

HOUSE OF ASSEMBLY

Thursday 16 November 2000

The **SPEAKER (Hon. J.K.G. Oswald)** took the chair at 10.30 a.m. and read prayers.

**PARLIAMENTARY SUPERANNUATION ACT
(TRANSFER OF OLD SCHEME MEMBERS TO
THE NEW SCHEME) AMENDMENT BILL**

Mr LEWIS (Hammond) obtained leave and introduced a bill for an act to amend the Parliamentary Superannuation Act 1974. Read a first time.

Mr LEWIS: I move:

That this bill be now read a second time.

The purpose of the legislation, in brief, is quite simply to make all members of parliament equal as from the beginning of the next parliament. As it stands at present, and for a very long time under an economy that was largely protectionist and an unexposed economy in any sense, the parliamentary superannuation scheme was equally protectionist of members of parliament, as was the public service superannuation scheme and that for judges.

The public service scheme is no longer so, nor in my judgment should the parliamentary scheme be so. Indeed, for members of parliament who make decisions which substantially affect the performance of the economy in which the funds contributed for their superannuation are invested to then be insulated from the consequences of their decisions in the way the economy performs to my mind smacks of a double standard. We expect all other citizens for whom we make laws and, more particularly, on whom our decisions about the economy have a substantial influence, in terms of the level of their prosperity and the amount of their disposable income, not to be so insulated, yet we are not prepared to accept the same stringency on our own lives in retirement.

However, there is even a double standard in that remark, for it is a general statement relevant only to those members who retain involvement in the old scheme. That scheme, improperly and immorally in my judgment, still enables members of parliament who were elected here two terms and more ago to participate in a scheme that is insulated from the consequences of their decisions in this place. Members in the old scheme can simply expect the taxpayers, regardless of what happens to the economy—

The SPEAKER: Order! There is too much audible conversation on my left.

Mr LEWIS: I do not mind if the hens in the House are a bit rowdy and uncertain about what they say and do, but I am sure that the public will be concerned about the implications of the present superannuation scheme and the proposal which I put before the House. I know that most members opposite who were elected at the last election are part of the new scheme. They do not enjoy the same kinds of enormous benefits as are available to members in the old scheme, which comes from a protected economy, as I have said, and not one that is likely to produce the levels of prosperity we now enjoy in an economy that is more vibrant and moves more quickly into those industries that produce the greater prosperity we now enjoy.

We have come from an economy which was so slow in growing because of the inelasticity in much of the investment and in the many kinds of industries which held the capital

together. It was not held together by any merit of profit, properly obtained on the investment of capital in those industries but, rather, by the fact that those industries were continually protected against competition and therefore isolated from any stimulus to improve inefficiency.

My proposition is simply to require all members of parliament to transfer their lump sums, as it were, from the old scheme into the new scheme and in so doing then, further down the track, take what would be a larger lump sum at the time they leave parliament and invest it in one or more funds which they believe are well managed and will perform well. When they look at that prospect they will carefully examine whether or not the kinds of enterprises involved in the scheme in which they choose to invest their funds are performing well, and they will begin to understand immediately what makes for greater prosperity as opposed to what does not.

The important element is then that they will stand equal with every other citizen and with every other member of parliament elected in recent times. The lump sum they receive will more than adequately compensate for the loss of enduring fixed income levels they otherwise would enjoy under the so-called old scheme which exists at the present time. Under the old scheme, those levels of income are guaranteed regardless of what happens to the economy, but they are not guaranteed under the new scheme. On retirement, the member would take the guaranteed lump sum and roll it over into the managed fund of their choice; and those managed funds will then be scrutinised by retired members of parliament in the same way they are scrutinised by every other citizen who is required by law to accept whatever they offer after making the choice to invest with one or other of them.

I do not consider that members of parliament who have been in this place longer should expect to have this enduring long-term benefit in isolation from the rest of the community. There is no question that if we are prudent in our choice of the managed funds we choose to roll over the lump sum we receive upon retirement, we will do better. However there is a risk. The sting in the tail is we could do worse if the economy performs badly, and that sting in the tail will discipline us to make more appropriate decisions to enhance the income that can be obtained from the investments made by the fund managers on our behalf as individuals (and collectively)—which is exactly the same as it is for every other citizen.

I do not see why we should seek to insulate ourselves in a position of privilege. I know that most members in this place who have been here for some time, like you and I have, Mr Speaker, think that what I am proposing is a stunt. It is not. It is the only way to bring discipline into the investment of our funds in this state. It is the only way to ensure that the public knows that we do not see ourselves as separate and independent from the public and entitled to some greater measure of a safety raft or life jacket, if you like. As state or federal members of parliament, we and no-one else have our hands on the levers and our fingers on the buttons that will make it perform, or not.

If we do not have confidence in ourselves why the hell should we expect the public to trust us? To that extent, I urge all newer members in this place to support the proposition I have put before the parliament because they will not be worse off; it will not affect them in the slightest other than elevate the standing they enjoy in their electorates. The public will know that they, in turn, accept the challenge of doing what I believe we should all accept: that is, making sure this

country's economy ticks along and, therefore, our incomes are sound and secure—just like the rest of the retired public.

I constantly have self-funded retirees coming to me and saying that they cannot get the benefits received by those who have simply taken their money and put it all up against the wall and, on retirement, expected to live on the pension. They cannot get the additional benefits that would make their disposable income the equivalent of about double what it is otherwise and, at the same time, they cannot get the benefits members of parliament claim for themselves under a state taxpayer guaranteed or a federal taxpayer guaranteed standard of living, regardless.

I believe newer members in this place ought to support what I am proposing through this measure to restore the public confidence in each and every one of them as individuals and as members of parliament more so than is the case at present. If we do not take this stand now, we will deserve the continuing disdain with which the public treat us. We will be saying to the public, 'Don't do as I do; do as I demand', which is worse than 'Don't do as I do; do as I say'. 'Don't do as I do; do as I dictate'—it is about as decent as Suharto. It is about as compassionate as some of the presidents of the Philippines have been—Marcos, in particular.

Indeed, why should we allow ourselves to continue to enjoy benefits for which banana republic presidents are condemned by the rest of the world for retaining for themselves. I do not consider it appropriate. It is a very short piece of legislation and does not deny anyone anything they are not really entitled to but it ensures that everyone is on a level playing field and that I can at least leave this place with my head held high and look members of the public straight in the eye and fairly, squarely, honestly and honourably say, 'What I will get and the way in which I will get it is no different from what you can get and the way in which you will get it.' It removes that privilege that might otherwise have been argued as the privilege of kings. I commend the bill to members as being appropriate for them to support, if for no other reason than that we stand on the threshold of a new century and a new millennium, and a new order ought to prevail. We ought to do something about lifting our own stocks in the public mind.

Mr Clarke interjecting:

Mr LEWIS: That is the kind of cynicism I would expect from somebody who is looking for these improper benefits.

The SPEAKER: Order!

Mr LEWIS: I will seek to adjourn the matter to Thursday 30 November.

Mr CLARKE: I rise on a point of order, Mr Speaker. The member for Hammond's comments in relation to my frivolous interjection, and his impugning—

Mr Lewis interjecting:

Mr CLARKE: Rest assured on that point. I just ask him to withdraw, Mr Speaker.

The SPEAKER: The matter was not unparliamentary. It might have been an inappropriate reference. If the member for Hammond wishes to withdraw, he can do so. I am not going to direct him to. The member for Ross Smith may wish to use a personal explanation or he may be satisfied that he has put his view on the record.

Ms HURLEY secured the adjournment of the debate.

PARLIAMENTARY PROCEDURES AND PRACTICES

Mrs MAYWALD (Chaffey): I move:

That a select committee be appointed to inquire into parliamentary procedures and practices.

I move this motion because over the past couple of years we have seen much public debate through the media in relation to how parliamentary reform should occur in this place. Individual members have different agendas that they are running in relation to areas that they believe need to be reformed but there has been no structured debate, and hence there has been no progress on this matter. What is very clear to me is that the general public are demanding that the performance of our parliamentarians improve. One way to do that is to ensure that the parliamentary practices and procedures within this place reflect the expectations of the community.

I have deliberately left the committee's terms of reference open as I expect that this motion will be amended during the course of the debate to provide specific terms of reference. There are a number of areas that I believe will be included in those terms of reference. The Hon. Nick Xenophon, the Hon. Mike Elliott, members of the government in the other place, the member for Gordon, the member for Fisher, various members of the government and the Labor Party in this House have all referred to various issues in relation to increasing the number of sitting days, or actually examining whether the number of sitting days is currently appropriate. There have also been comments about examining the hours and the structure of sitting days. Having witnessed over the past three years how the debate is managed in this House, I think we need to look at the process of managing the debate in the House, and we must also ensure that the way the House operates maximises the opportunity for legislation to pass.

I think that there is also an opportunity through this select committee to examine the effectiveness of our committee systems and I also believe that we need to look at opportunities to increase public consultation on bills before they reach this place. I also think that in this day and age the parliament should move into the twenty-first century, and I think it is really important that we look at opportunities to utilise technology to streamline the processing of legislation. I also think it would be desirable to look at the option of setting fixed term parliaments, if that is appropriate. And we need to consider the necessity for a bicameral parliament.

These are just a few of the many issues that have been raised publicly to date. I think that the appointment of a select committee of the parliament, with representation of both parties and those on the cross benches, to look at these issues is the appropriate way to manage it. What we have seen over the past three years is grandstanding in the media which has resulted in absolutely no reform. I see this as an opportunity for both sides of the House to get together and support this motion so that we can progress the issue of parliamentary reform as the community demands.

We really need seriously to think about how people are looking at parliamentarians and ask ourselves the question of why that is so and rise to the call of improving the practices and procedures to meet the expectation of the community. Once upon a time, this institution was revered by the public. It is no longer revered by the public; in fact, it is held in contempt, and the cynicism in the community is extremely strong. This is an untenable situation, and this place needs to

be represented to the community as a place that is able to meet its needs and to show leadership in ensuring that this place can meet the demands of the 21st century. We should move the parliament into the 21st century and look seriously at reform, instead of tinkering around the edges and grandstanding in the media.

Ms HURLEY secured the adjournment of the debate.

INDUSTRIES DEVELOPMENT (ASSISTANCE TO PRESCRIBED BUSINESSES) AMENDMENT BILL

The Hon. R.B. SUCH (Fisher) obtained leave and introduced a bill for an act to amend the Industries Development Act 1941. Read a first time.

The Hon. R.B. SUCH: I move:

That this bill be now read a second time.

In moving the second reading of this bill, I seek to provide for greater openness, accountability and transparency in relation to the spending of taxpayers' money. I make clear at the outset that I am not opposed at all to government assistance to industry. What I am seeking is a better system of ensuring that that money, or the assistance given, is provided in a transparent, accountable and more open manner.

The Economic and Finance Committee, comprising the Hon. Graham Gunn, Mr Conlon MP, Mr Foley MP, Mr Hamilton-Smith MP, Mr McEwen MP, Ms Trish White MP and I unanimously recommended that the present system be modified.

In a series of recommendations (and I will not elaborate on all of them), the committee noted that there were serious deficiencies in the present arrangement. For example, in part of its report the committee stated:

The committee was disappointed and frustrated with the considerable length of time it took some government departments to respond to its questions. On a number of occasions, the information ultimately provided to the committee was incomplete and failed to satisfactorily address the committee's concerns. The inability of the committee to receive comprehensive answers to many of its questions was discouraging and constrained the depth of the inquiry.

The committee sought information from the government covering a 10 year period 1989 to 1999, and found that the South Australian government spent more than \$660 million on industry assistance. In the 1998-99 financial year alone, South Australian government assistance to companies totalled \$120 million. The evidence received by the committee indicated that assistance to individual firms constituted a predominant part of those funds.

The committee also noted the following:

From its extensive examination of the South Australian government's current administrative arrangements for the provision of industry assistance, the committee has reached the conclusion that there is room for improvement in the application, approval and post assistance monitoring procedures governing assistance.

The committee's major concern rests with the Industries Development Act—

the one that I am seeking to amend—

which does not set out an adequate framework for the assessment of assistance applications by the Industries Development Committee. This can be illustrated by the fact that over the last two years 40 per cent of the industry assistance packages in excess of \$200 000 were not referred to the Industries Development Committee.

Another major concern of the committee is that the Industries Development Act 1941 fails to provide for the accountability of industry assistance to the parliament. The government's excessive use of the commercial confidentiality concept prohibits the public disclosure of benefits provided to recipients of industry assistance. The committee believes that the expenditure of public money of this magnitude requires adequate public scrutiny.

The committee recommended that an appropriate and responsible course of action for the government is to reveal both the costs and actual benefits associated with individual assistance packages. And, sir, that is exactly what I am seeking to do. As indicated earlier, that had the unanimous support of the members of the committee.

In particular, the committee recommended that the Industries Development Act 1941 be amended to embrace criteria that the Industries Development Committee has to consider before endorsing a project—and that is precisely what my bill requires. All government financial assistance packages with a total value in excess of \$200 000 must be submitted to the Industries Development Committee for endorsement—that is what my bill seeks to do. Also, the designated information on individual assistance packages in excess of \$200 000 should be tabled in the parliament. The committee recommended six months, but my bill provides for two months, but that is once the assistance has been finalised.

I make quite clear that I am not talking about revealing any of the package during the negotiation stage: I am talking about two months after the package has been finalised. So, this red herring that is sometimes trotted out that people will pull out or the company will not invest is, what I just said, a red herring. The committee said:

The information should include, but not be restricted to, the identity of the recipient, the total value of assistance and the total number of direct jobs retained or created.

It also requires that there be updates concerning major assistance packages, including information about direct investment facilitated and details of jobs created and that that be reported to parliament—as the committee said, annually. As members can see, however, I have modified that in my bill. The committee also recommended that the Auditor-General conduct an independent evaluation of benefits. What I am putting forward in modified format (and I acknowledge that) is basically in accord with the Economic and Finance Committee, which is a bipartisan committee.

The United States of America, the heart of capitalism, has many of these provisions in many of its states. For example, the state of Maine requires disclosure of assistance package details. So, it is hardly a radical initiative, and I am not aware that the United States economy is in any state of decline as a result of what is basic openness, accountability and transparency.

My bill has two essential elements: first, that the Industries Development Committee consider particular criteria in evaluating whether assistance should be recommended; and then, subsequent to that, if the committee is in agreement and the package is finalised, that information should be tabled in the parliament after a period of two months.

In essence, the following are the aspects that the IDC (which is a bipartisan committee and on which sits a representative of the Treasurer) should consider, in making its recommendation: the effect that the assistance will have on employment of people in the statement—I would have thought that was a fairly fundamental basic requirement; the predicted benefits to the revenue of the state and the state's economy; the amount, level and type of training for persons in the state—fairly fundamental; the value of any exports that will or may be produced as a result of the assistance—another good indicator; infrastructure that will or may result from the assistance; the amount, level and type of any research and development that will or may result; the extent to which the assistance will help promote and develop a strategic, sustainable and long-term approach to economic development

in this state, in other words, moving away from any suggestion of adhocery by putting industry assistance into a more long-term strategic focus; whether the assistance will promote innovation and higher community service standards, something that the committee was very keen to see happen; whether there has been appropriate consultation with the relevant stakeholders; performance targets that are to be met; the clawback provisions if the objectives are not met; and any other matter that the IDC considers relevant.

Those sort of criteria are basic and should be considered by the Industries Development Committee. The committee had representations from various notable economists, including Prof. Cliff Walsh and emeritus Prof. Richard Blandy, indicating concerns about the methodology currently used and the fact that it is impossible to know whether or not we are getting value for our money.

The second part is that the details of the package following those criteria would be tabled in parliament after the conclusion of any package being negotiated and the time frame for that would be two months. There is no doubt that the public, the community, seeks this. It does not in any way suggest that any company being involved has to disclose their confidential details. We are not trying to find out the formula used by a particular company in developing a product or anything like that. We are simply asking for the quantum of assistance, how many jobs will be provided, how many exports, what infrastructure training there will be, when it will be achieved and what the claw back provisions are. It is a fundamental thing readily accepted by the business community.

It is only politicians who play this game of cover-up and secrecy, brown paper bags and heavy raincoats. Industry is not allowed to do that. It has quarterly, half yearly and annual reports. It could not operate this way: it would not be allowed to do so under the law. It is not the business community opposing a level playing field with many industries out there not getting any assistance at all, but people in government want to play the secrecy, cover up, brown paper economics game, and the public have had enough of it and want accountability; if you ask industry it will tell you the same.

I have an idea of some of the packages awarded in recent times. Some of the bigger companies have had multi-million dollar packages. I have not seen any documentation to indicate absolutely what they are getting, so I have no idea whether we are getting any value from those packages at all. I know some of the big companies have had more than one package. One company mentioned in the media recently has had three packages. What benefits have we had: maybe good, maybe not—who knows: not the public and not even members of parliament. So the system at the moment is absolutely deficient. Those who suggest that it will bring about the end of civilisation as we know it are just resorting to scare tactics. It does not matter which government is in power: they will all play the same game. We have had the IDC for 40 years and now find that that is being by-passed. It worked for a long time as a bipartisan committee, but now we are finding that for reasons of 'urgency' that committee is by-passed.

It is time to take action to introduce modest, reasonable amendments relating to industry assistance disclosure. I am not claiming the bill as presented here is perfect. It is the right of the parliament to consider amendments to what I am proposing. It is a very important issue and one that has concerned me for a long time. As I said at the start, I am not opposed to industry assistance. I know the member for Hart was indicating yesterday that we need a national approach.

It would be good if we had that and one way of doing it in the long term is that states that engage in phoney artificial assistance should have that money deducted from the grants provided to them. That could be one way of addressing it. There are a lot of other issues about whether assistance should be put out to tender, putting the money into education and training, or giving money to young entrepreneurs coming out of university. At the moment we do not know whether we are getting value. It is wrapped in secrecy. The methodology is questionable and ad hoc. You only have to read the evidence of Prof. Cliff Walsh and emeritus Prof. Richard Blandy to see that they share those concerns.

I trust that members of this House will judge the bill on its merits and remember that the bipartisan Economic and Finance Committee has recommended changes in accordance with what I am proposing here, the modifications of which relate to the time at which the information is provided to the parliament. I have expanded the criteria that needs to be considered by the IDC and tabled in parliament. This is an innovative step. Members would be amazed if they knew the real picture in terms of industry assistance. We identified in that committee at least \$120 million per annum. We believe it is a lot higher than that—probably closer to \$200 million a year. It is more than the New South Wales government provides; it may be appropriately spent but may not. I ask members here to look at this bill on its merits and see whether we can come up with a system that does not jeopardise industry investment in this state but provides greater accountability, openness and transparency. I commend the bill to the House.

Mr FOLEY secured the adjournment of the debate.

CONSTITUTION (MEMBERSHIP OF HOUSE OF ASSEMBLY) AMENDMENT BILL

Adjourned debate on second reading.
(Continued from 26 October. Page 274.)

Mr MEIER (Goyder): This bill seeks to reduce from 47 down to 31 the number of members of the House of Assembly in our state parliament. The member for Hammond has detailed the reasons why he believes this is appropriate at this time and he particularly pointed out the advances in modern technology and how uses of items such as mobile telephones (let alone the ordinary office phone), faxes and e-mail now make communication that much easier. I am opposed to the move to go from 47 down to 31 members. My key reason for being opposed is that I am a country member. I represent a rural electorate and size still continues to be a major problem in serving the electorate to the greatest efficiency that one would want to serve it.

Mr Clarke interjecting:

Mr MEIER: The honourable member says I could be provided with a private jet. It would accept it in one sense, but it not be much use to me as I have only one airstrip at perhaps the Copper Coast where I could land it. I may as well drive there, anyway. A helicopter I would accept tomorrow, as long as someone carried out the maintenance for me. It is all very well to say that the number of constituents would only increase from 22 000 to around 33 000. In numerical terms that does not sound a lot more and it is not. Our federal colleagues have nearer 70 000 and they endeavour to represent their electorates to the best of their ability.

Mr Lewis interjecting:

Mr MEIER: The member for Hammond says that in New South Wales it is 60 000. Let us have a look at the figures.

An honourable member interjecting:

Mr MEIER: Another member interjects and says it is actually 44 000. Whatever the case, it is more than 22 000. The member fails to recognise that the New South Wales lower house has 93 members. As New South Wales is smaller in area than South Australia, the areas represented by individual members would be of a similar geographical size. I know that geographical size went out when the one vote one value system came in. It is a great shame that it did, because I believe that many people are under represented when it comes to being able to see their member, particularly when in some metropolitan electorates a person could cycle around his or her electorate each night, and in some cases walk around it.

Mr Hanna interjecting:

Mr MEIER: I am very surprised at the comments from members opposite. Country electorates such as mine and those of the members for Stuart, Giles and Flinders—even the member for Hammond’s electorate—are vast areas to have to serve, and it is often difficult to attend functions and maintain regular personal contact with constituents. Personal contact is still very important for proper representation. We hear increasingly that politicians—

An honourable member interjecting:

Mr MEIER: Exactly! The honourable member said that I have many people who have never met me; that’s right.

An honourable member interjecting:

Mr MEIER: We will not go into that. I realise that it is probably a physical impossibility to get to meet all of one’s electors. However, we hear increasing criticisms that members of parliament are in their hallowed castles and do not know what is going on in the real world. That is, without doubt, an appropriate criticism to make of some federal members of parliament. They get so tied up in Canberra that they lose sight of what is going on in their own electorate. I do not believe that it happens in South Australia to any great extent, although I do not know how all members serve their electorates. I certainly seek to be out and about to the maximum extent possible. Even then, one still hears criticism such as, ‘We hardly ever see you.’ Given the number of towns and settlements in my electorate, that is understandable, too.

When I first went in, I said to the former member, Mr Keith Russack, ‘It’s my intention to visit every school on a regular basis.’ I had about 40 schools in the electorate then. He said, ‘John, be very careful about giving a commitment to visit every school on a regular basis. You don’t only visit schools; you also have parliament that you have to attend. You have local councils’—I think I had 12 councils at that stage—and hospitals that you have to visit, and you have your day-to-day routine which you will find keeps you out of mischief.’ He was quite right. It sometimes annoys me that I do not get around to my schools as often as I wish.

The Hon. M.D. Rann interjecting:

Mr MEIER: Now with the redistributed boundary it is only in the thirties, but I acknowledge the Leader of the Opposition’s comment.

Mr Clarke interjecting:

Mr MEIER: No; in fact, if the member opposite had listened to contributions from me recently, he would know that I am delighted that we have had three new schools open in my electorate in the past year. One is opening this coming year, one opened last year and one opened several years

before that. We are going from strength to strength there, and it is great to see. Let us consider other states. Western Australia has 57 members, compared to our 47 members. It is very much on a par, although it is acknowledged that that state has huge distances. Tasmania has 25 members. So, if we went down to having 31 members, we would almost be getting into the same category as Tasmania, which is a small state, and I do not believe that the representation would be as it should be. New South Wales has 93 members; Queensland has 89 members, and an argument exists for reducing representation there. Queensland has 89 members, which is approaching nearly double the number we have, yet the size of that state’s population is not much greater.

Mr Clarke interjecting:

Mr MEIER: They have a few more. I remember back in the 1960s, when we—

Members interjecting:

Mr MEIER: I do not think this debate is about the abolition of the upper house, which is another debate in itself. I will endeavour to stick to what the member for Hammond has put before us. I believe without any shadow of a doubt that, if my area was doubled and I was expected to represent the people to the same extent as I represent them now, it would not be possible. They would have less and inferior representation, regardless of whether I or someone else was the member, and that is a bad thing. We have our three tiers of government. There has been considerable criticism from some quarters of the increase in size in local government areas. In country areas, the reason for that is very simple: members have a huge area to cover and cannot provide the representation they used to provide. That same argument would reflect through to the state level, where we would have a significantly larger area to represent, and I do not believe that we would be able to represent it in the way that we can currently.

I know that several of my colleagues will contribute to this debate and raise some other issues. I recognise the thrust of the member for Hammond’s argument, but I do not believe it is appropriate to go down that track at present. Our state will suffer if we have less representation. The commonwealth is trying to shove states to one side as it is. I believe very much in the federalist policy, and the states must make sure that they flex their muscles and fight for their regions. That is shown clearly in South Australia where we would be far worse off if we did not have a strong state government. The latest trend figures and the companies that are moving back here show what effect a strong state government can have. For those reasons I oppose the bill.

Mr HANNA (Mitchell): This bill proposes to reduce the number of House of Assembly members from 47 to 31. First, I want to rebut the main argument put forward by the member for Goyder when he referred to the size of electorates. Clearly, the geographical size of the electorate is not a determinant in this debate, because quite obviously federal members of parliament have geographical areas about four times the size of those of our state members of parliament, and it is recognised that they are reasonably well able to look after their electorates if they put their mind to it and make the effort. So, that is a red herring. To me, there are just two relevant issues when it comes to determine the size of electorates appropriate in a single member electorate system such as we have for the House of Assembly. One issue is how adequately resourced the officers are. The member for Goyder could perfectly well look after an electorate 10 per

cent or 50 per cent larger than the one he has—and the same applies to any of us—if appropriate staff and resources were supplied to the office. That is why, for example, federal members have a greater staff allocation and why in New South Wales, where the electorates are about twice the size of ours in South Australia, they have two electorate staff allocated instead of one.

So, anything is possible with the size of the electorate, so long as the electorate offices are adequately resourced. There is also the matter of the expectations of the community. In metropolitan electorates, as long as people know there is an MP's office a few suburbs away at most, that should be adequate, given the level of transport, car ownership and telephone facilities we have. The fact is that in every major regional town there is an MP's electorate office.

The Hon. W.A. Matthew: Rubbish!

Mr HANNA: I realise that some members from the country might dispute that, but it really depends where you draw the line. I ask members: are there offices in Port Lincoln, Whyalla, Port Augusta, Port Pirie, Mount Gambier, Victor Harbor and the Riverland?

Members interjecting:

The SPEAKER: Order!

Mr HANNA: Most areas are covered and, if we reduce the size of the House of Assembly to some extent, most areas would still be covered because there would still be appropriate offices. What is more, if the size of the House of Assembly membership was substantially reduced, there would be not only a strong argument for increasing the resources to each particular office, but also it may be appropriate, in electorates of a certain geographical size, to allow for two electorate offices. That would be very handy for some country members. We, in opposition, do not have the option of assuring the public that we can implement that, but that is an option which would rebut the argument in relation to size put forward by the member for Goyder.

I have said that there are two key factors that should determine the outcome of the debate: one is whether offices are going to be adequately resourced, and the second is the minimum number necessary for effective governance through this chamber. I make no secret of the fact that my preferred model is to have about 12 list members, proportionately elected, included in this chamber, and we would not then need the Legislative Council as we know it.

