which the public may attend to purchase lottery tickets.

A cash facility is—

- an automatic teller machine; or
- an EFTPOS facility; or
- any other facility, prescribed by regulation, that enables a person to gain access to his or her funds or to credit.

Clause 48: Player return information to be provided by major lotteries licensee

The major licensee is required, in accordance with determinations made from time to time by the Commissioner, to provide information relating to player returns at places at which the public may attend to purchase lottery tickets from the licensee, on lottery tickets issued by the licensee and otherwise as required by the Commissioner.

Clause 49: Systems and procedures for dispute resolution

The major licensee and the holder of a fundraiser lottery licence or a trade promotion lottery licence are required to have systems and procedures approved by the Commissioner for the resolution of disputes about tickets or prizes arising in the course of the conduct of a lottery under the licence.

Clause 50: Advertising code of practice

The major licensee and the holder of a fundraiser lottery licence or a trade promotion lottery licence are each required to adopt a code of practice approved by the Authority on advertising.

Clause 51: Responsible gambling code of practice for major lotteries licensee

The major licensee is required to adopt a code of practice approved by the Authority relating to signs, information and training of staff in respect of responsible gambling and the services available to address problems associated with gambling.

Clause 52: Major lotteries licensee may bar excessive gamblers

The major licensee is given powers to deal with situations where the welfare of a person, or the welfare of a person's dependants, is seriously at risk as a result of excessive gambling.

The major licensee may bar the person—

- from entering or remaining in a specified office or branch staffed and managed by the licensee;
- from purchasing lottery tickets at a specified agency of the licensee;
- from purchasing lottery tickets by telephone or other electronic means not requiring attendance at an office, branch or agency of the licensee.

A person may apply to the Commissioner for a review of a barring order.

This provision is similar to that applying in relation to gaming machines.

Specific provision is included to protect the major licensee against claims for damages or compensation in connection with a decision or failure of the licensee to exercise or not to exercise powers under this clause.

Clause 53: Instant lottery tickets must be obtained from licensee

The holder of a fundraiser lottery (instant) licence is required to obtain instant lottery tickets from the holder of an instant lottery tickets supplier's licence.

Clause 54: Requirement for lottery manager's licence

This clause requires a person who carries on a business consisting of or involving the conduct of, or assisting in the conduct of, lotteries on behalf of others to hold a lottery manager's licence.

Clause 55: Alteration of approved rules, systems, procedures, equipment or code provisions

This clause allows the Authority or the Commissioner (as the case requires) to require a licensee to make an alteration to approved rules, systems, procedures, equipment or code of practice provisions.

PART 6
ENFORCEMENT
DIVISION 1—COMMISSIONER'S SUPERVISORY RESPONSIBILITY

Clause 56: Responsibility of the Commissioner

This clause provides that the Commissioner is responsible to the Authority to ensure that the operations of each licensed business are subject to constant scrutiny.

DIVISION 2—POWER TO OBTAIN INFORMATION

Clause 57: Power to obtain information

This clause enables the Authority or the Commissioner to require a licensee to provide information that the Authority or Commissioner requires for the administration or enforcement of the measure.

DIVISION 3—INSPECTORS AND POWERS OF AUTHORISED OFFICERS

Clause 58: Appointment of inspectors

This clause allows for the appointment of Public Service inspectors and for the provision of identification cards by the Commissioner.

Clause 59: Power to enter and inspect

The powers under this clause are provided to the Commissioner, the members and secretary of the Authority, inspectors and police officers (collectively called authorised officers). The circumstances in which the powers may be exercised are set out in subclause (2). A warrant is required in respect of entry to a place in which there are not any operations for or relating to the conduct of a lottery being conducted.

PART 7
POWER TO DEAL WITH DEFAULT OR BUSINESS FAILURE
DIVISION 1—STATUTORY DEFAULT

Clause 60: Statutory default

This Division gives the Authority various powers to deal with statutory default on the part of a licensee.

A statutory default occurs if—

- a licensee contravenes or fails to comply with a provision of the measure or a condition of the licence; or
- an event occurs, or circumstances come to light, that show a licensee or a close associate of a licensee to be an unsuitable person; or
- operations under a licence are improperly conducted or discontinued; or
- a licensee becomes liable to disciplinary action under the measure or on some other basis.

Clause 61: Effect of criminal proceedings

Proceedings under this Part (apart from the issue of an expiation notice) may be in addition to criminal proceedings. However, the Authority is required, in imposing a fine, to take into account any fine that has already been imposed in criminal proceedings.

Clause 62: Compliance notice

The Authority may issue a notice to a licensee requiring specified action to be taken to remedy a statutory default. Non-compliance with such a notice is an offence attracting a maximum penalty of

$100 000 in the case of the major licensee and $10 000 in any other case.

Clause 63: Expiation notice

The Authority may issue an expiation notice to a licensee alleging statutory default and stating that disciplinary action may be avoided by payment of a specified sum not exceeding $10 000 in the case of the major licensee, and $500 in any other case, within a period specified in the notice.

Clause 64: Injunctive remedies

The Minister or the Authority may apply to the Supreme Court for an injunction to prevent statutory default or to prevent recurrence of statutory default.

Clause 65: Disciplinary action

The Authority may take disciplinary action against a licensee for statutory default as follows:

- the Authority may censure the licensee;
- the Authority may impose a fine on the licensee not exceeding $100 000 in the case of the major licensee and $10 000 in any other case;
- the Authority may vary the conditions of the licence (irrespective of any provision of the approved licensing agreement excluding or limiting the power of variation of the conditions of the licence);
- the Authority may give written directions to the licensee as to the winding up of a lottery being conducted under the licence;
- the Authority may suspend the licence for a specified or unlimited period;
- the Authority may cancel the licence.

The licensee must be given a reasonable opportunity to make submissions. Provision is made in Part 8 for an appeal against a decision of the Authority to take disciplinary action.

Clause 66: Alternative remedy

This clause makes it clear that the Authority may, instead of taking disciplinary action, issue a compliance notice.

DIVISION 2—OFFICIAL MANAGEMENT

Clause 67: Power to appoint manager

The Minister is empowered to appoint an official manager of the business conducted under a licence if the licence is suspended, cancelled or surrendered or expires and is not renewed, or if the licensee otherwise discontinues operations under the licence.

Clause 68: Powers of manager

This clause sets out the powers of the official manager to run the licensed business.

DIVISION 3—ADMINISTRATORS, CONTROLLERS AND LIQUIDATORS

Clause 69: Administrators, controllers and liquidators

This clause puts an administrator, controller or liquidator in a similar position to that of the licensee.

PART 8
REVIEW AND APPEAL

Clause 70: Review of Commissioner's decision

A person aggrieved by a decision of the Commissioner under the measure may, within 30 days after receiving notice of the decision, apply to the Authority for a review of the decision.

Clause 71: Finality of Authority's decisions

The Authority's decisions are final except as follows:

- an appeal lies to the Supreme Court against a decision to take disciplinary action against a licensee; and
- an appeal lies to the Supreme Court against an order made under clause 15(4); and
- an appeal lies, by leave of the Supreme Court, against a decision of the Authority on a question of law.

Clause 72: Finality of Governor's decisions

The Governor's decisions are final.

PART 9
MISCELLANEOUS

Clause 73: Lawfulness of lotteries conducted in accordance with this Act

This clause ensures that lotteries conducted in accordance with the measure are lawful and do not, in themselves, constitute a public or private nuisance.

Clause 74: False or misleading information

This clause makes it an offence to provide false or misleading information under the measure.

Clause 75: Offences by body corporate

This is a standard clause making each member of the governing body and the manager of the body corporate criminally responsible for offences committed by the body corporate.

Clause 76: Reasons for decision

Reasons for decisions under this measure need not be given except as follows:

- the Authority must, at the request of a person affected by a decision, give reasons for a decision if an appeal lies against the decision as of right, or by leave, to the Supreme Court;
- the Commissioner must, at the request of the Authority, give reasons to the Authority for a decision of the Commissioner under this Act.

Clause 77: Power of Authority or Commissioner in relation to approvals

This clause enables approvals under the measure to be of a general nature and subject to conditions.

Clause 78: Delegation by Authority to Commissioner

This clause contemplates the Authority delegating its powers or functions under the measure to the Commissioner (other than a power or function relating to the major lotteries licence).

Clause 79: Confidentiality of information provided by Commissioner of Police

This clause protects the confidentiality of information provided by the Commissioner of Police.

Clause 80: Service

This clause provides for the methods of service of notices or other documents under the measure.

Clause 81: Evidence

This clause provides evidentiary aids.

Clause 82: Annual report

The Commissioner is required to report to the Authority and the Authority is required to report to the Minister. The Authority's report is to be tabled before both Houses of Parliament.

The Authority's report is to contain—

- details of any statutory default occurring during the course of the relevant financial year; and
- details of any disciplinary action taken by the Authority; and
- details of any directions given to the Authority or the Commissioner by the Minister; and
- the Commissioner's report on the administration of the measure together with any observations on that report that the Authority considers appropriate.

Clause 83: Regulations

This clause provides general regulation making power for the purposes of the measure. In particular, it allows for *ex gratia* payments by the Treasurer in relation to unclaimed prizes if the amount or value of the prize has been paid to the Treasurer under the measure.

SCHEDULE 1
Transitional Provisions

Clause 1: Fundraiser lottery (general) licence
Clause 2: Fundraiser lottery (bingo) licence
Clause 3: Fundraiser lottery (instant) licence
Clause 4: Instant lottery tickets supplier's licence
Clause 5: Trade promotion lottery licence
Clause 6: Transitional regulations

These clauses provide for the continuation of existing licences. Allowance is made for the regulations to make provisions of a transitional nature as it may be necessary to do so in relation to conversion of the terms of certain licences.

SCHEDULE 2
Consequential Amendments

Clause 1: Amendment of Gaming Supervisory Authority Act

The amendments are consequential on the expansion of the role of the Authority and are made with a view to avoiding the need for further amendment if further functions are given to the Authority under legislative schemes in the future.

The opportunity has been taken to make amendments—

- to make it clear that the Authority is an instrumentality of the Crown but not subject to Ministerial direction or control;
- to ensure that the Authority may obtain from the Commissioner a report on any matter relating to the operation, administration or enforcement of an Act under which functions are conferred on the Authority;
- to make it clear that the Authority may conduct meetings or proceedings, and allow persons to participate in proceedings, by telephone or other electronic means;
- to enable the Authority to delegate to a member, deputy member or the Secretary of the Authority any of the powers or functions of the Authority under the Act or a prescribed Act (other than the conduct of an inquiry or review or appeal);
- to correct a reference in section 16 to employees of the Authority (the effect of section 16 as amended will be to prevent the

members of the Authority and the Commissioner from participating in gambling activities to which the Authority's statutory responsibilities extend);

- to ensure that restrictions do not apply to the appropriate passing on of confidential information to officials and the Commissioner of Police.

Clause 2: Amendment of Lottery and Gaming Act

These amendments are consequential on the new regulatory scheme. The Parts dealing with licences and exemptions for certain lotteries are removed as these matters are dealt with in the new scheme. References to the *State Lotteries Act* are removed. The Act is amended to make it clear that it binds the Crown. A new offence is created to ensure that agents or others who act dishonestly in the course of conducting a lottery are subject to a criminal penalty. Divisional penalties are also converted.

Mr FOLEY secured the adjournment of the debate.

HIGHWAYS (MISCELLANEOUS) AMENDMENT BILL

Second reading.

The Hon. R.G. KERIN (Deputy Premier): I move:

That this bill be now read a second time.

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

Leave granted.

This Bill amends the *Highways Act 1926* to provide authority to raise tolls; to clarify the powers of the Commissioner of Highways in relation to roads under the care, control and management of the Commissioner; to improve provisions relating to a number of other operational matters; to place the Commissioner under the direction of the Minister; to repeal obsolete provisions; and to repeal anti-competitive provisions as required under the Competition Principles Agreement.

As background to the introduction of this Bill, various aspects of the Highways Act have been reviewed and commented on for the last 15 years and it is timely, in addition to introducing tolling provisions for the Third Port River Crossing, to update and clarify operational and governance provisions that have now been in effect for three quarters of a century.

This Bill therefore proposes amendments to the Highways Act in three major areas—Governance, Operations and Finance. It also proposes the removal of obsolete provisions and the repeal of two sections (obsolete in any event) relating to the Competition Principles Agreement.

The main features of the Bill are as follows:

Governance

1 The Commissioner of Highways is not statutorily subject to direction by the Minister and this statutory independence is not considered to be the most appropriate arrangement for providing accountability to the Minister, and the Parliament for transport matters in the 21st Century. Therefore, the Bill makes the Commissioner subject to the direction of the Minister and abolishes the office of Deputy Commissioner. (No appointment to this latter office has been made for some time and the Commissioner delegates powers as necessary to cover absences.)

Operations

2 At present, when the Commissioner takes over 'care and control' of roads from councils, this relates to the transfer of councils' road powers in relation to *'construction, reconstruction, repair or maintenance'*. It does not relate to any other road or traffic related power of councils or the responsible Ministers. Therefore, to avoid confusion as to the Commissioner's powers in relation to the strategic road network, it is essential that this network be clearly placed under the Commissioner's control.

The Bill puts beyond doubt that the Commissioner can take over care, control and management of a road and can assume the road-related powers of a council expressed in Part 2 of Chapter 11 of the *Local Government Act 1999*. The Bill also adopts the definition of 'roadwork' contained in that Act. Meanwhile, as is the case at present, councils will continue to be able to exercise their powers in respect of those parts of roads (for example footpaths and verges) not taken over for care, control and management purposes by the Commissioner.

These proposals do not seek to change the relative powers and responsibilities of State and Local Government. Rather they clarify operational boundary issues as they relate to roads under the care, control and management of the Commissioner.

3 The Bill gives the Commissioner power to remove or trim trees or vegetation affecting road safety on a road under the care, control and management of the Commissioner. This measure removes a major point of ambiguity as between the respective powers of the Commissioner and local councils.

4 The Bill repeals provisions relating to 'main roads' and applies the present main roads statutory and regulation making powers to roads under the care, control and management of the Commissioner. The original purpose of declaring roads to be 'main roads' appears to have been as a means of identifying and funding council roads of strategic importance—but a road has not been proclaimed to be a main road for many years.

5 The Commissioner has a number of explicit powers in relation to controlled-access roads. These include compensation, erection of notices, signs and barriers, road closures and access to property. The Bill clarifies issues relating to access to property from controlled-access roads and provides for a notice period to landowners before a road is proclaimed to be a controlled-access road.

Finance

6 The Bill retains the Highways Fund. However, the purpose of the Fund is extended to encompass direct tolling arrangements for the Third Port River Crossing, and a provision for shadow tolling if and when required—but does not otherwise change the present purposes of the Fund. It is noted that South Australia is one of the few States that does not have a provision for tolling road infrastructure.

7 Direct tolling on the Third Port River Crossing Bridge is necessary in order to attract equity participation by the private sector in the bridge project.

Direct tolling provisions will apply specifically to the Third Port River Crossing. The provisions of the Bill will enable the Commissioner to enter into arrangements with other parties to build, own, operate and transfer the bridge. The Bill will also provide flexibility in the acquisition and vesting of the land needed for the Gillman Highway and Third Port River Crossing project. The land and the bridge will be able to be vested separately and the Gillman Highway will not vest in the local council unless the Commissioner vests it in the council. Obviously that would be a subject of negotiation between the Commissioner and the council.

The Bill provides for shadow tolling—a process by which the Government would pay an operator on some form of per vehicle basis to operate infrastructure, but where individual drivers or vehicles would not pay a toll direct. Generally applicable enabling provisions will permit payment to operators of infrastructure in individual situations. Payment of a shadow toll, if and when required, will be through the Highways Fund.

Some $18.5 million in Commonwealth funding allocated under the Roads of National Importance scheme is contingent on the provision of matching State funds. The capacity of the Government to allocate matching funds to the Third Port River Crossing/Gillman Highway project is contingent on the acceptance of a direct tolling regime that will permit private sector equity participation.

Competition Policy

8 The Competition Policy Review of the Act in 1998 found that the Act does not contain anti-competitive provisions except for provisions relating to the licensing of *'Highway lighthouses and traffic beacons'* and to *'Advertisements on the Anzac Highway'*. Both sets of provisions are no longer used—and are now covered to the extent appropriate by provisions in the *Development Act 1993* and the *Road Traffic Act 1961*. The Bill repeals them.

9 In conclusion, the Bill repeals a number of obsolete references and updates those provisions which are subject to amendment.

I commend the bill to the House.

Explanation of Clauses

Clause 1: Short title

This clause is formal.

Clause 2: Commencement

This clause provides for commencement of the measure on a day to be fixed by proclamation.

Clause 3: Substitution of ss. 2 to 6

This clause repeals obsolete and unnecessary provisions and rewords section 2 of the principal Act to remove references to 'main road'.

2. Act not to apply to City of Adelaide

This section provides that the Act does not apply to or in relation to the City of Adelaide but requires the Adelaide City Council to comply with any notice given by the Commissioner to the Council as to the construction or reconstruction of a road in the City so it conforms with the construction or reconstruction of an adjoining portion of road under the care, control and management of the Commissioner.

Clause 4: Amendment of s. 7—Interpretation

This clause removes obsolete definitions and inserts definitions of 'privately owned land', 'roadwork' and 'shadow tolling payment scheme'.

Clause 5: Substitution of s. 10

This clause redrafts section 10 of the principal Act to remove spent provisions.

10. Appointment of Commissioner

This section empowers the Governor to appoint a person as Commissioner of Highways for a term of five years.

Clause 6: Substitution of s. 13

This clause repeals the section providing for the appointment of a Deputy Commissioner of Highways and substitutes a new provision.

13. Ministerial control

This section subjects the Commissioner of Highways to the control and direction of the Minister.

Clause 7: Substitution of ss. 14 and 15

This clause removes obsolete provisions relating to staffing and substitutes a new provision.

14. Staff

This section provides for the Commissioner of Highways to make use of employees or facilities of an administrative unit of the Public Service of the State or any other employees engaged for the purposes of the Act.

Clause 8: Repeal of s. 17

This clause repeals section 17 of the principal Act.

Clause 9: Repeal of ss. 18 and 19

This clause removes spent provisions.

Clause 10: Amendment of s. 20—General powers of Commissioner

This clause amends section 20 of the principal Act to clarify the Commissioner's powers to acquire land for the purposes of the Act, to contract for the right to remove materials from any land for the purposes of the Act, and to deal with or dispose of land vested in the Commissioner. The amended section incorporates the provisions of section 20A of the Act repealed by clause 11 of this measure.

Clause 11: Repeal of s. 20A

This clause repeals section 20A of the principal Act (see clause 10).

Clause 12: Amendment of s. 20B—Power to acquire land in excess of requirements

This amendment is consequential on the use of the term 'roadwork'.

Clause 13: Amendment of s. 20BA—Acquisition in case of hardship

This clause makes a minor amendment to section 20BA of the principal Act consequential on the repeal of section 20A.

Clause 14: Substitution of s. 20C

This clause substitutes a new provision.

20C. Commissioner may exercise powers of councils under section 294 of the Local Government Act 1999

This section empowers the Commissioner, with the approval of the Minister, to exercise the powers of a council under section 294 of the *Local Government Act 1999*.

Clause 15: Amendment of s. 24—Advice to councils

This amendment is consequential on the use of the term 'roadwork'.

Clause 16: Substitution of ss. 26 to 27A

This clause repeals sections 26 to 27A of the principal Act and substitutes new provisions.

26. Powers of the Commissioner to carry out roadwork

The section empowers the Commissioner to carry out roadwork both outside council areas and, with the approval of the Minister, in council areas.

It also empowers the Commissioner to assume the care, control and management of a road in a council area and provides for the provisions of Part 2 of Chapter 11 of the *Local Government Act 1999* to apply to roads under the care, control and management of the Commissioner.

It prevents councils exercising their powers under that Part of that Act in relation to roads under the care, control and management of the Commissioner except to such extent as the Commission may approve, and provides for any action a council takes or has taken to exclude vehicles generally or vehicles of a particular class from a road under the care, control and management of the Commissioner to have no effect unless approved by the Commissioner.

The section also empowers the Commissioner to carry out further roadwork at the request of a council and requires a council to pay half of the reasonable costs paid by the Commissioner to an electricity entity for the operation and maintenance of street lighting installed by the Commissioner in the council's area.

26A. Powers of Commissioner in relation to trees, etc. on roads

This section empowers the Commissioner, for the purposes of road safety, to remove or cut back any tree or other vegetation on or overhanging a road under the care, control and management of the Commissioner on an adjoining portion of road.