I believe that a mixture of single member electorates and proportionately elected members in one chamber would be the best form of government for South Australia. However, a few factors are relevant to the decision as to what the level of effective governance should be. There should be a range of experiences among members—we certainly have that now, but if we lost a few members that would not be diminished. We also need a range of occupations and ideologies. We need a government and an opposition and a variety of views, because the key to our system, above all, is the reasonable expectation of oppositions to be elected from time to time, because that is the only thing that ultimately keeps governments accountable.

My suggestion is that probably about 40 members would be adequate to run the House of Assembly. If anything, it might be appropriate, for historical reasons, to go back to 39 House of Assembly members, because that is what we had before it went up to 47. However, I think that 31 is just too few. Let us bear in mind that the Liberal government has increased the number of ministers to 15 and, if the House of Assembly has 31 members, the government will consist of

maybe 15 or 16 members, which means that everyone would be a minister, if the constitutional maximum was taken advantage of, as we can predict it would be, because of the self-interest and political forces involved.

So, ultimately, I may have to reject this measure because I really think that it is overreaching—and that is, perhaps, unfortunate, because there is scope for reform of this parliament and of this chamber, but this may not be the right approach. I think that to have 31 members in the House of Assembly is going too far in terms of reform.

In some ways, it is a limited reform because it does not allow for the variety of opinions and ideologies which the incorporation of a list of proportionately elected members into this chamber would allow for, but in other ways it is going too far, and I say that because I think it is stripping away too many members from the place. I think that if electorates were increased by about one sixth in terms of population, and therefore roughly in terms of size, we could all cope. I think the community would not blink: I think the level of representation that they would receive would be just as adequate, so long as the offices are adequately resourced, as I have said before. However, if the size of electorates was increased by 50 per cent—even if we had an adequate number of staff and resources, as I have suggested—the real problem in this place would be that we would not have the diversity of membership that we have now, and I think that diversity is a very good thing. So I am tempted by the member for Hammond's proposal, but I think it goes too far, and I think it would be better examined in the context of more broad ranging electoral reform.

The Hon. G.M. GUNN (Stuart): I take part in this debate because I believe that at the heart of our democratic process is the ability for a wide sector of the community to be elected to parliament. That is absolutely paramount. I agree entirely with the member for Mitchell when he said that we need a diversity of representation in this chamber. That is absolutely correct. I do not agree with his argument that we can give members extra staff and extra facilities, because that takes away the ability of the community to communicate with their representative. People are actually communicating with paid officials who will make the decisions and that, in itself, is a bad thing.

In the Northern Territory, it was necessary to increase the size of the Legislative Assembly to 24 members because the Labor opposition complained most bitterly that it was not possible to operate as an effective opposition because of a lack of numbers. The opposition won that argument and it was, in my view, most relevant, because in a democracy it is not about dollars and cents or the cost of the parliament: that has nothing to do with democracy.

Democracy is not the cheapest form of government, nor should it be. But parliamentary democracy allows people not only the ability to communicate with their representative, but also the ability to participate themselves. The smaller we make that group of people, the easier it is to manipulate, direct and control.

Mr Hanna: So you think the federal parliament should be increased?

The Hon. G.M. GUNN: It was: Bob Hawke increased it. We are not debating that today: I would be happy to participate in that debate on another occasion. But I think it is absolutely essential that members in this House think through this strategy. What is the purpose of this strategy? Is it about dollars and cents? Is it about ensuring that we have a soundly

based democratic process of which the community can feel it has some ownership? Or is it a course of action put forward by a member seeking to try to get on the coat-tails of the public perception that members of parliament are greedy, lazy and underworked which has been portrayed, basically, by the talkback media people—

Mr Clarke interjecting:

The Hon. G.M. GUNN:—that is another story—whose sole purpose is to try to put their own ratings up at the expense of well researched, well informed or accurate comments.

Mr Hanna: What about the newspaper?

The Hon. G.M. GUNN: I am coming to that. In a democracy, the more people who are involved, the more difficult it is for some large individual media operators to manipulate and control. Their purpose in life is to control. I think that it is a most dangerous precedent to have virtually one or two media operators controlling the media in this country. Not only is it anti-competitive but, of course, it is not in the public interest, and it is certainly not very democratic. I know that some sections of the Murdoch press are not particularly keen on me. But I make no apology for my comments, because I believe that, if we were to adopt this process, it would be a lot easier for the media to influence, manipulate and control.

One of the reasons why we do not currently have privacy legislation in this state is that people were bluffed by the media. In the not too distant future, everyone will have the opportunity to have another vote, because it is my intention to bring back a bill in this parliament, and I do not care what certain lawyers say, or the media, because they have ignored and broken every undertaking they gave the last time. I think that this parliament should have some guts and tell them where to go. There was nothing wrong with Chris Sumner's bill. So, I look forward to that—

Mr Clarke interjecting:

The Hon. G.M. GUNN: I agree with that, too. In relation to this proposition, in my view it is not in the interests of the people. In the isolated parts of the state (where I have had a bit of experience), it is very hard for members of the community to come face-to-face with a member of parliament. It has been said that we will have more resources, but one can only do so much in one day. People are racing madly from one side of the state to the other, and we end up with a situation as happened with Noel Hicks who represented the Broken Hill area. He was trying to do the impossible: he had his spouse driving for him, they had an accident and he was killed. It was only after that happened that a few more resources were provided.

The House of Commons (which often is quoted to us) increased its membership at the last election, and it was an automatic process. We have had devolution in the United Kingdom: there are 120 odd in Scotland and another assembly in Wales. There has been no talk of reducing the size of the House of Commons. Some members currently sit in both jurisdictions, but that is only a short-term measure. There is a three-tiered local government system in the United Kingdom, with people operating large budgets.

I want to make it very clear to this House that this measure is not in the public interest. It is certainly not in the interests of the constituents, because the more work you give to members of parliament, the more you tie them up, the greater the influence of the bureaucracy in the public service. Who do we want to run this state? Do we want the elected officials to be involved and to be fully aware and on top of what is

happening? The less we have of them, the more they will be snowed—

The Hon. M.D. Rann interjecting:

The Hon. G.M. GUNN: We know they snowed the member when he was a minister; he got snowed.

The Hon. M.D. Rann interjecting:

The Hon. G.M. GUNN: I know that. And I was always easier to get on with. The other point I make (and I think that the member for Mitchell made this point) is that, if we want this place to operate effectively, we have to have a reasonable number of members. We have to have people on both sides who sit on the back bench who are out there at the coalface—a few of them on each side in marginal seats—who really know what is taking place and can come back and put some heat on the ministers who are being advised by faceless people with perhaps their own agenda, an agenda which is often probably not in line with what the government wants to do, and certainly often not in the public interest.

The ministers are locked into endless meetings, signing endless pieces of paper, being snowed. When the backbenchers get to them, they have to be in sufficient numbers to say, 'Hang on this is complete nonsense; this has to be stopped,' and give all the reasons. But if we reduced the number of members, we would be placing greater power in the hands of the bureaucracy, and that is a bad thing, because they are not elected. I will give an example of that. We have one person making all sorts of noises about speed limits, and he is a so-called expert. He has never been elected to anything in his life. My challenge to him, and to others, is: put up your hand and get elected. Then you can have a say and you can have a vote. In the meantime, do not try to put the can on people who have been successful in getting elected.

At the end of the day, I do not think that this is a wise course of action. I come back to the point that democracy is not for the few: democracy is about giving people the ability to participate and to be involved. It should be the elected officials who make the decisions. The community should not have to line up and have to deal with a large group of Sir Humphrys who would be put in place to protect members of parliament and ministers if there were fewer numbers. I participated in the EARC discussions when the boundaries in Queensland were redrawn, and one of the things I was asked was what would happen if we gave those people greater resources. My answer to them was that no government—

Time expired.

Mr CLARKE (Ross Smith): I oppose the member for Hammond's bill, for a combination of reasons. The member for Mitchell and the member for Stuart, I think, made some very salient points; in particular, that democracy is not about counting dollars and cents; it is about representing the will of the people in a free election. We are witnessing that now, of course, in the United States, the world's biggest democracy—sorry, it is not the world's biggest democracy, India is, but the United States is the most powerful. I thought that the member for Goyder also had a point, and that is where I differ somewhat with the member for Mitchell, just on the margins, in so far as I think that geographic size does have a role to play in terms of determining the overall size of a House of Assembly.

If this was two months ago, I could have accepted the invitation by the member for Hammond to move an amendment, and my amendment would have been to abolish the Legislative Council. It would then have been in accord with the Labor Party policy. But the Labor Party, at its last annual

convention, has fallen in love with the Legislative Council and has overturned a 100 year policy to, in fact, retain and reform the beast. I do not believe that that is possible. So, I would have been in conformity with Labor Party policy—with the overwhelming support of the populace, I believe—in wanting to get rid of 22 supernumerary state MPs in the Legislative Council.

With respect to the member for Hammond's proposition, it does disenfranchise a significant number of people. I know, from my colleague the member for Giles, of the sheer number of hours of travelling involved in country electorates from point A to point B—in an electorate which covers literally half of the state of South Australia. And, as I discovered when I was campaigning against the member for Stuart in the last state election, in the lead-up to 1997, the electorate of Stuart is geographically huge. And it is not about giving sheep the vote. That issue was disposed of by the Labor Party under Don Dunstan in the 1970s.

In country electorates the schools, the school communities, local government bodies, the ordinary citizen in the street ought to have a reasonable expectation that they can have ready access to their member of parliament. There are emails, telephones and faxes, but there is nothing like the physical contact. There is nothing like the local member going to the school council, the local community meeting, meeting people in the street, seeing them in the bars of the hotels or the clubs or the shops and being eyeballed by the constituents and being told directly their concerns. So, there has to be a reasonable chance of country members of parliament being able to meet their constituents. What if we increase by 30 or 40 per cent an electorate the size of Giles or Stuart?

We all know that, with respect to state governments of either political persuasion, adequate resources would never be provided to ensure that members of parliament in those large geographic areas would get around and service the electorate. We have, for example, Legislative Councillors who are supposed to serve the entire state and who are paid a higher allowance to do so. But you cannot get them out of the CBD! They lose their way at the toll gate or at Gepps Cross. They are absolutely flummoxed. They can certainly find their way to the airport, but not outside the CBD by road.

I turn to a couple of other points that were raised by the member for Mitchell. I agree that there ought to be a one-house parliament, namely the House of Assembly. I think that the member for Mitchell and I share a similar view that the standing committees of the House ought to be reformed and given far greater importance and relevance to backbench members, with the opposition members on those committees given the right to subpoena public servants and ministers, to compel them to give answers to the opposition, so that the whole process of government is more open and transparent.

I would only support the abolition of that other anachronistic house up the corridor provided that we reformed the House of Assembly. And I do not think you can do it with 31 members. I think that 47 is around the right number, taking into account the sheer geographical size of some of our country electorates and the need for those country constituents actually to be able to eyeball their local member from time to time.

However, I think that I prefer a proportional representation system (and I am speaking personally now) such as in Tasmania—a Hare-Clark system with Robson rotation. I have spoken previously about my preference for that type of system in terms of the House of Assembly, and I will not now

belabour the point. It ensures that there is a direct relationship between the individual members of parliament and their electorate, because you may be one of four or five members of parliament in a geographic area competing against your fellow Liberals or Labor Party members to be elected.

Such a situation occurs now in the ACT and Tasmania, and I think that is a very good thing. I do not agree with the list system because, when you want to get to the top of the list to be assured of a victory, all you are appealing to are the 200 delegates who attend your annual convention, and you try to get high enough on that list to be elected. Once elected, provided that you stay in favour with a handful of the citizens of South Australia, you will perpetually be at the top of the party list and always assured of being elected to office—without your doing a skerrick of work in the local community.

I think that the Robson rotation method in Tasmania and the ACT is very good: it makes every member of parliament, Liberal or Labor, work their patch to earn their stripes from the electorate to be re-elected. It might be inconvenient for some of the feudal barons who run the parties, but I think it is excellent for democracy and for better representation of the community.

I commend the member for Hammond for bringing this bill before the House, even though I will be voting against it, because it helps to generate debate in this place as to the type of parliamentary system and the form of governance we want. In South Australia we now have 15 ministers, 10 being executive cabinet ministers and five juniors, which is an outrage. I do not see any reason whatsoever for there to be a cabinet of more than 10, perhaps with a couple of parliamentary secretaries to shake hands with people, to save the time of ministers having to do it, and to open doors and greet people, and so on.

A state the size of South Australia, with only 1.5 million or 1.6 million people, has 15 ministers. We have one sole Minister for Tourism: the sole job of the Minister for Tourism in South Australia is to be the Minister for Tourism. No other state or territory in Australia gives ministerial rank to a person who has only the job of tourism. I do not know what the Minister for Tourism would do after Monday lunchtime, other than attend a few openings and snip a few ribbons.

It is not necessary when you have a CEO, a deputy CEO and a public service contingent of perhaps 100 employees. The Convention Centre works beautifully because, basically, it runs itself without ministerial interference, and that is why it makes a profit. The Entertainment Centre has its own managerial set-up and largely does not have ministerial intervention, and it is prosperous as a result. It is only where you have direct ministerial interference that there is an absolute cock-up.

It would be far better just to get rid of the Minister for Tourism, because that, of all positions in this government, is the most supernumerary with the least possible amount of work to do. That highlights the point that here in South Australia we need no more than 10 ministers. Tom Playford got along quite well with eight and the first Labor government in 32 years, under Frank Walsh, also had eight cabinet ministers, and we managed to get through the work quite effectively.

I commend the member for Hammond in so far as this gives us an opportunity further to debate the issues of governance in this state, but I cannot support his proposal.

Mr WILLIAMS (MacKillop): I also speak against this bill. There are quite a few things I wish to say but, first, I will address my remarks to why the member for Hammond might have chosen to introduce such a measure at such a time. I understand that the member for Hammond is one of the longest serving members in this House, and it seems quite odd to me that, according to my information, he has never raised this matter before and suddenly chooses this particular time in his membership of this place to raise this matter.

It raises the question with me, at least, as to whether the member for Hammond is really serious about this measure or is playing cheap politics and trying to get another headline in the press. In support of his bill, the member for Hammond stated that one of the reasons for this is that we will have more air space in the chamber as individuals if we reduce the number; that those of us elected to the new parliament of fewer members will have more air space. I think that is a very significant reason for reducing the number—more air space! It would merely allow for a lot more hot air in this place.

The honourable member also says that it would give an opportunity for members to make more contribution to debate. I would like to inform the member for Hammond that reducing the number of members in the House in the way he proposes will do nothing to the standing orders, which control the opportunity for debate. Reducing the numbers will do absolutely nothing for the ability of any honourable member to contribute to any debate.

Since I have been a member of this place, the guillotine has never been used, and I hope that I do not see the guillotine being used in this place.

Members interjecting:

Mr WILLIAMS: That is a good point from the member for Gordon. I would not wish to see the guillotine used in this place, although I would suggest that last night might have been a reasonable opportunity to try it out! I do feel for the member for Ross Smith in terms of what his amendment might have meant to that other place, noting that the Labor Party did, in fact, withdraw this policy at its latest convention. That is in line with what the Labor Party has been doing for the past few years: ensuring that it has no policies at all. It discovered that it had one and decided to withdraw it, so that it had none whatsoever. I feel for the member for Ross Smith, although I do not agree with his sentiments. I happen to believe that our bicameral system is the right system, but I do agree that we should have some reforms.

Mr Venning: The other house!

Mr WILLIAMS: Just some reforms. The members for Mitchell, Stuart and Goyder all made some good points, but I believe that the member for Mitchell will regret making the comment that every reasonably sized town in rural South Australia has an electorate office. That certainly is not the case. I represent the fourth largest seat in the state geographically, and the population of that electorate is centred in more towns and villages than any other electorate, so I can vouch that that is not the case, as the honourable member alleged.

In fact, it is quite difficult for those communities that I represent to have face-to-face contact with their local member unless their local member makes the effort to attend functions and events within the various communities. For the information of the member for Mitchell, and as the member for Goyder mentioned, my electorate has 26 public schools and, like the member for Goyder, I endeavour to get to the schools to talk with the staff, students and parents as often as possible. I have six local government authorities in my

electorate, and that is somewhat fewer than when I came to this place prior to the amalgamation.

I think that my electorate had 12 local government authorities when I first came into this place. Again, I spend a considerable amount of time liaising with local government authorities. I talk with the elected and executive officers of those local government authorities, and other paid staff. I try to liaise with them and be the go-between for the local government authorities and the state government.

My electorate also has seven public hospitals: six public and one private. The private hospital is located in Keith and, to all intents and purposes, operates in the same way as a public hospital. Again, I endeavour to liaise closely with the hospitals. And the state government is responsible for a range of other services throughout my electorate with which I try to liaise.

In the three years that I have been the representative for MacKillop, I have travelled between 70 000 and 80 000 kilometres in my motor car driving around my electorate each year. The member for Stuart—

Ms Breuer: A year?

Mr WILLIAMS: Each year.

Ms Breuer interjecting:

Mr WILLIAMS: Yes, 70 000 to 80 000 kilometres. The member for Stuart alluded to the workload involved in a large electorate, and I think that the member for Giles would agree—she says that she travels further than that. Obeying the state speed limits, 70 000 to 80 000 kilometres equates to between 700 and 800 hours sitting in a motor car. That equates to approximately 20 40-hour weeks that I spend in my motor car purely moving about the electorate to service the electors so that the community has an opportunity to meet with me rather than talking on the telephone to someone in an electorate office.

Even though the feedback about the staff in my electorate office is nothing but positive, I know that most people do prefer to talk to their local member. I also know that, most of the time, most people do not bother to telephone their local member unless something has really stirred them up. But, as I travel around my electorate attending functions, it never ceases to amaze me the number of people who approach me and say, 'While you are here, I have this issue.' That is what being a local member is all about: it is about attending functions and giving every member of the community the opportunity to talk directly and to discuss with their local member issues of importance. Indeed—

Mr McEwen interjecting:

Mr WILLIAMS: In fact, I am going to Beachport next Tuesday to talk to some people on quite a topical issue, and I am looking forward to it. That is what democracy is about. If the electorate were twice as big, or even half as big, it would be harder for me to go to Beachport, as the member for Gordon suggests, to talk to the people on a topical issue, and my diary would be much more crammed than it is. I might have to wait another week or so to make that appointment to address those issues. That is what it is all about.

It is also about representing the people of South Australia in this chamber, not just in terms of the day-to-day running of the business of government but also having a diversity of opinion reflected in this chamber. The more members, the greater the diversity of opinion will be, not only on the floor of the chamber but also in the various party rooms and caucuses of the major parties. I believe that it is just as important to have a diversity of opinion in those forums as it is on the floor of the chamber, despite some members being

anti the major parties, and I believe that this measure has a fair bit to do with that. I began by saying that it has more—

Mr Clarke: You weren't happy with them, either.

Mr WILLIAMS: That is not right, Ralph. I believe it has more to do with pandering to the general public and, as the member for Stuart said, the goings-on on talk-back radio. To be quite honest, I am not too sure that this form of populist politics needs to be encouraged by members in this place who well know better the responsibilities of a member of parliament and the amount of hours and work that members of parliament do for the public of South Australia.

There has been talk about the ministries. The member for Stuart made a very good point about the ministers being snowed by the bureaucracy, and I totally agree with what he said.

Time expired.

Mr De LAINE (Price): I will be brief because other members have made important points. I want to make one main point and to oppose the bill as introduced by the member for Hammond. While I respect the member for Hammond's right to introduce the bill, I feel that the honourable member has based his arguments and thoughts on his electorate, which is largely a country electorate. I invite the honourable member to visit my electorate in the western suburbs, and some others, to witness the workload in areas that suffer so much unemployment. My electorate includes 6 500 Housing Trust homes. It has a lot of industry, but there is a lot of youth unemployment, as well as social problems. So, I could not cope with any more constituents than I currently have.

The member for Mitchell made a point about comparing state members and their number of constituents with those of a federal member. While a federal seat is about four times the size of a state seat, more people would come into my office than a federal member's because the state government, as everyone knows, is the organisation that provides services to people.

Mr Hanna: It is the federal government that provides the money, though.

Mr De LAINE: Yes, but people would go into a federal member's office for matters concerning pensions and foreign affairs matters—areas that do not affect people much. On the other hand, a state member's office is continually inundated with problems relating to housing, transport, education, health and police matters. On that basis, I say that state seats should be smaller. I believe that we need the 47 members of this place. In fact, taking into consideration electorates such as mine, I believe that we need more than 47 members. I will not go into that now, but certainly for those reasons we could not sustain an argument to reduce the number of seats to any number below that. I will leave it at that. That point was not previously raised. The member for MacKillop made mention of the services that state governments provide, and that is my argument for opposing the bill.

Mr SCALZI (Hartley): I will oppose the measure to reduce the number of members from 47 to 31 in the House of Assembly. I do not wish to reflect on the intentions of the member for Hammond but it is important to note that there is much community comment—if not support—about the size of the parliament, the number of members, the expense involved, and so on—and these issues must be examined.

In a simplistic argument to support the reduction, I believe that, whilst appearing electorally popular, to reduce the

number of members from 47 to 31 in the House of Assembly would not necessarily be in the best interests of democracy: 'more' is not necessarily more expensive and 'less' is not necessarily less expensive. If that argument is applied one could say that ultimately to have three or four members in the House would be less expensive to the electorate.

As I move around my electorate—and I am sure many members would agree with this—I often hear that we are over-governed but seldom do I hear that we are over-represented and there is a difference between 'over-governed' and 'over-represented' because representation has the effect of empowering individuals. I believe that that distinction is not often made. If we are over-represented, why is it that when door knocking in their electorates, members are greeted with the comment, 'This is the first time I have seen a local member'?

Debate adjourned.

MULTICULTURAL AWARDS

Mr SCALZI (Hartley): I move:

That this House—

(a) congratulates the Multicultural Communities Council on the establishment of the South Australian Multicultural Awards;

(b) congratulates the five inaugural award winners for their outstanding contribution to both the community and multiculturalism in South Australia; and

(c) recognises the significant contribution that migrants and their descendants continue to make to the social, economic and cultural life of our state.

I congratulate the Multicultural Communities Council for the very successful dinner dance held at the Italian Club in Carrington Street on 13 October to present the inaugural South Australian Multicultural Awards. The Premier and many members of parliament attended the very successful evening and about 400 people attended—in fact, it was a full house at the Italian Club.

As I have said, the Multicultural Communities Council and its 200 member organisation should be congratulated for their initiative in establishing the inaugural South Australian Multicultural Awards. I was privileged to attend and witness first hand the recognition of members of the multicultural communities who have made a significant contribution to multiculturalism. Making a contribution to multiculturalism is in fact making a contribution to Australian citizenship because the two are very closely related.

Traditionally, Australian honours awarded by the federal government (such as the Order of Australia medal and the like) has been an ideal way to recognise and reward outstanding community service. Until now there has been no specific award that acknowledges an individual for his or her outstanding contribution to both the community and multiculturalism in South Australia.

From the outset, South Australian multicultural communities have stressed that they want to recognise individuals whose contribution has previously been unrecognised—the quiet achievers or the 'unsung heroes'. As I have said, when we recognise these 'unsung heroes', these quiet achievers who have worked tirelessly to enable people to settle in South Australia and Australia, we are giving credence to the cohesiveness of our society—not only to multiculturalism but to citizenship. We are giving legitimacy to—and commending—the composition of Australian society. Without recognition of that composite we are in danger of not appreciating our diversity.

We have already started to pay tribute to volunteers in the lead-up to next year's International Year of Volunteers. It is appropriate to combine that recognition with the promotion of multiculturalism because next year is also the International Year of Mobilisation Against Racism, Racial Discrimination, Xenophobia and Related Intolerance.

South Australians of diverse linguistic and cultural backgrounds continue to make a significant contribution to our society on a daily basis. While there are many shining examples, many thousands more continue to beaver away behind the scenes and just get on with the job. In this state we are fortunate to be part of a harmonious society which embraces the cultural diversity of over 150 different communities. Those who give freely of their time have been the backbone of every multicultural community group in South Australia since settlement.

We would not have the hundreds of strong, vibrant clubs and organisations we have today if it was not for those men and women who put in so much of their time and effort. Many men and women have helped newly arrived migrants settle into a new way of life in a new country. Many do what they do because they want to give something back to the community and help those who helped them when they really needed it. They expect no reward, because their reward is knowing that, at the end of the day, they have helped make someone's life just that little bit easier. We all appreciate it when our efforts are recognised: it is confirmation that what we are doing is worth while and that it means something.

I would particularly like to congratulate the five winners: Mr Yavoz Kadir (Youth), Mrs Yenenesh Gebre (Women), and Mrs Miriam Cocking (Community volunteer); and the two outstanding community workers who were joint winners in the senior awards, Mr Frederick Laczina, OAM and Mr Nick Flabouris. Their contribution to their communities, to South Australia and to multiculturalism is invaluable. I wish to commend the President, Mr Michael Schulz, and his committee for organising such an evening and for having the initiative to have these inaugural awards, because it is important, as I said, to give recognition to that diversity at this level and for government and opposition to acknowledge the contribution that diversity makes to our state.

I also commend the umbrella organisations of multiculturalism; that is, the Multicultural Communities Council and the ethnic schools associations. As I have said, we should be continuously acknowledging our diversity, because, if we do not, there is a danger—and I am pleased that that has not happened in South Australia—that it could lead to an ethnic oligarchy. That means that the larger groups would have a greater influence on our society. That is totally contrary to the objectives of multiculturalism. I always bear in mind when I am invited to multicultural functions that the smaller ethnic groups are given the same importance as the larger groups, otherwise we are in danger of not achieving the total diversity and not putting multiculturalism in context.

Giving recognition to the smallest groups is what strengthens our democracy. It is important for all of us at a government level and a party political level to acknowledge that diversity and give recognition to the small groups. We cannot do that effectively unless there are umbrella organisations such as the Multicultural Communities Council, which represents the totality and not just one particular group. For those reasons, I believe that it is important that we commend the Multicultural Communities Council and the government for acknowledging these contributions and participating in celebrating these awards. On behalf of the House, I congratulate

late the representatives of different organisations on the working party and the judges on their obviously very difficult job of selecting the winners of these awards to ensure that we are all winners in a rich, diverse society in South Australia.

Ms CICCARELLO (Norwood): I will be very brief in my contribution to this motion. Whilst I think it is very important for our communities and individuals to be recognised and congratulated for the important work they do, I feel very uncomfortable that we find it necessary in this day and age to have to put in place separate awards for multicultural communities, because the people in all the communities who do an enormous amount of work, and have done over many years, should be recognised in our mainstream awards. We already have many awards in place, including our Australia Day awards and youth awards. Last night, the Youth Achievement Awards were made and many other forms of recognition have been put in place over many years.

I think it would be opportune to urge our communities, and particularly our multicultural communities, to nominate individuals from their organisations for these mainstream awards so that they can be recognised by the whole community and not by the multicultural communities separately. Whilst I also add my congratulations to the inaugural winners, I do think that it behoves us to integrate our community much more and to ensure that the leaders and the many individuals and volunteers in our multicultural organisations receive the appropriate recognition in all the other awards that we have not only in South Australia but Australia wide.

Motion carried.

CENTRAL DISTRICT FOOTBALL CLUB

Ms STEVENS (Elizabeth): I move:

That this House congratulates the Central District Football Club—players, coaches, officials, members and supporters—on the magnificent achievement in becoming the South Australian National Football League premiers.

I must say that I am pleased to move this motion, and I am also pleased that the motion will be seconded by the member for Bragg, who was very keen to move the motion, but who, in his most honourable fashion, conceded this honour to me as the local member for Elizabeth. The front page of the *Advertiser* of Monday 11 September last said it all: emblazoned in large black type it proclaimed the victorious Central District SANFL Premiers 'Heroes of Elizabeth', above a picture of the team, their coach, the Thomas Seymour Hill trophy and the victory flag. Indeed, they will forever be heroes in the eyes of their supporters in Elizabeth.

This year, at last, Central District has finally done it, finally got the monkey off its back and won its first grand final since their entry into the South Australian National Football League in 1964. This victory was more than just the victory of a football team because, when the Doggies go into a game, they take with them the hopes and dreams of thousands of loyal fans of all ages and all shapes and sizes; and they take with them the desire of the underdog, the battler, to come from behind, to struggle on with dogged determination against all odds, and finally claim victory. This spirit and sentiment were reflected in the many comments by players, officials, coaches, sponsors and fans before and after the match. Indeed, in an emotional speech at the very end of the match captain, Danny Hulm, after praising the Eagles for their great courage and character, said he was so proud of his

boys; they represented the spirit and character of the northern suburbs. He went on to say that the win was for the club's community and, 'We are a club and we will go on.' For all friends of Centrals who had cheered and supported the club over many years, victory at last was sweet. So many times it seemed that we got so close, only to not quite make it, but not this time. In recent years it was particularly frustrating, with a loss to Port by 48 points in 1995 and by 36 points in 1996. Last year Centrals were seventh, and even in the third round this year we were in seventh position. But this year the planning and work bore dividends, the determination showed through and victory was ours.

On the game itself I will give just a brief overview because those of you who are footy fans will have watched it and read the reviews, and those of you who are not probably do not care about the details. Both teams came into the game to create history: the Eagles going for their second flag, and as minor premiers they had already won the under 17s, the under 19s and the reserves, and this would have made it a clean sweep for them.

A crowd of 34 819 at Football Park, the majority of whom were in red, white and blue, watched, cheered, sang, shouted and waved flags and banners as a tough, rugged game resulted in Centrals defeating the Eagles by 22 points, 8-13 to 5-9.

The first quarter was remarkable in that only a total of eight points were scored by both teams. However, it was in the third quarter that Centrals established a commanding lead, putting on 4.2 to the Eagles one point. They then held that lead in the rain to run out winners. All through the match the unmistakable, slightly mournful 'C-e-n-t-r-a-l-s, C-e-n-t-r-a-l-s', sing-song chant pervaded the ground.

An honourable member interjecting:

Ms STEVENS: No, it is a wonderful thing when you hear it. When the whole ground erupts with it, it is a wonderful thing—we think it is. This pervaded the ground, punctuated with the outstretched arm, finger pointing, much more forthright, 'U Dogs, U Dogs.' Centrals fans were there in force.

There were some great performances on the day from players, and special congratulations go to No. 28, James Gowans, the Jack Oatey medallist, Quinton Graham only 20 years old, as well as goal scorers Daniel Healey with three goals and Stuart Dew with three. But most of all, this was a team effort and, as skipper Danny Hulm said, 'We do not have super stars—just 21 contributors.'

In forging a team and bringing them on, the coach himself is critically important. Peter Jonas did a fantastic job—it was a brilliant coaching effort over three years, culminating in a Central District football premiership. Peter himself played for Central District from 1977 to 1980 and again from 1988 to 1990, clocking up 93 games and 109 goals. In the gap he played for North Melbourne from 1981 to 1988, with 82 games and 115 goals. He did a good job. We are sorry to lose him now, but we wish him well as he joins St Kilda as assistant coach to Malcolm Blight.

As everyone knows, full-on celebrations in Elizabeth rolled on over several days and into the following week. Elizabeth oval on grand final night was packed with 10 000 people who were jubilant and ecstatic, but good natured and well behaved. The party continued for another two nights. Some fans came from a long way. Ray Grigg, former head of General Motors at Elizabeth, and his wife flew in from Japan. Rod Keane who recently left General Motors phoned from Germany. He had watched the match on the Internet.

Phyllis and Graham Coverdale came from New Zealand. The newest head of General Motors here in Elizabeth, Albert Ledower, learnt the rules and saw his first game of Australian Rules at this match. Former players—John Platten, John Duckworth, Tom Grljusich, Roger Girdham, Peter Vivian and others were there.

But victories like this do not just happen without the backup of officials and supporters, and I will mention a few. I would like to congratulate chairman Les Stevens for his leadership and warmth and the way in which he includes and encourages people to come on board and work together towards a goal. I congratulate his wife, Val, as together they are a great team.

I acknowledge the work and dedication of general manager Kris Grant, who has been at Centrals for 20 years and given his all to the club; and Bill Cochrane, marketing manager, good sport and ambassador for the club, master of quizzes at home game lunches and cryptic announcer of scores at club functions.

I thank the Board for its work and other officials, coaches, volunteers and members. I say a special thank you and acknowledge Norm Russell. His association with Centrals goes back to the beginning and he served six years as president and chairman, has been a long-time patron and was made a life member in 1969. In the grandstand, his raucous voice and tremendous enthusiasm is constantly evident at every Centrals home match.

I refer also to Ken Russell, chairman and president for many a year and to Bob Zerella, a long-time supporter, former president and chairman, who I understand said at the end of the match, 'I am a happy man now; I could die and I don't care.' Thankfully, that has not occurred and, as of last Friday night, Bob was alive and well!

I thank all sponsors of Central District Football Club, and in particular I mention General Motors Holden and the Playoff Council, but there are a range of other sponsors, without whom the club could not function.

There are many things about Centrals that make it a great club. The clubrooms and the people who go, the giant footy pool run by members Don and Joy Durbridge, and the *BM* magazine which has kept us entertained and chuckling in recent years and which I wish would start up again. I mention also the fun, fellowship, and the people who come to the matches and support the club, support Elizabeth and support the northern suburbs.

The future looks rosy, the club is expanding and improving its facilities, and the players will soon have new dressing rooms under the grandstand. Centrals will continue to support the development of sport in the Elizabeth area.

I really believe that we are the mighty, mighty dogs. That is very parochial, but it is a great club with great people, and I believe it has a great future. We know we will lose some players. Danny Hulm has left us already to go to England. We thank him for his leadership and inspiration. Others may go on to bigger and better things, but others will come. The future looks rosy.

Finally, I put on record the names of the players and officials who were presented with medals at the end of the match by Neil Kerley, they were: Damien Arnold, Marco Bello, Daniel Stevens, Michael Stevens, Scott Lee, Sam McCardle, Stuart Dew, Kynan Ford, Damian Hicks, Brian Haraida, Chris Gowans, Rick Macgowan, Radley Moller, James Gowans, Paul Geister, Nathan Steinberner, Quinton Graham, Brent Guerra, Heath Hopwood, Daniel Healy,

Matthew Slade, Danny Hulm, and Peter Jonas. I congratulate them all.

Members interjecting:

Ms STEVENS: All my colleagues behind me who support other teams are jealous because they are not standing here today. The member for Spence was almost in tears; his team lost, but he was gracious about that and congratulated Centrals. It was a victory a long time coming—the first of many in the future. Congratulations, Central District, and everyone connected with them. I also thank the member for Bragg for agreeing to second the motion. I am sure he will be on his feet as soon as I sit down.

The Hon. G.A. INGERSON (Bragg): It is with a great deal of pleasure that I second this motion, and I thank the member for Elizabeth for giving me the opportunity to do that. It is a wonderful feeling to be able to say before I pass on that at last they won. I have been involved with the club for in excess of 20 years. It has been a significant part of my life. I have made a lot of fantastic friends in the Salisbury/Elizabeth area because of my involvement with the football club. It is just fantastic to see all the people who have put years and years of service into the Salisbury/Elizabeth area and, in particular, into the football club to be rewarded with an important fillip for the area. I still have personal investment in the town through my pharmacy. I have been there in the business for some 35 years, and I know what an inspiration Central District's winning has been. That is an important issue, and I know that the member for Elizabeth covered that quite adequately in her speech.

I will talk briefly about the history of the club. It was started in 1959 at basically the same time as Woodville. That is a very important issue—that the two junior clubs of the league played off last year, and both of them have come of age, both of them have now been premiers. That is good overall for football in our state. Our club was formed in 1959 with reserves under 19 and under 17 and played at Elizabeth. It was not until 1964 that it joined the league and had reserves, under 19 and under 17. Interestingly, the very first game was against West Torrens which we would all know finally amalgamated to form Woodville West Torrens. It played Glenelg in its very first game at Elizabeth. I understand it was an interesting game, although I was not there. The first coach was Ken Eustice, and he was captain. Gary Window was the first Magarey Medallist. There has been a whole range of coaches as follows: Eustice, Jones, Casserly, Window, Hicks, Neale, Neil Kerley (he was up there for a while), Alan Stewart, Wright, Jonas and the new one, an ex-Melbourne player and coach, Alistair Clarkson.

We have had four Magarey Medallists in Window, Platten, Duckworth and MacAdam, and we have three life members of the South Australian National Football League. That in itself is a tremendous tribute. Charlie Pyatt, the very first chairman, is a life member; Bill Ward, Peter Page, Bruce Oldman, Robert Zerella, Ken Russell, the son of Norm, and now Les Stevens, the three life members being Charlie Pyatt, Norm Russell and Peter Page.

It would be remiss of me to not mention the fantastic effort that Norm Russell has put into the club. I first met Norm as a pharmacist. I worked for him at Elizabeth shortly after I qualified, and it was through his keenness and encouragement that I became a donor and sponsor with Centrals football club and, as a consequence of that, as I said earlier, I made many lifetime friends. A couple of special people within the administration need to be mentioned. As

has been mentioned earlier, Chris Grant has been a general manager for nearly 25 years. Merv Starkey, who is an employee of General Motors, has been the property steward, and Merv has actually donated the guernseys to the club for in excess of the past 10 years. Neville Deer has been the time keeper for more than 30 years. Those sorts of people really make up the basis of the club.

The member for Elizabeth made a special comment about the contribution of the club to the community. It is only if you have lived in the area that you know the fantastic support that the community has given to this club, and the effect it has had on the community since it has won has been tremendous. As I said earlier, I have a pharmacy in the area. The feedback from the victory is that many parties are still going on. Overall, there is a new enthusiasm in the area, and that is pretty special, because it is a wonderful district. It gets a lot of rubbishing, but many fantastic people have put in long-term community support, particularly for this football club.

It would be remiss of me not to mention General Motors Holden's, because the club has had a significant sponsorship arrangement in the past 10 to 15 years. Special mention needs to be made of Ray Grigg because not only did he come back to the game but it was Ray's effort that upgraded the sponsorship of General Motors some 10 to 15 years ago. It is its long-term support and the support of all the work force at General Motors that has made an important contribution. There have been many other sponsors. I was roped in early, as were a whole lot of other small businessmen in the district. They have been long-term supporters of the club, and they need some congratulations as well.

We have really had three eras at the club: the Jones Casserly era, where we got into the preliminary final; the Hicks era where they were minor premiers; and we now have the Stuart, Wright and Jonas era which eventually ended up not only in grand finals but in a premiership. It is my view that the club is now on a fantastic financial basis, and it is set up for the future. It has a lot of good young players involved. As I said earlier, it now has an ex-Melbourne coach, so it must have a good long-term future. It has a lot of good players.

More importantly, Elizabeth and Salisbury now will be a long-term player in the South Australian National Football League. It is something that a lot of us have been hoping for a long time. It is now there, and I see it being a long-term force in the South Australian National Football League. Congratulations to everybody in the club from the board and the management to the players and to all the officials. I wish them the best of luck in the future, and I know my good friend Vinnie Ciccarello, the member for Norwood, would be very happy to wish Central Districts all the best, particularly every single time they give Norwood a drumming.

Mr WRIGHT (Lee): I am happy to echo the sentiments of the members for Elizabeth and Bragg. This motion brought forward by the member for Elizabeth in her role—

An honourable member interjecting:

Mr WRIGHT: I will speak about Norwood in a moment—as local member is an important one in acknowledging the achievement of the Central Districts Football Club. It has been a long time coming—

An honourable member: First time coming!

Mr WRIGHT: —the first time and a long time and, of course, it is no doubt part of the reason why a motion of this kind is so important, because those of us who barrack for clubs that win premierships on a regular basis do not have

that need. However, this is an important motion, and it is significant. We should all be delighted for a whole range of reasons that the Central Districts Football Club has been successful, because it is good not only for Central Districts and the area but also for the competition. I say that very seriously. I know the member for Elizabeth is serious about this motion. She may have mentioned it, but I know she also hosted a function for the club. The member for Bragg has had a very strong involvement for a long time with the Central Districts Football Club, as well.

The Central District Football Club first entered the South Australian National Football League competition in 1964. It may have been involved in a lower level of competition in the couple of years preceding, but it entered this competition in 1964. It has been a very strong competitor, despite the fact that, in its early days, like any other club first entering the competition, it did not have a lot of wins for a particular season and it did not finish high up the order. However, it was very competitive right from the word 'go'.

I well remember in the club's early days that coaches like Ken Eustice, and others, very quickly put together a very competitive outfit. We should not underestimate that, despite the fact that this is the first premiership the club has won. It has also, of course, in recent years played in a couple of grand finals against Port Adelaide Football Club and, unfortunately from its point of view, was not successful—obviously, Port Adelaide views it differently. Let us not underestimate the South Australian National Football League competition. It is still a premier competition in South Australia, despite the advent of the AFL and the roles of the Adelaide Crows initially and Port Power subsequently. The South Australian National Football League is still a very strong competition. It is the pinnacle in South Australia with respect to local football and still puts on a very good product, although it may not be of the quality that it was before so many players went to the AFL—which has been happening for some years now but, of course, much more so since the Adelaide Crows and Port Power have entered the national competition.

We should be very proud of the South Australian National Football League competition. It is a top grade competition. In many respects we are able to go on a regular basis—Saturday by Saturday, or whenever games are played, bearing in mind that they are mixed and matched a bit on Friday nights and so forth—to see a top rate competition where there is local atmosphere; where you can get close to the players; where you can get close to the supporters; and where you can get close to the whole club.

Members interjecting:

Mr WRIGHT: I wish my colleagues were taking this as seriously as I am but, nonetheless, the South Australian National Football League competition is the pinnacle of our local competition in South Australia. To win a premiership, despite the movements that have occurred in football in South Australia, is still a tall order. Dare I say that I think it is just as hard to win a premiership now as it was five, 10 or 15 years ago, despite the existence of the Adelaide Crows and Port Power. So, let us not underestimate any premiership in the South Australian National Football League: it takes a lot for a club to win a premiership.

The players, of course, are the critical element, backed up by the supporters, by the members, by the officials, by the sponsors and by the coach, and there are probably others that I have missed out. They all play a very important role in ensuring that all the critical areas are brought together, en

masse, to have a team in the competition that is able to go forward. I know that full well, because I know how regularly Norwood wins a premiership. Others, of course, would know through their own clubs: Port Adelaide wins them occasionally, as well. So, we are delighted that Centrals can have some of the success that we take for granted.

I do not know Peter Jonas very well, but I have met him a few times. Those who know him will support this: he is a person of the highest calibre. I think I met him for the first time when he was in his first year of coaching Central District. The club was not performing as well as he and the club would have wished at the time but, as we know, it goes in cycles. I think he coached there for three years and, during that period, I think that he has done extremely well. I do not think we should think any less of him, or any other individual who ultimately—

Ms Ciccarello interjecting:

Mr WRIGHT: I do not look at it that way—makes such a decision after an offer to go to the AFL: let us not deny the fact that that is the premier football competition in Australia. I know that when Peter Rhode left Norwood a year or so ago I was disappointed. People from Central District would be disappointed about Peter Jonas moving on and going to North Melbourne, just as other people at their own respective clubs would be disappointed when that happens. I know the Eagles lost their coach.

An honourable member interjecting:

Mr WRIGHT: Thank you: Peter Jonas has gone to St Kilda—one of the clubs that he played for was North Melbourne. We should look upon this as his next challenge. He should not be thought of any the less for taking up an appointment of that type. Others are doing it: others will do it. The South Australian National Football League, quite obviously, cannot pay the same money as the AFL can pay, for obvious reasons. So, I would hope that, despite the disappointment among Central District people, Peter Jonas will go with their good grace and with their goodwill. Let us look at the positive contributions that he has made in the last three years as coach of the Central District Football Club.

I also support, very strongly, what the member for Elizabeth and the member for Bragg have already said. This is a very important win for the community. Quite clearly, it has given, and will give, great satisfaction and pride to the local community. They possibly look upon their football club differently, in many respects, from the way other supporters in the competition view their clubs, and there is a range of reasons for that. There is nothing like going to a game at Elizabeth Oval and watching a game. Unfortunately, when you do this, you very rarely see your team win, because Central District has a fabulous record out at Elizabeth Oval. It is not quite as good in the last two or three years as it used to be, but it is a fantastic atmosphere and it should be judged as such.

So, the Central District Football Club has played a very constructive role in the South Australian National Football League competition. It has thrown up many champions who have played at state level and who have represented this state with great credit. It has also thrown up—

Mr Hill interjecting:

Mr WRIGHT: My colleague the member for Kaurna does not like the term, but it will do for the time being. Many players have gone into the national competition with great distinction. Obviously, for many of us, the one who stands out—there are others—is John Platten, and he is a great champion of whom we are all proud.

Mr McEWEN (Gordon): It is wonderful to be able to stand and be part of celebrating the first-ever success of the Central District Football Club. I do not want to be party to rewriting history, so I think it is important that I briefly put on record the significance of the role that the greatest of all the clubs, Sturt, has had in the victory this year of Central District. All one needs to do is look over the record of Central District in terms of the contribution that has been made on and off the field by the greatest of all clubs to see that a great debt is owed by Central District to the Sturt Football Club. That is in the long run. They also ought to look quickly at what happened as we moved towards the end of the season. The most significant of all the games this year was Sturt's defeat of Port. In so doing, Sturt opened the way for Central District to move on to its great victory, and paid the price itself. Sturt gave too much that day and paid the price. It is great to see Central District wave the flag this year but, in celebrating that success, we should reflect for a minute on the greatest of all the clubs, the Sturt Football Club.

Mr ATKINSON (Spence): I, too, congratulate the Bulldogs on this their first premiership after 36 years in the South Australian National Football League. My club used to be Woodville, and they were admitted to the league at the same time as Central District. Indeed, Woodville defeated Central District twice in its first season in the league.

I support the remarks of the member for Lee about the South Australian National Football League. It is genuine local footy, it operates on a district system and it is a pleasure to go and watch South Australian national league football—indeed, I prefer to watch that football than watch the AFL, and the atmosphere at the grounds is suitable to bring one's family along. I notice that the SANFL is introducing a rule that there will be a swearing-free zone at all South Australian National Football League grounds. I simply do not know where that will be at the Alberton Oval, but I presume that it will be a very small area.

Centrals has had some success over the years before winning this premiership. I well recall Centrals upsetting Sturt in the first semi-final in 1971, bringing to an end Sturt's run of premierships, and I was at the preliminary final that year when Centrals played Port Adelaide. Centrals had great players such as Phil Haughan, Tony Casserly and the Irish rover Mulholland, and 10 minutes before the end of the game it certainly looked as though it would beat Port Adelaide and play in its first grand final. Alas, that was not to be. Port Adelaide won that preliminary final and went on to be thrashed by North Adelaide the next week. Port Adelaide did not even score a goal to half time in that grand final, collapsing with its traditional lack of guts and determination.

I also congratulate Sturt on knocking Port Adelaide out of this year's final. I think I can say that that was the best finals match of the series. It was an epic gladiatorial struggle, and I think it took a lot out of the Sturt Football Club, as the member for Gordon said. The grand final was something of a disappointment to me, as a Woodville-West Torrens supporter. It was not a game that ever reached great heights, but Central Districts fought with brute force and courage to close up the match to make it a low scoring match. That was effective, because Woodville-West Torrens scored its lowest score for the entire year in the grand final. We at Woodville-West Torrens took the loss with equanimity, because it was good to see our brother club, admitted in 1964, finally win a premiership. We, of course, had already won a premiership in 1993 and we had won the under 17s, the under 19s and the

reserves. When I travel along Port Road in the morning on the bus or on my bicycle, it is a sheer pleasure to look at the brewery chimney and see Central District's colours on the top, Woodville-West Torrens' colours beneath and no sign of Port Adelaide's colours. Long may it continue!

Mr CLARKE (Ross Smith): I would like to echo the sentiments of the member for Spence, particularly about passing the chimney at the West End Brewery. May it long continue that we do not see the Port Adelaide colours there ever again!

I would like to congratulate the Central Districts Football Club, and particularly its band of dogged supporters, who have been loyal and growing in number ever since they were admitted to the SANFL in 1964—although I can never get used to their war chant, or whatever they call it—

Mr Atkinson: Or their behaviour.

Mr CLARKE: —or their behaviour at times—when I go along to football matches to see North Adelaide play. I think the last time that I went out to Elizabeth Oval was some 25 years ago, and that experience was enough to convince me never to travel that way ever again to see my team of North Adelaide play there. However, the supporters are extremely loyal to the club and have seen it through thick and thin. They have been tremendous for the club and for the district, and I congratulate them.

I also congratulate the member for Bragg. It is unusual for a Liberal member of parliament in the eastern districts to be such a longstanding supporter of—

The Hon. G.A. Ingerson interjecting:

Mr CLARKE: I understand that the member for Bragg lived out there for a number of years because of his business commitments. But it is terrific to see that he has not lost his support for that club over the years. And, of course, there is the outstanding contribution that the member for Bragg's son made while playing for Central Districts and the Crows before reaching even better heights with the Melbourne Football Club.

I congratulate the SANFL for a very fine competition. Like the member for Lee, I prefer attending local SANFL matches and local amateur league matches—where Kilburn usually predominates—

Mr Atkinson interjecting:

Mr CLARKE: Unjustly so, I might say. It is terrific to be able to go along to the SANFL matches and the local amateur league, which are based on partisan support. There are supporters from other clubs, roughly in equal proportion, and you can get stuck into one another in a friendly fashion; you are up close to the players and the umpires; and you can vent your spleen and know that they can hear you—unlike at Football Park, where overwhelmingly there is just one colour, except when they have the derby between the Crows and Port Power.

The SANFL has that rich atmosphere that makes our club football so enjoyable. You can just wake up in the morning and, if it is a good day, decide that you want to go out on the hill and have a beer and a barbecued sausage, or something of this nature. There are no long queues. You do not have to worry about buying tickets three months in advance if you want to go along with your family. I think it is a great atmosphere. The best thing this year, of course, was not to see Port Adelaide in the grand final. It has been there too often, and for far too long it has been favoured by umpires who, over the years, have been intimidated by its supporters. It is

magnificent to see Port Adelaide out of the grand final. As the member for Spence said: long may it continue!

Motion carried.

AMERICAN FOUL BROOD

Adjourned debate on the motion of Mr Lewis:

That this House—

- (a) notes that there are unprincipled, uncaring apiarists whose hives are infested with American foul brood and who in many instances are also using antibiotics to hide it even though the practice is against the law; and therefore
- (b) condemns the State Government for failing to uphold the law, prosecute the offenders and destroy the diseased hives.

(Continued from 26 October. Page 278.)

The Hon. R.G. KERIN (Deputy Premier): I oppose the motion. I think that the accusation in the motion of unprincipled, uncaring apiarists is somewhat unfair in that many apiarists have, in fact, had experience of American foul brood over the years, for a variety of reasons. Having had it does not make them unprincipled and uncaring. The motion actually states 'who in many instances', so it is not just talking about those who have used antibiotics. There have been antibiotics used, and we are not happy with that. Last year there were only three prescriptions in Australia for antibiotics, which were for European foul brood, but we are aware that some does come over the border and we would like to see that stamped out.

Certainly, there is a difference within the industry as to how that is best done. The 'many instances' I feel is an absolute overstatement that ignores the reality of where we sit in South Australia as far as testing for OTC is concerned. We have been shown to have a better record than the other states as far as testing goes, and the availability of OTC in South Australia is nowhere near as great as in other states. Many in the industry are upset by the statements, and I quote from one leading processor who said:

We are concerned that adverse, uninformed reports of this nature could seriously undermine the wellbeing of the apiary industry.

What concerned me were some of the statements about the food industry in general, when it was said that \$4 billion worth of the food that we export annually will go down the drain. That ignores the fact that we are comparatively clean in South Australia versus elsewhere, although some of the statements in the media gave the impression that this was more of a problem in South Australia than elsewhere.

The views put by the honourable member are those of a small minority of the industry members, and I would concede on two points. First, the industry is extremely divided. There is a point of view that we should be going in and having police-like tactics all over the place. The majority view is that we should be setting standards. There are things in train at the moment with regulations being redone and a manual going out, and the person who was regarded as the best of the inspectors is coming back and starting up again later in the month.

There is a range of measures such as that that the industry wants to happen. However, there is a divided view amongst industry members, and the Apiary Industry Advisory Group has been trying hard to get a consensus. That has not yet been reached. Secondly, the honourable member made the observation about the difficulties that PIRSA has had in employing apiary inspectors. That is true: every jurisdiction has had problems with getting correctly qualified people.

It has been a problem. We have actually had stock inspectors doing it. The last inspector who actually became an apiary inspector had to leave because of the number of bee stings he had; he found that he was allergic to them. There was a range of difficulties with keeping people in that position. In fairness to the department, I point out that the statement that it has sacked every apiary inspector in the department is not correct. I have checked back for 10 years and no apiary inspector has actually been sacked in that time.

There is a level of AFB across Australia, and within South Australia the extrapolation result says that that may be of a size in the mid-200s. It is a notifiable disease, and there is strong support in the industry that a preventive approach, based on industry awareness and the development of quality systems, is the only practical method of dealing with the disease. Obviously, there are a few who do not agree with that and want to take a different tack. There is evidence to suggest that there has been a reduction in the level of AFB within the state, which is one positive.

On the issue of antibiotics, the most likely antibiotic is OTC, as the honourable member pointed out. As I said, it is not registered here, and the non-registration has been supported by the industry. Three prescriptions were issued last year within South Australia for OTC for European foul brood, but the majority of the OTC is allegedly obtained from the black market across the border. With the range of operations within the bee industry, that is extremely hard to police, except at the end point.

There is extensive testing of the honey that comes out, which is well and truly there to protect our export markets. The major commercial purchasers of honey in South Australia commenced testing all the supplied honey in 1999. In excess of 70 samples were tested, of which none had any detectable levels of OTC. This process will continue during spring and summer of this year.