26B. Total or partial closure of roads to ensure safety or prevent damage

This section empowers the Commissioner to close a road under the Commissioner's care, control and management if of the opinion that it is unsafe for pedestrians or vehicles (generally or vehicles of a class) or is likely to be damaged if used by vehicles generally or vehicles of a class.

26C. Certain road openings, etc. require Commissioner's concurrence

This section provides that if a council has excluded vehicles from a road and the road runs into or intersects with a road vested in the Commissioner or the Minister or a road under the care, control and management of the Commissioner, the council cannot remove the exclusion without the concurrence of the Commissioner.

Clause 17: Amendment of s. 27CA—Vesting of roads outside districts

This clause removes a reference to 'main roads' and an obsolete provision.

Clause 18: Amendment of s. 27F—Power of entry on land

This clause removes a reference to 'inspector'.

Clause 19: Substitution of ss. 28 and 29

28. Annual report

This section requires the Commissioner to submit an annual report to the Minister and requires the Minister to table the report in Parliament. It provides that these requirements can be met by incorporating the Commissioner's report in the annual report of an administrative unit for which the Minister is responsible and tabling that report in Parliament in accordance with the *Public Sector Management Act 1995*.

29. Protection from liability

This section protects the Commissioner and any officer or employee engaged for the purposes of the Act from civil liability for an honest act or omission in the exercise, performance or discharge, or purported exercise, performance or discharge, of powers, functions or duties under the Act and transfers liability to the Crown.

Clause 20: Repeal of ss. 29A and 30 and heading

This clause repeals sections 29A and 30 of the principal Act.

Clause 21: Amendment of s. 30A—Power to proclaim controlled-access roads

This clause amends section 30A of the principal Act to require the Commissioner to give notice to affected landowners of a proposed proclamation of a controlled-access road if the proclamation has the effect of closing off or reducing any means of access to privately owned land and prohibits the Commissioner from recommending the making of such a proclamation unless the Commissioner—

- is satisfied that no means of access to the land from the controlled-access road is reasonably required for the land; or
- is satisfied that some other reasonably convenient means of access to the land from the controlled-access road is available for the land; or
- is of the opinion that access to the land from the controlled-access road is undesirable.

Clause 22: Repeal of s. 30C

This clause repeals section 30C of the principal Act.

Clause 23: Amendment of s. 30D—Powers of Commissioner to erect fences and barriers

This clause removes references to section 36A of the principal Act repealed by this measure.

Clause 24: Amendment of s. 30DA—Access to property

This clause amends section 30DA of the principal Act to prohibit the Commissioner from closing off a lawful means of access to privately owned land from a controlled-access road unless the Commissioner—

- is satisfied that no means of access to the land from the controlled-access road is reasonably required for the land; or
- is satisfied that some other reasonably convenient means of access to the land from the controlled-access road is available for the land; or
- is of the opinion that access to the land from the controlled-access road is undesirable.

The clause also allows a permit to construct a means of access to impose conditions as to the dimensions of the means of access.

Clause 25: Amendment of s. 30E—Offences in relation to controlled-access roads

This clause amends section 30E of the principal Act to make it an offence for a person—

- to construct, form or pave a means of access to a road in contravention of section 30A or a condition of a consent given in writing by the Commissioner;
- to contravene or fail to comply with a condition of a permit under section 30DA.

Clause 26: Insertion of s. 30F

This clause inserts a new provision.

30F. Evidentiary provision

This section allows a document signed by the Commissioner stating certain things to be used in legal proceedings, in the absence of proof to the contrary, as proof of the matters stated in the document.

Clause 27: Substitution of s. 31

This clause repeals section 31 of the principal Act and substitutes a new provision.

31. Highways Fund

This section provides for the continuation of the Highways Fund, specifies what money it consists of and requires the Treasurer to pay into the Fund licence and registration fees under the *Motor Vehicles Act 1959* (after deduction of certain expenses). It also empowers the Treasurer to make advances to the Fund in anticipation of licence and registration fees to be raised and paid into the Fund.

Clause 28: Amendment of s. 31A—Adjustment of Highways Fund

This clause amends section 31A of the principal Act to remove references to the Loans Fund.

Clause 29: Amendment of s. 32—Application of Highways Fund

This clause amends section 32 of the principal Act to allow money in the Highways Fund to be applied in making payments under a shadow tolling payment scheme.

Clause 30: Substitution of ss. 35 to 39

This clause repeals sections 35 to 39 of the principal Act and substitutes new provisions.

35. Annual program of roadwork

This section requires the Commissioner to submit to the Minister for approval before each financial year a program of roadwork proposed by the Commissioner for that financial year.

36. Standing approvals, etc.

This section empowers the Minister to give standing approvals under the Act.

Clause 31: Substitution of Part 3A

This clause removes obsolete provisions relating to the Birkenhead Bridge and substitutes a new Part dealing with the Gillman Highway-Third Port River Crossing Project.

PART 3A
GILLMAN HIGHWAY—THIRD PORT RIVER CROSSING PROJECT

39A. Interpretation

This section defines 'Gillman Highway', 'Project Agreement', 'Project property' and 'relevant council'.

39B. Status of Gillman Highway

This section provides for Gillman Highway to be regarded as a public road for all purposes and as a highway for the purposes of Part 2 of Chapter 11 of the *Local Government Act 1999*.

39C. Gillman Highway not to vest in council

This section provides that despite the *Real Property Act 1886* no part of Gillman Highway vests in the relevant council unless the Commissioner, by order under this Part, vests it in the council.

39D. Care, control and management of Gillman Highway

This section places Gillman Highway under the care, control and management of the Commissioner subject to any order of the Commissioner under this Part.

39E. Power to obstruct right of navigation

This section empowers the Commissioner or private participant to obstruct temporarily a right of navigation for the purpose of carrying out work in relation to the Third Port River Crossing and excludes claims against the Crown, the Commissioner, the private participant or any agency or instrumentality of the Crown arising out of an obstruction of a right of navigation under this section.

39F. Dealings with property under Project Agreement

This section empowers the Commissioner by written order to deal with Project property in accordance with the terms of the Project Agreement between the Commissioner and the private participant in the Project.

39G. Payments to private participant

This section enables the private participant, if the Project Agreement so provides, to retain the proceedings of tolling under this Part (including expiation fees and prescribed reminder notice fees paid in respect of alleged offences against the Part). It also allows for a shadow tolling payment scheme if the Project Agreement so provides.

39H. Toll for access by motor vehicles to the Third Port River Crossing

This section empowers the Minister to fix a toll for access by motor vehicles to the Third Port River Crossing, makes it an offence for a person to drive a vehicle on the Crossing without paying the appropriate toll unless exempted, provides for exemptions, empowers the Minister to authorise the installation of devices for the collection of tolls and other works and makes it an offence to operate such a device contrary to the operating instructions or to intentionally interfere, etc. with such a device.

The section also allows for a toll (including expiation fees and prescribed reminder notice fees) to be collected and retained by the private participant, for the private participant to authorise persons to issue expiation notices and for the private participant to be an issuing authority for the purposes of the *Expiation of Offences Act 1996* in relation to alleged offences against the Part.

39I. Liability of vehicle owners and expiation of certain offences

This section is modelled on section 174A of the *Road Traffic Act 1961*. It makes the owner of a motor vehicle driven on the Third Port River Crossing without payment of the appropriate toll, or in contravention of conditions of an exemption from the obligation to pay a toll, guilty of an offence and liable to the same penalty as is prescribed for the principal offence unless the owner provides a statutory declaration setting out the details of the driver or, if the ownership of the vehicle was transferred before the alleged offence was committed, details of the transfer and transferee.

Clause 32: Substitution of ss. 41 and 41A

This clause repeals sections 41 and 41A of the principal Act and substitutes new provisions.

41. Maintenance of the Birkenhead Bridge

This section provides that—

- the portion of the Birkenhead Bridge and its approaches vested in the Minister continues to be under the care, control and management of the Commissioner;
- the portion of the Birkenhead Bridge and its approaches vested in the council in whose area the Bridge is situated continues to be under the care, control and management of the council.

It also empowers the Commissioner to obstruct temporarily a right of navigation for the purpose of carrying out work in relation to the Birkenhead Bridge and excludes claims against the Crown, the Commissioner or any agency or instrumentality of the Crown arising out of any obstruction of a right of navigation by reason of roadwork under the section.

41A. Offences by body corporate

This section provides that if a body corporate commits an offence against the Act, each member of the governing body of the body corporate is guilty of an offence and liable to the same penalty applicable to the principal offence unless it is proved that the member could not, by the exercise of reasonable diligence,

have prevented the commission of that offence by the body corporate.

Clause 33: Amendment of s. 42—Right of council to recover costs for repair of road damaged by construction of public works

This clause amends section 42 of the principal Act to remove a reference to 'main road'.

Clause 34: Amendment of s.42A—Service of notices, etc.

This clause updates a reference to the *Corporations Law*.

Clause 35: Amendment of s. 43—Regulations

This clause amends section 43 of the principal Act to remove references to 'main roads' and substitute 'roads under the care, control and management of the Commissioner' and to remove power to regulate speeds on controlled-access roads as this is dealt with in the *Road Traffic Act 1961*.

Clause 36: Transitional provision

This clause provides for certain roads subject to a notice issued under section 26 of the principal Act as in force before the commencement of this clause to be taken to be subject to a notice under that section as in force after that commencement.

Mr FOLEY secured the adjournment of the debate.

ALICE SPRINGS TO DARWIN RAILWAY (MISCELLANEOUS) BILL

The Hon. J.W. OLSEN (Premier) obtained leave and introduced a bill for an act to amend the Alice Springs to Darwin Railway Act 1997; and to make related amendments to the Railways (Operations and Access) Act 1997. Read a first time.

The Hon. J.W. OLSEN: I move:

That standing orders be so far suspended as to enable the bill to pass through its remaining stages without delay.

The SPEAKER: There not being an absolute majority of the whole number of members of the House present, ring the bells.

A quorum having been formed:

Motion carried.

The Hon. J.W. OLSEN: I move:

That this bill be now read a second time.

The passage of this legislation will be an important step in the realisation of the construction of the rail link between Alice Springs and Darwin and the facilitation of the operation of train services between Adelaide and Darwin. The new rail link will also provide a new gateway to Asia, providing a new trade route to Asia via Darwin. This bill reflects the culmination of almost a century of work to bring about the construction of a railway linking Darwin to South Australia and from there to the rest of the Australian rail network. This marks an important moment in Australia's history.

The railway is a strategic infrastructure project that forms an essential part of the state's economic strategy. It will build on the momentum for economic growth that this government has fostered, lift confidence in the state's economic future and provide opportunities during both the construction and operational phases for South Australian industry. This parliament has previously considered three other bills related to the railway: one dealing with the authorisation of an agreement between the South Australian and Northern Territory governments to facilitate the construction of the railway; one dealing with the form and commitment of South Australian financial support for the project; and one establishing the access regime.

This latest bill is a logical progression of this work that has continued to progress after an extensive and competitive submission process was conducted, resulting in three international consortia, all with significant Australian partners, being short listed to provide detailed proposals. The preferred consortium selected by the AustralAsia Railway Corporation from this process was Asia Pacific Transport Pty Ltd (APTC). APTC comprises: Brown & Root, a major US based multinational engineering and construction company that incorporates SA based project managers Kinhill as bid leader; SA based civil construction company McMahon Holdings; rail maintenance construction companies Barclay Mowlem and John Holland; South Australian based US rail operator Genesee & Wyoming; and MPG Logistics as logistics manager. As can be seen, this consortium has significant South Australian and Australian consortium members.

As a result of extensive negotiations between AARC and APTC, various issues have been identified that require amendments to the project legislation before contract arrangements can be finalised. These issues relate to the form of South Australian government financial support and various other issues. This bill aims to address these issues. The bill also specifically authorises the implementation of a concession deed, which is the main instrument by which the parties to the deed (APTC, AARC and the South Australian and Northern Territory governments) establish their respective rights and obligations to the project in a legally enforceable way.

In essence the bill seeks to convert the current $25 million loan guarantee to either a concessional loan or a grant. This is being done to overcome a technical legal issue associated with the loan guarantee, which in current legislation does not allow for the capitalisation of interest above the principal amount. Capitalisation of interest will be necessary during the construction and early operational phases of the project, until APTC generateS sufficient operating cash flow to commence repayment of the loan.

Arising from their due diligence on the project, APTC has sought a number of amendments to facilitate construction and operation. In this regard, it is proposed that APTC have priority use of the corridor for the purposes of operating train services to ensure that trade between the state and the Northern Territory is not impeded once APTC commences operation on the existing railway corridor between Tarcoola and Alice Springs. APTC had also sought some flexibility for the state to have a regulation making power with the force of law to amend other acts, should legal impediments arise during the early part of the construction phase that may require legislative remedies. It is proposed to limit this regulation making period to 12 months. The bill has been developed in close collaboration with the Northern Territory government. Accordingly, the bill is consistent in many respects with similar legislation which has now passed in the Northern Territory Legislative Assembly.

I also thank the opposition for supporting the government's measure to process the matter through the parliament in a timely way. This will be important to the successful outcome of this proposal.

The Hon. M.D. RANN (Leader of the Opposition): I support both the bill and its speedy passage through this parliament. The Premier informed me last week of the need for this legislation and told me that the government was currently involved in negotiations with the consortium. Of course, negotiations with the bank of lawyers by necessity become long and protracted with a number of sticking points. The Premier also informed me that obviously those lawyers were trying to think of every conceivable incident that might occur over the contract period of 50 years and, because of

this, there needed to be some urgent changes to the enabling legislation.

The legislation already passed in the parliament provides for a grant of $125 million and a guarantee of $25 million. The government has now been advised that the project would not generate sufficient cash to service the loan until about 2006. Therefore, it was proposed by the contractors to the government that it was necessary to move to change this legislation to replace the $25 million guarantee with either a concession, a loan or a grant. I think there is still a ceiling of $150 million but, instead of a guarantee, these amendments would essentially provide the government with two options, that is, a loan or a grant.

Obviously, I understand the government's problems in terms of time lines. It is proposed that construction should start on the Alice Springs to Darwin railway in August this year. I understand that there is a proposal for a signing ceremony in London during the Centenary of Federation celebrations involving the Prime Minister, the Premier and the Chief Minister of the Northern Territory—although I think the truth is that the go-ahead will only formally be a go-ahead when the bankers sign off on the financing of the deal, which would come at a later stage, I guess in August.

The Hon. J.W. Olsen interjecting:

The Hon. M.D. RANN: In August. The opposition is a strong supporter of this railway. It is a project that was not only promised in 1911 but also promised at the time in exchange for South Australia's handing over the Northern Territory to the commonwealth. This was the quid pro quo that was never honoured. Western Australia was part of the federation of Australia because it was promised an east-west railway—and that commitment was honoured. This commitment has not been honoured.

The Labor opposition, in a bipartisan way, has been involved in talks with the Northern Territory government, with the former minister Shane Stone, and with the former transport minister in charge of the railway, Barry Coulter. Also, my first meeting with Prime Minister John Howard after he was elected in 1996 was to discuss this project. We also negotiated with Kim Beazley prior to the 1998 election a funding commitment from federal Labor (if it had been elected) of up to $300 million in commonwealth support for this project.

Essentially, the information we received, following talks with the Northern Territory government, with bankers in Sydney and with others, was that there needed to be public funding of around $500 million in order to secure a go-ahead for the project. We believed that because this project was one of nation building it was really the responsibility of the commonwealth to exercise its clear responsibilities to provide the bulk of financial support to ensure a go-ahead for the project.

We believe that a fair mix would have been $100 million from South Australia because of the clear benefits to our state of this rail connection being built in the Northern Territory to link Alice Springs and Darwin; we believe that the Northern Territory, which has put in funds to develop a port in Darwin, should put in $100 million; and the commonwealth should put in the rest.

We were therefore delighted to be able to negotiate with Kim Beazley a commitment for up to $300 million in the 1998 election campaign. However, that was not to be the case. We were concerned to see the Howard government's negotiating and making promises to a rival consortium for a rapid rail connection between Melbourne and Darwin, running a track through Victoria, New South Wales and Queensland. We never believed that was a reality but, again, it was about winning seats in those states and that is why the announcement was made.

The Howard government announced initially a $100 million commitment in the lead-up to the 1997 state election and, of course, we believed at that stage—and we were assured—that there would be a start on the project in 1998 or 1999. Be that as it may, we have continued to be strong supporters of the project in terms of its being a land bridge or an export corridor to the gateway of South-East Asia. We understand that the bankers are looking at the project in terms of the financing on the basis that the railway will be a supply route to supply the Northern Territory domestic market in Darwin. Obviously, we hope that the railway will be much more than this and that it will be a vehicle for exporting directly to South-East Asia.

I understand from the briefings we have been given that, in terms of refrigerated or time sensitive transport, the export corridor will be viable, although for straight freight for the sorts of things that are put in boxes and shipped to Singapore, and so on, in many cases it will be more competitive for companies to use a sea link from the port of Adelaide direct to those countries; it will be more expensive to use the rail route. This project is unlikely to cause the demise of the port of Adelaide—which is obviously a good thing—but obviously it will provide exporters, both here and elsewhere, with a rapid deployment north to Darwin and then by shipping route on to South-East Asian ports.

We are delighted also to hear of a passenger connection interest. Originally, when this was discussed a few years ago, the committee on Darwin's future, headed by Neville Wran at that stage, when the project was not considered quite viable, a passenger link or tourism train was not considered part of the ball game: it now is and we are delighted about that. It would be one of the great train journeys in the world, as is the east-west connection. A trip from Adelaide through the central desert to the tropics of the north would be an ideal north-south tourism connection to give us the opportunity in key tourist markets such as Hong Kong, Malaysia, Japan and Korea to encourage people visiting Australia not to do just the Barrier Reef, the Rock and the Opera House, but to undertake a unique Australian experience by coming to Adelaide via a train trip from the north of Australia.

We are pleased to see interest in passenger tourist trains as well as freight trains. Obviously, we are concerned to ensure that this $150 million, which we believe is an extra $25 million (I know that there is some debate about that; there was a guarantee on a loan and now it will probably be a grant or a loan), is it; that there is no more draw on the South Australian public purse; that $150 million is the ceiling—a ceiling that will not be shattered and that either governments or, indeed, the South Australian taxpayer will not be required to fork out more money at later stages in order to ensure that the rail connection is achieved.

No-one wants an Adelaide to Katherine railway and then developers coming to us and saying, 'If you want this thing to be a reality, you will have to fork out more money.' We are strongly supporting this project, as we always have. We have supported the legislation in previous forms. We remember that originally we were told that we were jeopardising the project when we said that we believed that there needed to be extra money from the commonwealth. We were right, and this legislation demonstrates that our estimates on the public

infrastructure cost of the railway were both sensible and correct at the time that we made them in 1995-96.

I have spoken to Rick Allert, head of the AAPT consortium. We have received a briefing from Jim Hallion from the Premier's own development department and we are grateful for that. Today the Deputy Leader of the Opposition, the shadow treasurer and I were involved in a telephone link-up with officers of Crown Law, which was helpful in terms of getting some greater clarity about exactly why these amendments are needed. We understand that, in addition to the $25 million guarantee being converted into a concessional loan or grant, the consortium also wants a legislative provision to make clear that it has priority use of a corridor for the purposes of operating a train.

This seems to be somewhat curious. One would have thought that a railway line would be the priority use for the operation of a train rather than a long ski slope, or whatever. However, it appears that the lawyers want this to be explicit rather than implicit. They also, of course, want relief from stamp duty. The amendments, as I understand it, enable the Treasurer, at his discretion, to exempt the consortium from stamp duties on transactions relating to the rail project. Under the existing legislation this is left to the discretion of the Commissioner of Revenue, and we do not have any particular problems with that.

We understood that that was implicit in the previous legislation. The consortium also wants a legislative provision that the rail corridor need not be fenced. I understand that this follows legal advice that, whilst railways in Australia are not and have never been fenced, some contractors in other countries have been required to erect a fence for safety or insurance reasons. They actually want some kind of guarantee from the parliament that they will not be required to fork out money to fence the Alice Springs to Darwin railway. This seems odd but we do not have any problem in putting that requirement into legislation.

I am sure that BHP would have been delighted if its steel was involved in making a fence, but it will just have to be content with providing the railway lines and, perhaps, some of the sleepers. We also understand that the consortium wants protection against paying for any decontamination of the Tarcoola to Alice Springs section of the line, which, we understand, is highly unlikely. Perhaps, at a later time, the Premier might want to clarify whether he believes there will be any call on the public purse for decontamination of any sections of the existing line.