From what I can gather, there has been one instance where a trace was found this year, but that was below the MRL level. So, just wrapping up, there are some difficulties within the apiary industry, but I think that this motion goes no way at all toward helping those. It has disappointed some people in the industry, and I oppose the motion.

Mr McEWEN secured the adjournment of the debate.

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

RADIOACTIVE WASTE

A petition signed by 3 403 residents of South Australia, requesting that the House prohibit the establishment of a national intermediate or high level radioactive waste storage facility in South Australia, was presented by the Hon. M.D. Rann.

Petition received.

PAPERS TABLED

The following papers were laid on the table:

By the Minister for Primary Industries and Resources (Hon. R.G. Kerin)—

Soil Conservation Boards—Report, 1999-2000

By the Minister for Human Services (Hon. Dean Brown)—

Department of Human Services and South Australian Health Commission—Report, 1999-2000

South Australia Optometrists Board—Report, 1999-2000

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

Freedom of Information Act—Report, 1999-2000

Industrial Relations Advisory Committee—Report, 1999-2000

Occupational Health, Safety and Welfare Advisory Committee—Report, 1999-2000

State Records of South Australia—Report, 1999-2000

By the Minister for Police, Correctional Services and Emergency Services (Hon. R.L. Brokenshire)—

South Australian Police—Report, 1999-2000.

GOVERNMENT CONSULTANCIES

In reply to Ms THOMPSON (5 October).

The Hon. M.R. BUCKBY: The Treasurer has provided the following information:

The government's announcement in the budget speech on 25 May 2000 and the Treasurer's media release on 13 June 2000 relate to expenditure on consultants only. However, it is not intended that expenditure on contractors would replace the expenditure on consultants.

Whilst the terms 'consultant' and 'contractor' may from time to time be confused, for the purposes of the government's expenditure reduction initiative, the definitions employed in the Department of Treasury and Finance's Accounting Policy Statement Number 13 have been followed.

Generally, a consultant is a person engaged for specific skills and knowledge. The consultant is free from direction as to the way the task is to be performed and the engagement of a person under normal conditions of employment is not a feasible alternative.

A contractor, on the other hand, is engaged to carry out a defined task subject to direction as to the way in which that task is to be performed and in circumstances in which the engagement of a person under normal conditions of employment is a feasible alternative.

YOUTH AND CRIME PREVENTION FORUM

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

Leave granted.

The Hon. J.W. OLSEN: Some time ago I announced that the government would host a Youth and Crime Prevention Forum as part of revamping our strategy to tackle youth crime and street offences. I did so because I am a firm believer that we should always be assessing what programs we are delivering to the community and, if necessary, changing our priorities to meet changing needs. We all have a right to feel safe within our own homes and communities and, while the government's commitment to tackling crime is unquestionable, I am the first to say we have to constantly be doing better.

As part of the Youth and Crime Prevention Forum, which will be held early next month, the government has already undertaken a series of 'mini workshops' across the state for children aged between 10 and 19. These have been held in Port Augusta, the Riverland, Christies Beach, Port Lincoln and the inner city region. It is important to stress to the House that the majority of young people go through their teenage years without offending and have little or no involvement with the justice system. Some young people, however, do get themselves into trouble with the law and the consequences for those young people and their families can impact for many years to come.

The mini workshops revealed a wide range of issues among our young people. Some are age-old problems that have existed in this age group for generations, but other issues raised reflected a genuine desire by our young people to stay away from a life of crime. For some, though, the

difficulty is: how? As a government and as a community, I believe we all have a responsibility to these young people. They need to be listened to and, importantly, their concerns and the issues they raise need to be acted upon. The government is looking at and currently implementing a range of innovative solutions to problems raised by these children. But, as I said earlier, more can always be done, and it is why I want to hear from those people at the coalface—those who face these issues every single day of their lives.

They are the teachers, youth workers, police, parents and care providers and, importantly, the children themselves. Next month's forum will give the government the opportunity to listen to these groups. It will bring together a range of people from government and non-government agencies to raise issues and propose key early intervention and prevention priorities. It is in this area of early intervention that I think we must focus because the sooner we realise potential problems the easier it will be to ensure that our young people do not end up in our youth courts.

Earlier today I announced just one scheme we are trialing in schools as part of our strategy to stop young people from starting on a life of offending. It is a jointly run program with local school communities and the police. Essentially, a dedicated police officer will work with clusters of schools and students, assisting them to raise awareness of possible problems and increase the coping skills of students in relation to crime prevention and harm reductions. All the available research indicates that if we can get to the children at risk before they offend we have a greater chance of ensuring that they do not end up committing further crimes. It is why the government is currently looking at strategies, such as a State School Sports Strategy, and implementing programs, such as the Health Ambassadors, announced yesterday by the Minister for Human Services. I am pleased to advise the House that Olympic basketballer Rachel Sporn will host the forum in December. It is people such as our sporting champions who act as positive role models for our children.

On very conservative estimates, this government spends some \$10 million a year on targeted youth prevention programs, ranging from blue light camps to Operation Flinders, to smaller programs such as the West Adelaide bullying prevention project in schools. Each of these programs is critical to ensure that our children stay on the right track.

Crime is clearly an issue on the minds of South Australians. As I have said earlier, we all have a right to feel safe, whether it be in our homes or in the streets of our community. And yes—we do have to take some tough decisions because at the end of the day those people who break the law must be handed the full penalty of the law. I also want to step back and look at our children and why some of them choose to go down the path of crime. The December forum will give us an opportunity to do just that.

PUBLIC WORKS COMMITTEE: COMMERCIAL ROAD-PORT NOARLUNGA ROAD UPGRADE

Mr LEWIS (Hammond): I bring up the 141st report of the committee, on the Commercial Road-Port Noarlunga Upgrade—Final Report, and move:

That the report be received.

Motion carried.

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

That the report be published.

Motion carried.

QUESTION TIME

MITSUBISHI MOTORS

The Hon. M.D. RANN (Leader of the Opposition):

Given the overwhelming importance of the continuation of Mitsubishi's two manufacturing plants in Adelaide to South Australia's economy and future prosperity, and to the strong bipartisan support in this parliament for retaining the jobs of Mitsubishi's 4 000 workers, will the Premier say whether he has spoken directly to Takashi Sonobe, Chief Executive of Mitsubishi Motors Japan, about the comments attributed to him in a misleading article in London's *Financial Times* claiming that the company was likely to close its manufacturing operations in South Australia? If so, did Mr Sonobe confirm that he had been misquoted? An article in the London *Financial Times* of 14 November quoted Mr Sonobe as saying:

It will be difficult to continue the plant's operations and we are considering whether it is feasible to continue our business in Australia with just a sales operation.

Mr Sonobe is also reported as saying that a final decision on the two Adelaide plants would be made before March. However, the statements have been—

Members interjecting:

The SPEAKER: Order! The leader has the call.

The Hon. M.D. RANN: This happens to be an important issue for 4 000 workers. However, the statements—

Members interjecting:

The SPEAKER: Order!

The Hon. M.D. RANN: However, the statements have been contradicted strongly by local Mitsubishi representatives and the *Financial Times* article is totally at variance with information given to both the Premier and me by Mitsubishi executives here and during our visits to Tokyo. On Monday, the shadow cabinet was briefed by an executive of Mitsubishi about the company's plans for a major increase in exports into the United States and Middle East and an increase in market share for the Magna in Australia. In addition, South Australian Senator, Chris Schacht, has recently reported on positive meetings with Daimler Chrysler officials in Germany just a few of weeks ago.

The Hon. J.W. OLSEN (Premier): I thank the Leader of the Opposition for this question. I have been advised that the *Financial Times* has—

Members interjecting:

The SPEAKER: Order! The House will come to order; the Premier has the call.

The Hon. J.W. OLSEN: I am advised the *Financial Times* has got it wrong. Mitsubishi Motors Australia Managing Director, Mr Tom Phillips, who has just completed two days of talks with the—

Members interjecting:

The Hon. J.W. OLSEN: I will repeat that: Mitsubishi Motors Australia Managing Director, Mr Tom Phillips, who has just completed two days of talks with the parent company's board no less in Tokyo, categorically denies the report. Mr Phillips says he is stunned and baffled by the report and that it is exactly the opposite to what he was told during those discussions in Japan over the two days. Yesterday, as soon as the story started to break, government

representatives were in contact with Mitsubishi Motors. We have been told the board in Tokyo is indeed very pleased with the continuing restructuring and progress of Mitsubishi Motors in Australia. We are also told, as the leader mentioned, sales are improving, and market share has increased. There has been no change in the parent company's commitment to Mitsubishi Motors Australia and it is continuing operations.

The company's board in Tokyo was, as described to me, 'horrified' to learn about the *Financial Times* article. The company has experienced a small trading loss for the year, a loss which is entirely attributable to the current exchange rate in Australia versus other currencies. Mitsubishi recognises the difficulty in making a profit at current exchange rate levels. That is recognised at board level in Tokyo. As I said, the *Financial Times* has got it wrong.

The most unfortunate aspect of this type of misinformation and speculation, or reinterpretation, is that it has an obvious, direct and destabilising effect on the work force in our state. This is to be greatly regretted because the government knows that it is the workers in this state who set us apart from the rest of Australia, and our industrial relations record does set us apart and is a basis of a competitive edge. I have mentioned on a number of occasions in this House that, when trying to attract new business to this state, it is the industrial relations record and the work force that is always advanced as a competitive advantage and edge for our state.

The government will remain in close contact with Mitsubishi. The industry is important to this state which is why we will work hard to secure its future. I have said this after my visits to Tokyo and to Detroit—in Tokyo discussions with Mitsubishi Motors Corporation and the then president and board members; and in Detroit in July this year with Daimler Chrysler and the directors representing Daimler Chrysler who have relocated to Tokyo to take up board positions on the overarching company, given that Daimler Chrysler now owns approximately 35 per cent of the shareholding of Mitsubishi Motors Corporation.

From my discussions with them it is clear that they have supported the restructuring plan. They acknowledge the return to profitable trading of Mitsubishi Motors Australia, and I have told them that the government will support, facilitate and assist, as far as we are able and as is prudent and appropriate for us to do, provided there is longevity for the work force and some certainty and predicability in the long term for workers in the plant; and, secondly and importantly, the company has to commit beyond 2004 to the new platform model to be introduced, as I understand it world wide. I hope also to be in a position soon to release a report from Mr Graham Spurling, who headed up a task force for us to look at the automotive industry in our state.

Mr Spurling, a former Managing Director of Chrysler Australia, was appointed to lead a special automotive task force to liaise with industry at an international level and develop further opportunities for the state's automotive industry. In other words, we wanted to capture the changes taking place in the automotive industry in the international marketplace and ascertain what steps we needed to take as a government in policy direction, so that over the next five to 10 years we could assist with the restructuring of the automotive industry and particularly the automotive component supply firms, so that the tier 1, 2 and 3 clusters needed for the new mode of operation of the automotive industry, concerning which we were positioned ahead of the game, will

not be playing a catch-up game to protect the work force in our state.

The automotive industry is undergoing rapid change at an international level, and it is important that South Australia be positioned to take full advantage of the opportunities arising from these changes. We established that task force to look at the scope and level of government assistance required to secure Mitsubishi in our state and to prepare proposals for cabinet on the form and level of government assistance required to secure its future. As part of the task force's job it has worked closely with the Mitsubishi management during the transition to Daimler Chrysler and the restructuring phase.

At the urging of the task force, I announce today that the new CEO, Mr Tom Phillips, has already had reversed the decree from Tokyo that would have seen the eventual closure of the Adelaide tool room and the reduction of some 90 jobs in that tool room. The task force, through the South Australian Centre for Manufacturing tooling program, has placed six months work in the facility, and this should have a steady flow of work involving contracts principally offshore. There are some tooling contracts, I understand, from India that will be part of the work that has now been given to Mitsubishi in its tool room to secure the 90 jobs. I am pleased and delighted that Mr Phillips has been able to secure the reversal of that decision out of Tokyo.

Mr Spurling's task force will build on the government's establishment some 19 months ago of Automotive 21, which was designed as an industry represented body designed to explore and identify a number of opportunities for our state. One was the importation of used motor vehicles from overseas where a set number was put in place by the federal parliament, which in the end was being avoided by the federal parliament. New changes have been put in place looking at things such as mag wheels coming in from overseas without appropriate certification in terms of workmanship, quality and standards that we require of Australian producers, and in a number of other areas. Out of that task force we pursued a number of these initiatives at a federal level and have been successful in getting an outcome to secure that industry base in our state. The automotive industry is of vital importance to the state, in terms of both opportunity it generates directly and the skills it fosters throughout the wider community. Workers at Mitsubishi should be comforted by the latest positive news from the board and senior Australian executives. They should be aware of the government's considerable efforts and activities on their behalf to secure their future and will continue on that track over the months ahead.

NUCLEAR WASTE

The Hon. G.M. GUNN (Stuart): Will the Minister for Environment and Heritage advise the House whether the state government intends to be represented on the commonwealth Government's National Store Advisory Committee, being established to oversee the site selection process in South Australia for the safe storage of low level nuclear waste?

The Hon. I.F. EVANS (Minister for Environment and Heritage): As members are no doubt aware, last night the parliament passed the government's legislation in respect of a ban on the construction or operation of an intermediate to high level radioactive storage facility in South Australia. That will certainly send a strong message to Canberra about the parliament's view on that issue.

The federal government has made quite clear through public announcements that it has made no decision about the

location of such a storage facility for intermediate, long-lived high-level waste. But in August this year it did announce that a nationwide search would shortly commence for such a safe site. The commonwealth has written to the state government—and I am sure that it will be of interest to the member for Kaurna—to advise that it intends to establish an expert independent high level scientific committee to oversee the site selection process. It has invited the state government to nominate someone onto this committee.

The committee will be known as the National Store Advisory Committee, and it will work to terms of reference that are yet to be set by the federal government. It will assess the results of work presented to it by a series of technical working groups. At the same time, the commonwealth has also advised the state government that no state or territory can be excluded from the search for a safe site. Therefore, no state or territory will be excluded from the search for a safe site.

This therefore presents another opportunity for the state government, on behalf of the parliament, and indeed the community of South Australia, to state our very strong view to the federal government in relation to this matter. So, we will be following the passage of the legislation last night. We will be nominating someone from the South Australian community to go onto this committee. We will make it absolutely clear to the federal government that this is in no way to be seen as compromising the South Australian parliament's view or the South Australian community's view in relation to an intermediate or high level storage facility in this state.

We wish to put someone on that committee so that at every opportunity we will have a South Australian representative on the committee to put forward the view of the South Australian parliament, so that we can keep its view foremost in the commonwealth's mind in relation to this issue, and last night's vote in the other place passing it through the parliament sent a very clear message to Canberra, and that simple message is no.

SHERIDAN JOB LOSSES

Ms KEY (Hanson): Was the Premier aware that 40 workers from the Sheridan textile company were going to be made redundant when he visited Sheridan's and spoke to the House on the matter last Tuesday and, if so, why did he not reveal this to the parliament? On Tuesday this week, the Premier said:

The 650 jobs at Sheridan at Woodville North are now secured for the long term.

On the following day, the company announced that 40 jobs were to go. While no mention was made of this in the Premier's statement to the House or in the on-site media conference involving the Premier, a media outlet reported that the Premier's Department had been made aware of the impending redundancies. Earlier in the month, the Premier promised that 300 extra jobs would be created at BAE, formally known as British Aerospace. The follow day 60 jobs were identified by the end of this year.

The Hon. J.W. OLSEN (Premier): The opposition never ceases to amaze me. We secure—

Members interjecting:

The SPEAKER: Order!

The Hon. J.W. OLSEN: We secure 600-plus jobs in a facility and all the opposition can get up and talk about is a proposal that even the union official indicated publicly in the

newspaper that they had been negotiating for over six or nine months and that it was a well known fact within the work force that that was, in fact, going to occur. It was not anything unusual, out of the blue or after the event at all.

An honourable member interjecting:

The Hon. J.W. OLSEN: The fact is, to answer the specific question from the member, that no, I was not aware and, if anybody in the offices of the government was aware, they did not communicate that to me. I make this point: as the union official said, this had been programmed for some time. We were facilitating the orderly sale of Sheridan in Australia to ensure that we have at least one textile industry remaining in this country. We have seen many of them shift offshore. I look forward to the 50 to 60 jobs that will be added shortly to that industry sector in South Australia that I alluded to during my visit to the Actil facility on only Tuesday of this week.

I simply make this point: at the end of the day we have secured the retention of 600-plus jobs in this state and we will continue to go out and secure jobs and maintain existing jobs. However, there will never be a position where 100 per cent of anything will remain the same in a changing global marketplace. You have to go—

The Hon. M.D. Rann interjecting:

The Hon. J.W. OLSEN: The leader interjects. The leader concedes that even within Mitsubishi the restructuring is appropriate to secure jobs in the future. The reason BHP steel mills is still operating in Whyalla and not Newcastle is that the Whyalla work force was prepared to embrace change, to restructure and to outsource. It remained competitive. It stayed: Newcastle closed. If it means restructuring and changes so that the bulk of jobs stay, then that is exactly the course that we will continue to pursue. This is about ensuring—

The Hon. M.D. Rann interjecting:

The Hon. J.W. OLSEN: The Leader is interjecting, but I have already answered the member who asked the question. So get *Hansard* and look at it, because I have already answered that aspect of the question.

Mr Atkinson interjecting:

The SPEAKER: Order, the member for Spence!

The Hon. J.W. OLSEN: It will be a question that I will ask in future, I can tell you, before I go down.

Mr Atkinson interjecting:

The SPEAKER: Order, the member for Spence!

The Hon. M.D. Rann interjecting:

The Hon. J.W. OLSEN: So everybody knew except me and the Leader of the Opposition! I see. Everybody knew except us two!

Members interjecting:

The Hon. J.W. OLSEN: As it changes, the opposition changes it tune to get a new slice of the cake.

The fundamentals are that we have worked hard to maintain existing jobs, as we did with Mitsubishi. I have just given the example where we have worked hard with the tool room that was going to close, with the loss of 90 jobs, to get business so that the tool room did not close. There are 90 jobs saved. I welcome a question from the shadow minister on that, or even something like saying, 'Well done: you actually achieved something.' That would not hurt. But here we go again! This is an example of how they cannot bring themselves to say, 'Some achievements are being chalked up.' Some gains are being put in place: there are more people in work in this state than for 10 years. Our unemployment level is down.

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

Ms RANKINE: For the third time the member for Schubert is knocking. Could someone please let him in?

The SPEAKER: There is no point of order.

Members interjecting:

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

The Hon. J.W. OLSEN: We have an opposition that does not, does oppose, is a policy vacuum, has no ideas, and has no initiatives, and the public of South Australia is seeing it for what it is.

EMPLOYMENT INITIATIVES

Mr CONDOUS (Colton): Will the Minister for Employment and Training outline to the House the success of the government's employment initiatives, given the continued trend of job growth in South Australia?

The Hon. M.K. BRINDAL (Minister for Employment and Training): I thank the member for his question, particularly as it has direct reference to the last question asked. I would like to back up the Premier in saying that South Australia's unemployment rate last month—in case any opposition member missed the point—stood at 7.1 per cent, which is the lowest figure since April 1990.

The Hon. M.D. Rann interjecting:

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

The Hon. M.K. BRINDAL: The nature of the Leader of the Opposition's interjections is very interesting. Unlike the member for Hart, I will not divulge details that I learnt in 10 years on the IDC under Labor governments. I will not talk about how much money was put into firms to bolster them up in that time. When we achieve something with respect to employment, all members opposite can do is knock. It is more than a bit hypocritical. The employment—

Mr Foley interjecting:

The Hon. M.K. BRINDAL: Well, I—

The SPEAKER: Order! I ask the minister to come back to the question.

The Hon. M.K. BRINDAL: The employment policies of this government are working, and we are working hard to deliver jobs for all South Australians—a point that the Premier makes almost daily in this House. Since Labor was swept out of office, the South Australian Liberal government has tirelessly pursued opportunities for existing businesses to expand and for new industries to be attracted to South Australia. We have seen the growth and emergence of the state's information technology sector, aquaculture, viticulture, back office and call centre operations, and our automotive industry is doing well. We have even seen the re-emergence of our manufacturing sector, having encouraged Email to relocate from Victoria to South Australia, and the consolidation of businesses such as British Aerospace.

Ms Key interjecting:

The Hon. M.K. BRINDAL: What about unemployment? Does the member not understand that unemployment is the lowest it has been for 10 years? Does she want me to draw her a picture; does she want me to give her a graph? How many different ways does she want it explained that there are more South Australians in work today than have ever been in work in the history of this state? Is there a way to go? Yes. Have I said that? Yes. Has the Premier said that? Yes. Has every minister in this House said that we will not rest until every South Australian who wants a job has a job? We have all said that. But we are on the path to recovery: the Labor

Party was on the road to absolute disaster. And now all members opposite can do is whinge, grizzle and carp that we are doing well. They make a virtue of finding fault with everything. They are an absolute disgrace.

We often hear the Leader of the Opposition rabbiting on about a jobs commission. In Victoria, the Labor government and all our opposition leader's union mates have developed a so-called fair employment bill. I would like to bring to the attention of this House the difference between this government's policy and the Victorian government's policy. I wonder whether the Leader of the Opposition, in his policy-free zone, would like to inform this House whether he intends at any stage to introduce in this parliament a fair employment bill.

An article in this morning's Melbourne *Herald Sun* details how Bracks' fair employment bill is supposed to help around 220 000 of the state's worst paid workers. But the National Institute of Economic and Industry Research warns that this Labor bill potentially will cost up to 1 900 jobs in Victoria.

Mr CONLON: Sir, I rise on a point of order. The minister is plainly not responsible to this House for the actions of the Victorian government. If he wants to join the Victorian opposition, I will pack his bags for him.

The SPEAKER: Order!

Mr CONLON: Otherwise, he should come back to the substance of the question.

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

Members interjecting:

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

The Hon. M.K. BRINDAL: In comparing the policies, the *Herald Sun* estimates that, if a quarter of Victoria's 80 000 small businesses sack one worker each because of this bill, that will be a loss of 20 000 jobs in Victoria. And that is really helping employment, both youth unemployment and unemployment generally. This House and the people of South Australia have an absolute right to know whether the party opposite is committed to similar foolhardy tactics.

Is this the sort of government that they will be—sacking workers, grizzling now that we are not doing well enough but, the minute they get there, introducing so-called fair employment bills that result in longer labour queues? We have the runs on the board. The Morgan and Banks job index survey, independent of all government, says that over 30 per cent of businesses in South Australia expect that they will take on more staff in the next three months. That is on top of the new industries and jobs growth that this state has already been attracting.

That is why in this state and in this House it is very important to contrast the difference between a government that is actually getting on with the job, a government that is working with business, with education, with all the resources at its disposal to create employment, and an opposition that is absolutely bereft of talent, bereft of ideas—

Ms HURLEY: On a point of order, we are already halfway through question time: the opposition has asked only two questions, and the minister is standing here debating issues that are not even relevant to the question.

The SPEAKER: Order! The deputy leader has made her point of order. The minister is not out of order, but I would ask him to start considering the length of his replies.

Members interjecting:

The SPEAKER: Order, member for Peake!

The Hon. M.K. BRINDAL: I am fully aware that the opposition does not like a good dose of the truth, so I will

conclude by saying that this government, unlike that of Mr Brackwards in Victoria, is committed to achieving better employment results here in South Australia. I and every member here will be doing our best to see that the opposition members never get on this side of the House to let the employment queues grow again.

CASTALLOY

Mr KOUTSANTONIS (Peake): Is the Premier aware and is he concerned that the South Australian based firm Castalloy intends to move production of its cylinder heads for the Proton car from Adelaide to Malaysia after 2004, and what is the government doing to encourage Castalloy to retain jobs here? A media report of yesterday quotes Castalloy Managing Director Mr Colin Peters, as stating:

We'll be producing Proton's cylinder heads from our Adelaide premises and exporting them to Malaysia through to 2004, after which we'll slowly start the process of transferring production through to a Malaysian based joint venture.

Mr Peters also said that the company would 'transfer plant [i.e. equipment] and intellectual property over to Malaysia.' Yesterday the Premier claimed that this deal would create 50 new jobs. Will those jobs still be there after 2004?

Members interjecting:

The SPEAKER: Order, the member for Schubert!

The Hon. J.W. OLSEN (Premier): Mr Col Peters, the Managing Director of Castalloy under its new ownership, which changed earlier this year, indicated that there would be 50 direct jobs and indirectly 150 jobs created here as a result of its contract with Proton. I remind the member for Peake that Proton is one of the larger automotive manufacturers in the world, and to have a South Australian based company with the technology and expertise of that company tapping into what is a potential growth market opportunity I would have thought was good news for South Australia.

Mr Koutsantonis interjecting:

The Hon. J.W. OLSEN: The member for Peake shows a lack of understanding (that would be the kindest way I might put it) in relation to where the automotive industry and the tier 1 and tier 2 supplies in the automotive industry are going—as well as the outsourcing and 'just in time' operations. I will give the House an example and, despite the deputy leader's worrying about the length of my answers in Question Time today, we have canvassed a couple of important issues that I believe are worthwhile explaining. We have put funds aside to build a Supplier Park at the General-Motors site, which means that there are outsourced components for the product. It is collocated next to the factory for 'just in time' so that its inventory and costs are reduced; therefore its access to the international marketplace and competitive edge is maintained. We have the choice: we can take a South Australian based operation, such as Castalloy, with its expertise, and, in the same way as Supplier Park, tap into that company and locate it elsewhere.

It represents opportunities. It does not present difficulties: it creates an opportunity that you would otherwise not have. That is where the automotive industry is going in the future. It is the supplier network. We can sit back in blissful ignorance of the world, trends, global markets, cost pressures and the outsourcing that every automotive industry is doing and continue to contract; or, we can get a slice of the action, repatriate the profits, and ensure that the research and development and intellectual property (and the employment

that brings) are maintained and expanded. Member for Peake, they are the two choices.

I simply ask the honourable member to do a little fundamental economics homework. Look at where the auto industry is going and how we are trying to secure our future and not have it ever contract—

Mr Koutsantonis interjecting:

The Hon. J.W. OLSEN: I cannot hear the interjections from the member for Peake because he has been rabbiting on so quickly. What we had in the 1980s and early 1990s was a contracting base. What we have in South Australia now is an expanding base. That is the difference between the opposition's philosophy and our's.

DRUGS

Mr HAMILTON-SMITH (Waite): Will the Minister for Police, Correctional Services and Emergency Services elaborate upon the government's commitment to reducing the harm that drugs can cause within the community and, in particular, on the clandestine drug lab phone-in day that was announced by the Police Commissioner yesterday.