We also understand that the consortium is concerned that, whilst the federal government is committed to contributing $55 million to the project, these funds must be drawn by 30 June. I understand that the Premier is currently talking with his federal colleagues to ensure that there is no impediment to drawing the funds after 30 June from the commonwealth and wants to give the consortium certainty on this.

One area of concern about which I will be asking the Premier in committee and which we attempted to address this morning relates to the reason for the special powers to be given under these amendments to allow for regulations to be enacted that would have the force of legislation: in other words, that regulations could be established under these amendments, if passed, that would be able to override other legislation. I understand that this provision is included in the Northern Territory's bill, which has been passed by the Northern Territory parliament. That may have had something to do with native title issues or environmental concerns. I understand that there are still some problems in terms of securing a corridor through part of the proposed areas. Some native title claims may be involved as well as negotiations with various traditional owners. I am not sure why this provision is included in the Northern Territory bill.

It appears that these provisions are being included in the South Australian amendments in order to give some comfort against unforeseen events or consequences. I understand, of course, that as the parliament will recess in the next few weeks for several months, I would like some comfort from the Premier on the record that there is no particular circumstance that is currently foreseen in terms of the use of regulations to override existing legislation.

The other issue that we raised with Crown Law today related to the GST component of this legislation. We find it hard to understand why the GST would apply. I received a rather circular reply from the lawyer with whom we spoke this morning. It seemed to me that he was not really certain of the circumstances of how the GST would apply to railway transactions in terms of the provision of financing or grants. Certainly, it would be good to see some comfort given by the Howard government that the GST will not apply to the railway, and I would like some explanation of that.

The Labor Party believes that there needs to be continuing parliamentary oversight of the project, not in any way to impede or delay progress but, perhaps, to provide a regular briefing on a six-monthly basis either to the Public Works Standing Committee or to a select committee of both houses of parliament established especially to give some oversight or scrutiny to the project. That would give some comfort, not only to all members of parliament but also to the taxpayer, that the project will not become a slippery slope for future expenditure. I understand, of course, that at this stage any consortium would be playing hard ball. We do not want to delay the process any further which would hold up negotiations or cause any impediment to the government to sign the deal. I understand that legal advice to the government is that the bankers will not sign off on the project unless and until this legislation is passed.

So, we are certainly pleased to be part of the solution rather than part of any problem with the process. Obviously, we want to see some assurances given to the parliament today that the government will be telling the consortium in most certain terms that the government will not be exceeding the quantum of the $150 million that it has now committed to the project. Certainly, that is the key to our concerns. We have had a number of discussions regarding this matter. I was grateful for the discussion I had with the Premier and with Mr Hallion and Mr Allert, who again assured me that there would be no further call on state government funds and said that the project would stand or fall on the $150 million committed. On that basis, I have great pleasure in supporting the bill.

The Hon. G.M. GUNN (Stuart): This measure is in the interests of my constituency in particular. The people of this state have waited a long time for this project, and I look forward to seeing it progress quickly and efficiently. I sincerely hope that this project will be economically and financially successful, because it will fulfil the dream of many. Some of us never thought we would see such a project come to fruition. My constituency at Port Augusta has a long history of involvement with the rail industry, and there are benefits for the workshops and the people involved in track maintenance in that part of South Australia. Obviously, there will be an increased demand upon their services when this

project is completed. I commend the Premier and the government for the patience and the tenacity they have displayed in getting the project to this stage. Only last week, when I was looking in an old filing cabinet, I found a set of those bookends which Paul Everingham was handing out in Adelaide many years ago when he was selling this concept. We never thought it would come to reality. The bookends were chrome, made from parts of the old railway line that went from Darwin south, and it brought back memories to me of a meeting Mr Everingham addressed in the Adelaide Town Hall. I support the bill's speedy passage and look forward to the project being completed.

Mr LEWIS (Hammond): I have said it before and I will repeat: this is a project that is long overdue. Other members have said likewise. I say so in this instance for the very simple reason that it is costing this state money every day we delay its completion. It gives us the additional advantage we desperately need to rapidly access those markets at prices we can afford that are then available to us in the east Asia area—markets for semi-perishable and more sound goods than that. I doubt that it will be possible to use the rail link and Harbor East in Darwin to transport flowers or something quite as perishable as that: certainly, the technology in packaging for flowers is not there, and they will still need to go by air. Many of the less perishable fruit and vegetables, in controlled atmosphere containers, will reach their destination in a much better condition and at a much lower cost price than is presently possible by air. It will rapidly expand the demand for those products in those markets from here; jobs will flow and prosperity will be generated.

There is one aspect of the legislation to which I want to draw the attention of the Premier and the House, namely, that there is no provision within the existing act or these proposals to refer the matter to a committee of the parliament. I believe that that is important not only because the matter will then have been scrutinised in an objective way separate from and independent of executive government but it will be seen to be so examined. Therefore, I am disappointed that the Premier and ministers in bringing this legislation into the chamber have not included any provision for the manner in which the contracts are called and let to be scrutinised or, for that matter, any of the kinds of technologies that are likely to be used to be scrutinised by the parliament itself. That could result in the kind of expensive exercise we have seen when parliament's scrutiny is denied.

I will use an example outside South Australia; I will go to the commonwealth. I refer to the instance in the Maralinga lands where the original proposal for the clean- up of the radioactive waste and other materials that were left there was bastardised by the bureaucrats and so-called scientists who had control of it. They wasted tens of millions of dollars on their own escapades, experimenting with this, that and the other thing and finally did not deliver the clean-up in the form in which parliament had said it should be done. The in situ vitrification of the radioactive waste was not undertaken: it was simply dug up and re-buried. As I see it, that is then a consequence of not having people who are managing the project under the scrutiny of a committee of the parliament. They got around that in that case, because they were not accountable to a committee of the parliament. Of course, the people who wanted the work did not complain about it. They knew that there was a breach in the agreement and a breach in what parliament had intended when the matter was debated, but they wanted the work, so they did not complain, and they went along with that. That is sad. I do not want to see any of that kind of thing here; I am sure that the public of this state would not want to see it, and I do not expect that they will see it.

However, they will be better satisfied that it will not happen if the matter is referred to a committee of the parliament. I raise my concern about that, whether it goes to the parliament's Economic and Finance Committee, the Public Works Committee or any other committee—for that matter, you could even send it to the Environment and Resources Development Committee, but you would be drawing a pretty long bow to do that. However, it ought to go to one of the parliamentary committees for examination to ensure that not only is the contracting procedure in all instances kosher but also details of the proposed techniques and engineering practices to be used as part of its design features, and so on, are on the public record and we are not engaging in any little experiments that will cost us a few extra tens of millions of dollars if they go wrong. That will be the temptation if we do not otherwise put it under that kind of scrutiny. It is not appropriate for ministers to accept that responsibility. They cannot; they do not have time. However, a committee of the parliament most certainly does. With those remarks, I wish the measure swift passage but point out to the Premier that, unless he can allay my fears about whether it is to be referred to a committee of the parliament, I will seek to amend the legislation when it goes into committee to ensure that it is.

Mr MEIER (Goyder): I rise to support this bill, which I am pleased to see before the parliament. Last Friday (23 June) and Saturday I had the privilege of being in Darwin, where I was briefed by, among others, Julie Nicholson, the senior ministerial officer to the Hon. Mick Palmer, who is the Minister for Transport and Works, and also by Mr Gary Scanlon, the Trade Development Manager for the port of Darwin. I also had the privilege of looking at the new port as far as it is constructed. Without doubt, it is quite clear that the rail link from Alice Springs—in other words, from Adelaide through to Darwin—will offer enormous potential for South Australia. We will be huge beneficiaries of this new rail link.

As most members would be aware, just as the rail link passes through a large portion of the member for Stuart's electorate, it also passes through my electorate. Of course, that section has already been built to Alice Springs. However, my electorate will benefit from the point of view of the grain trade. Whilst that has not been formally included as part of the export plans for the grain industry, I personally can see that, once the railway is completed, depots such as Bowmans in my electorate—which is on the rail link, which already has a rail spur line and which is a major grain storage facility—will tap into markets that may be more easily accessible through the port of Darwin.

The Port Wakefield pig abattoir which is just north of Port Wakefield is also in my electorate. It has already been identified to this House that pig exports in certain areas will be able to be improved considerably because of the reduction in the amount of time that it will take to get it into the Asian market where it is required, as well as to other markets beyond Asia.

Another example is the motor car industry for South Australia. Whilst it is not in my electorate, some people living in my electorate are employed in that area. Again one can well understand that not only will there be a huge input from motor cars going overseas but also from many of the

components coming into Australia. It will be more efficient and speedier to bring in those components. I could give other examples, too, where I believe my electorate will benefit from this new link.

I was very pleased to have the opportunity to see what was happening in the port of Darwin. I was aware some years ago that the rail link was to come in on a current road, but that has now been changed. The rail is so important to the port of Darwin that it will build a new rail link into the port on a new causeway. That is another addition that has been recognised. I think all of us will be more than impressed once the rail link is completed through to the port of Darwin. The benefits for South Australia, as I have said, will be very many and it will continue to ensure that our state goes from strength to strength.

The Hon. J.W. OLSEN (Premier): I thank those who have made a contribution to this debate. First, I again acknowledge the opposition's support for the measure and facilitating its timely passage through the parliament; I thank them. We are continuing with extensive negotiations as of today and they will continue until the final points are resolved. At this stage, it appears that we will not be in a position to sign the contract next week—it might be the week after that now. We do have a bank of lawyers working through this.

To give an example, clause 4 inserts new section 5A, new subsection (2) which relates to an act of parliament of 1642, and whether some legislation on the statutes in Westminster might or might not impact on this in the future—

An honourable member interjecting:

The Hon. J.W. OLSEN: My understanding is that the lawyers want to exclude that possibility. As remote as it might be, we are at least attempting to pick that up. I think that identifies to the House the extensive nature to which the lawyers are trying to anticipate every conceivable issue. I would have thought that, to go back to 1642 and the statute of Westminster, and seek an amendment to rule it out is being very thorough.

With regard to the $150 million, there is a cap. In discussions with the Chairman of AARC, it was clearly indicated that this is the cap. The Chairman has also, as the leader acknowledged, indicated to him that the $150 million is a stand or fall position. There are administration costs in terms of the operation of AARC and personnel associated with that, which is separate and distinct, but the contribution to the consortium and the construction itself will be limited to that matter.

In relation to contamination on the Tarcoola to Alice Springs section of the rail link, the fact is that the commonwealth constructed and has operated that line. My advice is that any contamination related to Tarcoola to Alice Springs would be a commonwealth responsibility, not a state responsibility, because any contamination that would have occurred would have been as a result of acts of the commonwealth, not the state.

I thank the members for Goyder and Stuart for their support and comments. The leader and the member for Hammond raised reporting measures, the leader suggesting in his remarks perhaps a range of options and that we ought to put in place at least a six monthly reporting mechanism on progress to date. I have discussed this with the Chairman of the AARC, which will, of course, have passage of this until such time as an operational line is in place and takes over, at which time the AARC's role is concluded.

I acknowledge the points that have been made about reporting during the two to 2½ years. Might I therefore give an unequivocal commitment that, to ensure that there is no question of over-expenditure to which the member for Hammond or the leader have referred, matters relating to the construction line might well be canvassed by the Chairman of AARC and appropriate personnel reporting to the Economic and Finance Committee at a minimum of six monthly intervals during the 2½ to three year construction project.

I am prepared to give an unequivocal commitment to the House that the Chairman of AARC and appropriate officers would report to the Economic and Finance Committee at a maximum of six monthly intervals to canvass those issues that have been raised by the leader and to ensure due diligence in the contribution of taxpayers' funds to this process. As I mentioned, I have discussed this with Mr Rick Allert, the Chairman of AARC, and he is happy to comply with that request and my undertaking to the parliament today in that regard.

Again, I thank members for their contribution on what has been—as I think all speakers have referred to—a long overdue piece of infrastructure for Australia, South Australia and the Northern Territory. I hope that, upon the passage of this legislation through the parliament, we will reach a position with the negotiating parties to enable us to conclude those negotiations in the course of the next week or two.

I acknowledge the work that has been done seven days a week now for a considerable period by officers from Crown Law and Industry and Trade, representing the two governments, in what is a very complex set of negotiations. We have to look after the interests not only of the South Australian government, the Northern Territory government and the commonwealth government but also of the consortium members, all of whom have their own teams looking after and protecting their interests, as well as the native title landholders over the track route. Indeed, it has been a very complicated task. For all those who, in good faith, have worked extraordinarily hard, I publicly acknowledge and thank them.

Bill read a second time.

In committee.

Clauses 1 to 4 passed.

Clause 5.

The Hon. M.D. RANN: I would just like to seek an assurance from the Premier. Given this is the clause which converts the $25 million guarantee into a loan or a grant, can he give a categorical assurance to the parliament that there will be no further call on South Australian taxpayers' funds for this project?

The Hon. J.W. OLSEN: It has been made very clear that the quantum of the South Australian contribution is $150 million. I have made that clear in negotiations with the prime minister and the chief minister. The chairman of AARC has, in effect, instructions from us that $150 million is it and the consortium has been clearly advised that this is now a 'drop dead' figure: that is, if there is a subsequent call then that is a time when we will not be proceeding. I hope that does not occur but it has been the basis of negotiations to date. We think this is a substantial contribution from South Australia towards a railway line being constructed in someone else's area—that is, the Northern Territory—but we recognise the benefits that can flow for South Australia being a transport hub, for the reasons that the member for Hammond and others put forward as to why we would want to have this railway line. We make the contribution because of the flow

of long-term benefits to South Australia but this is, in effect, the line in the sand.

The Hon. M.D. RANN: I am pleased about that assurance and I am also pleased by the assurance by the Premier about Rick Allert's agreement with the Premier's strong support for there to be regular reporting back to the parliament. On the issue of the GST costs, could the Premier just clarify that issue for the committee—how the GST would apply and how that would impact on state funds?

The Hon. J.W. OLSEN: The advice we have received today is that the GST is payable but refundable.

The Hon. M.D. Rann: It's circular?

The Hon. J.W. OLSEN: Yes, as it is on a number of projects. That is based on the latest advice that the Department of Treasury and Finance has from the Commonwealth Department of Treasury and Finance. That is the way in which the matter is being treated as it relates to negotiations.

Clause passed.

New clause.

Mr LEWIS: I move:

New clause, page 4, after line 33—Insert:

Amendment of s. 8—Facilitation of authorised project SA.

Section 8 of the principal Act is amended by inserting after its present contents (now to be designated as subsection (1)) the following subsection:

(2) The authorised project is referred to the Public Works Committee by force of this section for examination and report under the Parliamentary Committees Act 1991.

This amendment amends section 8 of the principal act and, in fact, leaves in place the fact that there is no other authorisation required except the reference to the Public Works Committee which I understand is going to happen anyway. This is just to put it beyond doubt, because the thing has been scheduled on and off again in the Public Works Committee. I am told by the Secretary—and the whole committee has been told by the Secretary—it has been scheduled several times. The authorised project and new subclause (2) of clause 8 would provide:

The authorised project is referred to the Public Works Committee by force of this section for examination and report under the Parliamentary Committees Act 1991.

The Hon. J.W. OLSEN: I do not support the amendment being inserted by the member for Hammond. I just reiterate for the member for Hammond that, first, I have given a clear, specific and unequivocal commitment to the parliament as it is reporting to the Economic and Finance Committee during the construction phase. As the member for Hammond has alluded, while clause 8 of the bill does not require reference to the Public Works Committee, the proposal was going to go to the Public Works Committee for overview.

What I am concerned about is that this matter might be referred and that there be any other delays as it relates to timely processing of this matter. There have been extended delays to date which have been unfortunate. What we are attempting to do is get to a contract close in the next few days to be signed off in the next week or two. Within the next four weeks after that we would hope to get financial close.

What is absolutely essential is that the northern part of the link will start being constructed first and that has to start prior to the onset of the wet season. If we do not get construction start at the northern part of this link prior to the wet season commencing, a delay of up to six months will take place. That will then mean a reconfiguration of the business plan and financing arrangements of the project. The delay for returns on passage of goods and services would then be put out for another six months. Not only do construction costs increase but, perhaps, returns— once the project is constructed—are delayed for a further period of time. That would place financial impediments.

It is fair to say this is a finely balanced private sector project. That is the reason, in part, it has taken us 90 years to get to where we are today. I can—as it relates to the Chairman of Public Works Committee—indicate to him that the proposal was intended to be submitted for overview of the Public Works Committee. My concern is that amending the legislation to put the requirements specifically as proposed by the member may lead to some unforeseen and protracted delays. It is that which I now seek to avoid. I am wanting to cooperate in relation to reporting to parliamentary committees. I do not have any difficulty with an appropriate due diligence or oversight, overview or consideration by committees. I have no difficulties with that. That is why I readily acceded to the suggestion of the leader, as it related to six monthly during the construction phase of the project; there is no difficulty.

In addition to that, although clause 8 had it specifically excluded, there was a proposal for it to go to the Public Works Committee for its consideration in any event. I would ask the indulgence of the House that that would and should meet the requirements of the leader and the member for Hammond.

Mr LEWIS: I understand the Premier's view. The Premier is asking me to trust him. I am asking him to trust me. There will not be any delay in the Public Works Committee. If it was to come to the Public Works Committee then I do not see any reason why it still cannot. This puts it beyond any reasonable doubt.

The Hon. M.D. RANN: I understand that the principal act means there cannot be any delays by the Public Works Committee—the project can proceed without the Public Works Committee reporting. I cannot see any problem with it.

The Hon. J.W. OLSEN: I have some very serious reservations about this when we are attempting to deal with a measure of this nature at such short notice involving a major project such as this. I want to comply with the wish of the members but I also do not want, at this eleventh hour of negotiation with the consortium, to imply in any way to them that there might be another hurdle which it has to jump over for a successful project. By using, as the member for Hammond does, the words 'and report', it places a stricture on it. The member for Hammond says that we should trust him and he will report in a timely way that does not impede the project. How am I supposed to give that assurance to the Asia Pacific Transport Consortium, the Halliburton group and the Brown & Root group, which are investing, let us not forget, hundreds of millions of private sector capital funds?

I have mentioned to the committee before that this is a very finely balanced private sector project, and I am very apprehensive about just simply accepting on the run an amendment of this nature. I would far prefer a position where I have given a commitment to meet the leader's response as it relates to the Economic and Finance Committee. I have indicated to the member for Hammond that, as a matter of course, it will be referred to him. But the member for Hammond would know that, in the negotiation of a highly sensitive and difficult project such as this, with so many different players involved, I would have a concern about going back with another requirement being placed in the passage of this bill. I cannot quantify that, because I do not

know. I have not talked to the consortium members as to what their reaction might be to it. I am concerned that the amendment contains the word 'reporting'. I understand that section 16A of the Public Works Committee Act provides that, until the Public Works Committee reports, you cannot, in effect, proceed.

I put to the House that this is a matter that I would not want to, in the eleventh hour, place before the consortium in our contract negotiations with it. I will give a commitment that this matter will be referred to the Public Works Committee but I simply ask the House not to put the stricture on, for the reasons that I have attempted to explain.

The Hon. M.D. RANN: I think that all of us want to see some parliamentary scrutiny and oversight without impeding progress. So, I wonder if there is some way in which the member for Hammond's and the Premier's genuine concerns can be married. Given that the Premier has given the House an assurance now that the Economic and Finance Committee and the Public Works Committee—which have different interests, after all—can be briefed on a regular basis, I am prepared, on behalf of the opposition, to accept that assurance. Is the member for Hammond prepared to accept the Premier's word on this about a regular briefing of the Public Works Committee?

Mr Lewis: I don't really—

The CHAIRMAN: Order!

The Hon. M.D. RANN: You are?

The CHAIRMAN: Order! The Leader of the Opposition has the floor at the present time.

The Hon. M.D. RANN: Thank you, sir. I am trying to be of assistance to the committee. Perhaps the Premier can arrange for some facilitation of a site inspection. I understand that there were some problems in relation to the Public Works Committee's site inspection. If the Premier can give the opposition that guarantee, we will accede to the Premier's wishes.

Mr LEWIS: The predicament that confronts the House is not of my making. Any member of the Public Works Committee already knows that we have had the project scheduled and then cancelled more than once. Any member of the Public Works Committee also already knows that other projects of significance—perhaps not of as great a significance as this one—have been dithered, shillyshallied and deliberately tampered with in terms of the way in which the law has been interpreted by ministers and the government. Frankly, it is not a good atmosphere that develops much trust.