The Hon. R.L. BROKENSHIRE (Minister for Police, Correctional Services and Emergency Services): As I have said previously, the member for Waite, as the government and I have, has a genuine concern about doing everything we can to reduce illicit drugs and to look after the social fabric of our community. Yes, the commissioner did issue a press release yesterday advising that, on Wednesday 29 November, a phone-in will be held between 10 a.m. and 10 p.m. I am very pleased to be a part of that phone-in, in addition to launching that phone-in on that day. I encourage people to consider very strongly the potential benefits they can offer police in the community with respect to clandestine drug labs and to telephone Bank SA Crime Stoppers on 1800 333 000.

Information that people provide to the police during this phone-in, obviously, will be kept in the strictest confidence. In answer to the honourable member's question, police and the government are very concerned about what we have seen as a growth in the illegal manufacture of amphetamines and, particularly, issues relating to labs that are being set up in motels throughout parts of South Australia. In fact, police this year, as members will see if they read the report, reported 18 offences committed in motels for the illegal manufacture of amphetamines. This figure compares to 15 in 1999 and eight in 1998.

Many dangers are involved in people setting up these drug labs in motels. The explosive and flammable nature of the products they use put the community there at risk. Also, unfortunately, many of these amphetamines are produced under very poor conditions. Sadly, in September 1995, there were nine overdose fatalities as a result of amphetamine-like drugs. I commend the police for this initiative because many people in South Australia are very concerned about what is happening with illicit drugs and the damage they cause to the community. Parents Want Reforms sent me an invitation only a week ago. Sadly, I will not be able to attend its meeting on Sunday because I have a previous engagement.

The main topic of the meeting is 'Is drug abuse tearing your family apart?' and that is something about which the government is very concerned and is committed to addressing. It talks about the accessibility of drugs and the increase in drug use among children. I am interested in the guest speakers at the meeting. Dr John Anderson will talk about the effects of marijuana use, and we all know about the problems

marijuana causes and the damage it does. Other guest speakers include Normie Rowe, Mr Xenophon and, finally, the member for Elizabeth, Lea Stevens. I wonder when Lea Stevens speaks to—

The SPEAKER: Order! The minister knows that he cannot use member's names across the chamber, and I ask him to refer to members by their electorate title.

The Hon. R.L. BROKENSHIRE: I wonder whether, when the member for Elizabeth speaks about the parents' concerns, she will tell those parents that the Labor Party's 1987 marijuana policy, legislation and regulations have failed dismally and have been a major concern in relation to drugs. I wonder whether the member for Elizabeth will tell them that the Leader of the Opposition is not showing any leadership in supporting the government when it comes to the matter of three marijuana plants—

Mr Conlon interjecting:

The SPEAKER: Order, the member for Elder!

The Hon. R.L. BROKENSHIRE: This is the opposition's opportunity.

GOVERNMENT RADIO NETWORK

The Hon. M.D. RANN (Leader of the Opposition): Will the Minister for Emergency Services advise how many volunteers and others working for the State Emergency Service and the CFS will be affected by the recall of their faulty pagers, issued recently as part of the Government Radio Network and indicate what arrangements have been made for these volunteers to receive emergency calls while their pagers are being fixed and what was the cost to the taxpayers of these pagers?

The opposition has been informed that hundreds of pagers are about to be recalled because of a faulty circuit inside the pagers that is causing them to melt down internally. We have been told by CFS and SES volunteers that on many units the display is malfunctioning, making it impossible to read the message, and that sometimes messages come out as gobbledegook. Volunteers—

The Hon. R.L. Brokenshire interjecting:

The Hon. M.D. RANN: I will explain to the minister later what that means. Volunteers who have complained that they have not received the message have been told by the help desk that the pagers do not work in shopping centres or near computers. Volunteers are finding the new system so unreliable that they are using the old system as a backup.

The Hon. R.L. BROKENSHIRE (Minister for Police, Correctional Services and Emergency Services): It is interesting that the Leader of the Opposition wants to make a joke about an issue like this. I will explain to the leader exactly what the situation is with respect to pagers. We had the opportunity in this chamber only yesterday to highlight the benefits of the new Government Radio Network and to indicate that, in the Cudlee Creek fire, volunteers had admitted how great the Government Radio Network is, despite the fact that the opposition wanted to attack it and put a negative slant on it from day one. There have been problems with the pagers. However, it is a manufacturing warranty issue and there will be no cost whatsoever to taxpayers in replacing them.

The Hon. M.D. Rann interjecting:

The SPEAKER: Order! The leader has asked his question.

The Hon. R.L. BROKENSHIRE: The pagers have one simple fault: when they are on vibration a little cog was

allowing some dust to come in under the lens but they are under full warranty and are being replaced. The important issue is that for the first time we will now have 15 000 to 20 000 good pagers sending messages to volunteers. Do not knock a good system and try to get a line on it, when the fact is that the volunteers have wanted this system. Indeed, the Government Radio Network system is clearly a winner.

Mr Conlon interjecting:

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

HOSPITALS, PUBLIC

Mr MEIER (Goyder): My question is directed to the Minister for Human Services. In the light of recent—

Members interjecting:

The SPEAKER: Order! I caution members. I know we have had several late nights, but I suggest that members should not start this scattergun interjecting across the chamber at this stage of the afternoon.

Mr Foley interjecting:

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

Mr MEIER: In the light of recent controversial comments on our health system, will the minister outline to this House how our public hospital system performed in 1999-2000?

The Hon. DEAN BROWN (Minister for Human Services): Earlier this afternoon I tabled the annual report for the Department of Human Services and the annual report for the South Australian Health Commission. That shows that in the last year we have treated a significant—

Mr Koutsantonis interjecting:

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

The Hon. DEAN BROWN: The annual report I tabled shows that in the last year we have treated a significant increase in patients. For instance, in terms of total admissions to the hospitals, we treated 3 800 extra people in the last year compared to the previous year. In terms of emergency departments, we treated an increase of 1 788 patients. In terms of outpatient attendances, we have treated an extra 64 900 people. I give full credit to the staff of the hospitals because they are a dedicated, committed group of staff—doctors, nurses and ancillary staff—who have got in there and worked very hard indeed to meet the increasing health needs of South Australians.

The demand is increasing not because we are a sicker community but because we are an ageing population, because we have better medical technology (which means better outcomes) and because there are problems in accessing GP services after hours, and all of that comes back onto the public hospital system.

A lot is said by people, including the shadow minister for health, about the health services in this state. Let me make quite clear that each year—and members can see the evidence this year—we treat more and more people. However, look at the number we are treating now compared to, for instance, when the Labor Party was in office in 1992-93. Total admissions since 1992-93 have increased by 64 300 extra people.

Members interjecting:

The SPEAKER: Order! The Minister will resume his seat. I caution the members on my right as well; they are not immune to warnings from the chair as well. I suggest that members remain silent and allow the minister to reply.

The Hon. DEAN BROWN: The annual report also shows, for instance, that, in terms of emergency department

admissions and attendances, since 1992-93 they have increased by almost 92 000 over the period that we have been in government. In terms of outpatients, we have increased the number of outpatients being seen each year by 184 000 over that period. Members can therefore see that the public hospital system continues to treat more people and continues to deliver a very high standard of care indeed. Once again I acknowledge the tremendous support given by the staff of the hospitals in achieving that.

ARMITAGE, Hon. M.H., SHAREHOLDING

Ms HURLEY (Deputy Leader of the Opposition): My question is directed to the Premier. When cabinet approved an assistance package to Optus in October 1999, did the Minister for Information Economy tell cabinet that he had a conflict of interest as a result of purchasing shares in Optus after the government had given Optus an assistance package the previous year; and did the minister withdraw from cabinet, as required by the cabinet handbook? The 31st report of the Economic and Finance Committee shows that Optus was granted an assistance package in June 1998 to establish a call centre at Technology Park, and in October 1999 a second package was approved for a call centre on North Terrace. In between these grants the minister and his family purchased a total of 6 675 shares in Optus, which were registered in December 1998.

The Hon. J.W. OLSEN (Premier): The import of the question is that the minister brought in the cabinet submission and therefore had a conflict of interest: he did not. The deputy leader needs to understand that if there is an industry attraction package—

The Hon. M.D. Rann interjecting:

The SPEAKER: Order! The leader will remain silent.

The Hon. J.W. OLSEN: I will start again. Industry attraction measures are related to the Department of Industry and Trade or the Department of State Development. It is either the Treasurer as Minister for Industry and Trade that brings in those measures, after appropriate probity checks, or myself.

Mr Hanna: Who votes on them?

The Hon. J.W. OLSEN: The member for Mitchell has woken up today! I am pleased that he is here in presence. In relation to voting on it, I draw the deputy leader's attention to my answers previously in this House. My answer previously in this House is this: that cabinet collectively makes a decision in relation to these matters. They are not signed off by any individual minister. So in this instance, as I understand the question, the minister referred to does not bring in the submission, and has no knowledge of the background or negotiation with it as it is done independently by a separate department. Secondly, and importantly, the department runs probity checks and appropriate prudential management checks before it is presented for consideration by cabinet. Thirdly, and importantly, it is a collective decision of the cabinet itself and, fourthly, there have been a number of occasions when ministers have indicated a potential conflict and have left the room during the deliberations.

Members interjecting:

The SPEAKER: Order!

YOUTH, TARGETED PROGRAMS

Mr LEWIS (Hammond): My question is to the Premier. In order that he may elaborate on the ministerial statement he

made earlier today, when he mentioned that the government spends a lot of money on targeted youth programs including the West Adelaide bullying prevention project, was he aware of the state and national award won by the Karoonda Area School for this very thing, and would he care to elaborate on its self-help success in its discovering democracy project?

The Hon. J.W. OLSEN (Premier): I am unaware of the specific program of the Karoonda Area School.

The Hon. M.D. Rann: Shame!

The Hon. J.W. OLSEN: I freely admit to the House that I am not familiar with every single program delivered by 80 000 public servants and agencies. I am not personally familiar with every one of them, but I could be excused for that.

Members interjecting:

The SPEAKER: Order! The Premier does not need any assistance from members.

The Hon. J.W. OLSEN: On the premise of the question from the member for Hammond, the Karoonda Area School has won a national award and recognition for what it has achieved and it deserves every congratulation for what it has done. It shows the sort of initiative that can be put in place by school councils, teachers and local communities.

An honourable member interjecting:

The Hon. J.W. OLSEN: I am sure local members always participate in their local school based programs, particularly trialing and innovative programs put in place, such as the one referred to. The raft of programs I talked about today cover many aspects. I simply used in my answer earlier one particular example. I am sure many others have been put in place. I am not personally familiar with the program. Based on a national award, it deserves our congratulations for its achievement.

ARMITAGE, Hon. M.H., SHAREHOLDING

Ms HURLEY (Deputy Leader of the Opposition): My question is directed to the Minister for Information Economy.

Members interjecting:

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

Ms HURLEY: Before the government approved an industry assistance package to Optus in June 1998—

Members interjecting:

The SPEAKER: Order!

Ms HURLEY: —to establish a call centre at Technology Park to protect Australis assets, did cabinet receive any information from Optus that was not available to the public, and did this information influence the minister's decision to purchase shares in Optus in December 1998?

Members interjecting:

The SPEAKER: Order! Before calling the minister, I say to members on both sides of the chamber, particularly on my right, that it is impossible to hear these questions being asked if you continue to interject. It is not fair on the ministers; it is not fair on anybody.

The Hon. M.H. ARMITAGE (Minister for Information Economy): I am not aware that cabinet did or not did not receive that information. However, it had no bearing at all on purchases of shares.

SKIN CANCER WEEK

Mr VENNING (Schubert): Will the Minister for Education and Children's Services outline what programs are in place in schools to reinforce with students the importance

of sun protection in view of the fact that it is National Skin Cancer Week?

The Hon. M.R. BUCKBY (Minister for Education and Children's Services): As we are getting close to summer, we should be thinking about skin cancer and also about protecting ourselves from UV rays. Skin cancer in Australia affects two out of every three people, and we in Australia have the largest incidence in the world of skin cancer. In fact, medical research has shown that those young people under 18 years of age who suffer from sunburn are affected for the rest of their life and have a serious detriment in terms of the prevalence of skin cancer. This week it was reported that some five million Australians get sunburnt every summer. There are days when I look across the chamber and wonder whether the member for Elder is one of those and it is not reported. A number of Australians do not report this and do not do anything about it, and that is a matter of concern.

The Anti-Cancer Foundation says that almost half the number of people who were sunburnt last summer did not use sunscreen or protection, with 12 per cent—almost 700 000 people—saying they could not be bothered, despite knowing the risk of exposure to UV rays. In view of those statistics, it is even more important to encourage our students and our young children to be aware of the danger of UV exposure and aware of the danger of becoming sunburnt. Because of that, the state government has established a range of guidelines designed to assist schools to implement sun protection strategies. I am pleased to say that primary and secondary schools now have those in place to ensure that students use adequate protection from the sun and damaging UV rays. I am sure that all of us, when we visit our primary schools in particular, know of the 'no hat, no play' policy, which means that all our young people must put on a hat when they go out into the schoolyard. The correct use of sunscreen is also being taught by our teachers. In our schools we are also ensuring that outside activities are kept away from the peak time of the day, when the UV rays are at their strongest.

A significant number of primary schools are taking their involvement a step further, because the Anti-Cancer Foundation is promoting Sunsmart schools. There are some 129 accredited Sunsmart schools in South Australia, and a further 50 are participating in the program and working towards accreditation. A further 90 have expressed interest in the program. It is excellent that the schools are taking on board the message being put out by the Anti-Cancer Foundation.

The comprehensive skin protection policy that is in place focuses on the areas of uniforms and clothing; the curriculum; sun screen use; shade, in terms of in the schoolyard; the scheduling of outdoor events; the promotion of Sunsmart's message through school activities; and how a school can become Sunsmart. Once a school has been given that Sunsmart status, it is presented with a large display sign which acknowledges its work and which also allows the community to identify schools which have a high standard of sun protection.

The Sunsmart program is also an excellent example of partnerships which our schools are forming with local communities for the benefit of students. Many government schools also have policies in place to assist students to reduce their exposure to damaging UV light. An increasing number of schools reschedule lunch and recess times to avoid those times of the day when students might be exposed, and have also made available more shaded areas.

While I am on my feet, I will expand on the member for Hammond's comments, because the Karoonda Area School

has received word that the funding for its program will continue for four years.

The SPEAKER: Order! The minister is straying away from the question. He is aware of that.

MEMBERS, SHAREHOLDING

Ms HURLEY (Deputy Leader of the Opposition): Given the precise requirements of the current cabinet handbook, will the Premier explain under what circumstances he will require a minister to divest his shareholdings in any company in respect of which a conflict of interest could reasonably be expected to exist, or withdraw from cabinet?

Mr HANNA: I rise on a point of order. I could not hear the question. Could it be repeated?

Members interjecting:

The SPEAKER: Order! The chair could hear the question. I am sure honourable members could as well.

Members interjecting:

The SPEAKER: Order!

Ms HURLEY: On 26 October the Premier ruled that no conflict of interest existed between the Minister for Information Economy who, along with his wife, held 6 675 shares in Optus, while, at the same time, cabinet approved a financial assistance package to Optus and an \$18 million mobile phone contract with Optus which was signed by the minister; and the minister was responsible for negotiating a \$100 million-plus telecommunications deal for which Optus had tendered.

The SPEAKER: Order! Before calling on the Premier, the chair is of the view that the question could be hypothetical. I ask the minister to take that into account in answering it as he sees fit.

The Hon. J.W. OLSEN (Premier): In response, the deputy leader's question is a very similar question to that which she asked me two or three weeks ago. I ask her to read *Hansard* again.

EXPLORATION LICENCES, OTWAY BASIN

Mr WILLIAMS (MacKillop): Can the Minister for Minerals and Energy advise the House of the latest exploration licences that have been let in the Otway Basin in the South-East of the state and the benefits which will flow from the same to the state?

The Hon. W.A. MATTHEW (Minister for Minerals and Energy): I thank the member for MacKillop for his question. I am well aware of his keen interest in oil and gas exploration in his electorate and, particularly, the benefits that it brings to his electorate.

I am pleased to inform the house that a further \$9 million will be spent in exploration in the Otway Basin area over the next five years. Indeed, that will occur through three new petroleum licences which have been offered in the basin following a call for expressions of interest which began in March of this year.

The government is eager to encourage investment and development in the energy sector in the Otway Basin area, because it presents a number of exciting opportunities for oil and gas companies. The Otway Basin, as members would be aware, is strategically located between the South Australian and Victorian energy markets. Already, four gas fields are operating on production south of Penola—in the member's region—and they are supplying basic energy needs for electricity, as well as gas, to the township of Mount Gambier and surrounding areas. With the 80 megawatt, gas fired

Ladbroke Grove power station near Penola coming on line earlier this year, the basin is further proving its worth as an energy resource.

With so many projects in the member for MacKillop's area going ahead at the moment, in viticulture, in aquaculture and in a whole range of other industries, a reliable power source could also provide an important regional advantage for the member's electorate. I know that he is particularly keen to see those opportunities harnessed so that he can continue to encourage the growth of industry and prosperity in the region that he so ably represents.

I am pleased to share with the House the names of the successful applicants in this case. They are Asisun Pty Ltd together with Alvin Hosking, James Allender and Andrew Wenk for petroleum exploration licence 82 south of Mount Gambier; the second licence is for a joint venture between Origin Energy Resources Ltd and Asisun Pty Ltd for petroleum exploration licence 83 west of Penola; and the third licence is to AWE Petroleum Ltd for petroleum exploration licence 84 east of Penola. Like the member for MacKillop, I am hopeful that these new exploration bids could open the door for further development and employment opportunities in the state's South-East.

GRIEVANCE DEBATE

Ms THOMPSON (Reynell): I rise today to implore the Minister for Transport to reconsider her decision to do nothing in response to residents' requests for action to reduce the number of crashes and injuries at the dangerous intersection of South, Flaxmill and Wheatsheaf roads. Last year, one of the long-term residents of the area, Mr Martin Hocknell, pointed out to me that he had seen an increasing amount of smashed glass on this corner since the traffic lights had been changed to remove control by a turn right at all times arrow. There is now a turn right arrow for only a brief period of time and then a flashing turn right with care sign. Since the change to the traffic lights, Mr Hocknell has noticed a considerable increase in the glass, and he wondered if that related to an increase in crash rates. So, I sought information on this matter from the minister.

While it was difficult to tell any tracking of the crash rate, it was very clear that this is by far the most dangerous intersection in Morphett Vale. In the 5½ years to December 1999, there have been 157 crashes on this corner, with 64 casualties resulting. The next nearest figure was 137 crashes, with 31 casualties, at the corner of Main South Road, O'Sullivan Beach Road and Bains Road, another intersection that is not fully controlled by turn right arrows. However, the nearby intersection of Beach Road and Doctors Road, where one can only turn right into Beach Road by means of a turn right arrow, despite being a busy intersection, had fewer crashes and far fewer injuries. There were only 94 reported crashes, with 20 casualties.

The *Messenger* press was very helpful in publicising this information and assisting me to obtain responses from members of the community as to what they thought needed to be done at this intersection. The response from residents was really quite remarkable—in fact, it was quite some time before I wrote to the minister on this issue, because the responses from residents kept on dribbling in.

I want to acknowledge in particular the response from Mr Roger Crook of Morphett Vale, who provided a very detailed analysis of what was happening at that intersection and a plan for how the intersection could be improved. It was interesting that, when the *Messenger* was investigating this matter, the member for Mawson (whose office I have inherited on this corner) indicated that he thought it was an engineering problem in that there were three lanes moving into two. This was supported by many of the responses, although most of the respondents saw the problem to lie mainly with the traffic lights.

Another comprehensive response came from Mr Don Whiting of Richards Drive in Morphett Vale, and I want to thank him for the thought that he put into his submission. I also asked the emergency services in the area for their input because, with their very skilled drivers and the fact that they attend most of the crashes, I thought that they would have particular insights.

The Ambulance Service provided a very comprehensive response and suggested that the intersection really required a full traffic investigation by an organisation such as the CSIRO. The Ambulance Service also raised the problem of its not being able to control the traffic lights at the intersection. The ambulance station is on Flaxmill Road and the fire station just off that road, so there was some question as to whether the presence of emergency vehicles contributed to driver confusion.

The Ambulance Service wants to be able to control that intersection, and I think that is entirely appropriate. The issue was raised in the Public Works Committee recently. In response to all this information, the minister simply said that they are putting in a red light camera, which is something that we knew already and which will do nothing to improve the situation at this dangerous corner.

Time expired.

The Hon. G.M. GUNN (Stuart): Not understating the facts, it seems that the opposition has engaged in a pattern of selective misrepresentation and setting out on a program of character assassination of members on this side by stating false information about them. Of course, it is obvious that the deputy leader does not understand, when she stands up in this House and reads out a spiel that has been prepared for her up on the second floor, because she appears not to have any views of her own in relation to any matter, particularly anything that faintly resembles economic policy. I think the public should be aware of this campaign—

Mr Hanna: Tell us about conflict of interest, then. What does it mean?

The Hon. G.M. GUNN: The honourable member obviously has a conflict within himself, because he is the most inefficient member who has been in this chamber.

Mr HANNA: On a point of order, I ask the honourable member to withdraw that remark.

The SPEAKER: Order! There is no point of order: I think the honourable member is being a little precious.

The Hon. G.M. GUNN: The honourable member as usual has drawn attention to his own inadequacies and put them on the public record for everyone to see. Well done! It is the first successful thing he has achieved in his time in the House and I congratulate him for it. The honourable member has fallen in the mud face down.

I want to get on to something more important. I am delighted to have the assistance of the honourable member

whenever he wants to give it, but he ought to listen to this. I understand that the member for Hart is an avid reader of the *Australian Financial Review* and that it obviously made his breakfast when he read this comment.

Mr Hanna interjecting:

The Hon. G.M. GUNN: The *Australian Financial Review* of yesterday. I recommend it for the honourable member's consideration, because on page 5 is the heading 'Bracks warned to check spending', and a little further down we see, 'Treasury props up Enertrade', which is the government electricity trading operation in Queensland. The article states:

The Queensland government has agreed to cover up to \$80 million of losses this financial year on contracts made by one of its state-owned electricity companies. . . Under the agreement, QTC will provide funding for Enertrade to meet its working capital needs and the Treasurer will repay all funds drawn down by the company and all of QTC's costs. The last annual report of Enertrade, the business name of the Queensland Power Trading Corporation, showed it faced future losses valued at between \$439 million and \$575 million on its power purchase agreements.

The article goes on to say:

Queensland is not the only state that has struck problems in the deregulated electricity market. The NSW government-owned generator Pacific Power faces unspecified losses potentially totalling hundreds of millions of dollars on contracts with Victorian power distributor Powercor. The size of the losses depends on future power prices.

Here is a clear example of this state government making a decision, under the most difficult circumstances, and putting the public interest first. Even at the expense of public criticism, it protects the people of South Australia against these sorts of losses so that we can continue to upgrade hospital services, such as the excellent facilities that I will have the pleasure of opening tomorrow at Jamestown. If the government were faced with these sorts of ongoing losses we would not be opening elderly citizens beds at Jamestown; we would not have opened them at Eudunda; and we would not have other necessary public infrastructure around South Australia, because we would be subsidising these operations.

It is not the role of the government to get involved in this sort of activity. This is a clear example that the decision we made to lease the power operations in this state has proved to be so right. It is not only in the best interests of people but also it protects the revenue of the taxpayers so that it can be invested in necessary public infrastructure, such as hospitals, schools and other facilities that are in demand.

Ms BREUER (Giles): Today I want to talk about the Family and Youth Services (FAYS) section of the Department of Human Services in South Australia. I was very interested to hear the Premier announce today the youth and crime prevention forum to be held early next month. I welcome this forum because I am becoming increasingly concerned about a large group of young people in our community who seem to be lost in the system as it currently stands and who, for some reason or other, do not seem to be able to access the help that they need. This is not meant to be a criticism of FAYS, because I have great admiration for those people and the work that they do.

However, something seems to be drastically wrong with our system, and I believe that a lack of resources is preventing their being able to investigate and act on the many cases and the children in their area of responsibility. Time after time I am told by constituents of incidents involving children where little or no action seems to occur through FAYS. Again, I am not blaming the FAYS officers because I have

worked closely with the department for many years and I know that they are dedicated, hardworking and responsible, but there seems to be too many cases for them to handle.

Consequently, they prioritise, and only the most severe cases ever get any full-time attention. At present, all complaints are registered with a central body, and they are classified according to a rating on seriousness. They are then filed away, forgotten or ignored if the case does not warrant immediate action.

I want to talk specifically today about two young children in my electorate about whom I am most concerned, on both a professional and personal level. These children appear to have been abandoned by their mother. She has gone interstate to live with a new partner who has indicated that he does not want the children with him and whom the children dislike intensely because of his fundamental religious principles.

These children have been told by him that they are evil and that Satan lives within them. The young girl, who was sexually abused some years ago, was told by him that she deserved it because the devil was within her. I am talking about 13 year old children—very street wise but still children. The boy is constantly suspended from school and in trouble with the police, and wanders from house to house. I found him last week at a very dubious residence. There are a number of these places in Whyalla where, it is suspected, young boys and girls can always get bed and breakfast in return for sexual favours. The girl is heartbroken by what she sees as rejection by her mother. She said to me in tears, 'I'm only 13. I am still a child. How can she do this to me?'

She has wandered from house to house, staying with school friends and in flats with young people. I know that she has spent many nights in the flat of a young man, himself around 16 or 17. She leaves her possessions all over town and she scarcely ever has a decent meal. I have spoken to the FAYS officers on two occasions about her. Her FAYS officer has major concerns for her but seems to be tied by a system which states that they must speak to the mother in the first instance and, of course, mother is not available. The worker agrees that the children need counselling and help but cannot seem to contact the children.

I found the girl in about a half an hour last weekend and the boy in about two hours by visiting likely addresses. The worker then told me that she is finishing up this week, so the children will need to be reallocated. Any residual trust that lies with those children will be lost and the new worker will have to familiarise himself or herself with the whole situation. I have spoken to their school principal, who has similar concerns to mine but who is frustrated by the seeming lack of action in the system.

I see this as an example of our current system. What is wrong with it? Why are these children—13 year olds, little children—wandering like little feral animals? I go back to the Premier's announcement today: perhaps we should look at our resources. With their background, how can we expect these children to become good, responsible members of our community? I think that we really need to look at our situation in FAYS; we need to look at our welfare resources and further funding. Something must be allocated. It breaks my heart to see children wandering like this.

Mr VENNING (Schubert): I want to raise a very important issue, namely, the Premier's announcement yesterday that Connor Shea Napier was relocating to Adelaide. I was very pleased with the Premier's announcement. Connor Shea Napier has been a major manufacturer of

farm machinery for many years, especially tillage machines and air seeders. I had much to do with this company when it first evolved the air seeder 25 to 30 years ago—much of the testing was done on our property. It is certainly a go-ahead company, but dealing with this company in Queensland was always a bit of a pain.