Let me say, if it is the eleventh hour, that is not of my doing. I and other members of the parliament had assumed earlier, when we dealt with this legislation, that it would, in fact, be referred to the Public Works Committee, until it was pointed out to us after the legislation had passed the parliament that section 8 did not require it to go before that committee. We were told prior to the legislation's passage in parliament that, of course, it would go to the committee but then after that we were told that it was not required. No-one said anything about it. However, we find that that act now needs amendment, and that is why we are here now, to amend it in order to bring it into line. Clearly, the government's advisers had not thought it through—and that has happened in more than one instance: we will be doing something about the electricity leasing legislation shortly to bring that into line.

I am merely making the point that, whilst I am prepared to accept the Premier's assurance in this instance, especially given that the Leader of the Opposition is prepared to do likewise, some better demonstration of trust in the institution of parliament and its committees needs to be provided by the government if it wants to recover its credibility in this and the other chamber on that point. When that happens, I suppose I will be less cynical and sceptical of what is said and done.

As another illustration of the point that I am making, I think it is quaint that, by whatever device, unknown to me, we are now spending millions of dollars on a grandstand at Football Park. That matter will not go to the Public Works Committee. How that comes about is beyond me, and I am still waiting for some explanation of it from no-one less than the Auditor-General, who has no more idea of how it will be done than I have.

I place that on record for the benefit of the Premier so he will understand that, whilst I share the points he has made about the timeliness of all this, that is not of my making and doing or that of any other member of this place; and, more particularly, there are other sources of funds than the $150 million to come from the South Australian government. So, there would be no delay in the progress of work. The work will be undertaken outside the state, anyway, so there is no way in which the parliament or the Supreme Court in this state could stop that work if anyone were to attempt to take an injunction on the question.

I do not therefore see that the angst that the Premier expresses is justified in the circumstances. It will not disrupt the passage of the deal and the commencement of construction for it to be referred, but I will show good faith and trust and agree to the proposition that the Premier has put and the assurance which he has given, and which the Leader of the Opposition has accepted, and withdraw my amendment.

The Hon. J.W. OLSEN: I thank the leader and the member for Hammond for that. The good faith will be met and honoured as far as the government is concerned. We will facilitate site visitation—the point that people wanted me to put on the record. I am happy to do that. The real key to it is that I would not want a position where any of the negotiating parties might use an instance such as this to protract the debate and the negotiations in another way in some way. That is an unknown quantity—that is my dilemma; nor has the timing been in my hands.

We also have a rather unique set of circumstances with three governments contributing capital funds to an infrastructure project with a consortium of members, all protecting their own interest in this. This is quite a unique and different set of circumstances. The protracted nature of the negotiations has meant that it has rolled on to the 11th hour, the 59th minute or whatever the case may be. That is simply a matter of where I am in the hands, according to the legislation, of AARC and its Chairman, Rick Allert, and officers who have been negotiating on behalf of the governments with the group. I thank members for their confidence and faith: it will not be misplaced.

New clause withdrawn.

Clause 6 passed.

Clause 7.

The Hon. M.D. RANN: I was distracted before when the Premier was speaking. I understand that it is not envisaged that there be any need for expenditure by the state at all on any decontamination work; is that correct?

The Hon. J.W. OLSEN: In answer to the leader's question, my advice as it relates to Tarcoola to Alice Springs is that that line was constructed and run by the Commonwealth, and contamination of any of that land would be by the commonwealth and it is a commonwealth responsibility to

clean it up. It is not a transferred responsibility onto the state for the peppercorn rental as it relates to the purchaser because we make it clear.

Clause passed.

Clause 8 and title passed.

Bill read a third time and passed.

[Sitting suspended from 5.56 to 7.30 p.m.]

SOUTH AUSTRALIAN HEALTH COMMISSION (ADMINISTRATIVE ARRANGEMENTS) AMENDMENT BILL

The Legislative Council agreed to the bill without any amendment.

SPORTS DRUG TESTING BILL

The Legislative Council agreed to the bill without any amendment.

GAS (MISCELLANEOUS) AMENDMENT BILL

The Legislative Council agreed to the bill without any amendment.

RECREATIONAL GREENWAYS BILL

In committee.

(Continued from 27 June. Page 1463.)

Remaining clauses (8 to 36), schedule and title passed.

Bill read a third time and passed.

SUMMARY OFFENCES (PROSTITUTION) AMENDMENT BILL
PROSTITUTION (REGULATION) BILL
PROSTITUTION (LICENSING) BILL
PROSTITUTION (REGISTRATION) BILL
STATUTES AMENDMENT (PROSTITUTION) BILL

Adjourned debate on second reading.

(Continued from 28 October. Page 338.)

The Hon. I.F. EVANS (Minister for Environment and Heritage): I move:

That Standing Orders be so far suspended as to enable, forthwith, in relation to the Summary Offences (Prostitution) Amendment Bill, the Prostitution (Regulation) Bill, the Prostitution (Licensing) Bill, the Prostitution (Registration) Bill and the Statutes Amendment (Prostitution) Bill—

(a) one second reading debate to be undertaken regarding all of these Bills;
(b) separate questions to be put on each Bill at the conclusion of the second reading debate; and
(c) any remaining Bills to be considered in one Committee of the whole.

Motion carried.

The SPEAKER: Members should note that the effect of the motion just passed is that each member will have one opportunity to speak to all these bills. At the conclusion of that debate, I will put the question on each of the bills separately in the order that they were placed on the *Notice Paper*. The question before the chair is that the Summary Offences (Prostitution) Amendment Bill, the Prostitution (Regulation) Bill, the Prostitution (Licensing) Bill, the Prostitution (Registration) Bill and the Statutes Amendment (Prostitution) Bill be now read a second time.

Mr MEIER (Goyder): Certainly, this debate has been a long time coming. We have had the bills before us for some months now, rather than weeks, and it has given members the opportunity to do their homework, to ascertain which bill they do or do not support or, perhaps, which elements of certain bills they support. I appreciated the opportunity to do research. I appreciate that a lot of people have made their views known to me, both from within and without my electorate. In weighing up the various pros and cons, I have come to the conclusion that I support the Summary Offences (Prostitution) Amendment Bill. My reason for supporting this bill is because I personally believe, and the arguments put to me continue to show me very clearly, that prostitution in a legalised form is not what this state wants or needs.

That view reflects or echoes a view that I held the last time that prostitution was debated in this House. At that time, I made it very clear that the information that had come to me from Victoria showed that the legalised prostitution trade there was not stamping out the illegal prostitution trade. Therefore, if we in this state think that by legalising or registering or licensing prostitution we will stamp out the illegal trade, we are wrong, and it will be shown that it is a falsity. The argument has been put to me that we should recognise the fact that prostitution is the oldest profession and that we as legislators should accept the fact that it exists and, therefore, legislate accordingly. I cannot accept that view, just as I cannot accept the view that we have people who steal in our society. Does that mean that we as legislators should acknowledge that and therefore say, 'Look, we cannot stamp out stealing so let us give some legitimacy to it'. The answer, I believe, is a clear, unequivocal 'No', it would be an irresponsible way to go.

We could take the extreme offence of murder. Again, it has been with us since recorded mankind in biblical times. Should we say that because it is occurring on a daily basis and with such regularity we should seek to amend our laws so that murder in itself is not wrong; it is with us all the time. Again, the answer is an unequivocal 'No', that would be the wrong way to go. I cannot accept the argument that because prostitution is, and has always been, with us as legislators we need to amend our laws accordingly to accommodate it. That is not the way to go.

I have received many letters from people and time will not permit to go through all the arguments, but I would highlight a few of them. I received a letter from Dr Robert Pollnitz—who, among other things, is a consultant physician—regarding the possibility of legalisation on prostitution in South Australia. In his correspondence to me, Dr Pollnitz states:

> In my 30 years as a physician I have observed prostitution to be generally harmful. It is physically and emotionally damaging to the prostitutes. Even when condoms are used men who use prostitutes can transmit some diseases to their partners, for example, genital herpes, genital warts, scabies and pubic lice. Over 80 per cent of prostitutes have drug habits. The procurers are abusive and often associated with organised crime.

Dr Pollnitz further states:

> In Melbourne illegal brothels outnumber legal, licensed brothels. Street prostitution continues. Criminals run brothels despite the laws and have procured children as prostitutes. I am concerned that if prostitution is given legal approval it will be seen as a valid occupation by some of our many unemployed teenagers.

I received another letter from Dr Arthur Hartwig, in Queensland, who apparently was visiting our state when he noticed

that legislation was being introduced into this parliament. Dr Hartwig asked me and, I assume, other members to please take note of his arguments. He is particularly upset that the Queensland parliament, in his opinion, has not made a wise choice in its decision with respect to this issue. Among other matters in his correspondence, Dr Hartwig states:

> . . . I have discovered that several people including some members of parliament are under the misapprehension that legalising prostitution would ensure that South Australian prostitution becomes safe. They believe that safe sex regulations, compulsory condom use for customers, mandatory health checks for prostitutes and big fines for non-compliance would make prostitution disease free, or at least more so than at present. Unfortunately, recent medical literature on sexually transmitted diseases does not support such optimism. Condoms provide significant protection against body fluid transmission of only HIV and gonorrhoea. They are virtually ineffective against body fluid transmission of other diseases (syphilis, chlamydia, hepatitis A, B, C, D, E, F, G and non-specific urethritis) and ineffective against diseases such as genital warts, transmitted largely by skin contact.

Dr Hartwig further states:

> Condoms do not reliably prevent the transmission of other diseases such as scabies, pubic lice, shigella, salmonella, typhoid, giardiasis and bacterial vaginosis, which may be transmitted during sexual intercourse.

Dr Hartwig, a medical practitioner, identifies the many negatives that can be transmitted through sexual intercourse, even though condoms may be worn. Dr Hartwig summarises his argument and states:

> Therefore, I believe no government in good conscience can legalise such a business or occupation. Workers' compensation and similar provisions in the legislation could make the taxpayer liable for vast sums in future years—not only because of physical disease but also the psychological trauma suffered by many prostitutes, with resulting serious drug addiction.

It is interesting that Dr Hartwig should mention workers' compensation and similar provisions, because members would be aware that we have a fifth bill, a private member's bill, introduced by the member for Spence which, among other things, considers workers' compensation provisions for prostitutes. Even though the member for Spence's bill, by and large, seeks to outlaw prostitution, the honourable member desires, if it is legalised, that the people concerned be covered by compensation. Again, Dr Hartwig makes the argument very clear that if workers' compensation were allowed a huge array of claims could be made by a prostitute, all of which would emerge in due course, so that, even if prostitution were an illegal activity and workers' compensation were to be introduced, the state would be liable for many millions of dollars.

I received a very extensive letter from a constituent, Mr Malcolm Eglinton, from Maitland, who goes into significant detail on his thoughts of the various bills. In the first instance, Mr Eglinton believes that the penalties provided in the Summary Offences (Prostitution) Amendment Bill are inadequate. He says that they should be 'much heavier', and I believe that Mr Eglinton has a very relevant point. With the criminalisation of prostitution, at least some penalties do apply. He also says that the suggestion that there will be control of sexually transmitted diseases and protection of children, etc., is 'ideological nonsense'. Mr Eglinton's letter states:

> If such people currently break the law with its possible penalties, if they risk STDs now, exploit children now, etc., etc., with all of the current dangers, who is fool enough to believe that they will behave in a manner that will prevent this?

Mr Eglinton goes into quite a few other aspects and also tackles the workers' compensation issue. His letter further states:

> Following on, what irresponsible garbage to put these now 'respectable sex workers' into the Workers' Rehabilitation and Compensation Act 1986, and the Occupational Health, Safety and Welfare legislation. My mind boggles. Will the STDs become the subject of workers' compensation claims? Or injuries sustained from a drunken 'customer' or an injured back or vaginal damage, etc., etc.? Has anybody really thought this through in all of its implications?

Mr Eglinton says that, in his opinion, only a fool would believe that lawful outlets will reduce unlawful activity. He continues:

> I have heard the pathetic plea that prostitution is as old as humanity. It may be nearly that old but the fact that it is around and has not been stamped out is really a testimony against mankind.

I dealt with that topic a little earlier. Mr Eglinton deals with the subject of proximity to other premises, including schools. He believes that 200 metres is not very far at all, and I agree with him. Mr Eglinton asks how any of us would like a brothel to operate within 200 metres of our house or within 200 metres of a school.

Mr Atkinson interjecting:

Mr MEIER: The honourable member will have his chance in a moment. As Mr Eglinton points out, some of the legislation limits a brothel to eight rooms. Certainly the number of customers alone who would frequent such premises at all hours of the night, particularly when some people are trying to sleep, would create a considerable disturbance. Of course, other costs are involved, such as the social costs generally. Figures were provided to members only recently of the number of marriage breakdowns in this state and in this country. It is a very high figure. I would have thought that part of government's role is to try to the best of its ability to promote and protect marriages.

Certainly, by promoting prostitution, one is not taking a pro-family stance; in fact, one is giving an endorsement to extra sexual activities, outside of marriage, with a prostitute. That is not the type of thing that I would want to see promoted. I have also received letters from the Catholic Church, which makes it very clear that the church is totally opposed to three of the bills. However, it urges members to vote for the Summary Offences (Prostitution) Amendment Bill. In his correspondence to me the Archbishop of Adelaide, Leonard Faulkner, states:

> I am asking you to reject all three bills which would either license, register or seek to regulate prostitution and to vote for the Summary Offences (Prostitution) Amendment Bill.

Archbishop Faulkner then goes on to explain why he believes that. His first reason is:

> Prostitution is an activity which is degrading and dehumanising for all those who participate in it. For the prostitutes themselves it involves very considerable physical, emotional, psychological and spiritual damage. For many prostitutes it also means addiction to drugs as a way of coping with the gross nature of their activities. Thus drug dependency increases dependency on drugs.

In his second reason, Archbishop Faulkner states that prostitution harms the clients and the spouses of clients. In his third reason, he emphasises the fact that we as legislators and as makers of public policy have a duty to promote the common good. He says:

> The common good is not served by abandoning women (and some men) to prostitution by making laws which have the effect of giving moral and social approval to the trafficking in women.

His fourth reason is:

> As law makers you have the obligation to make laws which protect us from our worst excesses.

We do that when we outlaw the misuse of certain drugs of addiction. The Archbishop states:

> In prostitution women surrender their inalienable right to freedom whenever they sell themselves, their bodies, their minds and their souls to others. They are victims of the 'sex industry' as also are the

spouses of clients, as well as the clients themselves. In a certain way each participant, prostitute and client is damaged and damages the other.

I also was very privileged today to be able to listen to a former prostitute address members of parliament, and that lady's name is Linda Watson. Linda practised as a prostitute for about 20 years; in fact, she became a madam during that time and at one period had 70 girls working under her. She is still familiar with the prostitution industry because she got out of it only a couple of years ago. She made the plea to us that under no circumstances should we seek to legalise prostitution in this state. Some say, 'If you regulate it or license it, at least you will not have the underground prostitution occurring.' She said, 'That is absolute rubbish. You will still have it. Victoria is a classic case where that is occurring.' I give full credit to Linda Watson for what she is doing—running a house of hope in Perth.

As a result of that venture, over 200 people have come to her to seek her help in getting them out of the prostitution industry. In just about every case it seems that women in particular were trapped into it and that they went into it because of the magnificent money. Linda said that, when she first went into it, she was on $100 a week. She was then offered the opportunity to make $3 000 a week; in fact, within a few weeks she was making $5 000 a week. She said, 'You can't help but be trapped.' She had hoped to stay in it for two months, and 20 years later she was still in it.

The other factors that went with it also made it harder and harder for her to get out as time went by. She emphasised the low self-esteem of prostitutes, as well as the fact that 87 per cent of prostitutes subject themselves to substance abuse. In her opinion, 100 per cent of prostitutes have damaged themselves to a greater or lesser extent. She also provided that very interesting information that the children of 99 per cent of the madams with whom she was associated went into the industry, as well. She provided an example of a madam, all of whose family are involved, with her children being employed around the prostitution rooms.

So many things can be said about this matter. I hope members will weigh it up very carefully. We do not want to promote prostitution. Legalising, licensing or regulating it will not solve the problems that people think such action might solve. Evidence from interstate already shows that. I am sure that other members will want to highlight that in more detail than I have. I make very clear that I will be supporting the Summary Offences (Prostitution) Amendment Bill. Whilst it could be stronger than it is, it is the right way to go for all of us in this state.

Mr FOLEY (Hart): I will speak only briefly on this issue. I do not want to be too critical of the government, but this strategy of bringing four bills into the House tonight is somewhat odd. We as a chamber have enough trouble dealing with one bill at a time without having to try to deal with four bills. Someone could enlighten me, but I do not think we have yet decided the format—whether we put in one bill and agree to it and then work backwards or forwards, or whether we pass one bill. It might have been a bit smarter perhaps to have one bill, amend from that point and come up with some workable legislation. Nonetheless, this is where we are tonight.

This is one of the rare occasions in this House where members on both sides of the House can speak their conscience and have their own views. We will argue amongst ourselves, across the chamber, and in all different directions—even behind me. It will be a good opportunity for members to express their views. I have been in this House now for seven years. This is the second or third attempt at reforming prostitution law. It is an opportune time for us to make some progress forward. I hope that we can, out of this—

Mr Atkinson: As distinct from progress backwards!

Mr FOLEY: It depends which way you look at it. Out of this process tonight and in days forthcoming, I hope that we can strike a balance for proper and progressive law reform in this area. It should be acknowledged that prostitution has been around for a very long time. It is a part of all communities throughout the world.

Mr Atkinson: Boy, that's a winning argument!

Mr FOLEY: Let me continue; let's not cut in too early. It is an activity and a profession that has been around for a long time. I for one would rather we properly regulated. Like many industries in our community, it must conform to certain regulations and laws, including taxation laws and all sorts of principles in terms of operating a business. The few police that we have should be working to protect our community when it comes to law and order, and crime and safety. In the 21st century, it is an absolute waste of resources to have officers engaged in policing prostitution activities in our state. Those resources could be much better employed—

An honourable member interjecting:

Mr FOLEY: They may not. But there is a certain amount of activity, minister. That would be much better used trying to protect our homes from break-ins, and to police our roads and safety issues in our community, instead of wasting time, resources, and scarce taxpayers' dollars in policing an industry. We are in the 21st century. Through this process, I hope we will be able to reach a point where we can all agree to progressive law reform. I for one will not necessarily support the most liberal of all bills, although there is a midpoint there. The regulation bill offers a good basis for sensible reform.

Tonight and over the weeks ahead we should not just focus on whether we should decriminalise—and I believe that we should decriminalise immediately. Not to do so is an absolute nonsense. But let us also look at some of the smaller issues that tend to get lost in the debate.

I have been lobbied by people at various points in the debate, and some important issues have been raised. There are issues involving worker safety, working conditions, locations, where activities happen and advertising. There are all sorts of issues which I am sure the industry itself would want addressed and which would make for a better environment in our city and within our state.

This is an opportune time to do that. We would be negligent if we simply retreat into the bunker and say, 'This is too hard; let us leave it for a future parliament.' Let us do it now: it is a good opportunity for us to do it now because to tighten the law would be a wrong move. This is an opportunity, first, for us to address the principal issue of decriminalisation and, secondly, for us to move towards addressing some of the other issues about the management of the industry, issues such as worker safety, health and the proper conduct of businesses involved. There is also the issue of protecting children. One of the most stunning and frightening briefings a group of us had as members of parliament was when the police told us of the incidence of child prostitution in South Australia. Something else which was as frightening was the incidence of—

Mr Atkinson: You just said there should be no coppers around brothels.

Mr FOLEY: No, that is not what I said at all. There is also the issue of illegal immigrants being brought to Australia to act in the prostitution industry simply to see their earnings repatriated back to the country from which they come. If we are to have policing and regulation of the industry, they are the issues about which we need to be vigilant, because they are absolutely obscene and illegal—we should enforce policing of it. It is immoral that people are being brought to this country illegally to act in that manner and to see their income earnings repatriated back to the country from which they come. Child pornography is another issue. Let us tackle those issues and put what resources we have into those issues and not worry about policing the illegality of the industry as we do now.

Mr Atkinson: How are the cops going to discover these offences?

Mr FOLEY: They can discover these offences quite easily by having a properly regulated and controlled industry. The internet is another issue and, if we think that the internet will not intrude into this area, we are mugs—it is already happening. Just recently, I had a very disturbing discussion with a police officer about child sex abuse via the internet. There is a whole series of confronting issues for our society via the internet in this area. They are the things we should be turning our mind to. All I am saying is that we should deal with the issues tonight or in the weeks ahead that have been too hard for this parliament to deal with for the past 20 or 30 years. Then let us move a few steps forward to look at some of those other important issues, and then let us look at how issues such as the internet and the rapidly changing nature of our society will affect us in the next 10 or 15 years.

This is a good opportunity for us to bring the industry to an acceptable level where we can monitor it, regulate it and deal with it. We can deal with issues of organised crime, which was the other issue I wanted to deal with. You cannot deal with issues of organised crime when we treat the industry as an underground industry. Organised crime will exploit any industry. Organised crime can always make their biggest buck out of a prohibited industry. They did it in the 1920s in America with booze. They do it with drugs and prostitution because they can survive and actively pursue their interests in an underground industry. Let us put it where it should be; that is, as a part of our life, part of our community and part of the society of which we are all a part.

Let us not turn a blind eye and suggest it does not exist or that we can get rid of it—that is absolute nonsense. It is not the biggest issue this parliament should be dealing with: we have far more important issues in this state than having to revisit this issue every two or three years to make minuscule steps forward. Minister Brindal, the member for Unley, brought this issue here three or four years ago. I was happy to support him on this issue. There is not a lot on which I agree with the member for Unley but he made a brave move three or four years ago. The parliament was not up to supporting that; that is fine. Let us do something in this parliament, get it off the agenda and get back to dealing with the really important issues that this parliament should be dealing with.

The Hon. R.B. SUCH (Fisher): Once again the matter of prostitution is before the parliament. Last time I believe democracy was curtailed when we did not have an opportunity to fully explore the issues—

Mr Atkinson interjecting:

The Hon. R.B. SUCH: No, it was guillotined—and likewise the issue of voluntary euthanasia. In an adult community and in a democracy we should at least be able to explore the pros and cons of any issue. I was not proud of this institution and what happened last time. The issue of prostitution and the need for sexual expression will never go away. Our society practises in the most hypocritical way a whole range of attitudes towards sexuality. On the one hand it is saying, 'No, it is naughty,' and, on the other hand, big business, medium business and small business promote it and use it as much as they can in things such as advertising. We have this hypocritical double standard.

Sexuality is a pleasurable activity: it is a fantastic part of life. It is not just for reproduction, as some people in some groups would have us believe. It is about pleasure, emotional linkages and bonding: it is not simply to be seen in terms of reproduction. I have never used a prostitute and I do not intend to. I am not saying that as someone trying to be holier than thou. It is not something that would appeal to me and it is not something that would fit in with my own values. However, as a liberal, I believe that governments do not have the right to interfere in sexual activities between consenting adults. I think it was Trudeau who said that governments should keep out of the bedrooms of consenting adults—and I agree with that.

What we need to ensure, as the member for Hart correctly pointed out, is the protection of children. It is an absolute obligation to protect children. We need to minimise health risks for the wider community and people involved in any activity, including anything in the sexual area. We need to ensure that the occurrence of these activities does not impose or impinge upon the reasonable amenity of people who live this those areas. I agree with trying to minimise and deal with organised crime as much as possible. Once you get beyond those key areas, I do not believe it is the right of a government, or indeed a parliament, to try to control people's lives in respect of sexual activity between consenting adults.

I have referred to this information before but it is important to repeat it. In a recent survey I asked people in my electorate what they thought about prostitution: should it be illegal: 57 per cent disagreed; 30 per cent agreed; and 13 per cent were undecided. That was offered to them as an opportunity to express their opinion and 500 households responded, which is a lot out of 10 000 households—a lot of people who have taken it upon themselves to reply and to post back a response. In regard to whether prostitution should be licensed, registered and regulated, 68 per cent agreed; 21 per cent disagreed; and 11 per cent were undecided. That is completely contrary to what is often espoused by some people—that is, the community does not favour some form of control—and it is contrary to the view that people want prostitution made illegal and brought to an end.

Mr Atkinson: It is not illegal now.

The Hon. R.B. SUCH: I know it is not illegal now; the member is quite right. To my knowledge, it has never been illegal in South Australia. The activities associated with it can be but not the actual act of exchanging money for sexual favours. In respect of the bills before us (which is more of a smorgasbord than what we are normally confronted with), I will not be able to support and will not support the first bill, the Summary Offences (Prostitution) Amendment Bill. I believe, with the member for Hart, that some middle ground can be found in terms of regulation, licensing and registration—not something draconian, not something which, as I

have said previously, tries to impose on the private sexual activities of consenting adults. Hopefully during this process members will join in supporting something which is common-sense, which does not put us in the position of judging others, which takes the view appropriate to this day and age and which does not seek to impose our moral values on other people.

As I indicated at the outset, as a liberal I believe that, with the safeguards I have indicated, it is appropriate that we have a regime in place which allows consenting adults to make a choice in respect of their own sexual practices. If people want to pay for it, I point out that we sell all other aspects of our human capability, and I have always wondered why people who want to cannot do that in respect of sexual activity.

There are many people in our society who, for one reason or another, do not have a conventional marital relationship or some long-term relationship, and it is not our business to sit in judgment on them for whatever reason. Some people, because of a disability or some other factor, may require the services of a prostitute. There are people who do not have a disability but who for many other reasons may want to go down that path. That, I believe, is their choice. It is not for me to sit in judgment and to try to use the law to stop them from exercising a right which does not impinge on others.

Malcolm Muggeridge said that as a society we have sex on the brain which, he went on to say, is the worst place to have it. I think that summarises, in many ways, the attitude of our society. If you look at advertising and other aspects of our society we use sex as a point for sale. I think if people are honest they will recognise that it is one of the significant driving forces of our society. However, it is time that we were a little more open and honest about it and accepted that it is part of our daily life. It is a wonderful aspect of our life but not everyone is going to view it or use their sexual capability in the same way.

In summary, I cannot support the first proposition. I do not want to see police resources tied up in what I would call unproductive policing. The practices of the past where police have gone around confiscating condoms I think is outrageous and unacceptable. The police should be directing their resources into protecting children, minimising the misuse of drugs and tackling serious criminal aspects which exist in our society.

I am looking forward to the processing of these various bills to see whether we can find some middle ground to advance this whole area so that we do not continue with what is, in effect, a hypocritical approach to sexual behaviour but, rather, that we have something which does not impinge upon people who do not want to be involved, which protects the weak and the vulnerable but which nevertheless respects the right of adults to engage in sexual activity where both parties are consenting.

Ms STEVENS (Elizabeth): When a bill in relation to prostitution came before this House a couple of years ago I began my speech by saying that I was in favour of prostitution law reform in South Australia because I saw it as the most sensible future direction for us to pursue. I still hold that view. Like the member for Hart, I find it interesting that we are confronted with five bills at one time and it will be quite a challenge to get through this process and come out with something at the end that I hope will take us forward and improve the situation on what we now have. As everybody would know, if they have read the material that has been presented to us through the second reading speeches and other information, prostitution itself is not illegal here in South Australia but activities associated with it are.

Also, in the second reading contributions on the bills, a number of reasons were put forward as reasons for reform, and I will summarise those. First, the current laws do not address police concerns about the difficulty of enforcing the law against an illicit industry that has, over time, developed ways of circumventing laws written many years ago. Secondly, they are discriminatory in penalising only one participant in the prostitution transaction—that is, the prostitute, and not the client, without whom there would be no prostitution. Thirdly, they do not differentiate in penalty between the person managing and taking the profits from a prostitution business and the worker. Fourthly, the current law does not always reach the people who really control the business. And, lastly, it does not protect children from exposure to prostitution.

In my view, clearly, it is time for change and I believe that there is widespread acknowledgment that existing laws are unworkable and require change. That being so, the issue and the question is: which way do we go in progressing that reform?

I have received correspondence from a range of people in relation to this bill. I have received letters from a number of people arguing against prostitution per se from a moral standpoint. In essence, they say that prostitution is degrading and dehumanising for all who participate in it. I accept that that is their point of view: I do not agree with it. I do not agree that prostitution encourages serial adultery or, of itself, has the power to destroy marriages and families.

I have no conclusive evidence to support the contention of some petitioners that prostitution causes physical and psychological damage to the women and the men who engage in it; that it would inevitably increase through greater promotion if the trade is legalised or decriminalised; and that it would inevitably involve more children if the trade is legalised or decriminalised.

I accept that sections of our community have an aversion to prostitution on moral grounds. In fact, I had a conversation in my office with a group of people who put to me that politicians should be making laws based on moral values. But, of course, the issue is: whose moral values? That is where the difficulties arise. However, we all know that, despite this longstanding, highly public aversion that sections of our community have towards prostitution, prostitution has flourished, and continues to flourish unabated, outside the law and, in doing so, produces other problems.

I was impressed with a letter that I received (as, I am sure, did everyone else) from the Reverend Michael Semmler. It was a private letter: he made a point of saying that it was a private letter and was not written on behalf of the Lutheran Church in South Australia. However, I found his comments very helpful and very clear. I will put some of these on the record—and he is happy for that to occur. He said:

- Make laws as few and simple as possible.
- Resolve to keep those laws.
- Resource the police appropriately so that they can be effective; to preserve their morale; to preserve their standing in the community; to give them appropriate access and ability to police.
- Protect all citizens (even those who wish to remain in the prostitution trade).
- The government ought not be involved in any kind of agency or management of prostitution.
- Cover escort agencies as well as brothels.
- Concentrate on the harm, for example, violence, drugs, crime, sex slaves, paedophilia, under-age prostitution, blackmail,

> communicable disease, advertising, loitering, money laundering and the like—the issues that harm society.

I think those comments are very sensible. There is one other sentence that he wrote that I particularly noted, as follows:

> It is the task of the church to shape people from the inside, but for governments to regulate and promote society, including curbing and controlling the harm that some seem bent on achieving.

In my view, the morality or otherwise of prostitution is not a concern of this parliament: the removal of harms and the curbing of undesirable elements associated with prostitution is. I do not support the Summary Offences (Prostitution) Amendment Bill under which prostitution becomes unlawful and related activities continue to be unlawful. If anyone supporting this bill believes that it will achieve a reduction in any of the harms, I believe that they are deceiving themselves. Prostitution will simply continue to flourish outside the law, as it has done so to this point in time.

I do not accept the 'sending the wrong message' argument, just as I did not accept it in the case of prescription of heroin to recidivist drug users. My approach is based on the premise that laws should be the least restrictive to the rights of citizens to live their lives as they choose, provided that the rights of minors are protected and that the rights of other citizens to do likewise are assured. I guess I would say that I have a 'live and let live' approach in those matters.

So, which of the four other models can best progress this matter? In making a choice about where to go, I think it is important to remember that we are dealing with an industry that has flourished illegally over centuries. So, if we believe that there are benefits to society in bringing that industry in from the cold, there must be incentives for those people who are part of it to work within the law while, at the same time, we apply sanctions to deal with the undesirable aspects that surround prostitution. Those things have been elucidated by other speakers, and they include criminal activity, drug pushing, health issues and the protection of children.

I will, in the first instance, support the Prostitution (Regulation) Bill (bill No. 18), knowing that there will be other issues in relation to that bill that we may need to look at in terms of the fine detail. For instance, there are issues in relation to planning that I think still need to be looked at in more detail; there are issues about location of brothels, which also links into the planning issue; and there are issues around the nuisance clauses. But, in my view, if we start with that bill we can work forward from there and try to come to some agreement in relation to those issues and other issues which I am sure that other members will raise.

I was interested to see, in some information that was handed out to all of us from members of the Sex Industry Network, a couple of pages entitled 'Recipe for successful sex industry law reform'. They had three important points that we could bear in mind in progressing this matter further. Their first point is that legislation cannot impose an artificial shape upon the sex industry: in other words, we need to come up with something in South Australia that fits the situation that exists here. We need to think that through carefully: we do not just adopt models from other places. We need to think about it from first principles in terms of what is happening here, what will work here and what will draw the most people into this framework that we would be establishing.

The second point they make is that whatever we come up with must be easy to operate legally. If whatever we come up with is not easy to operate legally, why would you bother? So, I think we need to bear that in mind. We need to think about that in whatever we produce in the end.

Finally, law reform must improve the lives of sex workers. This is a very important point. As has been mentioned before, we need to ensure that sex workers have the protections of other workers, that they are able to access the benefits, the rights and the responsibilities of other workers. We need to ensure that whatever we come up with also includes that. I look forward to working further on this. It will be quite a challenge to move through the detail of the bill in committee. In summary, it is time for sensible reform. The way forward is to look at changes which will enable prostitution to be legal under certain circumstances. It is important to provide incentives for the prostitution industry to come on board and provide disincentives to prevent or minimise the harms associated with prostitution. I will support in the first instance the regulation bill and hope that we can come out with a good result as our deliberations proceed.

Mr WILLIAMS (MacKillop): I preface my remarks in this debate tonight by saying that I come from a position of being both a husband and a father. Being a father of four children is one of the greatest things I will have achieved in my lifetime. To have brought four children into the world and provided them with an upbringing and a safe environment in which to pursue their life is one of my greatest achievements. I make no apology for supporting laws which help my children and other children of this state go forth in their life knowing that there are certain protections. I make no apology for making laws which are based on moral grounds.

I will support the Summary Offences (Prostitution) Amendment Bill as I believe it is the correct bill out of those before us. I believe it is the one that will give adequate protection not only to the children in our society but also to those, mainly, young adults and not so young adults who find life very difficult and in many instances do succumb to a life style that they would not choose if they had more choices. Some would like to claim that they are making law reform, but I question the use of the word 'reform'. What do they wish to achieve by this? What do they see as their reforms? Are they seeking to protect our society, the conditions of our lifestyle? Do they perceive that they are doing something about the health risks associated with this industry or seeking to protect our children or the oppressed?

They are the sorts of arguments being put forward by some of the speakers I have heard this evening, but I have not heard one example of how any of these laws would give any further protection or any safeguards to any in our society. I have not heard one example because this road has been travelled before. There are many jurisdictions, not only in this country but around the world, which have travelled this road. There is not one example from any of those jurisdictions of where the so-called benefits of the so-called reform have actually come to fruition. I am sure that if there were examples they would have been given to this House well before now.

I ask those who are considering 'reforms' to consider what they are doing. If this parliament chooses to undertake 'reform', there is no going back. Once taken there is no going back from the sort of steps that are being proposed in these bills. Using the excuse that it is time, that we are reforming, that it is a modern society, is very specious in the least. We need a little more science when we are contemplating those issues. I ask those who support bills two, three and four: where is the ground swell of public opinion calling for this change? I certainly have not received any lobby from a single source calling on me to vote for other than the Summary

Offences (Prostitution) Amendment Bill. I have, as I am sure other members have, received a considerable portfolio of letters, faxes, emails and so on from those both within and without my electorate calling on me to support the first of these bills.

It is suggested that we are wasting police resources under the present law and that may well be the case. I admit that the present law is very inefficient yet police are not wasted policing the present laws, as I understand they ignore the present laws, as does everybody else in the state, so there is no waste there. However, if the police were actively involved in discouraging the prostitution industry, I do not think that that would be a waste of police resources. If that would discourage one young person or give any one young person the opportunity to think again about entering such a profession, to think again about making that lifestyle choice, I do not think it would be a waste of police resources. In fact it would be police resources well spent.

One of the compelling arguments—if you can call it that, but I do not think it is compelling (proponents of bills two, three and four would call it 'compelling')—is that through regulation we can do something about the health aspect of the prostitution industry.

Mr Atkinson: That is malarky.

Mr WILLIAMS: That is definitely malarky. Does anybody seriously think that we can have a situation where we have the health police doing health checks and giving a clean bill of health? Does anybody seriously think that that is a remote possibility? How on earth can you do a health check on a person for any of a whole range of diseases associated with the prostitution industry when the incubation period for these diseases may be months? There are absolutely no clinical signs of the disease, yet at that stage the disease could be contagious. For anybody to suggest that through regulation we can increase the healthiness of this industry, they are kidding themselves in the extreme. There is absolutely no reason for going down the regulation path if we wish to improve the health aspect of the prostitution industry.

The prostitution industry like any other is driven by economics. A startling revelation aired in the press probably four or five years ago came out of Sydney. A prostitute who, from memory, was called 'Sharlene' was HIV positive and the police could not stop her from plying her trade. In fact, she was willing to go on the streets of Sydney to ply her trade, and she would charge her clients $50 for protected sex. But, because of the economic nature of the business, she could charge her clients $70 for unprotected sex.

Mr Atkinson: There is no evidence of prostitutes being a vector for HIV.

Mr WILLIAMS: I take the honourable member's point that there is no evidence that prostitutes are a vector for HIV, but I am saying that they are certainly at risk. Once they get to a certain point in their life cycle, their desire to protect the rest of society, or their clients, from cross-infection, I would suggest, is very low and very much lower than the general public's.

Mr Atkinson: Prostitutes are more at risk from their boyfriends than their clients.

Mr WILLIAMS: They may be; it depends on what you call 'risk'. I would suggest that they are more at risk of getting into the industry from their boyfriends, let alone being at risk from other sources. One of the things that really does concern me—and I am certain it concerns every member of this House—is that all these bills seek to address the problem of child prostitution. Child prostitution is alive and well in Adelaide today, and under the present laws there does not seem to be any great effort to stamp it out. I would suggest that in a liberalised scenario that effort would be even less and that, if there were a greater desire to stamp out child prostitution, it would be many times more difficult to do so than it is today.

I use the analogy of under-age drinking. When I was a young chap in my late teens the drinking laws changed and the age for drinking in public houses dropped from 21 to 20 years of age and, within a relatively short period, it then dropped to 18. At the time, under-age drinking was rife. Plenty of people aged 18, 19 or 20 were drinking in hotels when the age limit was 21; when it dropped to 20, probably plenty of people aged 17, 18 and 19 were drinking in hotels; now that it is 18, a whole raft of people aged 14, 15 and 16 are drinking in our hotels.

By legalising prostitution, as envisaged by the bills before us, it is my opinion that not only will we give the imprimatur of this parliament to this industry (which I think would be very sad) but also, like lowering the age bar in relation to under-age drinking, we will be lowering it with regard to child prostitution. We will be lowering the bar with regard to young adult prostitution, and I think most of the problems are in that area.

I also raise the issue of criminal association within the prostitution industry. I do not think there is any doubt among members in this chamber that there is a strong association between organised crime and prostitution, particularly the drug trade, and people who suggest that by regulating the prostitution industry we will stamp out the drug trade or organised crime in that industry are kidding themselves. The profits derived from the prostitution industry, from the drug trade and other criminal activities are such that those involved will not walk away simply because we regulate.

Mr Atkinson: That's true: they couldn't care less what law we pass.

Mr WILLIAMS: In fact, I would argue that it will make it even easier for them to hide their activities, and I think there will be an increase in all the harmful effects which we see from this sort of trade.

Mr Atkinson: Of course, Dale Baker doesn't agree with you.

Mr WILLIAMS: On a lot of issues. I will be supporting the Summary Offences (Prostitution) Amendment Bill, and I certainly urge all members to think long and hard before they attempt what they would have us call 'reform'.

Ms BREUER (Giles): I have been told by a number of people that it is probably best not to speak on this bill; to keep quiet about it because whatever you say, you will get into trouble. People who know me know that I tend not to be afraid to say what I think. People often do not agree with me, but at least I say what I think.

I will not vote to ban prostitution. I am not quite sure how I will vote, but certainly I will not be voting to get rid of it. I have received and read lots of letters and had contact with many people on this issue, as have all members in this House. In the main, people have said that we should ban prostitution and try to get rid of it. Many statements in those letters and some of the things that have been said in the House and other places are likely to continue to be said, but I think it is important for them to be rebutted. I am a feminist. I have always been a feminist, so I think it is important to speak as a woman on this issue. Prostitutes in the main are women.

There are male prostitutes, but when we talk of prostitution we are generally talking about women.

I do not know how or why these women get involved in prostitution, but we are talking about human beings: we are not talking about evil monsters, as they are very often made out to be. I believe that the majority of these women go into it initially for the money; perhaps they have no other skills, so they go into prostitution because it is an easy way to make money. Apparently, I am told, drugs often become an issue. Many women get involved in drugs and therefore need to continue in prostitution to make enough money to be able to afford their habit. I am told this; I am not sure factually how correct it is. Whatever their reasons for being involved in prostitution, these women are not evil monsters.

I would like to count the men in this place, particularly, and in our society who have used prostitutes. Men have paid for sex forever in our history whether it be through cash transactions for sex; whether it be for bed and board; whether it be for a free dinner—'free dinner if you give me a bit'; or whether it be for a packet of smokes. Men have paid for sex forever. I have heard statements that prostitutes break up marriages. What utter rubbish! I have been a single woman for many years. I have never been a prostitute: I hope I never am one. I have been a single woman for many years. Men love single women; married men love single women. I have had every sort of proposition it is possible to have from married men. So, the issue of prostitutes breaking up marriages is absolutely, totally irrelevant. Married men break up marriages because they want to break them up.