John Shearer, a South Australian icon company, has been with us for many years and goes back to the Shearer brothers, John and David. I am pleased that John Shearer is in such a strong position to be able to acquire this company and bring it to South Australia. The tide is turning. This Liberal government's hard work is starting to pay dividends. We have created a low risk environment that allows business to take advantage of opportunities when they are presented. I do not know who brought about this amalgamation or marriage but, whoever it was, I congratulate them most heartily. I congratulate them on their choice, first, to team with John Shearer; and, secondly, and most importantly, to bring this company to South Australia.

South Australia is returning to the days of prosperity; to the days when our state led the way in Australian manufacturing; and to the days when most of Australia's tools of trade were made in South Australia. We all know of many great names in the past with respect to harvesters and farm machinery. Probably 25 to 30 companies made machinery in this state but, bit by bit, we lost them over the years, and it is great to see the tide turning. We hear all the rhetoric and the discussions, but when one sees that it is actually happening it makes one feel good.

I understand that CSN's operation will continue in Dalby, Queensland, for a period before relocating in the coming months. Shearers is well aware that it does not want to cause any disruption to supply to the industry during this busy period, so the relocation will take place over some months. It is great to see that South Australia will again be the centre for manufacturing machinery. This new company comes alongside another established company in my electorate, Horwood Bagshaw of Mannum, which makes very good tillage machinery, as well as other pieces of machinery that are certainly modern and futuristic.

In the days of satellite farming, David Shearer is right up there with the best in the world, and certainly its expertise is well acknowledged. To see John Shearer and Horwood Bagshaw return to the old days of importance is very heart-warming. The strategic move will allow Shearers further to consolidate its position as the nation's leading manufacturer of farm equipment. The flow-on benefits should result in lower prices to end users, and that is very good news in view of the current plight of many farmers, and particularly with respect to the price of the Aussie dollar. Importing farm machine parts is going against the Australian primary producer. I understand that all CSN's lines are to continue as the market determines. There is certainly value in the Connor Shea Napier brand—there is no doubt about that.

Shearers will obviously continue its lines. It is a South Australian icon, as I said. Shearers is everywhere in rural areas. A Shearer plough is the strongest on the job. You will never beat or bend a Shearer plough, as all farmers know. I know that the member for Stuart would agree with me because he is a very keen advocate of the John Shearer disc. Australian machinery is usually of far better quality than most imported gear, but imported items have been cheaper, so farmers, like anyone else, are obviously attracted to the cost savings. Now that the Australian dollar is so low, it is a great

opportunity for John Shearer and CSN to get back that market share.

There is a lot of history in the development of our farm machinery. There has been the amalgamation of four companies—Connor Shea, Napier, Grasslands and John Shearer—into one company, which is a sign of the times. I am pleased to see that they have joined Horwood Bagshaw as key manufacturers in our state. As I have said, Connor Shea was one of the first companies in the world to manufacture the air seeder—a product that is so common today. Also another result of the CSM relocation is the opportunity to hold discussions to discuss the feasibility of manufacturing tractors and harvesters in South Australia.

Mr CLARKE (Ross Smith): I refer to a petition I tabled in this House yesterday from almost 700 residents in my electorate who live in and around the Bi-Lo supermarket on Prospect Road, Blair Athol. For some time residents of Kilburn and Blair Athol have wanted the pedestrian traffic lights currently situated opposite the Blair Athol Hotel moved approximately 100 metres north to where the supermarket is located, virtually opposite the Kilburn post office and the Komminos chemist shop where the automatic teller machine facility is located in the front of their premises.

Some time ago, the Commonwealth Bank (which was almost opposite the Blair Athol Hotel) was closed and now the need for the pedestrian traffic light to be located there is not as great as the need of the local residents to have pedestrian activated traffic lights located near the Bi-Lo supermarket.

Many aged, infirm and young children live in and around the vicinity of the supermarket. It is a very busy supermarket having recently undergone major refurbishment. With the closure of the Commonwealth Bank branch on Prospect Road, Blair Athol most face-to-face banking by elderly residents is conducted at the Kilburn post office or the ATM machine. We need pedestrian activated traffic lights for the safe passage of pedestrians who shop at the Bi-Lo supermarket every week as well as to enable them to safely conduct their banking affairs at the post office or the chemist shop.

When I last raised this matter with the Minister for Transport at the end of 1999, I received a response from her shortly thereafter stating that at that time the Department of Transport did not intend to move the traffic lights. Since that time we have had a series of near misses.

While collecting signatures for the petition on Thursday nights and Saturday mornings—and it did not take long to get 700 signatures, particularly with the generous help I received from two local residents George and Judy Brice—it became clear to me from not only what was occurring on Prospect Road but anecdotal evidence from people signing the petition that a number of near fatalities had occurred on Prospect Road.

It is an extremely busy road and it is time that the minister heeded the calls of local residents to relocate the traffic lights. It is understood that there cannot be two pedestrian traffic lights within a distance of 100 metres but to relocate the existing traffic lights to where the bulk of pedestrian traffic is is a reasonable request. When the minister refused my initial request, she referred to the upgrade of Prospect Road and the installation of pedestrian refuges halfway across Prospect Road to make it safer for pedestrians crossing Prospect Road. It is almost a year since my original request and those pedestrian refuges have not been installed and on a daily basis there is the risk of a road fatality.

I pay tribute to the staff of the Bi-Lo supermarket at Blair Athol. They go out of their way to assist visually-impaired customers—who would otherwise have great difficulty crossing Prospect Road—across the road and see them safely on their way to their homes. It is an excellent customer service by the Bi-Lo staff and I commend them for it.

The answer to this conundrum is that the Minister for Transport relocate the pedestrian traffic lights. In essence, what I fear most is the minister's reluctance to relocate the traffic lights is to do with cost rather than necessity. Ultimately, I believe she will agree but the sooner she acts the better.

Mr SCALZI (Hartley): I have brought to the attention of the House on a number of occasions the good work being done by merchants, growers and retailers at the Adelaide Produce Market. I have mentioned the 'Healthy eating lifestyle' promotion for which they kindly donated \$200 worth of fresh fruit and vegetables for the primary schools in my electorate. For the school olympics organised by the Campbelltown Council, the market supplied \$500 worth of fruit for students on the day.

These things are very important indeed. I commend the generosity that was displayed on 4 November by all those involved with the Cherry Ball at which over \$65 000 was raised on the night for the Childhood Cancer Foundation. The groups who bid, and indeed the Adelaide Produce Market, should be commended for raising funds for such an important cause.

Many members would not be aware of how early in the morning the merchants, the growers and retailers get up to ensure that everything is in place so that the produce is delivered throughout the metropolitan area. Yesterday I was fortunate enough to be taken on a tour of that market in the early hours of the morning—6 o'clock—and after a late night it was not easy to get up. The member for Hammond, Peter Lewis, attended with members of CITCSA, that is, the international Chambers of Commerce organisation. They organised a group tour and a breakfast. I thank Trish Semple, the manager, and Nick Begakis, for what they are doing regarding the promotion of exports. Members would be aware that South Australia exports to more destinations than do any other states.

I thought it was a good idea to get the international chamber and the Adelaide Produce Market together in order to promote more exports, and indeed yesterday it was good to witness the conversations taking place between the various merchants and members from the chamber. Going back to the Cherry Ball, I certainly thank all those who participated in the bidding which enabled that extra \$5 000 to be given to such a worthy cause. My hair will grow, no doubt stronger than it was, but what pleases me most is the \$5 000—and the bald head of Frank Bueti, the 'Cherry King'—which went to the Childhood Cancer Foundation. I cannot thank enough the group that made that gesture on the night of the Cherry Ball.

I thank Graham Murphy and Adrienne Stoddart for the organisation they put into this function. Members would be aware that last week they were offered some cherries (which were placed in the members' lounge and the refreshment room) to mark the holding of that function organised by the Childhood Cancer Foundation. Again, the merchants were kind enough to donate the cherries for members to enjoy. I believe a lot of good things are happening at the Adelaide Produce Market, and the people concerned ought to be congratulated for the good work they do for the community.

STATUTES AMENDMENT (LOCAL GOVERNMENT) BILL

The Hon. D.C. KOTZ (Minister for Local Government) obtained leave and introduced a bill for an act to make certain amendments to legislation in connection with the system of local government in the state; and for other purposes. Read a first time.

The Hon. D.C. KOTZ: 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 is part of the total package of legislation arising from the review of the *Local Government Act 1934* and its replacement with new Local Government Acts.

A Statutes Amendment (Local Government) Bill 1999 lapsed at the close of the last session. This bill contains some of the provisions of the lapsed bill which, in turn, were also part of a Statutes Repeal and Amendment (Local Government) Bill 1999 that had lapsed at the close of the preceding session.

Most of the *Local Government Act 1934* was repealed on the 1 January 2000 as a result of the commencement of the new Local Government Acts. This bill repeals further provisions of the *Local Government Act 1934* covering matters which, under this bill, are incorporated in appropriate State Acts covering the field. In addition it makes minor technical amendments to the *Local Government Act 1999* and other Acts as a result of issues that have come to light after it was passed.

As previously explained, one of the objectives for the review of the Local Government Act is that remaining Local Government Act provisions concerning regulatory regimes or public sector administration in which both State and Local Government have a role should, if the provisions are still required, be located in the specific legislation which deals with that function. This approach is designed to clarify respective roles, eliminate fragmentation, gaps and overlaps, or provide scope for simplification and consistency with any national standards. It should also assist councils to identify regulatory activities for the purposes of separating these from its other activities in the arrangement of its affairs, as required under the *Local Government Act 1999*. The *Statutes Amendment (Local Government and Fire Prevention) Act 1999*, the further integration of Local Government's role in traffic management and parking control into the Road Traffic Act by means of the *Road Traffic (Road Rules) Amendment Act 1999* introducing national Australian Road Rules, and amendments in this bill to the *Public and Environmental Health Act 1987* concerning sewerage systems are examples of this approach.

Other amendments to the Food Act and the Highways Act similarly assist to clarify responsibilities by relocating some specific provisions of the *Local Government Act 1934* in the appropriate legislation.

The remaining amendments are technical in nature and are either consequential upon the passage of the legislative reforms, remove inconsistencies, or clarify the intent of the new Local Government Act.

The operation of some provisions of the *Local Government Act 1999* relating to public consultation requirements applying to the grant of a permit for business purposes over a public road was suspended upon proclamation of the Act. This followed concerns that the application of the provision was being interpreted more restrictively than intended. As an interim measure, a regulation was made to cover prescribed situations for which public consultation was required. Given the success of the prescribed arrangements, it is now intended that they replace the provisions in the Act.

Other technical changes to the Local Government Act 1999 include clarification of the status of easements with respect to community land, clarification of the approval processes for driveway crossing places, removing inconsistent clauses in relation to council subsidiaries and significant business activities, and ensuring alterations to model by-laws are subject to disallowance by Parliament.

At the request of the Local Government Finance Authority Board, amendments are made to the *Local Government Finance Authority Act 1983* to extend the term of office of representative members to three years so as to fall into line with the term of office for elected

council members, now three years, as a result of legislative changes in 1996.

As the matters covered by this bill are either technical or have previously been considered by Parliament, the Government hopes the bill will be dealt with expeditiously.

I commend this bill to honourable members.

Explanation of Clauses

Clause 1: Short title

This clause is formal.

Clause 2: Commencement

The measure will be brought into operation by proclamation. However, it will be appropriate to provide that the amendment to be effected to section 193 of the *Local Government Act 1999* will be taken to have come into operation on 1 January 2000.

Clause 3: Interpretation

A reference to 'the principal Act' in this measure is a reference to the Act referred to in the heading of the relevant Part.

Clause 4: Insertion of s. 28A

This clause is based on section 883(3) of the *Local Government Act 1934*. Section 883 is to be repealed by this Act. The special arrangements relating to the District Council of Coober Pedy that are to be continued under this provision (being those arrangements that relate to the administration of the *Food Act 1985*) will be brought to an end on a day to be fixed by proclamation, or on 30 June 2002, whichever is the earlier.

Clause 5: Amendment of s. 2—Act not to apply to the City of Adelaide

Clause 6: Amendment of s. 4—Insertion of s. 42B

These clauses provide for the continuing operation of the arrangements currently contained in Part 16 of the *Local Government Act 1934*.

Clause 7: Repeal of Part 16

The arrangements currently contained in Part 16 of the *Local Government Act 1934* are to be inserted into the *Highways Act 1926*.

Clause 8: Repeal of Part 25

The arrangements currently contained in Part 25 of the *Local Government Act 1934* are to be inserted into the *Public and Environmental Health Act 1987* (with consequential modifications).

Clause 9: Repeal of s. 883

The arrangements currently contained in section 883 of the *Local Government Act 1934* are now to be dealt with under the *Food Act 1985* and the *Public and Environmental Health Act 1987*.

Clause 10: Amendment of s. 4—Interpretation

These amendments all relate to the same issue. The *Local Government Act 1934* provided a definition of 'unalienated Crown land' but the term was inadvertently omitted from the new Act. It is therefore now to be included in the new Act.

Clause 11: Amendment of s. 193—Classification

Section 193 of the *Local Government Act 1999* declares local government land to be community land, subject to various exceptions. There has been some uncertainty as to whether easements and rights of way are local government land and hence community land (because 'land' is defined to include, accordingly to the context, an interest in land). It was never intended that such interests be included as 'community land' under the Act. The amendment will therefore specifically provide that 'local government land' does not include easements or rights of way for the purposes of the section. As there is an argument that easements and rights of way have been included under the section since 1 January 2000, it is appropriate that the amendment be taken to have come into operation on that date.

Clause 12: Amendment of s. 201—Sale or disposal of local government land

This amendment will allow a council to grant an easement or right of way over community land without revoking its classification as such.

Clause 13: Amendment of s. 221—Alteration of road

Section 221(3)(b) of the *Local Government Act 1999* relates to the alteration of a road so as to permit vehicular access to and from adjoining roads. However, it only applies if the alteration is indicated on a plan approved under the *Development Act 1993*. It is preferable to relate the alteration to the approval of the actual development.

Clause 14: Amendment of s. 223—Public consultation

This amendment revises the circumstances under section 223 of the *Local Government Act 1999* where authorisations or permits for the use of roads must be subject to public consultation processes. The amendments will bring the section into line with the circumstances that currently apply under the regulations (pursuant to the power prescribed by subsection (1)(c)).

Clause 15: Amendment of s. 250—Model by-laws

This amendment will ensure that *amendments* to model by-laws are published in the *Gazette* and subject to disallowance under the *Subordinate Legislation Act 1978*.

Clause 16: Amendment of s. 254—Power to make orders

Clause 17: Amendment of s. 257—Action on non-compliance

These amendments correct clerical errors.

Clause 18: Amendment of schedule 2

These amendments rationalise the operation of clauses 14 and 15, and 31 and 32, of schedule 2 of the *Local Government Act 1999*.

Clause 19: Amendment of s. 3—Interpretation

These amendments update definitions under the *Local Government Finance Authority Act 1983* in view of the enactment of the *Local Government Act 1999*.

Clause 20: Amendment of s. 8—Terms and conditions of office

These amendments are consistent with the move to three-year elections in the local government sector.

Clause 21: Amendment of S. 12A—Powers and duties of relevant authorities

Clause 22: Insertion of new Division

Clause 23: Amendment of s. 25—Institution of appeals

These amendments are consequential on the repeal of section 883, and Part 25, of the *Local Government Act 1934*.

Clause 24: Transitional provisions

This clause deals with transitional issues connected with the repeal of Part 25 of the *Local Government Act 1934*, and the move to three-year terms for elected members under the *Local Government Finance Authority Act 1983*.

Mr WRIGHT secured the adjournment of the debate.

INDUSTRIAL COMMISSION

The Hon. M.H. ARMITAGE (Minister for Government Enterprises): By leave, I move:

That, pursuant to section 29 of the Industrial and Employee Relations Act 1994, the nominee of this House to the panel to consult with the minister about appointment of the President to the Industrial Commission of South Australia be Mr Wright.

Motion carried.

SHOP TRADING HOURS (GLENELG TOURIST PRECINCT) AMENDMENT BILL

Second reading.

The Hon. M.H. ARMITAGE (Minister for Government Enterprises): I move:

That this bill be now read a second time.

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

Leave granted.

The *Shop Trading Hours (Glenelg Tourist Precinct) Amendment Bill 2000* is a bill to amend the *Shop Trading Hours Act 1977* (the principal Act). The amendments will have the effect of providing extended shopping hour arrangements to non-exempt shops in an area currently designated as the District Centre Zone in Glenelg and designated, for the purposes of this bill, as the Glenelg Tourist Precinct.

In June 2000, the City of Holdfast Bay wrote to the Minister for Workplace Relations proposing the establishment of a tourist precinct in Glenelg within which all shops could trade on Sundays to cater for the special needs of the area. The Deputy Chief Executive of the Department of Administrative and Information Services, Ms Anne Howe, coordinated the development of an Issues Paper on the matter. That Issues Paper strongly supported the amendments reflected in the bill before the House today.

Some of the comments from the Issues Paper supporting the establishment of extended trading hours in the Glenelg Tourist Precinct Zone include the following:

- Both the City of Holdfast Bay and the South Australian Tourism Commission (SATC) argued that Glenelg is 'a unique tourism precinct in SA and is second only to the City of Adelaide in its importance as a Tourist destination in this State'.

- SATC identifies Adelaide and Glenelg as the highest profile tourism destinations in metropolitan South Australia based on the availability of accommodation and occupancy rates. SATC indicates that Glenelg has a high percentage of international visitors staying within the vicinity.
- Adelaide has some 3240 tourist beds available, with Glenelg providing 702 beds, or 1434, if the adjacent West Beach Caravan Park and the Marineland Holiday Village accommodation are taken into account. The next highest concentrations of tourist accommodation in the metropolitan area are North Adelaide and Glen Osmond Road, which provide 503 and 379 beds, respectively.
- The City of Holdfast Bay submission quotes a variety of statistics supporting the special nature of the Glenelg Tourist Precinct, including—
 - estimated visitor numbers of 3 million per annum with approximately 50 000 visiting Glenelg each weekend; and
 - high levels of interstate and international tourist visits; and
 - 285 businesses operate in the Jetty Road Glenelg Tourist Precinct of which only 56 do not trade on Sundays; and
 - 400 000 people were attracted to events in the area in 1999-2000; and
 - a total of 1 500 accommodation rooms are available in the Glenelg/West Beach area; and
 - 3 additional major tourism related developments are planned for the Glenelg area, in addition to other major developments which have already been established, including the Grand Hotel and Holdfast Shores.

The following parties were consulted during the preparation and after the release of the Issues Paper:

- The City of Holdfast Bay
- The Retail Trade Advisory Committee
- The Newsagents Association of South Australia
- The Furniture Retailers Council of South Australia
- Coles Supermarkets Australia Pty Ltd
- The Australian Retailers Association—South Australia
- The State Retailers Association of South Australia
- The Motor Trade Association of South Australia
- Waimea Pty Ltd (Trading as Cheap as Chips)
- The Corporation of the City of Adelaide
- Westfield Shopping Centre Management
- The Reject Shop, Glenelg. The proposed amendments to the Act would introduce the same shopping hours to non exempt shops in the Glenelg Tourist Precinct as applies to the Central Shopping District in the City of Adelaide. That is, non-exempted shops under the Act (those with a floor space over 200 square metres) are permitted to trade—
 - until 9.00 pm on every weekday; and
 - until 5.00 pm on a Saturday; and
 - from 11.00 am until 5.00 pm on a Sunday.

The Glenelg Tourist Precinct, as displayed in the map to be inserted into the principal Act by the amending bill, comprises some 285 businesses that currently pay a separate rate to Council for the promotion and development of the precinct. This precinct is also zoned under the *Development Act 1993* as the District Centre Zone and encompasses the central/core-shopping district including and surrounding Jetty Road, Glenelg.

This bill recognises Glenelg as a unique metropolitan tourist destination in South Australia. The amendments to the Act will ensure tourists are properly catered for in terms of their shopping needs and desires and that the economy of Glenelg and the overall tourist industry in South Australia continues to grow and remain vibrant.

I commend the bill to the House.

Explanation of Clauses

Clause 1: Short title

Clause 2: Commencement

These clauses are formal.

Clause 3: Amendment of s. 4—Interpretation

This clause inserts a definition of Glenelg Tourist Precinct into section 4 of the principal Act. Glenelg Tourist Precinct means that part of the State delineated and marked *Glenelg Tourist Precinct* in the plan in Schedule 1A (to be inserted by clause 7 of the bill).

The other amendments to section 4 of the principal Act are consequential. For example, the definition of Metropolitan Shopping District will, after the passage of the bill, mean that part of the metropolitan area (as defined) that does not include the Central Shopping

District or the Glenelg Tourist Precinct and the definition of shopping district will include the Glenelg Tourist Precinct.

Clause 4: Amendment of s. 11—Proclaimed Shopping Districts

Clause 5: Amendment of s. 13—Hours during which shops may be open

Clause 6: Amendment of s. 13A—Restrictions relating to Sunday Trading

The amendments proposed in each of these clauses are consequential on the decision to change the trading hours for shops in the Glenelg Tourist Precinct (as defined) to match the trading hours of shops in the Central Shopping District.

Clause 7: Insertion of new Schedule

SCHEDULE 1A: Plan of Glenelg Tourist Precinct

New Schedule 1A contains a plan of the Glenelg Tourist Precinct.

Mr WRIGHT secured the adjournment of the debate.

LEGAL PRACTITIONERS (MISCELLANEOUS) AMENDMENT BILL

Second reading.

The Hon. I.F. EVANS (Minister for Environment and Heritage): 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 would amend the *Legal Practitioners Act 1981* in two ways.

First, the Bill would amend s. 21, which deals with the reservation of work to the legal profession. That section first provides that only qualified legal practitioners may practise the profession of the law, and then lists many specific activities which are excluded from the ambit of the practice of law, and may lawfully be conducted by non-lawyers. The Bill would add another item to that list of exempted activities.

The Bill contemplates that a person does not practise law if he or she either reproduces, or completes the standard variables of, a pro forma loan instrument for use by a commercial lender such as an ADI. For example, what is envisaged is the completion of a standard form home loan or personal loan contract such as lending institutions may use in transacting business with clients. However, the pro forma loan instrument must have been prepared by a lawyer or conveyancer (in the case of documents which a conveyancer may lawfully prepare), or must be approved by the Land Titles Office. It cannot be a document prepared by an unqualified person. Further, it is only the standard variables which may be filled in by the unqualified person. The substantive terms and conditions can only be changed by a lawyer, conveyancer (where this is lawful) or of course by the parties themselves.

The standard variables will be the particulars of the transaction which are peculiar to the parties concerned, that is, such matters as names, addresses, the amount of the loan, the amount and interval of repayments, and the interest rate. Of course, the expression is not intended to cover anything more than these individual details, and would not cover, for example, additional or varied contractual terms which one or other party might wish to propose. These would not be 'standard'.

The documents which may be prepared in this way include a loan contract, mortgage or discharge of mortgage, or a guarantee. The person who reproduces the document, or fills in the standard variables, may lawfully charge a fee for this work.

It should be understood that the Bill does not authorise this service to be provided to the general public, but only to the commercial lender such as an ADI or finance company.

Of course, the person who reproduces the document or completes the standard variables is not acting as an adviser or representative to either party to the transaction. He or she provides a clerical service. The parties to the transaction will still need to get their own independent legal advice, should they wish this. From the point of view of the borrower, this is very little different from the current situation, whereby the lending institution itself prepares such a document and invites the borrower to sign it. The borrower is, as always, at liberty to take legal advice on any document which the institution asks him or her to sign, and will be wise to consider doing so. Indeed, in the case of a guarantee, the Banking Code of Practice

requires the institution to recommend that a prospective guarantor seek independent legal advice.

The reason for the amendment is that the Government has become aware that there may be a market for such services among commercial lenders, who may be able to purchase the service of document preparation from external sources more cheaply than they can prepare the documents in house. The Government does not consider that any additional risk to the public arises out of this proposed amendment. It may have a beneficial effect in reducing the costs of these transactions, which are ultimately borne by the consumer.

Secondly, the Bill would amend s. 37, which deals with disclosures which may be made by the Law Society, auditors and inspectors in relation to the affairs of a legal practitioner. Generally, information derived from examining a practitioner's accounts and records under the Act must be kept confidential. However, it may be disclosed for certain purposes, such as disclosure to law enforcement authorities or to the Legal Practitioners Conduct Board. Section 37(4)(ba) currently provides an exception which allows disclosure of this information to the regulatory authority of a participating State in the national legal services market, where this has been requested in connection with actual or possible disciplinary action against a practitioner.

The intention here is that if the Society has information relevant to disciplinary action against a practitioner who undertakes work in another participating jurisdiction within the national legal services market, it should be at liberty to provide this to the appropriate authority of the other jurisdiction. This is intended to prevent practitioners from using the national market to evade the consequences of improper conduct in one jurisdiction by simply setting up business in another. The intention is that the regulatory authorities of the participating jurisdictions should be able to exchange information so that proper action can be taken in each jurisdiction to protect the public from any possible harm.

However, it is considered that the present provision is too narrow to permit sufficient information exchange to fully protect the public. Information may not be disclosed unless a request has been received from the other State, and disciplinary action against the practitioner is at least in contemplation. However, in some cases, it may be that the regulatory authority of the other State has no reason to suspect that the practitioner poses a risk or to contemplate disciplinary proceedings. It may be that it is only when the information is passed on by the Society that the other jurisdiction becomes aware that disciplinary action may be appropriate. Hence, it is considered appropriate to remove these restrictions and to permit the Society to alert the regulatory authority of another jurisdiction to any matters of concern arising from an inspection of records, without waiting for a request or for disciplinary action to arise in the other jurisdiction. It is considered that this will better protect the public in each participating jurisdiction.

I commend this bill to honourable members.

Explanation of Clauses

Clause 1: Short title

This clause is formal

Clause 2: Amendment of s. 21—Entitlement to practise

Section 21 of the *Legal Practitioners Act 1981* provides that only legal practitioners may practise law, subject to certain exceptions. The amendment creates a new exception whereby an unqualified person will be permitted to reproduce and complete the standard variables on pro forma documents such as loan agreements, mortgages, mortgage discharges and guarantees for fee and reward. These documents can only be produced in this way for ADI's or other commercial lending institutions. The unqualified person is not permitted to modify the substantive terms and conditions of the pro forma documents, which must be either approved Lands Titles Office documents, or have been initially prepared by a qualified person.

The amendment also updates subsection (3)(c) to refer to a 'conveyancer' rather than a 'licensed land broker', to correspond with the terminology used in the *Conveyancers Act 1994*.

Clause 3: Amendment of s. 37—Confidentiality

This clause removes the restriction on the disclosure of information arising out of a trust account audit or inspection so that information may be provided to a regulatory authority in another State regardless of whether or not disciplinary action is contemplated or has been taken against a legal practitioner.

Mr WRIGHT secured the adjournment of the debate.

CONTROLLED SUBSTANCES (DRUG OFFENCE DIVERSION) AMENDMENT BILL

Second reading.