I am not sure of the incidence of or statistics on married men catching STDs and passing them onto their wives, but I would like to see the incidence of STDs being passed onto wives by married men who have casual sex encounters and affairs. Men go out and get a bit on the side; they go home and pass on genital warts, chlamydia, gonorrhoea or syphilis to their wives. It is totally irrelevant that prostitutes will pass these diseases onto married men. It is an issue in our society which needs addressing, but I do not believe that the answer is to stamp out prostitution. Prostitutes in the main do practise safe sex nowadays, and I do not want to hear the sort of rubbish suggesting that they do not.

The other day I spoke to a man in his 50s who was very irate. He stopped me and spoke to me about the prostitution bills going through the House. He said, 'We cannot stamp out prostitution. It is terrible. We need to have prostitutes. There are lots of men who need to use prostitutes.' While he was talking it suddenly occurred to me that this man, while he was not saying that he used prostitutes himself, was in his 50s, he was divorced and he had an alcohol problem. I have never seen him with a woman. Obviously, this man uses prostitutes, and that is his only means of getting any sexual comfort. Many men with disabilities use prostitutes because they have no other way of getting any sort of sexual relief. Many men live in remote communities and there are very few single women. Prostitutes visit those communities and the men are able to get sexual relief. Where else do these men get their sex? I agree with the honourable member who said that sex is a pleasure. For these men prostitution is important.

The other side of this debate is that if my daughter came home and said, 'I have become a prostitute,' I would be absolutely appalled. It would break my heart—far more than if she came home and told me that she was pregnant, gay, had an STD or AIDS.

Mr Conlon: What if she said she was a Liberal?

Ms BREUER: I could not cope if she came home and told me that she was a Liberal! I would have to turf her out if she had joined the Liberal Party! I would be appalled if my daughter came home and told me that she was a prostitute because I would want her to do something else with her life skills rather than use her body. Her only asset would be her body and her ability to listen because, I believe, prostitutes not only fulfil a need sexually but they also very often listen to men who have problems. I believe that this is a very important part of their work.

The member for Hart mentioned internet sex, which is a real problem in our society, particularly with young teenagers. The other night my daughter was on the internet and she called me over, and said, 'Look at this Mum.' I was a bit horrified with the dialogue appearing on the screen. My daughter was participating in a chat line for teenagers. She said, 'This bloke wants a cyber,' which apparently meant that he wanted to have sex on the internet. I said, 'I think you had better get off this.' My daughter said, 'Yes.' I said, 'Who is he?' She said, 'He's 18 and he says that he is really good looking.' I said, 'What about you?' She said, 'I said that I was 18, slim, blonde and good looking, too'. I said, 'I think your 18 year-old, good looking boy is probably some 65 year-old paedophile who likes getting it off with young girls.' That is a real issue. My daughter had enough sense to tell me what was happening.

Internet sex is a real issue in our society, as in many other areas. Young women really have problems coping with their sexuality nowadays because so much is pushed on them by television, magazines and society. For these people to make judgments about what they should do with their life must be very difficult—far more, perhaps, than it was for our generation.

The other awful aspect of prostitution is the recent murder of that young 16-year-old woman in North Adelaide which, I think, appalled all of us. That is just an expression of the corruption that can be linked to prostitution. Yet to all those who say that prostitutes are evil, corrupt or degrading, I remind them that Jesus did not appear to have a problem with prostitutes and that Mary Magdalene was allowed to wash his feet. He was not judgmental of that woman. I do not know, but I will not judge these women and men (there are male prostitutes) who involve themselves in prostitution. Once we used to stone them, and that did not get rid of prostitutes. We used to burn them, and that did not get rid of prostitutes.

Prostitution is a fact of life, so let us make it more regulated and safe for the women and male prostitutes, and let us make it a lot safer for the men who participate. We are burying our head in the sand if we say, 'Let's get rid of it.' Prostitution is not something that we will ever be able to get rid of.

Mr SCALZI (Hartley): We debated this issue in 1996, when I opposed legalisation and decriminalisation of prostitution. The Social Development Committee released a report on prostitution, other bills have been drafted, and now we have five bills to consider. The Summary Offences (Prostitution) Amendment Bill (known as the criminal sanctions model) legislates that prostitution will become and remain unlawful and its related activities will continue to be unlawful.

We know that the object of the bill is to strengthen the powers of the police to police prostitution but, of course, in this bill the client, as well as the prostitute, will be committing an offence. As members of the Social Development

Committee, the member for Spence and I both pushed the notion that there should be a sense of justice: that the prostitutes should not be the only people who are penalised for committing an offence. Of course, all the bills come down harder on child prostitution; the penalties are increased for the exploiters, even those outside the legalisation models or the registration.

Prostitution has never been a simple, straightforward issue. It never has been, it is not now and it never will be. No matter how much we discuss prostitution, the issue will not be resolved tonight. Indeed, we will not get a perfect model. Some members propose reform, and I think that we should question the word 'reform'. The word 'reform' implies that we are moving to a higher plane—something better. I question the use of the word 'reform', just as I question the use of the sex worker, the use of the sex industry and the use of normal employment.

We are not dealing with normal employment; if we were, we would have dealt with the matter long ago. It would have been resolved. Year after year we come into this place to try to resolve and reform prostitution because it is difficult to resolve and reform. Changing the rules does not necessarily mean that we are moving to a higher plane.

Ms Stevens: You support the status quo. Is that what you mean?

Mr SCALZI: No, I will not support the status quo, because the law must change in order to take into account the changes that are taking place in technology. We have had to change laws according to banking and employment because information technology and electronic banking has changed the way that transactions take place. Mobile telephones, and the like, have changed the way this form of transaction takes place. I find it unbelievable that the member for Giles talks about prostitution in the same manner that she would talk about taking someone out for dinner and you are paying for a service. However, it is totally different. You do not go out with 10 people at once in the one night, or 11, as we were told by Linda this afternoon. It is too simplistic to deal with prostitution in that way. In many ways I agree with the member for Spence, but I disagree with his proposal to introduce a WorkCover provision for prostitution as, indeed, the other three bills—

Mr Atkinson: Is that all that's wrong with my bill?

Mr SCALZI: No, that is not all that is wrong with the honourable member's bill—deal with WorkCover. Sadly, I believe that the member for Spence tears his moral argument to pieces. You cannot say, 'I don't agree with prostitution' and at the same time say that it should be treated like any other work and that it should be covered by WorkCover. In doing so, you are legitimising it by the back-door. You are giving it a status that it does not deserve. Despite that, we should make changes. I have looked at the different bills and been on the Social Development Committee. We have heard witnesses. Indeed, this afternoon—

Mr Atkinson interjecting:

Mr SCALZI: The member for Spence should stop talking about himself. This afternoon we as members were invited to hear Linda's story. I would like to thank the Minister for Aboriginal Affairs for making that possible, because it gave us some important background of this so-called industry. As I said, a prostitute should be treated as though they have committed an offence the same as his or her client. I do not believe that a prostitute should have a criminal record for life. If you legitimise it to the extent that you legalise it, you will not protect the prostitute, as some members—

Members interjecting:

The SPEAKER: Order! There is too much audible conversation. Could members keep conversations down.

Mr SCALZI: —would want us to believe. If you legalise or decriminalise prostitution, what will you do with the register? By registering them, you stigmatise them not only when they commit the offence but for life—and let us not forget that prostitution also takes place with males. Where is the social justice in that sort of stigmatisation? Let us not just pass a so-called reform bill, wash our hands and not deal with the social problems. We must deal with the social problems. There must be opportunities for people who are involved in the sex trade or industry—and I am sure the member for Spence would agree with me that it is a better term than 'sex worker'—that give them real options to get out of the so-called industry. By passing the law we will not help one individual who is on drugs or has been abused. Some would say that there is no conclusive evidence but it could increase the trade and exploitation. Not long ago, I went to the Liberal conference in Melbourne—

Mr Atkinson: At the aquarium.

Mr SCALZI: Yes.

An honourable member: Did you get legionnaires?

Mr SCALZI: I didn't get legionnaires, thank God. While there, I made a point of catching a taxi twice and talking to taxi drivers. I spoke to both a male and a female taxi driver. I asked simple questions about what had happened to prostitution since the legalisation had been enacted in Melbourne. I asked, 'Has street prostitution increased?' They said, 'Yes.' Two-thirds of the brothels in Victoria are illegal. As members opposite will tell us, you will never destroy the prostitution trade—and that is not what the member for Spence or I am saying: rather, you will create two classes of prostitution. There will be one class for the top end of town, where you can put the planet on the Stock Exchange. You would have the so-called better looking girls who are able to attract the clients who are able to pay more.

An honourable member interjecting:

Mr SCALZI: I meant it in inverted commas. We heard today that some underaged women are also involved in the industry. I am glad to hear that the member is appalled, because I am appalled as well. I must commend all the bills for the strong position taken on child prostitution. However, the reality is the better looking women—

Mr Lewis: Hang on! Don't be discriminating! There's some fancy fellows around who like it in the back or the front, too.

Mr SCALZI: The member for Hammond says that males are involved, as well. I have stated that from the beginning. The reality is that the ones who cannot stop in those top brothels, where the licensing is such that they have to pay an exorbitant fee to have those places, work in the streets. That is what I was told by the taxi drivers; they work in the streets. Some will say, 'Yes, they work in the streets here, too,' and that is true—but not to the same extent.

The Hon. M.K. Brindal: How do you know? Have you—

Mr SCALZI: The member for Unley says I have walked the streets. The member for Spence and I went on tour with the Social Development Committee.

An honourable member: What did you learn?

Mr SCALZI: We learnt that it is not a simple issue to deal with. The sad thing is that those who cannot make it in the legalised brothels—the drug addicts, the dysfunctional human beings who have been hurt—are on the streets, putting themselves at greater danger—

The Hon. M.K. Brindal: What happens to them now?

Mr SCALZI: I understand that. However, you will not solve that problem by legalising prostitution. It has not been done in Melbourne, and you will not do it here. Members opposite have raised the scenario of disabled people needing prostitutes, and so on. When I was on the Social Development Committee, I was interested in that question, and we asked for some evidence. Not one disabled person has been convicted of going to a prostitute.

Mr Atkinson: True!

Mr SCALZI: Is it true?

Mr Atkinson: What happens in Julia Farr is entirely within the law.

Mr SCALZI: I think I am correct in saying that.

Mr Atkinson: You are.

The Hon. M.K. Brindal: So you support legal prostitution but not illegal prostitution.

Mr SCALZI: The member for Unley would know that prostitution between two consenting adults under the current law is not illegal. We are dealing with the business of prostitution.

The Hon. M.K. Brindal: What's the difference?

Mr SCALZI: The difference is that the business of prostitution is not like any other business. You cannot dress it up with the normal laws that would apply to other businesses.

The Hon. M.K. Brindal interjecting:

Mr SCALZI: The member for Unley makes fun and plays with words. The simple fact is that this is a serious problem. There are people who are hurt and damaged in the trade. I do not condemn the prostitutes, the people who are in the industry. I know that some people look after their workers a lot better than others and in their own mind they believe that they are doing the right thing, and I respect them. However, we have to deal with the community's interest and I do not believe that it is in the community's interest to legalise prostitution. We have to change the law; we have to deal with the problems; we have to bring the situation up to date, but bringing it up to date does not mean legalising and decriminalising the industry.

For example, if we legalised it, equal opportunity would apply. What if someone of a particular ethnic background goes to a brothel and the prostitute refuses: can the person of ethnic background then sue on racial discrimination grounds? If a woman 60 years of age asked for a job at a brothel and she was refused, could she complain about age discrimination? If someone is injured on the job, how will WorkCover apply? Members will say that people can be subcontracted as they are in Victoria, but is that in the best interests of those working in the trade? Surely it is not. This is not an easy issue to deal with.

I do not support legalisation and decriminalisation of prostitution. I believe that the Summary Offences (Prostitution) Amendment Bill needs to be looked at very carefully and I look forward to seeing the amendments moved in the committee stage. I make it clear—

Mr Hill: You've spoken for 20 minutes to say nothing.

Mr SCALZI: No, I have said that I do not support legalisation of prostitution. I made my position clear in 1995, I made it clear six months ago and I made it clear on the Social Development Committee. I believe that we, as a state, must look at the Summary Offences Act.

Mr LEWIS (Hammond): Let us not dress this up in any fancy terminology. Let us go back to February 1980 when we had Dick Glazbrook, the then member for Brighton, in here, and he spoke about it in plain terms: this is about fuck for money—and it is disgusting. It is about time members in this place woke up and saw it for what it is. The present proposition in the law is grossly inadequate to address the problems that we have in society. So also, is the bevy of bills that have been put before us by the member for Unley and a few of his mates in the government who concocted the idea to half bake this debate and bring it on as though it was a measure for government. Quite frankly, the measures that are here make me sick where they set out to legalise this practice either by regulating or by providing registration or licensing. Equally, the amendments proposed to the Summary Offences Act to deal with it are still inadequate—and I do not mind if the people in the gallery who make their money out of doing it leave: I think they should leave. More particularly,—

The Hon. M.K. BRINDAL: Mr Speaker, I rise on a point of order. It is not our custom in this place to refer to people in the gallery and I believe that the member for Hammond is out of order and should apologise.

The SPEAKER: Order! The chair and the House do not recognise the gallery in this particular case and I hope that how it is recorded in *Hansard* will not reflect on those who were in the gallery, because there will be no way of identifying them. While the House has paused, I point out to anyone in the gallery that there are very strict rules about interjecting from the gallery and you could put me in the position of having to clear the gallery, which I know would not be the wishes of those in the gallery.

Mr LEWIS: Thank you, Mr Speaker. I made no particular reference to anyone or to any group of people, but I understand that there are some who practise prostitution here tonight. Indeed, there are some sitting in this chamber who have sought the services of prostitutes and do not have the guts to own up to it and who will probably vote in favour of one or other of the models simply because they are afraid of being exposed—

The SPEAKER: Order! I have to caution the member against reflecting on members in the House and to be very cautious in this respect. I know the type of debate we are having, but I ask members not to reflect on other members' conduct unless they do so by a substantive motion.

Mr LEWIS: I cannot help it, Mr Speaker, if there are members in this place who have—and you and I know that there has been publicity about it—

The SPEAKER: Order! The member is still reflecting on members' character if he carries on in that particular fashion. I suggest he does not.

Mr LEWIS: Not on any particular member. Thank you, Mr Speaker. As it stands, whatever model members may choose to support, if they believe that it is legitimate to legalise the practice in some form or other, there will still be the necessity for the police to deal with those who act outside that law. The reason I say that is that, quite clearly, if you are in the habit of making your living from doing it, or if you are inclined to make a quick buck by doing it—whether you are a man or a woman—and you go ahead and do it and you are not part of a licensed model, if you do not have regulations, if you are not covered by whatever it is that the law becomes—if we are so unfortunate as to find it—then you will be breaking that law and the police will need the power to deal with you.

Therefore, I believe that, if we do provide the police with the power to deal with the problem which will be encountered if the law is amended, we can deal with the problem now and

the amendments that need to be made to the law will enable the police to deal with it globally now. None of the options before us at present provide us with the means of dealing with it after this debate has taken place. The amendments as proposed to the Summary Offences Act are grossly inadequate. Therefore, I believe that that measure ought to be further amended with new clauses inserted in it. For instance, the police need power not only to enter premises—they have that under section 32 now—but once they get in there all they can do is stand there and look. They cannot seize records, procure other evidence and set about discovering the identities of the people who they suspect are engaging in prostitution to determine whether or not they are minors.

The powers provided to the police need to ensure that they can seize records and procure evidence necessary to secure a prosecution, if offences are found to have been committed. In addition, they need to be able to break, not just enter. Otherwise, all the police can do is knock on the door, and virtually by the time someone inside has asked, 'Who's there?', the place has been cleaned up. The police come in and all the evidence is gone. If you do not give the police power to break, then you will never be able to control the problem. Therefore, I consider that section 32 and other parts of the existing Summary Offences Act need to be amended to provide for that. More particularly, since police at present have to prove that sexual intercourse or service of some other kind—for instance, the coalman—

An honourable member interjecting:

Mr LEWIS: Yes, 'Do you want it in the back or the front?'; 'Do you want it in the top or the bottom'; or 'Do you want it standing up or lying down?'—you can go through the whole menu.

Members interjecting:

Mr LEWIS: This is not funny; this is real. If the police cannot get evidence to prove beyond reasonable doubt in a court that there has been a sexual service, there is no case and it is thrown out. So, even if you amend the legislation to enable the licence model, the regulated model or whatever other model you want, you will still not be able to prosecute those who offend against the law by operating outside it. If you fix the law to enable you to deal with the problem that is then existent, that same measure will deal with the problem as it stands now. Why should we do that?

We have all heard the reasons many members, who are opposed to prostitution being lawful have given. I would like to repeat all of them, but I will not. You all know what they are. In the main, they boil down to the simple assessment that people who do not respect and value others believe that they can purchase the use of another's body for their own gratification. Still other people who do not respect and value themselves are willing to sell access to themselves, even though it puts them in great peril—because you are only as clean as your last screw. If you are promiscuous that is the risk and that is the truth.

Anybody who says that to legalise it under any form whatsoever makes it in some way safer is kidding themselves. I could say they are playing with themselves, and they probably would be. It is extremely dangerous to support such an argument, especially amongst young people. It is not safe to be promiscuous. For parliament to be sending a message to society that encourages any form of promiscuity, to my mind, is a reflection on our inability to understand what our real responsibilities are.

Parliament ought to be debating whether or not we want to be able to stop prostitution from occurring outside the law. If we come to the conclusion that we do want to be able to do that, then we will find that the law we pass will be adequate to deal with the problem now, regardless of what that may be.

One reason why it is not possible for me and others to spell that out in simple language to the public at large through the print or the electronic media (particularly television) is that, if any of these measures which set out to make it lawful in some way or other for prostitution to be undertaken in this state pass, a huge amount of revenue is available on late night television advertising of the services and is already available in advertising in the miscellaneous columns of the classified ads in the daily newspaper.

Already, this government and previous governments have shown no spine in enforcing the existing law on the size and type of publication which is lawful or unlawful. Most of the publications advertising so-called escort services or telephone sex, or any other kind of sex, are outside the law now. There are provisions in the law—

An honourable member: What provisions?

Mr LEWIS: I will not waste my time now. I will show them to the honourable member afterwards so that he will know what I am talking about. They do, indeed, cover publication of advertisements of the kind which relate to sexual services. If we make it lawful, then of course it will be lawful to advertise it regardless, and that aspect of the law will be in conflict. It will be redundant and need to be repealed.

The Hon. M.H. Armitage: It depends what the bill says about advertising, doesn't it?

Mr LEWIS: The reason why the press and those people who own it want to see it made lawful in some form or other is to get that revenue—and it will be thousands upon thousands of dollars a day.

The Hon. M.H. Armitage: Advertisers are doing very well already.

Mr LEWIS: Already, and that is why I say that, if you clean up the law as it now stands and make it possible to prosecute people who are engaging in the act outside the law and make it unlawful to seek the services of a prostitute, you will not need to make it lawful.

An honourable member interjecting:

Mr LEWIS: I have given the member for Unley the benefit of the doubt about his own miscreant conduct in this respect, and I would appreciate it if he did not interject when I am speaking.

It is a pity that the changes that were made to our law in the 1970s, in the name of civil liberties, which are probably appreciated by most people, myself included, nonetheless allowed the notion to grow and the behaviour that goes with that notion that leads to the problem we have here now. That aspect of the changes that were rung in by Don Dunstan is something for which I do not thank him.

Both Labor and Liberal governments since that time have been quite gutless in dealing with the problem which has been articulated to them time and again by police officers, both constables (men and women) and others higher than that rank trying to deal with this problem—yet the government has ignored their remarks. I do not know why. I can only conclude that it is out of embarrassment, because at some earlier time in their lives too many people, mostly men I guess, because there have not been a large number of women in the parliament, have sought and used the services of prostitutes and have been ashamed of the fact and unwilling to acknowledge it publicly.

An honourable member: You are an outrage!

Mr LEWIS: I am not an outrage. I have a right to say what I believe to be true and, in some instances like right now, know to be true. There are people in this place who are ashamed of their past.

In any case, the message which we send out to young people if we make one or other of the models before us, lawful is a sick message, because it tells them that, whilst they are attractive to others, they may choose to sell their sexual charms for profit and that, along the way, they will suffer no great harm. They can rely on the fact that if they get infected, someone else will pick up the bill for their treatment and rehabilitation. They can rely on the fact that when they get too old, ugly or unattractive in some form or other they will be able to go on unemployment benefits or some other form of support. In most cases they will probably have to go on disability pensions because of the number of occasions on which they have been infected, one way or another.

It is true that in the last half of this century we have come to rely too much on antibiotics and other medication which the technology of medical treatment has provided for us. However, as we enter the early part of the 21st century our ability to rely on such drugs for the treatment of diseases (whether sexually transmitted or not) is decreasing because the number of organisms that are obtaining resistance is directly proportional to the length of time to which those organisms have been exposed to the antibiotics or other drugs that we are using to treat them.

I am sounding a warning now that the greater the number of times any of us get involved in authorising activities which will require us to seek that kind of medication is proportional to the rate at which our ability to rely on it will diminish. In other words, if you seek out the means of controlling an infection as the result of a cut, and controlling another infection that has arisen as a result of sexual activity, and yet another infection that has resulted from the run-down of your immune system when you have been attacked by a virus, pretty soon, and in a much faster rate of time, society will not be able to rely on those drugs because it has used them too often to control too many things, many of which could be avoided.

Sadly, the relevance of this is that promiscuity is bad and that laws which promote it are bad and we cannot guarantee the good health of children tomorrow, or even children yet unborn, by saying, 'It's okay; medical science will fix it if you get crook.' We are encouraging unnecessarily dangerous behaviour which will result in our having to use those drugs for that purpose. Prostitution says it is okay to have sex if you can afford to pay for it. The problem with that is that not everyone can, so there is a natural discrimination.

When these measures were last before the parliament I introduced an amendment to the Summary Offences Act, which had to appear on the end of the bill. In the early part of the bill, I spent a great deal of time detailing the manner in which professional sexual therapists could provide a service to those people who have disability and who seek sexual solace under medical treatment as a consequence of their disability. Everyone ridiculed that: no-one took seriously what I intended to do, and I am saddened by that.

Let me tell members that, in those places in the world where you cannot afford to buy another human being, what they do is paint up a tree log that has been hollowed out for you and fit it up with a duck. In Macau and other places on earth, that is the kind of service you can hire. And it is cheaper: you can get it for less than the price of a cup of tea. That is the kind of level to which society will descend and, as a consequence, there will be a greater rate of disease communicated to human beings from other animals species, whether poultry or mammals. Even at this stage in Adelaide it is possible for you, if it takes your fancy, not only to get an orgy organised but also to incorporate the animals of your choice in it. If it is good enough to allow it to happen between consenting adults, why would the RSPCA say that it was wrong?

If my point is not well enough taken, I think honourable members need to remember that the course down which they go, if they seek to legalise prostitution in any form, is a very dangerous one. I say they need to give the police the powers to deal with the problem that is going to be there, anyway. If so, it follows they can deal with the problem that is there now. That is the way that the majority of people will be safest and that is the way we will discharge our responsibilities in the most effective manner. I cannot, for the life of me, see how we can possibly countenance a future in which part of job experience, for instance, in high school would result in people choosing to go to a brothel to see what goes on there, to see if they would like a career as a prostitute. Yet, that is what we are saying if we give this a licence and make it something the same as playing cricket, football or golf as a means of earning a living. I am worried about the implications for WorkCover, and whatever else may follow: if you prevent prostitutes from being able to be covered by WorkCover, you will have to compel them to take out personal insurance.

Altogether, though, there is no guarantee that the client will have their interests secured and safe because, as I said before, you are only as clean as the last client when you are involved in prostitution, and there is no guarantee that they are clean. You do not have the means of discriminating and determining whether or not the person you are offering to service will infect you. I do not believe that the kind of nonsense that was put to the Social Development Committee—or whatever it was called—in the course of its hearing—

Time expired.

The Hon. M.K. BRINDAL (Minister for Water Resources): I have been involved in this debate for a number of years. It gives me no particular pleasure to rise tonight, but it is time that it was put to an end. First, can I say to this House that, while I respect the right of the member for Hammond to his opinions, I do not believe that people in this place are guilty as charged. I believe that most of my colleagues in this place will vote according to their conscience on a matter that, after all, is profound and, whatever the vote, will come at some cost to us all. It does not matter which side you stand on in this debate: there are those who will pillory you as a libertine if you are for reform and there are those who will pillory you as an absolute conservative Neanderthal if you are for the status quo. It is the sort of debate in which we all lose. It is the sort of debate in which none of us can take pleasure. But I believe—

Mr Lewis: Why are we having it? I thought you wanted it.

The Hon. M.K. BRINDAL: The member for Hammond has had his turn, but I reject and refute utterly that I wanted it. If the member for Hammond likes to—

Mr Atkinson interjecting:

The SPEAKER: Order, the member for Spence!

The Hon. M.K. BRINDAL: No, the member for Hammond, if he does some checking, will know that I had no part. I was part of the committee that was set up. I did not ask

for these bills to be brought back to the House. But I do not shirk from my responsibility, along with 46 other people, and from the fact that these bills are before the House and it is a matter that needs to be dealt with. I believe that, in a democracy, it is the right of any person to bring in a matter of public importance for public debate, and to even suggest that this House should somehow have a code of propriety about what members can or cannot bring into the place transgresses, I think, basic rules of democracy. What I would like to say on my own behalf, and I hope on behalf of most of my colleagues on both sides of the chamber, is that I have never used the services of a prostitute; I have never sought them. I hope that in—

An honourable member interjecting:

The Hon. M.K. BRINDAL: Thank you. I acknowledge that. But there are those in this place who do seem to care and who do seem to say—and it was said— that if we are on a particular side we have done that. Nevertheless—

An honourable member interjecting:

The Hon. M.K. BRINDAL: Yes, all right. Nevertheless, I will continue. The reason why I am for reform is quite simple. There was a Lutheran pastor who was executed in the Second World War. After he was executed they found in his cell—

The Hon. M.D. Rann interjecting:

The Hon. M.K. BRINDAL: Yes. They found in his cell a Bible and there was an inscription in the Bible which, basically, read:

First they came for the—

The Hon. M.D. Rann interjecting:

The Hon. M.K. BRINDAL: No. The Leader of the Opposition probably knows the quote better than I. I will probably misquote it, and he can correct me afterwards. The inscription read:

First they came for the intellectually handicapped, and I turned my head, for it didn't concern me. Then they came for the gypsies and homosexuals, and I turned my head, for it didn't concern me. Then they came for the Jews, and I turned my head, for it didn't concern me. Then they came for the trade unionists and intellectuals, and I turned my head, for it didn't concern me. Then they came for the priests, and when I turned my head to call out, there was nobody left to listen.

I believe that that is the reason why we are addressing this issue. If there is a bad or inadequate law on the statute book of this state, it is beholden on this parliament to consider that matter, to give it mature consideration and to address it. If we do not, what we do by our silence is say that it is all right to victimise a group of people by having wrong or bad statutes on our books, and if we once in a democracy accede to that proposition what we, in fact, say, if at some time in the future we become the victims of an unjust law, then that has got to be all right too. I acknowledge the contributions—

Members interjecting:

The SPEAKER: Order! I know it is getting late, but I ask members to contain themselves until the end of this debate.

The Hon. M.K. BRINDAL: It is difficult to follow a cameo performance like I am following and try to be serious, but I will do so. I acknowledge—

Members interjecting:

The Hon. M.K. BRINDAL: I also have to admit that, from all my extensive consultation with people around what is called 'the industry', I have not come across some of the things that I have heard about tonight. I would not know where to search them out if I wanted to—and I do not want to, anyhow. The contributions in this House tonight have been interesting but, with respect, I would say that many of them, in fact, missed the point. Father John Fleming, while talking on air with me once about this debate, acknowledged that the amount of sexually transmitted disease amongst prostitutes is, in fact, lower than it is in the general population. In other words, the sexual—

Mr Atkinson: No, he didn't say that.

The Hon. M.K. BRINDAL: The member for Spence can argue for me. The member for Spence knows that he will send a copy of this speech to Father John Fleming, who will actively berate me if I am wrong. So, I am not saying it out of malice aforethought. That is exactly what I believe he said. Prostitutes generally are more healthy than the general population and they are more likely to catch a sexually transmitted disease from their customer than the other way around. That is a true statement and it is not really at issue here, because these bills seek to address public health in as many ways as we can. I agree with the member for Hammond in terms of the summary offences provisions in this bill. What we have been presented with in this House is a watered down and wimpish attempt to keep prostitution illegal on the statute books by throwing all sorts of sops like on the spot fines and various small measures. I agree with the member for Hammond: if this House feels that it is such a heinous crime and wants to enforce draconian measures for the good of public morality and public health, then let this House reverse the onus of proof, for a start.

Mr Atkinson: He wasn't advocating that.

The Hon. M.K. BRINDAL: No, but I am, because if this House wants to keep it a criminal activity you will not get a prosecution against two consenting adults unless you make them prove that they were not engaged in the occupation of which you accuse them. You will need to reverse the onus of proof. You will need to let them bust down the doors.

Mr Atkinson interjecting:

The Hon. M.K. BRINDAL: The member for Hammond is. You must follow logic. If it is so illegal—

Members interjecting:

The Hon. M.K. BRINDAL: The Leader of the Opposition is in his kindest, most bipartisan mood tonight. I am not feeling quite as generous as he is.

The Hon. M.D. Rann: I can't help the way I am.

The Hon. M.K. BRINDAL: I know—you are just soft and cuddly. This supposed attempt to keep it a criminal offence is a sop, a mealy mouthed hypocrisy in my opinion, and if this House were determined to keep prostitution an illegal activity it would address it seriously and not in the half hearted way it is doing.

I agree with the member for Hammond about promiscuity. I do not think that promiscuity is necessarily a good thing for public health, but this act does not address promiscuity. This act addresses a sexual activity between consenting adults. If this House is intending to mind the public morals of the bedrooms of the state, let us reintroduce a bill to make adultery and fornication unlawful.

Mr Scalzi interjecting:

The Hon. M.K. BRINDAL: The member for Hartley, who has made his contribution—and I heard him in silence—says, 'Come off it, this is between consenting adults.' What is the difference? The difference is that we can hire out our intellects and virtually all of our capacities—

Mr Foley: What do we hire from you?

The Hon. M.K. BRINDAL: —raw talent—but there is a reason historically in the law that says that the one capacity we are not allowed to hire out is our sexual abilities. That is what we are debating tonight: whether it should be legal for

a person to be able to sell their sexuality or their capacity for sexuality to another person for hire or reward—that is what it is about. It is not about ugly ladies and what happens to them or ugly men and what happens to them, or what happens to the ageing or whether too many children are involved in the industry. The matter of children is addressed in every single one of these bills.

The matter of public health is addressed in every one of these reform bills. As to the matter of people wanting to be in a profession and not being chosen, plenty of people want to be models but do not get to be models. We might in an ideal world see it otherwise, but it is beyond the capacity of this House to influence such things. We cannot go to people who choose models and choose to portray an image in David Jones' or Myer's catalogues and on the TV and say, 'You should portray the run of humanity.' They do not tend to do it but tend to pick winners. If the same is true of this industry—and I would hope that it was rather more compassionate—it is a matter for the industry and it is not a matter for us. It is not for us to change the law.

One of the points this House can take some pleasure in, no matter which bill gets through, is that this will now become a crime equally for clients and prostitutes. The greatest anomaly, the greatest wrong in the law in South Australia as it existed and as it was practised, is that this was a series of discriminatory offences that were always applied to the prostitute and never to the client. That is a disgrace. All of these bills seek to apply equally the penalty to both client and prostitute. If we do nothing other than that, we have moved forward. This is a matter for this parliament to examine in the light of the fact that we are a multicultural society. It is a Christian ethic largely which says that we should value our bodies and we should value our families, but we no longer live in a Christian country. We live in a country based on Christian traditions—and I am proud of those traditions—but we now allow a range of religions and religious practices within our borders. Is it right for us as the dominant social tradition to be able to say to other cultures and religions, which might have a different view of this practice and indeed of their bodies, that because we are a Christian based society it should not be allowed?

Mr Williams: Which one are you referring to?

The Hon. M.K. BRINDAL: I will be in trouble if I mention a particular culture.

Mr Williams: I don't know any.

The Hon. M.K. BRINDAL: I will tell the honourable member afterwards—there are several. No matter what we do, I will still choose my own likes in this matter and be guided by my own conscience, as I am sure every member and every adult South Australian will. The point we miss is that prostitution exists because there are people who want to visit prostitutes. It is a service based industry. If people did not want to visit prostitutes there would be no prostitution. If, therefore, we were to seek to address the issue, why is it that we penalise the prostitutes? Why do we not address the other end of the equation—those people who want to visit prostitutes? We walk away from that time and again. We refuse to acknowledge the fundamental problem, which is not the people providing the service but the people seeking the service.

That is why this House needs to address this issue. This House needs to make a mature decision about the rights of consenting adults to do what they wish to do by their own morality and their own conscience. I will choose my conscience. I will choose to do what is right for me. I say to members of this House who believe strongly in a religion that it is their right to do the same. If they choose not to visit a prostitute, they will not be part of the crime. If they choose to follow their message, which is to convert people, there will be no need to have this law because it simply will not exist in our society. In an ideal world perhaps this industry would go away and if some of us follow our moral paths and pursue that message and inculcate it or try to teach it to others—if we actually do what we have been enjoined to do—we might create a society in South Australia where there is no requirement for prostitutes because people do not seek their service. However, that is a matter for our morality, our theology, and not a matter for this House. This House is enjoined on behalf of the people of this state to consider the best public interests of South Australia.

The Hon. M.D. Rann: And we do.

The Hon. M.K. BRINDAL: And we do; thank you. It is very rare of me to acknowledge that the leader is right about something, but in this case—

Ms Ciccarello interjecting:

The Hon. M.K. BRINDAL: Vini, you know I never say he is right, but in this case I actually think he might be. We have heard that promiscuity is bad and that any law which promotes it is bad. Well, that is an individual opinion held by an individual member, but I say to that member, if he is so appalled by promiscuity, that I look forward to a raft of legislation to address the promiscuity of our young and the lonely hearts columns. I think the *Advertiser* makes more out of lonely hearts columns than it does out of ads for escort agencies. Adultery and no-fault divorce had better be redressed, also. If the moral purists are genuine about the evils—

An honourable member interjecting:

The Hon. M.K. BRINDAL: The member says, 'Burn them at the stake.' If the moral purists are—

Members interjecting:

The Hon. M.K. BRINDAL: If the moral purists are genuine about their desire to police the public morals, then they should go for it and introduce a range of legislative measures in this House. They should stand up to the people of South Australia and say, 'This is what we are for.' Either they will be in the majority and will be re-elected and we will have—

Mr Atkinson interjecting:

The Hon. M.K. BRINDAL: No, I am not saying that it has no moral dimension at all. There was a quote in the Bible and it was this: render unto Caesar that which is Caesar's and unto God that which is God's. This House has a right to a determination of the civil law. This House should be making a determination of the civil law, free from the theological beliefs of the people who sit here. It should be made without fear or favour—

The Hon. M.D. Rann interjecting:

The Hon. M.K. BRINDAL: I suppose it actually is, but in theory we should, as far as we are capable, be able to sort our prejudice from our genuine belief—to actually separate the two. While I acknowledge what the leader says—that it is all part of us and it is very difficult to do—we must make allowance for our own humanity. We must try to say, 'This is not for me but have I an absolute right, because I do not believe in it, to tell everyone else they cannot believe in it as well?' We must try—

Mr Atkinson interjecting:

The Hon. M.K. BRINDAL: But we must try to separate—

Mr Atkinson interjecting:

The Hon. M.K. BRINDAL: Theft is a crime, as I understand it, under the criminal law, unless you can—

Mr Atkinson interjecting:

The Hon. M.K. BRINDAL: Well, that might be right, but I think it is too late for me even to consider whether or not that is right. The proposition that this House faces is that we have three chances to reform the law. Any one of those three chances—

Mr Atkinson interjecting:

The Hon. M.K. BRINDAL: No; the fourth chance, I believe, is a hollow mockery of the existing law and purports to be criminalisation. Unless we take the rather bizarre notions of the member for Spence—which I refuse to consider seriously—I commend to the House any one of those three bills, other than first one, because I agree with the member for Hammond that the first one is not serious. The first one is a travesty which tries to convince us—

An honourable member interjecting:

The Hon. M.K. BRINDAL: That is the bill which says that we are going to keep it criminal but not really: we will issue on-the-spot fines.

The Hon. M.D. Rann interjecting:

The Hon. M.K. BRINDAL: No; the bills were written by a variety of people to try to help the House make a decision.

Time expired.

The Hon. M.H. ARMITAGE (Minister for Government Enterprises): I move:

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

Motion carried.

The Hon. M.H. ARMITAGE (Minister for Government Enterprises): I rise to speak very briefly in the debate on what is a major social issue—

Mr Atkinson interjecting:

The Hon. M.H. ARMITAGE: I am about to do that. Indeed, I give full credit to the government for being prepared to bring this issue into the parliament and not to hide it away, because I think no-one gains from that. Prostitution has long been known as a victimless crime, and that is certainly an attitude about prostitution with which I concur. In my view, a way around having a victimless crime is actually to make the act no longer a crime.

I have long been an advocate of decriminalisation of prostitution. It has been reflected in previous votes in the House, and my vote, certainly in this instance, will reflect that again. In voting that way, I believe that it reflects a practicality: prostitution will occur, no matter how sincerely or how noisily people might rail against it. Prostitution will occur.

I have had many representations from constituents who have lived in the past and at present near brothels. Just as I respect the rights of consenting adults in the matter of prostitution, I will ensure that my vote reflects the rights of constituents who choose not to be involved in the industry to be unencumbered by the elements of the industry which cause problems and nuisances. Indeed, I believe that geographic restrictions on this industry are wise. Health matters—

Mr Atkinson interjecting:

The ACTING SPEAKER (Mr Scalzi): Order!

The Hon. M.H. ARMITAGE:—are also a concern only so as to ensure—

Members interjecting:

The ACTING SPEAKER: Order! The minister has the call.

The Hon. M.H. ARMITAGE:—that prostitution is not driven further underground. I acknowledge the—

Mr Foley interjecting:

The ACTING SPEAKER: Order! The member for Hart will stop interjecting out of his seat.

The Hon. M.H. ARMITAGE: —figures which the Minister for Water Resources quoted and which indicate that the incidence of sexually transmitted diseases in prostitutes is low. But it is still a fact that health matters are a concern and that prostitution ought not be driven further underground, particularly as new, more virulent, antibiotic resistant diseases emerge. As that occurs, we will need transparency and some measure of opportunity to work with people in the industry to ensure that the health matters can continue to be kept under control.

I said previously that my contribution would be brief. My vote will reflect the fact that this, in my view, has long been a victimless crime and it is a practicality for the future to ensure that it is decriminalised.

Mr SNELLING (Playford): I rise to make a brief contribution to tonight's debate. First, I would like to dispel the myth that somehow prostitution is a 'victimless crime', because without doubt there are victims. The women and men who work as prostitutes are victims; the clients who avail themselves of sexual services are victims; and the wives and husbands and families of those clients are victims.

A few months ago I had the opportunity to travel to Sydney with the heroin rehabilitation select committee and, as part of that visit, I had the opportunity of going out one night with members of the Salvation Army as they went around Kings Cross doing a coffee run to the male and female prostitutes who work on the streets of Kings Cross. I challenge anyone here to tell any of those people who were working on the streets of Kings Cross that somehow they are not victims; that somehow they have made some liberated choice; and that they all are better and freer because they can enter into this wonderful industry. Of course, it is not true. Most people, in fact almost all prostitutes, do not enter prostitution freely. They enter because they need to supply a drug habit or because of base poverty.

No-one takes up prostitution as a career they want to pursue. As a father of two daughters it would be intolerable to me for either of my daughters to enter into prostitution. So, in voting tonight I do not know how I can expect any other parent to think it tolerable for their children to enter into prostitution, either. The fact is that prostitution is not nice, clean and antiseptic and that no-one really gets hurt. People do get hurt—it is the innate nature of the industry.

I would like to address also this question of personal liberty and the idea that, because of reasons of personal liberty, we must legalise prostitution, and this belief that unless you are somehow hurting someone else directly—infringing upon the rights of someone else directly—the state has no right to interfere. Of course, this is nonsense because the state often does interfere in what we would otherwise call strictly victimless crimes. Not wearing a seat belt is a victimless crime; not wearing a bicycle helmet is a victimless crime; or not wearing a helmet when you are riding a motor bike is a victimless crime. All these are victimless crimes, yet this parliament has taken quite rightly, I believe, a decision that they are matters in which this parliament has a right to become involved. There are such things as inalienable

rights—rights which, even if I want to, even if I freely choose to, I am not able to give up.