The Hon. I.F. EVANS (Minister for Environment and Heritage): I move:

That this bill be now read a second time.

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

Leave granted.

The Council of Australian Governments (COAG) meeting of April 9 1999 discussed a national approach to address a range of issues relating to the illicit use of drugs in Australia. A particular emphasis in strategic terms was a resolution that there should be partnership arrangements linking education, law enforcement, justice and health efforts to deal with illicit drug use, in particular those partnership principles articulated within the National Drug Strategic Framework 1998-99-2002-03. More specifically, it was agreed that these efforts should target individuals who have had little or no past contact with the criminal justice system in relation to drug offences and who are apprehended by police for use, possession or related offences dealing with small quantities of an illicit drug.

A significant component of the COAG agreement was the establishment of police drug diversion programs. The general approach is that diversion to education, assessment and treatment (and, as necessary, allied services) should be an option upon police apprehension of an individual for offences relating to the possession or use of minor amounts of illicit drugs. The approach will build upon collaborative relationships between police who apprehend and human service professionals who assess and treat. But the principal feature for present purposes is that the diversion program is to be police initiated.

As a result of the COAG initiative, South Australia is eligible to receive funding from the Commonwealth to develop a police diversion program for people using illicit drugs. The amounts involved are \$670 000 for 1999-2000 once the diversion model has been approved by the Commonwealth, and thereafter \$1.64m in 2000-01, \$2.65m in 2001-02 and \$4.2m in 2002-3. The total amount involved is therefore \$9.2m over a four year period. However, as noted, the allocation of the funds is conditional on approval of the proposed scheme by the Commonwealth based on its performance against the agreed COAG principles.

A Project Director, seconded to SAPOL from DHS, has been advancing the development of the model with assistance from a Drug Officials Group consisting of representatives of the Department of Premier and Cabinet, the Department of Human Services, the Department of Justice, the Department of Education, Training and Employment and the State Division of Aboriginal Affairs. The Project Director, who is responsible to the Chief Executive's Coordinating Committee on Drugs and thence to the Cabinet Committee on Drugs, has developed a Proposal document for discussion with the Commonwealth which contains a number of options for progressing the matter.

In the course of the preparation of this document and the discussion of it, a problem emerged in relation to the implementation of initiatives because of the current structure of South Australian legislation. While the legislation governing the apprehensions and available dispositions for young offenders is sufficiently flexible and amenable to a police diversion initiative under the *Young Offenders Act, 1993*, that dealing with adults is not. Under the *Controlled Substances Act, 1984*, adult offences relating to the possession and use of illicit drugs other than cannabis must be diverted to the drug aid and assessment panel system, known as DAAP, as an alternative to prosecution. This is an absolute requirement and gives the police no discretion at all. Prosecution for such an offence may not proceed without the authorisation of DAAP.

A Panel under the *Controlled Substances Act* consists of three people. One must be a lawyer and the other two must be people with extensive knowledge of the physical, psychological and social problems connected with the use of illicit drugs and/or the treatment of those problems. The Act sets out the procedures and powers of the panel with great particularity. The detail may be found in the current Act. The point for present purposes is that the numbers referred to panels has been steadily increasing, which has, until recently, led to delays in scheduling hearings of up to 16 weeks. While recent additional State funding in 1999-2000 has reduced this period

considerably, the structural requirements of the legislation still mean that there is delay between apprehension and referral, and contact with the panel. There are a number of panels. However, access to the DAAP process by adults outside the metropolitan area is problematic.

Moreover, there is clear evidence that, for unknown reasons, the referral of Aboriginal adults to panels has been extremely low. Approximately 6 Aboriginal adults have been referred to DAAP in the past 12 months. However, it is clear from Aboriginal Community organisations and other health agencies that there is significant drug dependence and drug related crime within the Aboriginal community. This issue alone shows that the State's drug diversion and treatment approaches are overdue for a comprehensive re-appraisal.

DAAP has not been evaluated since it began in 1984. Funding for a comprehensive review and evaluation of DAAP was provided for in the 1999-2000 budget. An interim evaluation has been done by a company of consultants and it is an *independent* evaluation. Some of the headings in the Interim Report tabled in the Legislative Council on 9 November, 2000, are as follows:

- No formal monitoring of DAAP
- No systematic or standardised approach to treatment and other intervention
- Training for stakeholders is not in place
- Access to DAAP is a problem
- Problems with accessing referral services in a timely manner
- Limited conditions imposed on clients for pragmatic reasons
- Communication between DAAP and other stakeholders can be improved
- DAAP is not meeting the needs of some groups
- Problems with the current database

When the government of the day enacted the legislation that created DAAP, it was, in the climate of the time, a daring and innovative change. The government and the Parliament were rightly cautious. The resulting legislation is therefore very detailed, very inflexible and very prescriptive. What the bill seeks to do is not to dismantle or abolish DAAP, but to take the 1980s caution and inflexibility out of the legislation dealing with diversionary schemes of this kind and respond to the criticisms that have been made of the existing model of service delivery. That much is clear at least from the transitional provision which continues the operation of DAAP as presently constituted.

The idea of the diversion of adults charged with minor non cannabis offences into assessment and treatment will be continued. In light of all of these factors, the relevant officers in the Department of Human Services and DASC have decided that the opportunity should be grasped to entirely overhaul the legislation dealing with DAAP so that, in effect, the prescriptive element of DAAP should disappear from the *Controlled Substances Act*. Put another way, the legislative monopoly prescribed by the Act in favour of the three person DAAP process should disappear, and the requirement of the legislation be made more flexible so that the Minister can authorise a variety of processes by which the generally agreed diversion notion may be implemented.

The DAAP model suffers from some deficiencies that must be addressed in an alternative model. It should be emphasised that the following points are not distinct, but overlap and complement each other.

- First, modern thinking about therapeutic intervention into the life of an addict or substance abuser is that the moment of arrest must be employed (and exploited) as a moment of crisis in the person's life as rapidly as possible for maximum effect. The new police based model for drug diversion and intervention places a high premium on contact with a therapeutic regime as soon as possible after police contact. That is very difficult with the DAAP model as it is presently constructed. It is simply too inflexible and unwieldy.
- Second, there is considerable virtue in directing people into therapeutic services which are local to them and the community in which they live. Obviously, this is more convenient for the person concerned, particularly if he or she does not live in the metropolitan area. In addition, localisation enables not only effective liaison between police local area commands and drug assessment and treatment providers, but also linkages between treatment providers and other service providers such as detoxification services, housing, health services, employment services and so on. Both the institutional nature of DAAP and the fact that it must, by statute, consist of three persons make these kinds of objectives difficult.

- Third, flexibility and localisation in service provision enables greater sensitivity to and experimentation in the provision of effective and accessible treatment services to Aboriginal people, and people of other ethnic backgrounds.

The essential features of the proposed police drug diversion program for adults are as follows:

- A 24 hours a day 7 days a week appointment scheduling service will be established;
- On detection or apprehension of an adult for an offence involving possession or use of an illicit drug other than cannabis, police will contact the appointment scheduling service to obtain an assessment appointment;
- A brokerage service would need to be established in order to purchase drug assessment and treatment services for the scheme;
- Police would then make a direct referral for the alleged offender to attend for assessment at a specified agency by issuance of a diversion notice to the alleged offender;
- Most initial drug assessments would be undertaken by an accredited single person in a locally based agency. This arrangement is designed to provide for appropriate integration with other health and community/social welfare support systems, and enables the alleged offender to be referred on to other or more specialised treatment services (including panels) should that course be warranted;
- Case management would be provided by the assessment and treatment service providers. There will be provision for entry by the alleged offender into undertakings;
- Arrangements for compliance management would be simple—the service provider would notify SAPOL of compliance or non-compliance by the alleged offender with the attendance notice and any undertakings. If in breach, SAPOL would then determine whether the alleged offender should be prosecuted. In any event, a copy of the outcome would be forwarded to the brokerage service so that payment to the agency for services provided could be made;
- In order to ensure consistency and quality control, there would need to be a degree of central program coordination. These functions would include establishing quality standards and processes for the accreditation of the relevant services and monitoring those services; development of common assessment and treatment standards, together with training and education; establishing and maintaining the around the clock appointment scheduling service; development of common undertaking formats; and promoting coordination and development of linkages between all service providers (including SAPOL).

None of these initiatives can be progressed unless and until the provisions of the *Controlled Substances Act* dealing with DAAP are amended.

It is necessary to make provision for transitional arrangements. The bill deals with the problem by stating that if a person has not yet reached DAAP, or has yet to be dealt with by DAAP in any way, he or she should be transferred to the new system. However, once the person has been dealt with by DAAP in any way, he or she will stay with DAAP. In addition, the transitional provisions provide for the continuance of the DAAP panels, as presently constituted, as an element of the proposed system.

I commend this bill to honourable members.

Explanation of Clauses

Clause 1: Short title

This clause is formal.

Clause 2: Commencement

This clause provides for bringing the Act into operation by proclamation.

Clause 3: Amendment of s. 4—Interpretation

This clause inserts a definition of 'drug assessment service'.

Clause 4: Substitution of ss. 34 to 40

This clause replaces all existing sections of Division 2 of Part 5 of the principal Act. *New section 34* continues the current exclusion of children from the application of this Division. *New section 35* provides for the accreditation (which may be subject to conditions) of drug assessment services and drug treatment services by the Minister. The Minister has a discretion of establishing panels of persons with a view to accrediting any such panel as an assessment service. *New section 36* provides that a person alleged to have committed a simple possession offence must be referred to an assessment service by notice setting out the date, place and time at which the person must attend the service. If a person is referred to an assessment service, any prosecution of the relevant offence is suspended. *New section 37* sets out the power of an assessment

service to require a referred person to attend the service or any other place for the purposes of the assessment. The section also enables the service to require the person to give consent to release his or her previous medical, treatment, assessment and criminal records to the service, and medical and treatment records to any relevant drug treatment service.

The circumstances in which an assessment service must, or may, terminate a referral are set out in subsection (3). If a referral is terminated, the person and the police must be notified by the assessment service. *New section 38* gives an assessment service the power to require an assessed person to enter into an undertaking for treatment or other action relating to rehabilitation from drug abuse. If treatment is to be required, it can only be given by an accredited drug treatment service. Undertakings cannot be for longer than 6 months. The police must be notified if a person enters into an undertaking, if the period of an undertaking is extended or if an undertaking expires. *New section 39* requires prison managers to bring persons who are in custody to any place for the purposes of complying with a notice or undertaking under this Division. *New section 40* provides that a person cannot be prosecuted for a simple possession offence unless he or she has been referred to the assessment service and the referral has been terminated by the service. The fact of participating in an assessment or entering into any undertaking cannot establish an admission of guilt. If the person is prosecuted for the offence, anything said or done by him or her in the course of being assessed is inadmissible in the prosecution proceedings, as are the reasons for termination of the referral. On the expiry of an undertaking, the person cannot thereafter be prosecuted for the simple possession offence. *New section 40A* provides for the confidentiality of information gained about a person referred for assessment under this Division. *New section 40B* provides that this Division will expire on the third anniversary of the commencement of these new sections.

Clause 5: Amendment of s. 44—Matters to be considered when court fixes penalty

This clause is a totally unrelated amendment to the principal Act. It replaces a wrong reference to 'section 47' of the principal Act, which was repealed in 1986 consequentially on the enactment of the *Crimes (Confiscation of Profits) Act 1986*. This Act has in turn been replaced by the *Criminal Assets Confiscation Act 1996*. The new subparagraph now provides the correct cross-reference to an application for forfeiture under the latter Act.

Clause 6: Repeal of s. 61A

This clause is a consequential amendment.

Clause 7: Transitional provision

This clause provides that if a drug assessment panel has already given a person a notice to attend the panel before the new scheme comes into operation, then the panel will continue to deal with the matter under the old system. All other cases (whenever the alleged offence may have been committed) will be dealt with under the 'new' system. Subclause (3) provides for the continuation of the panels of legal practitioner and health professionals established by the Minister under section 34(2) and (3) of the Act (in force before the commencement of the measure) and the accreditation of those panels as a drug assessment service for the purposes of the new system.

Mr WRIGHT secured the adjournment of the debate.

TAB (DISPOSAL) BILL

Adjourned debate on second reading.

(Continued from 14 November. Page 528.)

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

A quorum having been formed:

Ms KEY (Hanson): In February this year Minister Armitage announced that the government would proceed with a parallel trade sale of both the TAB and the Lotteries Commission by the end of the year, subject to special legislation passing through both houses of parliament. The rationale used by the government is that the sale proceeds would retire more state debt, minimise the risk to taxpayers through the growth in online gambling and respond to the

concerns from increased competition by privatised TABs interstate and also the pressure from expansion of the gambling industry in general. I also note in going through my files that in April 1998 the Premier said that he hoped for a sale price of \$1.4 billion. These two enterprises were founded in 1967 for good reason. Part of the rationale for the enterprises was to make sure that there was not only control in the gambling and racing industries but also that some income would be used for social benefit within the state.

In 1996-97 the figures told us that these enterprises generated more than \$800 million a year in revenue; more than \$620 million is returned as prizes and dividends; and \$140 million per annum goes into the government's revenue stream. The \$70 million in profits on average are paid to South Australian hospitals. I wonder where the Minister for Human Services is on this issue with a cut of money going into that system. Also, the enterprises provide millions of dollars to grants to sports and recreation activities. Again, I wonder why the Minister for Recreation and Sport has not made any comment in this debate.

Bob Walker and Betty Con Walker argue, in their publication just released *Privatisation—Sell Off or Sell Out? The Australian Experience*, that within narrowly focussed debates about the merits of privatisation three major themes have been evident. They are: first, that the public sector should be smaller; secondly, that the government should get out of activities that are properly the domain of the private sector; and, thirdly, that privatisation is needed to reduce the public sector debt. Most of those claims we would have heard mentioned in this House.

Many arguments, the Walkers go on to say, are funded on the style that the public sector is bad and the private sector is good and are founded on ideology rather than on evidence and analysis. They go on to say, correctly in my view, that the idea that government should be smaller was articulated, if not scripted, by former US President, Ronald Reagan. The idea that governments should get out of certain activities was promoted by a former British Prime Minister, Margaret Thatcher, who was obviously in a better position than Reagan to promote the idea that privatisation should enable reduction in public sector debt.

The Reagan and Bush administrations presided over the most massive blow-out in government debt in the history of the USA, so it does not stand to reason. Despite the rhetoric, it is not always there in the facts. When ideas about smaller government, public sector inefficiency and debt reduction were echoed by Australian politicians, few commentators, the Walkers say, paused to consider whether these claims were relevant to Australian conditions or made good financial sense.

The shadow minister has outlined the problems associated with the sale of New South Wales TAB Limited, where there were not only job losses but also increases in costs to punters. He said that in New South Wales the share of the trifecta was increased by 1 per cent, resulting in an extra \$11 million increase to its participants. Privatisation obviously does not always deliver for consumers. Not only do the services deteriorate in some cases but also they quite often cost more. I note that 15 000 people have taken the time to sign a petition launched in the Legislative Council opposing the privatisation of the TAB.

The other question is: who will buy the TAB and what checks will be put in place to order a gambling monopoly, at present a Government monopoly? Let us look at some of the statistics that surround the TAB. I acknowledge the informa-

tion that has been provided to me by the PSA and the ASU. With the TAB, we are looking at total assets of \$42.3 million, a turnover of \$620 million, a profit (and a couple of figures have been bandied about) of, at a minimum, \$53.6 million to something like \$56.1 million—the most recent figure quoted. We are looking at 559 employees. Although they are mostly casuals, these workers have, I understand, been in the industry and in their jobs for quite some time.

We can look also at the profit that I mentioned earlier going back into the racing industry—some 55 per cent—and also the government's receiving 45 per cent. I note that there are 76 staffed outlets which make up about 36 per cent of TAB turnover and that 305 TABs operate out of hotels, 173 of those being metropolitan and 132 in the country. The pub trade makes up just under half of the TAB corporate turnover—49 per cent. With telephone betting, there are 59 000 TAB betting accounts that make up 15 per cent of the corporate turnover. I remember having a discussion with you, Mr Speaker, when you were minister, about my 103 year old grandmother who claimed to be one of the first TAB people in South Australia. Unfortunately, she is not with us, but she died watching the races on TV—and her horse won! That is part of the Key mythology, but I am not sure how accurate it is.

The PSA, in commissioning research into the proposed sale of the TAB and Lotteries by Professor John Quiggins, found that a sale price for parallel trade sale, as proposed by the government, needed to be between \$1.7 billion and \$2.5 billion to make the privatisation economically viable. The lowest sale price, Professor Quiggins says, would see losses of up to \$560 million over 10 years for South Australia. Current market value estimates on the sale price of both the Lotteries and the TAB are between \$500 million and \$800 million—a shortfall of more than \$1 billion, which is certainly very hard to contend with. As I said earlier, even the Premier is on record in April 1998 saying that he was hoping for a sale price of these two government enterprises of \$1.4 billion.

I also take this opportunity to commend the dedication of the TAB workers who, as we know, are mainly long-term casuals, for their participation in the debate and their advice to anyone who was happy to take their information about their working conditions and their defence of a government enterprise. On 14 October I met a number of these workers on the picket line and in their workplaces, and I can only convey my respect for them. Both the ASU and the PSA have been ongoing in their advocacy and leadership in this campaign, and as a unionist I have always been proud of and impressed by their leadership. One has to consider the forecast for the future of jobs in the TAB to realise that, if unions were not supporting the workers, we really wonder what the negotiations that had taken place on their conditions would have been.

It is also interesting to note that, despite the support of the unions, the TLC, the ALP, the Labor movement and the punters, the government still did not seem to be listening to the call for the TAB and the Lotteries not to be privatised. I wonder, noting the government's record in this area, what would have happened if there had not been that intervention by the union movement and whether the 21 lines in the bill that look at provisions for workers would have been there at all.

The unions are obviously responsible for the minister's mentioning workers, their jobs and entitlements in his second reading speech, as I doubt whether he would have changed

his personality and his noblesse oblige approach to the IR scene. The forecast for jobs looks grim, with some 160 jobs in the phone betting operation going and the prediction of 80 jobs at TAB headquarters earmarked to go. This is before we get to the country rural job areas, and where will people previously at the TAB go? There are not that many job opportunities in country areas, particularly with the infrastructure and services, including financial services such as banks, being cut back.

If the government is really serious about its concern for TAB workers, why does it not offer to employ displaced workers in the public service or provide them with paid training and retraining? Why: because it does not really care. The government's lack of action and support for sacked workers and their families in this state and its track record of unwillingness to support workers to go after their workers' entitlements, alternative job placement, training and retraining has been obvious. We have asked a number of questions about different workers who have lost their jobs in this state, both in the public and the private sectors, and have had very little support pursuing their entitlements. The other day, I saw a T-shirt that said, 'Centrelink is taking the security out of social security.' Perhaps we could have a T-shirt for South Australia that says, 'The Olsen government is taking the security out of jobs in South Australia' or 'The Olsen government is taking the security out of the services for public enterprises.'

Mr HANNA (Mitchell): To start at the beginning, it goes back to the obsession of the Liberal government with state debt. The government has always presented an ideological obsession with reducing debt, regardless of the value of the assets which have been sold over the years. Talking in very round figures, we might have had a state debt of around \$8 billion six or seven years ago. We have since then sold at least \$8 billion worth of assets. So one would think that, with prudent management, the debt should be close to being paid off. However, that is not the case at all; there is still a debt of around \$3 billion. Where has the money gone? That is a good question. It has gone on the top end of town, whether it be through consultants—often from interstate or overseas—or through secret industry assistance packages to either friends of the government or companies which make promises to the South Australian government, and in some cases it is not even clear that all the promises have been kept.

This government has not succeeded with its privatisation program, because it has not successfully managed the financial resources that have come into the central state coffers from it. Indeed, this government literally could not go on another four years, because there is little left to sell in terms of major state assets, and the government could not possibly go on spending at the rate it is spending. It just would not have the resources to maintain it. Certainly, that will leave the incoming Labor government in a difficult position when it comes to maintaining a balanced budget.

I now come to this privatisation proposal, on which we have a debatable outcome in many respects. Some on the government side have said it is a win:win situation, etc. However, the fact is that there are losers to the deal, and we may not know until well after the event the full extent of the losses that some will incur as a result of this deal. Of course, as with every major privatisation proposal, the most critical casualties in all this are the workers. When we use words like 'globalisation' and 'rationalisation', we are covering up the truth of the matter. When we use nice clean clinical words

like 'restructuring' and 'cost cutting' we all know what it really means—workers losing their jobs. It really means families being faced with a lot less to live on and extreme stress on individuals and families when they realise their income will not be there any more.

This privatisation will not be any different from the others. The result of it will be that there will not be a call centre or headquarters in Adelaide. Betting shops will close—we do not know how many—and jobs will be lost. That means that workers will be returning home without the pay packet which might have been the sole family income in some cases, or it might have been a supplement to the family income in many other cases.

One of my prime concerns in considering this bill is the welfare of the work force. I must give credit to the relevant unions—the Public Service Association (PSA) and Australian Service Union (ASU)—because they have struggled quite successfully with the government to reach a position where the packages and treatment in relation to the TAB work force approach a fair deal. That softens the blow of this privatisation proposal. To those who have served long and faithfully with the TAB over the years, there may be some who are happy to take a package at this turning point, but equally many will rely on the income they have received from the TAB and, despite the rhetoric from the government, it is not easy to find alternative work, especially if you are in your 40s or 50s, and I fear many of those people will slip out of the work force forever.

Finally, I do not believe that the government has fully explored the options for the TAB. I dispute the claims that some have made that the TAB cannot be both of benefit to the industry and a source of revenue to the state government. This is the easy way out, because the state government will get a lump sum and, as I have said, it will be spent imprudently, particularly as we come into an election year, where it is likely to go into the coffers to come up with all kinds of populist announcements which may have little substance but which will be directed towards improving the government's popularity in the short term. My colleagues have made most of the other points I wanted to make in this debate, so I have restricted my comments to those one or two key matters, especially the future of the work force of the TAB. Therefore, I conclude my remarks.

Mrs GERAGHTY (Torrens): I also wish to speak in opposition to this bill to sell the TAB. We have been down this path so many times before, and it seems as though it will just never end until there is not an asset left in this state. We have another government enterprise up for sale and, most importantly, and of particular concern, another round of job losses, as my colleague has said. We will have more state capital lost to our general revenue which will mean more uncertainty and instability for the community and a net loss to the state infrastructure. It is money we could be spending on much needed services. I spoke against the selling of the Lotteries Commission and the TAB on 2 May this year. I pointed out then my concerns for the workers and their families, and for the general losses to the state's economy should those enterprises be sold.

If the TAB is sold, many jobs will be lost. The South Australian TAB telephone betting call centre in Adelaide would be a victim almost immediately. Another area where there would be many job losses would be at hotel TAB outlets, because certainly if the TAB is privatised, this service will probably end up being franchised to a private operator.

It makes no sense to sell an industry which makes over \$56 million a year: that money is lost to the South Australian economy. It makes no sense, particularly when the government has given South Australians no understanding of how it intends to replace this revenue and no understanding of how we will support the services to which this money has been going.

Our community, certainly the workers and their union representatives, are not stupid. They have publicly identified that the end result of this sale—unemployment and loss of revenue for this state—will be very bad indeed. One of the TAB workers said:

Call centre operations would certainly be moved interstate. My job would be gone in 36 hours if the TAB was privatised. I want to work for a few more years yet, and no redundancy package is going to take care of that.

The unions and TAB workers have demonstrated recently against the sale of this utility. Another TAB employee said:

We are against the sale and against the loss of jobs and profits for South Australia. I believe the customers are behind us, and so are a lot of people in the racing industry itself, because it is profitable, employs many South Australians and is tied in with people of this state.

John Olsen's Liberal government has been responsible for ongoing uncertainties that workers and their families are forced to face. They are people who are employed in the industries that the government has targeted for privatisation. That is a terrible way for people to live. Unions and workers have been dragged through a long, drawn out process of industrial bargaining, with offer and counter-offer. In the words of one worker:

It is like being shuttled like a piece of freight from one point to another, never knowing what the outcome is going to be. But at the same point in time our anxieties and fears have steadily increased.

Those are the sentiments that workers and their families are expressing. They should not be put through such a psychological, tortuous process. My heart goes out to them, and I am sure that the hearts of my colleagues on this side of the House go out to them as well. As I said, it is a terrible way for them to live. Many of these workers realise that, if they do not move interstate to follow the directions of the privatised company, they are likely to remain unemployed in South Australia. As my colleague said, the reality is that many of these very loyal and long serving workers will not be able to go interstate. Not all employees, 90 per cent of whom are women—and I understand the majority are casual workers working 12 to 25 hours a week and earning, perhaps, an average of \$25 000—are in a position to go interstate. They may be lucky enough to have a partner working here and cannot separate their families and wander interstate. So the words, 'You can have a job if you follow the company' are completely useless. Those words mean nothing.

On countless occasions, workers have said that they want to work and they want to keep their jobs. They know that discussing voluntary separation packages in these circumstances is obviously essential. That could be avoided if the government remained committed to what is currently a successful and very profitable state business enterprise: there is no risk with the TAB. Workers have expressed their anger with the government because they feel that the loyalty they have given to the running of the TAB is in stark contrast to the loyalty shown by the government to the TAB and, in particular, its work force.

Another important factor in this debate is the great opposition to the sale of the TAB by major church organisa-

tions because they believe that the sale of the TAB will most likely 'lead to an even heavier promotion of gambling and an increase in gambling products'. This will create a further escalation in the social damage caused by irresponsible gambling industry practices.

In my electorate office in Torrens, for quite a while now, I have been receiving calls from constituents who have expressed concerns and their very deep-seated opposition to the sale of the TAB and the Lotteries Commission. Right now, they are very focused on the TAB. People in our community, as I said, are not stupid, but the government clearly is. If it does not realise by now that there will be an electoral backlash involving government members for selling off profitable government enterprises with, as I said, job losses—which do not just affect workers and their families but deprive the community of much needed dollars—it is not facing reality. As demonstrated by the above statements by TAB workers, people in South Australia attest to feeling a level of personal ownership for this particular enterprise, and I believe that they will be very unforgiving about losing the TAB and, of course, losing their jobs.

In raising this issue earlier this year, I asked the Minister for Government Enterprises where the money was going to come from to replace the TAB profits, given the particular importance of those dollars to areas such as hospitals, our dental system (about which we have heard the Minister for Human Services speaking this week) and other state infrastructure. I recall the minister stating then that the government would simply replace the profits from these industries from general revenue. I have since asked the minister to identify from which areas of general revenue that money may be coming, because at the moment areas such as health, housing, the aged, education, and more, have suffered substantial cutbacks to services, with the government telling us that it does not have the money.