For example, I have an inalienable right to freedom. Even if I want I am not able to sell myself into slavery. Even if the conditions so exist that, without doing so, something terrible will happen, freedom is an inalienable right and a right that we are not able to give up even of our own volition. The state quite rightly protects that inalienable right because once the state says, 'You can give up that right; this is a right that you can give up,' the inalienable rights of the rest of the community are damaged. I suggest that prostitution also comes under this category—the inalienable right of freedom.

Something that we have not been doing and that we should be doing as a state is looking at providing assistance to women who want to get out of prostitution, women who are trapped in prostitution through various ways. We should be looking as a parliament and as a state at giving assistance to people who are trapped in the prostitution industry and who want to get out.

The Hon. M.K. Brindal interjecting:

Mr SNELLING: I am glad that the member for Unley agrees with and supports me because that is something that has been sadly lacking in this state—certainly from the point of view of government provision of that sort of assistance. The 'it has always been with us' line has been an ongoing excuse for liberalising prostitution laws. It is nothing but a cop-out. It is not a reason at all. I suggest that, at some stage, just about every law on our statute books has been broken, and many of them many times. But I do not hear members saying, 'Theft will always be with us, therefore we must legalise theft', or graffiti, rape, murder or any one of a host of any other crimes which are on the statute books and which are often committed. Of course, it is absolutely no reason at all to say, 'Because this law is so often infringed, because prostitution is always with us, therefore we must make it legal.'

I acknowledge that the present laws are antiquated and in need of reform. The fact that the escort agencies are able to operate without any legal supervision at all, completely unhindered by the law, is something that this parliament urgently needs to address. There are other fairly antiquated parts of our law regarding prostitution that we seriously need to reform as a matter of urgency.My commendation to the government is to address the fact that our laws are antiquated and urgently in need of change.

About six years ago in this chamber a decision was made to allow poker machines into the state. With hindsight many members in this place, and the community at large, have made a judgment that that decision was a mistake and that many people have suffered because of that decision, which was made fairly expediently and without much thought about what the implications might be. In another place it was a very close vote. I understand that the margin was one vote. What a difference that legislation has made and what suffering that one vote, that change, has made to many people in this state. It would be very sad if, a few years into the future, people look back at the decision we will make on these bills in the next few weeks with similar regret.

The Hon. G.M. GUNN (Stuart): I participate in this debate because I believe that the time has come when we should look very carefully at the laws in relation to prostitution. We should make a mature and rational decision about the best way of dealing with the current situation. I feel very sorry for those people who are involved in the industry. I believe that we should do everything possible to assist those people who wish to leave the industry, even if it amounts to the government's providing financial assistance, counselling and other forms of help, because those people are victims of this trade.

I note that this evening the heads of the churches have circulated a document. It has just been placed in front of me. The document makes a number of points with which I totally agree. It relates to assisting people to leave the industry and the protection of children, and it makes a number of other points with which I entirely agree. I am one of those people who believe that we should do everything possible to ensure that the community is protected from the undesirable aspects of this trade. I differ from other members because I believe we all know that this trade is going on freely within the community, yet we have not the courage to adequately police it or to attempt to stamp it out. Unfortunately, I do not believe that we can stamp it out.

Mr Atkinson: That is just a cliche!

The Hon. G.M. GUNN: If you want to make a contribution to this debate—

Mr Atkinson: I already have, and I'll make another one.

The Hon. G.M. GUNN: Then just let other people make their own contribution. because this is a serious matter. It should not be treated flippantly.

Mr Atkinson: I'm treating it very seriously.

The Hon. G.M. GUNN: I am, too, and I am one of those who believe that police resources should be used to protect the public and not be involved in interfering with what takes place behind closed doors. This industry has operated for a very long time and, no matter what law we pass in this parliament tonight, tomorrow or next week, the industry will still operate. We have to be realistic and ask, 'That being the case, what is the best way of ensuring that undesirable features of it are controlled?' We pass laws to protect children and to ensure that the planning provisions are adequate to protect residents. They are the sorts of areas in which we should be involved.

Of the five measures before the parliament, the one that sets out to regulate the industry is the one to which I intend to give careful consideration, and it is the one most likely to get my support. However, some amendments need to be made to the planning provisions. Local government bodies should be given the power to regulate and place controls on the operation of this industry in its area. Local government bodies, which are often quick in their criticisms of members of this place, should be given the ability to regulate and prohibit the trade in their areas if they are of that mind.

Secondly, if anyone is convicted of involving children in the prostitution industry, a mandatory gaol sentence of considerable length should be imposed upon them. It is absolutely essential that these two provisions are placed in the bill. Anyone who reads these measures will have to conclude that the proponents of this legislation have gone to a great deal of care and trouble to ensure that many of the unsavoury practices which surround the industry are dealt with, and the law has been strengthened considerably to protect the public. I do not particularly like the industry: I find it degrading. However, after examining these debates over some 30 years, I have come to the conclusion that we have not been successful in any of the measures we have placed on the statute book in the past, and we need to re-examine the issue. If the parliament takes a course of action today and we find it to be improper or ineffective, there is nothing to stop any of us—

Mr Atkinson: Turn it up!

The Hon. G.M. GUNN: Of course there isn't. The honourable member knows full well that you can change it if you so desire. I have no hesitation in saying that I believe there is a need for change. Like other members, I have had representations made to me, and I respect those representations. I strongly believe that the resources of the police force should be put to better use than looking around corners or having police vehicles parked outside some of these establishments. Therefore, I will be most likely—

Mr Atkinson interjecting:

The Hon. G.M. GUNN: Yes, but from time to time other members of the police force are involved in policing these activities. Surely the honourable member is aware of that. If the honourable member is not aware of that, he is not aware of a great deal. Surely he knows that.

Mr Atkinson interjecting:

The Hon. G.M. GUNN: The honourable member has obviously read these provisions, a number of which have been strengthened compared to those which existed previously.

Mr Atkinson: In the statute we have strengthened them. What about out in the field?

The Hon. G.M. GUNN: The honourable member would be aware that if we make it a serious criminal offence and the police know that if they get a conviction someone will be put away for a considerable time, it is certainly worth their efforts to effectively police it. If the legislation is passed the police will be in a far better position to police the industry, control it and stamp out criminal activity than they are in now.

In conclusion, like the member for Playford, I wish there was not such an industry, because I find the whole thing quite repulsive, degrading and improper. However, I believe I am a realist, and I know that wishful thinking will not get rid of the industry. I say to the member for Hammond that some of his comments were quite offensive towards members of this House. They were unnecessary and have done nothing to enhance the standing of this place in the eyes of the community.

The Hon. R.L. BROKENSHIRE secured the adjournment of the debate.

LIQUOR LICENSING (REGULATED PREMISES) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 28 October. Page 341.)

Mr ATKINSON (Spence): The bill makes three modest changes to the Liquor Licensing Act, which was overhauled in 1997. The government has a medium sized update to the 1997 act in another place, and I am not sure why the government did not use that vehicle to bring in these changes. However, the opposition has no quibble with these three changes. When the 1997 bill sought to expand the meaning of 'regulated premises' by including public conveyances, those who debated the point meant booze buses and the like. If we had been asked whether we meant to catch the member for Hammond and his relatives in their self-drive minibus, or a self-driven houseboat or rental car, I think we would have replied, 'We don't mean those.' We now exclude them from the meaning of 'public conveyance'.

In 1997, parliament also expanded the definition of 'regulated premises' in another direction, namely, to cover functions at which an entrance fee is charged and grog is drunk, such as the footy. The government's advisers have suggested that the government consider how the 1997 act might apply to a family picnic at Belair Recreation Park. This example appeals to me because I have fond memories of Church of England Boys Society trips there, alighting at the National Park Railway Station (now no longer there), and of a family picnic there on Caulfield Cup Day in 1969 when I had my first ever bet, on Big Philou.

Let us say that family members have resolved to dine at the Long Gully picnic ground. They take their meat from the fridge, make their salad and pack wine and beer in the esky. They drive along Upper Sturt Road and they pay their entrance fee upon entering by the western lodge, and proceed along The Valley road to barbecue and feast. Could they find themselves supplying and consuming liquor unlawfully, unlicensed? To avoid this undesirable intrusion of the licensing law, the bill says that paid admission to the event itself is what brings in the licensing laws rather than paid admission to the public place. The bill gives the government the out of declaring a place or a conveyance not to be a regulated premises by regulation.

The third change is to expand the provision for limited licences to cover an event where grog is neither sold nor supplied, but it is expected that grog will be spirited into the show by some of the patrons. The bill has the opposition's support.

The Hon. R.G. KERIN (Deputy Premier): I thank the member for Spence for his support and wish the bill a speedy passage.

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

CRIMINAL LAW CONSOLIDATION (APPEALS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 31 May. Page 1318.)

Mr ATKINSON (Spence): All splits in political parties lead to differences of opinion between the two parts that could not have been anticipated at the point of the initial breach. So it is with Labor splits. The Hon. T.G. Cameron and the Hon. T. Crothers split from the Australian Labor Party over whether to sell or lease the state's electricity assets. The Hon. T Crothers assured his comrades that, as an Independent Labour member, he would be voting with the party on all matters other than the ETSA lease. In 1995, they voted against this proposal and evinced no sympathy for it in the deliberations of the party room. Indeed, quite the opposite. Now they have voted for the Liberal party's policy of ending the rule against double jeopardy in criminal trials heard by a judge sitting alone, and the bill is now in this House where the opposition cannot stop it.

The principle of double jeopardy, or autrefois acquit, is that it should be a bar to a criminal prosecution that the prisoner has already been tried for the same offence before a court of competent jurisdiction and has been acquitted. According to Osborn's *Concise Law Dictionary*, the plea can only succeed where the accused was in jeopardy on the first proceedings; that is, the merits of the prosecution's case have been gone into, so that the decision of the court was that the evidence was insufficient to support the prosecution. The principle finds expression in the Fifth Amendment to the Constitution of the United States, which reads, in part:

nor shall any person be subject for the same offence to be twice put in jeopardy of life or limb.

The bill allows the Director of Public Prosecutions to appeal against an acquittal by a District Court judge sitting alone. In 1984, the then Labor Government introduced the option of an accused choosing to be tried on his indictment by a District Court judge sitting alone. This was an alternative to a jury trial in which the judge instructs the jury on the law to be applied and the jury then retires to find the facts and apply the law to the facts so as to reach a verdict of guilty or not guilty, or an alternative verdict of guilty.

The Director of Public Prosecutions cannot appeal from an acquittal by a jury. I notice that the Attorney-General (Hon. K.T. Griffin) rules out such a change. In a criminal trial by judge alone, the judge finds the facts and applies the law to reach a verdict.

Some defendants choose trial by judge alone because the charge is of a kind which might prejudice some members of the jury against any accused, such as alleged acts of paedophilia, or the evidence to be led by the prosecution is so nauseating that some jurors might have difficulty considering the evidence objectively.

In fairness to the Attorney-General, he was in favour of a Crown appeal from an acquittal by a judge sitting alone as soon as the other place passed the second reading of a bill to allow criminal trials on indictment by judge alone. The Attorney argued then, as he does now, that no-one quibbles with Crown appeals against acquittals by a magistrate. He also argues that these appeals are not really contrary to the rule against double jeopardy, and he cites the 1984 High Court case of Davern v. Messel in which justices Mason and Brennan say:

Although the pursuit of a Crown appeal might be carried to the point of persecution, the risk of that occurrence is more remote, if only because the accused would be protected by the courts against an appeal which was instituted mala fides or amounted to an abuse of process. Moreover, the Crown has a legitimate interest in securing the review of a trial, more particularly if it appears that the trial judge has made an erroneous ruling on a question of law or departed from correct procedures. Thus, the situation where a prosecutor seeks to appeal an acquittal, which may be considered part of the one action, is greatly different from the situation where the prosecution, having been faced with an acquittal, brings a new action against the defendant based on the same set of circumstances.

The Attorney also employs a decision of the Canadian Supreme Court to the same effect which says that a Crown appeal against an acquittal does not violate the Canadian Charter of Rights and Freedom's discouragement of double jeopardy. It should be borne in mind, however, that whereas the United States Bill of Rights is absolute, the Canadian Charter of Rights and Freedoms may be overridden by an express statement to that effect in the legislation of Canadian parliaments.

My opinion of this bill was expressed as long ago as November 1995 through the medium of the member for Ross Smith, who read my speech on a similar bill while I was attending my wife in the final stages of her pregnancy with our son Christopher—and also keeping out of the way of the then Speaker (Hon. G.M. Gunn) who had said publicly that he wanted to suspend me for something I had said outside the House about him.

In those days, I was happy for the member for Ross Smith to speak on my behalf—although, I have to say, there was one of a set of speeches I left him in November 1975 on censorship and pornography that he could not bring himself to read.

Mr Meier interjecting:

Mr ATKINSON: Sorry, 1995. In that debate, the member for Ross Smith quoted the 1957 case of Green v The United States in which the court said:

The underlying idea, one that is deeply ingrained in at least the Anglo-American system of jurisprudence, is that the state with all its resources and power should not be allowed to make repeated attempts to convict an individual for an alleged offence, thereby subjecting him to embarrassment, expense and ordeal and compelling him to live in a continuing state of anxiety and insecurity as well as enhancing the possibility that even though innocent he may be found guilty.

The member went on to say:

The Liberal Party's policy on this raises the question of who will fund the accused's defence of the appeal. It also worries me that accused persons who now elect to be tried by judge alone will now choose to have juries empanelled instead. The opposition thinks that trial by judge alone has been a moderate success and should not be discouraged. It seems that the DPP's appeal would not be confined to questions of law but could be on the basis that the judge's decision on the facts was perverse, namely, unable to be supported by the evidence.

I do not think I can usefully add to those remarks 4½ years on. The opposition opposes the bill but while on the topic of perversity I should add that a government MLC, the Hon. A.J. Redford, supports the bill on the basis that he believes in jury trials for all indictable matters and he thinks allowing the DPP to appeal an acquittal by a judge sitting alone will mean that henceforth no defence counsel will advise an accused to choose trial by judge alone. Time will tell whether the Hon. A.J. Redford's prediction is right or whether the Attorney will be vindicated in his assertion that defendants will continue to avail themselves of trial by judge alone. Back in 1995 the Hon. A.J. Redford spoke about the great English historian E.P. Thompson, who said:

The jury box is where the people come into court: the judge watches them and the jury watches back. A jury is the place where the bargain is struck. The jury attends in judgement, not only upon the accused, but also upon the justice and humanity of the law.

The opposition believes in jury trials for the same reason as E.P. Thompson and, although we may not be absolutely certain that the bill violates the rule against double jeopardy, we prefer to err on the side of caution and we will vote against it.

The Hon. R.G. KERIN (Deputy Premier): I thank the member for Spence for his views. This time he is not supporting us; he has made his opposition quite clear. He has reflected on the decision of the Hon. Terry Cameron and the Hon. Trevor Crothers to use their judgement in this case rather than par their solidarity to help the bill through. He is acknowledging the political reality of it. Obviously this was a source of great debate in the upper house, which is the bastion of legal wisdom in this place—which some might argue about.

When the member for Spence has to start quoting the member for Ross Smith in turn quoting legal opinions then we have a problem in this House with some of the legal side of it. While acknowledging his comments and admiration for the Hon. Angus Redford, I would reiterate the government's support of this bill.

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

YOUNG OFFENDERS (PUBLICATION OF INFORMATION) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 31 May. Page 1319.)

Mr ATKINSON (Spence): The legislative taboo on the publication of the names of juveniles charged with or convicted of offences is a good one. It ought to remain. The bill fidgets with the principle for the sake of a documentary maker. A good documentary film about South Australia's juvenile justice system ought to be able to be made without identifying any of the alleged offenders or convicted juveniles. The government's amendments are so extensive that they constipate the statute book. In the era of the internet, I would have thought that some of the matters canvassed in the amendments are barely justiciable. The opposition will ask parliament to repeal this bill upon attaining government.

The Hon. I.F. EVANS (Minister for Environment and Heritage): I note the opposition spokesman's comments and thank him for his contribution.

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

MOTOR VEHICLES (MISCELLANEOUS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 24 May. Page 1184.)

Mr ATKINSON (Spence): The bill does two things: it raises the speed limit for learner drivers when they are under instruction and it allows more people to perform level 1, 2 and 3 vehicle inspections. Learner drivers are now limited to a maximum speed of 80 km/h. The change proposed will allow them to drive at up to 100 km/h if they are accompanied by a qualified driving instructor, if the vehicle has a braking system that can be used by both the driver and the instructor in the front passenger seat, and if the vehicle can be easily identified as a driving instructor's vehicle.

The purpose of the change is to let learner drivers experience driving at higher speeds. This will allow them to practise the necessary skill of overtaking. It also would allow country learners to learn to drive in the manner that is common in their area.

The SPEAKER: Order! There is too much audible conversation.

Mr ATKINSON: Although police would normally pull over a vehicle with L plates being driven at speeds of between 80 and 100 km/h, if the vehicle is clearly marked as a driving instructor's vehicle the police will know that its speed is authorised. The opposition (especially the member for Peake) supports this aspect of the bill.

The second aspect of the bill deletes a sunset clause from section 139 of the Act which deals with inspections of motor vehicles and also deletes restrictions on the kinds of people who can carry out the inspections. It is the Government's policy to allow more people, particularly people working in the private sector, to carry out inspections under the Act, and the Bill gives effect to that policy. These inspections had been carried out by Transport SA at Regency Park and by police in country areas. In 1997 the Democrats proposed a sunset clause on the government's provisions for pre-registration identity inspections (namely, level 1 inspections) to be carried out by people working in the private sector.

The Democrats' anxieties about possible corruption were allayed by the provision for sunsetting after three years. The government argues that, of the 1 200 private sector people carrying out these inspections, only two have been found to be dodgy, and their authority to perform these inspections has been withdrawn. The bill will now allow the private sector to carry out stolen vehicle (level 2) inspections and defective vehicle (level 3) inspections, although the government has signalled that it will not act on this legislative authority immediately. The opposition acquiesces in this part of the bill.

Mr MEIER (Goyder): I also support this bill. I am very pleased that learner drivers now have the opportunity to drive at a speed of up to 100 km/h under an instructor. My third child has just obtained her learner's permit—I have been through all that with my two elder sons, who are well past that stage—and suddenly the reality of this matter came home to me when we were travelling back to Wallaroo the other week. It was, basically, the first time that my daughter had driven, and at every corner we turned I felt that I should grab hold of something in the car, although I tried not to show my fear too much. I realised then, once she became a little more confident, that she was all right at 60 or 80 km/h but it certainly was not going to be much use to her, as a learner driver, if she could only drive safely at up to 80 km/h; that there are times when you need to drive faster than 80 km/h. I am very pleased that under a learner instructor, at least, she is now able to drive at a speed of up to 100 km/h. I hope that that can at least be taken up within the legally recognised excess beyond 100 km/h—be that 107, 108 or 109 km/h.

I cite an incident that occurred in my electorate several years ago, when a person who had only just obtained his licence was driving on a road from Arthurton to Maitland. The speed limit there was 110 km/h. This person was from the city, it was his first time in the country, and the car overturned on a corner that I would take in excess of 110 km/h without any problems. Unfortunately, that young driver killed three of the people in the car. There was absolutely no need for that tragedy to occur, if that young driver had had some experience of driving faster—in other words, driving at a speed of at least 110 km/h, and possibly a little more that. I believe that people need to have the opportunity to drive faster than they would normally drive, simply so that they can safely handle any unexpected circumstance. So, in that respect, I am certainly pleased to support this bill.

I also note the comment by the shadow minister (the member for Spence) that the inspection of motor vehicles can now be carried out by private institutions. I have pushed for this for many years and, in fact, I think it has been a hopeless situation where police have spent so much of their time inspecting vehicles. So, this is a breakthrough. However, at the same time, recently I was taken to one of the repair places in my electorate and shown a truck that had been brought from New South Wales. It looked from the outside to be in very good condition, but the repairer then showed me what was underneath the truck, and it was absolutely riddled with rust. It had been inspected by private inspectors in New South Wales, and the person said to me, 'John, for heaven's sake, if you are to bring in private inspectors, make sure that there are sufficient penalties so that, if they do the wrong thing, they will be thrown out and penalised very heavily.' I believe that we must follow this very closely. Whilst I am in favour of the whole idea, I do not want to see substandard vehicles being allowed to get through inspection points in this state.

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

ADJOURNMENT

At 10.38 p.m. the House adjourned until Thursday 29 June at 10.30 a.m.