So, I ask the minister again: can you identify from which area of general revenue you will get this money? Where will you get the money from that we will lose from the income of the TAB? I am not just asking these questions: these are questions that the community is asking. The minister can shake his head, but these are the questions that we are asking. They are genuine questions, because we have genuine concerns. So, like my Labor colleagues, I remain absolutely opposed to the sale of the asset and I fully support the workers and their trade unions in undertaking any public activities they can undertake to oppose the sale. I support the workers concerned and the continuation of their jobs; and, of course, I support the continuing source of revenue emanating from the activities of the TAB.

I ask the minister to consider that there are human beings who have been very loyal to the TAB, who have worked very hard and committed much to making this enterprise grow and be profitable. Consider those people when their jobs are gone. Where are you going to find jobs for them, and where are you going to find the money that we will lose?

Ms BREUER (Giles): Today I want to express my disappointment that I have heard from most of my colleagues on this side of the House but I have heard very little from my colleagues on the other side of the House about the sale of the TAB. I want to begin by looking at the big picture in country South Australia. The big issue with respect to privatisation in country and rural South Australia is not cost savings to taxpayers and it is not improved efficiency, as the government would have us believe: rather, it is job losses, and that

is what people out there see happen when our organisations are privatised.

I was very interested to hear the minister say yesterday that he did not know how many jobs might go in this deal. What an appalling statement for the Minister for Employment and Training to make, when he is not sure how many jobs we will lose if we privatise the TAB. Every privatisation deal in country South Australia has meant job losses to people in our communities.

As I said, I want to look at the big picture. For example, this week I attended a Telstra briefing. Telstra has been partially privatised. I know that there are other reasons for cuts in jobs in country communities, but it was once a very big, vibrant force in country South Australia. I know that, in my own town of Whyalla, Telstra employed something like 150 people at one stage. It has now been rationalised, regionalised and bastardised, and thousands of jobs have gone from country South Australia. The latest news that I have heard is that, in some of the smaller towns, they will use contractors to carry out the work that was previously done by Telstra. That is fine, that is good; it is still local employment. However, that work will be carried out by far fewer people than Telstra employed in the past.

This is a little different to the move by the government to provide the cheapest tenders in country areas. I know that in Whyalla recently there was an incident where work on the hot water system for the Whyalla Hospital was tendered out on three occasions. On the first two occasions one of our local firms won the tender, but the job was shelved because of a lack of funding. The third time around the firm was not even given the opportunity to tender, and the job went to an Adelaide firm. Consequently, our community will lose the firm and probably two or three jobs as a result.

Another thing that has happened in country South Australia relates to the Commonwealth Employment Service, which provided many jobs in reasonable sized country towns for many years, and I was proud to be one of those employees some years ago. That service now has been privatised, and we have had cuts in the number of staff in those regions. Some of the staff went to Centrelink, some went to the private agencies, but many people out there who were proud employees of the Commonwealth Employment Service now no longer have jobs. The number of jobs was cut dramatically.

If one travels through all the towns in country South Australia that previously had railways (as I did some weeks ago), one will see that since the railways have been privatised there has been a decline in services in those regions. Many jobs have disappeared from those towns. The rail infrastructure has been degraded to such a point that it looks appalling—and that was the case in every town that I visited. A whole line was closed virtually across South Australia in my electorate: towns had closed all the way along; people had moved out; the houses had been graded into the ground; and there was nothing left. Half of South Australia is now empty because of the privatisation of the railways.

These organisations previously were big employers in country South Australia. The TAB is not a big employer in those small towns, but we will lose jobs. We have been told that no-one will be retrenched compulsorily. However, they will be offered packages and, if an employee is offered a package in the knowledge that another company will come in and take over, will that person take the risk of losing their job or will they take the money and go? So, jobs will be lost.

I have heard it said that only one or two jobs will be lost in these centres. Indeed, a comment was made to me earlier today, 'Well, it is not very many jobs.' The trouble is that we hear this constantly out there in regional South Australia: that it is only one or two jobs. Over and over again we hear that this place is closing, that another place is being privatised or that yet another place is being relocated: 'It is only one or two jobs; it will not make much difference to your community.' But one or two jobs over and over again means that more families have been affected by the loss of those jobs, and it means that those people might pack their bags and leave our communities.

It may be that the female member of the household is doing the job, but she might only be part-time; she might be supplementing the dole because the other partner is not working. So, the family has to go; it must leave that region. Of course, then there is a flow-on to the rest of the community. There might be two or three children in that family. If the family leaves the community, the school loses a teacher, because the numbers are cut to a point where another teacher has to go from that school. Or it might be a job at the local bakery, which says, 'We have cut numbers so much that our business is down, and you will have to go; I am sorry.' It might be the sales assistant at the local delicatessen or at the service station. But another job goes. So, there is an ongoing flow-on to our communities when we lose one or two jobs because of privatisation.

We in the country are sick of hearing that there are very few job losses involved. We are sick of hearing, 'No problem, it is only one or two staff members.' We have heard it recently over and over again with the bank closures in various country towns. It appals me that country MPs on the other side are not saying things like I am saying. We have heard very little from them. They know the effect on their community when one or two jobs go.

I become angry when the Premier stands up here and talk about how well regional South Australia is doing. Certainly, regional South Australia is doing very well—and I see my colleague the member for Flinders over there. Port Lincoln is doing very well at the moment, and I am very happy for her: I wish that it was happening in my electorate. But it is not. Most of regional and rural South Australia is dying. The Premier can stand up and say as often as he likes how well we are doing out there, but we know that is bullshit.

Can we expect better service to be given to our community as a result of privatisation? No. It will move on to the pubs, or it will disappear altogether, or we will be expected to use the telephone, as with so many other services which used to be in our community and which now have been relocated back to metropolitan Adelaide or to the really big centres. How will it improve the service for us out there? No-one has explained that to me. These organisations cannot be run any leaner than they are being run now. Everything has been cut and cut, and there is no fat left on any of our organisations. So, we close the service. We can let them take it to Adelaide and we can deal by telephone. Country people have had enough of this.

The sale of the TAB will mean fewer jobs for people out there in the country. The TAB employs more than 550 people in South Australia. It provides job services and facilities in regional centres around the state from Whyalla to the Riverland to Port Lincoln and to Mount Gambier. In total, more than 380 outlets across the state collectively generate some \$620 million a year in turnover, and around 10 per cent of this is a profit to the state. Some 25 per cent of this

turnover, or more than \$150 million annually, is generated in our regional areas. So, by selling the TAB to an interstate operator, we will very likely see most regional outlets close down and a significant loss of revenue for the state and the regional communities.

People employed by the TAB throughout regional South Australia contribute about \$1 million in salaries to regional economies. As I said, this has a flow-on effect worth several millions of dollars a year to our smaller regional communities. If these people were to lose their jobs following the privatisation of the TAB, the effect on regional economies could be devastating. Regional areas that are already facing cutbacks to services, a constricting job market and a winding down of their economies will be put under further strain as a result of the government's ideological drive to privatise all things public.

The opinion polls in South Australia in the past year have shown that a majority of people are opposed to further privatisations in our state. The TAB has contributed hundreds of millions of dollars to the state's economy over the past 30 plus years. Selling it will return only a short-term windfall gain for the government but it will produce long-term damage to the state's economy, and particularly to our regional areas.

Mrs MAYWALD (Chaffey): The contributions from members on the other side on this bill to date have reinforced my commitment to support the government's decision to sell the TAB, and I will expand upon the reasons why during the course of my contribution.

The wagering and gaming industry is undergoing significant change at the moment, with technological advances, product diversification and transmission and the like fast outrunning the ability of a government controlled organisation to be able to keep up. The TAB's market is diminishing in the hands of government. Several private organisations out there are placing enormous pressures on the TAB, in that the TAB is struggling to maintain, let alone build, its market share.

I believe that it is a highly competitive marketplace out there and that the interests of the TAB and the consequential distribution to the racing industry in this state will benefit from being in private hands. The contributions over the past few days in this House have indicated to me why it is important that this type of industry (and racing also) should be at arm's length from the minister.

It is unfortunate that we see the kind of debate that we have seen in this place over the past few weeks and see the privilege of parliament used in the way in which it has been, to criticise people without offering them a right of reply. That is very unfortunate, but that is another argument for another day. One of the things that is interesting about the sale of the TAB is that, if the TAB remains in government hands, we seriously inhibit its ability to grasp new opportunities and expand its marketplace.

I appreciate that there is an argument from members in this place and concern about the expansion of gambling product, the expansion of gambling opportunities for people and the subsequent social outfall on that. But no-one on the opposite side has actually touched upon the problems associated with the TAB diminishing in this state and the consequence that that would have on our racing industry; the fact that our racing industry as it stands at the moment is in serious decline.

It is actually surviving, barely, at the moment on handouts at the whim of the minister of the day of whichever govern-

ment may be in place, and this is a really unsatisfactory way in which to operate. The existing racing industry is purported to be about the third largest employer in this state, and none of that has been taken into consideration in this debate at this stage.

I think it is vitally important that the TAB sale be linked to the Racing Distribution Agreement and the subsequent ongoing funding for the existing racing industry. If the existing racing industry and the TAB have the opportunity to explore new technologies and new product and to move forward with the states and the other industries in wagering and gaming around the world, then we have a chance of actually retaining jobs in this state.

It is important also to note that many of the members have spoken about the situation in relation to the loss of jobs in the TAB through the privatisation process, but nobody has referred to the fact that no privatisation, standing still and going nowhere would have exactly the same effect. If our TAB shrivels up and the markets interstate and overseas take over the role of our TAB in this state, the jobs will go anyway.

So, why not see it as an opportunity to maximise the potential of what we have in this state, to grow the business rather than to diminish it, and to get on with supporting our racing industry in this state instead of putting every single impediment in its way. I believe that that is what opposition to this bill and also to the Racing (Corporatisation) Bill has actually been doing.

The issue of staff was of concern to me, because the original proposal put to me by the minister certainly did not protect the rights of the existing members as have been protected with other privatisation options. At the insistence of a number of members, the staff are now protected and will receive entitlements consistent with those paid to other public sector workers in relation to privatisation organisations. I am pleased that we have been able to achieve that outcome for the staff of the TAB in this sale process.

It is interesting that during the contributions there have been a lot of contradictions in relation to the deal that has been struck with the Racing Distribution Agreement, and I am sure that the minister will touch on that in his closing remarks. I recognise that the member for Hart has made a significant point of the benefits of the Racing Distribution Agreement that has been signed between the industry and the government in relation to this sale process, whilst the member for Lee believes that it is the worst thing that he has ever seen.

There are contradictions there. I believe that I have to take the word of the industry and what it believes is a good deal for it. The industry supports this Racing Distribution Agreement. There has been much angst and anguish within the ranks of each of the codes in coming up with a final agreement on this negotiated process, but at the end of the day the bulk of the racing industry supports it. There are certainly some disaffected groups out there who, for one reason or another, are pushing a barrow that they do not support it but, at the end of the day, you will never satisfy 100 per cent of people in anything that you do.

What we have to do in this parliament is decide what is in the best interests of the majority of people. The racing industry codes have all agreed that this is the best deal that they could have hoped for. It is something that will give them the opportunity to have a capital injection, to be able to expand and to look at developing new markets for them-

selves. That is an opportunity that they would not have had without this sale process, and I think it important to note that.

I also think it important to note that there has been a lot of criticism of the people involved in those organisations, and there will always be criticisms of leaders and the decisions that leaders make. But, at the end of the day, they have to make the decisions and they will wear them within their own industry codes if the industry codes decide that they do not support the position. Certainly the decision will have been made and the day by which we would be able to reverse that decision may have passed, but that happens in everything, in every decision that is made in this place and outside.

We need to support the leaders in the industry who are making those decisions at the time. There have been several allegations about who is doing what and what sleazy arrangements have gone on in the place, and that does nothing to further the debate here. I understand that the opposition has a philosophical opposition to privatisation, and I respect that. I do not have that same position, so I support privatisation if it is presented to me in a way in which the industry supports it.

What has not been offered to me in the debate from the opposition is an alternative. There is absolutely no alternative offered by the member for Lee as a saving package to get the industry back on track and get it in a position where it will be able to move forward from where we are now. It is unfair to expect that the taxpayers would be responsible to continue to carry the risk by handouts to the industry to try to get it back on track.

It is good that we have a corporatised industry and that that industry is now responsible for the decisions that it makes, rather than having to come back to government cap in hand to say, 'Please, Sir, can we have some more money?' It is time that the industry did stand on its own two feet and also time that the TAB, in conjunction with those racing industries, had the opportunity to expand its markets and move forward. For all these reasons, I support the government's proposal to dispose of the TAB and look forward to seeing the industry flourish and grow as a result of these decisions.

Mr HAMILTON-SMITH (Waite): I will be brief in addressing this bill, because I really want to talk in terms of the general concepts evident in it, in that this is a bill that deals with privatisation. I have listened to the contributions of members opposite, who clearly have a problem wrestling with this whole concept of privatisation. The arguments are well known.

The arguments are that everything needs to be run and owned by the government. The argument is that we need a very large Public Service, a lot of government owned corporations and a lot of government bankrolled workers, because that will be very good for the union movement and very good for simply creating jobs at taxpayers' expense. The argument is that public is good, public is proud, and the bigger the public sector the better and healthier the economy will be.

Of course, the problem is that most of the revenues generated by the economy do not come from the public sector. In fact, it is a net spender, not a net earner. The world is changing, the national economy is changing and the global economy is changing, and the fact is that governments do not run businesses very well.

If ever there were a party that should understand that governments do not run businesses very well it ought to be

the South Australian branch of the Labor Party, after the State Bank catastrophe and the numerous catastrophes around Australia heralded by the various Labor Governments. If anyone should understand that private enterprise is the best vehicle to run businesses, it ought to be the Labor Party.

Mr Foley interjecting:

The ACTING SPEAKER (Hon. G.A. Ingerson): Order! The member for Hart is out of his seat.

Mr HAMILTON-SMITH: Indeed! The member for Hart, in his infinite wisdom, says, 'What about West Java?' That is exactly right. I look forward to hearing about South Australian water companies doing business in West Java, as is planned, and I am sure that they will do extremely well. What members opposite fail to understand about why we are privatising the TAB and why we are privatising a number of ventures is that we philosophically believe that private enterprise is the way to go in terms of creating jobs, growing the economy, increasing state revenues and making South Australia a healthier and wealthier state. We fundamentally believe that private enterprise—

Mr Foley interjecting:

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

Mr HAMILTON-SMITH: —is what drives the community and the economy forward. That is why we are privatising—not because we do not admire and respect our government service and our public servants, because we do; they do an extremely professional job. It is not because we do not have admiration and respect for the workers of the TAB or ETSA. We know that those people will, through retraining and the new opportunities created in the globalised, modern economy that Australia is now experiencing, find new employment—not in jobs that are dependent on government handout or on inefficient government business operations, but in jobs run by a vibrant, aggressive and active private sector.

One does not need to look far to see examples of this. Let us just think for a moment about the United States. A real issue has arisen in the United States involving its membership of NAFTA (North American Free Trade Association). The whole concept is that low paid, manual type jobs are being exported out of America into Mexico and that low paid workers in Mexico are picking up those jobs. An argument put forward is: unemployment will go through the roof in America as those low paid jobs are exported from more expensive states into Mexico. Yet the United States is experiencing one of the lowest levels of unemployment in its history.

Its economy is the strongest it has been for decades, and why is that? New jobs are being created in the private sector. New jobs are being created in the new economy, and this is the problem the opposition has over the sale of the TAB. We understand that the nature of the gambling and gaming industry is changing, not only in South Australia but in Australia and the world. We understand that punters can now get on the internet and gamble in Las Vegas, Darwin or wherever they wish. We understand that those jobs, which the opposition is trying to say should be defended and should not be privatised, are under threat anyway.

They are under threat because the nature of the national economy and the world economy is changing. Some members opposite must understand this fundamentally evident fact of life, but they stand up in this place in self-denial and say, 'We cannot privatise this, we cannot privatise that because the poor workers will lose their jobs.' My argument is this: those

workers deserve an outstanding job; they deserve an opportunity to retrain; they deserve an opportunity to get into an industry that can fulfil their dreams. That is what our government is about providing for those workers—not endless employment in a position in a government-run corporation that is operated inefficiently.

This is the difference between the Liberal Party and the Labor Party and it is why we are right and members opposite are wrong. We believe that private enterprise will make this country wealthier and healthier than it is today—not an exhausted, oversized and bloated public service, a taxpayer bank-rolled set of industries, that simply is inefficient. I am afraid that socialist thinking went down with the Berlin Wall; it went out with communism and European socialism. In case members opposite have not noticed, the world has moved on.

Focusing back on the TAB privatisation, the reality is that we have a proposal that is supported by the racing industry. It cannot wait for this bill to be passed. It will get \$18 million up front and \$7 million, or thereabouts, annually as a consequence of the arrangement. If ever you had a win-win outcome, this is it. The assumption that jobs will be lost and the assumption that somehow the TAB will not be what it is today if it is sold tomorrow does not really bear close scrutiny. It may startle members opposite to consider this prospect, but it may be that the new owners of the TAB actually grow the TAB business. It might be that they inject new investment and enthusiasm into that industry and get out there and compete.

They might, to the astonishment of members opposite, create more jobs. They might become efficient and kick some major goals for South Australia; you just do not know. But, of course, members opposite would not want to consider that prospect, would they, because the game is about convincing the people of South Australia that any measure to privatise anything at all is, in essence, fundamentally bad. I hate to tell the opposition this, but the world economy, events evident overseas and in Australia and most of the leading business commentators totally disagree with that view.

Tell me the country where governments are madly going around buying up businesses and nationalising industry because it is better for their economy, better for the people and better for employment! Tell me, globally, where is this brilliant, dynamic, economically smart government that is growing itself in size and weight and nationalising key industries! You will not find very many. I would not expect members opposite to be necessarily informed about what is happening in the global marketplace at the moment, but let me tell them that the momentum is towards privatisation; the momentum is towards giving people the right to get out and determine their own future.

The momentum is to grow their businesses, to shape their economies into areas where they are most efficient and to optimise their comparative and competitive advantages so that they can compete in a national and globally vibrant marketplace. That is what we are about. It is no sinister plot to undermine people's jobs; to undermine the empire of government. It is about getting the best outcome for employees and for companies in South Australia. Some South Australian companies might even benefit from this process of privatisation. Economists will tell members that what really kick-started the new economy were the Thatcher and the Reagan privatisations during the 1980s in Europe and the UK.

They will tell you that one of the most dynamic catalysts to the recent exponential growth in world GDP has been

getting these inefficient industries—public utilities such as power stations, water, government-owned factories, defence, ammunition and, in some countries, motor cars—out of archaic government structures and into the privatised marketplace where they can be made efficient. This bill sits very comfortably with me; it sits very comfortably with the government; and it will sit very comfortably with the people of South Australia. It represents the fact that we understand what the opposition consistently fails to understand: that private enterprise and private endeavour is what has made this country great and what will continue to make it great.

We understand that the socialist thinking of the 1960s and 1970s has had its day; that the best future for the workers of the TAB will be in a vibrantly privatised corporation or business unit, which is competing in the marketplace—not with punters on the internet gambling in Las Vegas, or using some other means, with the money going out of South Australia and the tax revenue lost to South Australia. No, we will have a vibrant TAB, an active racing industry and an active gaming industry, and South Australians will benefit from the taxation revenue and other revenues and business activity that flow from those events.

I commend the bill to the House because I think it is a wonderful initiative. I intended to speak very briefly, but I seem to have got a bit carried away: when I looked at the smiling faces opposite and realised that they were appealing for more guidance, I thought I would provide it.

The Hon. M.H. ARMITAGE (Minister for Government Enterprises): I move:

That the time for moving for the adjournment of the House be extended beyond 5 p.m.

Motion carried.

Mr CONLON (Elder): It is a rare treat to follow the member for Waite in a debate on economics. We are very grateful in this place when the member for Waite makes a contribution on matters economic because he does it from the lofty height of his recently acquired Master of Business degree. I must say, Mr Acting Speaker, it only goes to prove the old saying, 'A little knowledge is a dangerous thing.' The honourable member has very little knowledge and he is a very dangerous man! Since attaining his master's degree he has been known as Homer Greenspan.

I oppose the sale of this asset, consistent with the approach of the Australian Labor Party. We have opposed the privatisation of assets by this government as we promised the electorate of South Australia we would. It is a shame that the government did not approach the electorate of South Australia with the same candour as did the Australian Labor Party. We oppose the sale not only because the bill itself, in our view, is wrong but also the privatisation and the loss of this asset is wrong. But it is more serious than that: it is the latest instalment in an unremitting course of conduct by this government to deprive South Australia of all the assets it once owned.

Before passing on to the substance of the argument, I say with some disappointment that apparently today the government has found new partners in crime in its privatisation program: the Australian Democrats, despite all indications of its policies to the contrary, apparently announced today that it will support the government in its privatisation of the Ports Corporation. I will not pass onto the substance of that without saying that the Democrats should stand condemned for their hypocrisy—

The ACTING SPEAKER: Order! I remind the member for Elder that comments on matters in the other place are out of order.

Mr CONLON: And I think the Democrats are out of order, Mr Acting Speaker. I will comment no further.

The ACTING SPEAKER: The member for Elder should not push his luck.

Mr CONLON: This privatisation today offers two guarantees to the people of South Australia. The first guarantee, of course, is the loss of the asset and the income associated with that asset—at least as we know it. The other guarantee—an iron clad guarantee—is that there will be job losses.

This government has spent much of the past two weeks crowing about some of the small successes it has had in gaining jobs. It has accused the Victorian government of being an exporter of jobs, but today its members walked into this place with a bill that is guaranteed to cost jobs and, down the track, a bill that is guaranteed to export South Australian jobs to the eastern states. What an achievement! What an outstanding achievement from Lord Armitage!

This is only the latest instalment of an unremitting campaign of hostility towards government-owned assets. This government was elected without telling the people of South Australia of its privatisation plan to manage and to govern South Australia in their interests. The government took occupation of the structure of government and immediately set about it like a gang of termites consuming the very structure that they were elected to manage. The assets of this state, the structure of this state, and the timbers of this state have been consumed by a group of mindless insects set upon an ideologically-driven course. If we look at the history—

An honourable member interjecting:

Mr CONLON: The subject of insects leads me to paraphrase a former England Prime Minister that it might well be said that a traveller to South Australia who met a government minister might easily come to understand how it was that the ancient Egyptians worshipped an insect. I might say that the Minister for Education has trouble crossing the road without being run down.

First, we saw the water privatisation deal, and the people of South Australia were not told that it would occur. The government is sick of hearing it, but we will not get sick of saying it: the government ran at the last election with a policy not only of denying the privatisation program but—

The ACTING SPEAKER: I ask the member to return to the substance of the bill.

Mr CONLON: I am coming back to it. The subject of this debate is the privatisation of a state asset, and it is entirely within the bounds of the debate and highly relevant for me to refer to the subject of the privatisation of assets. It certainly bears more relevance than a minister answering a question about Sean Sullivan when he is asked about Peter von Stiegler.

The ACTING SPEAKER: The member for Elder should not test the chair too much.

Mr CONLON: This is the latest instalment in a privatisation program which includes ETSA, the Ports Corporation, and now the TAB and, if the government has its way, it will soon include the Lotteries Commission. It is a privatisation program that was hidden from the people of South Australia at the last election. In fact, one government minister said that there would be no privatisation—

The ACTING SPEAKER: Order! I warn the member for—

Mr FOLEY: Mr Acting Speaker, I rise on a point of order. On what basis have you just warned the member for Elder? I would like an explanation about what standing order the member has now breached.

The ACTING SPEAKER: In my comments to the member for Elder in the last few minutes, I suggested to the member that, whilst it is a wide ranging debate, it is the TAB privatisation bill and he should stick to the general debate as the standing orders of this House state.

Mr FOLEY: Mr Acting Speaker, I rise on a point of order. I have asked you—

The ACTING SPEAKER: And—

Mr FOLEY: No, I will have my point of order, please.

The ACTING SPEAKER: I think the member might wait until I sit down.

Mr Foley: Ingo, if you want to throw your weight around—

Mr Conlon: No-one has ever been ruled out in a debate such as this and you know it full well. Ingo is sensitive.

The ACTING SPEAKER: I ask the House to take a couple of seconds to calm down. I did suggest to the member for Elder that he ought to stick to the subject of the debate and he deliberately flouted that suggestion. All I am saying is that I have warned the member for Elder and it is now entirely up to the member for Elder to take that into his own hands from now on.

Mr FOLEY: Mr Acting Speaker, I rise on a point of order, if I may. Certainly, for those Independents who are listening, the member for Waite during his 18 minute contribution spoke about NAFTA (the North American Free Trade Agreement), privatisation, globalisation, communism, the Berlin Wall and everything else about the global economy, and said very little, if anything, about the TAB. The member for Elder has spoken about privatisation and you have warned him. I repeat my question, Mr Acting Speaker: under what standing order covering the rules of debate have you warned the member for Elder?

The ACTING SPEAKER: I made that comment to warn the member for Elder and I have said to the member for Elder that it is entirely in his hands.

Mr CONLON: It is my intention to continue to refer to the privatisation program of this government because this is the latest instalment of it. If I meet with your displeasure in that, Mr Acting Speaker, you will have to deal with me because I can tell you this is part of a privatisation program which included ETSA and the Ports Corp which includes the TAB and which will include the Lotteries Commission if you get away with it. I will say this: it was something that was hidden from the people of this state at the last election. When it was raised by the Labor Party that there was a privatisation program and the first cab off the rank would be the ETSA bill, we were told that we were liars, 'full stop, full stop, full stop', to quote one former minister.

I also refer to the wide ranging debate of the member for Waite. The member for Waite has failed to realise a couple of fairly significant points. Even if ideologically you do not believe that some assets should be held in public hands because you make public decisions for the public good about them, even if you do not think that sometimes things such as the TAB should be in public hands both for social risk matters and because government is capable of making decisions that benefit the whole industry and not only sections of it—even if you do not believe things such as that about government assets and the ownership of them, if you are driven supposedly by an adherence to economic rational-

ism and economic performance, you might take heed of the fact that the most successful countries around the world have not sold everything they own; they run mixed economies.

We would be the first to have to admit, with the Berlin Wall coming down, that command economies in and of themselves did not work, but why would you replace one misguided ideology with another? Why does this government not recognise that some of the most successful economies in the world are mixed economies where assets are held in the public hands and when public decisions for the good of the community need to be made they are made by the government? Further, if that is the rationale of this government, then why, as I asked in an interjection, if we should own no assets and not be involved in any business, have we spent \$10 million in West Java on a commercial representative who runs around with a handgun and bags of rupiah? What is the consistency of the approach?

This is the example: in South Australia we believe it is too risky to sell betting tickets to people and take a fixed proportion out of the betting income in Australian dollars, but apparently it is not too risky for us to put money up front in West Java seeking to earn money from ratepayers in Java in rupiah. This government has all the policy purpose, all the planning and all the targeting of a catherine-wheel that has come off its sprocket and it is running around the yard frightening the kids, as Paul Keating once said. It makes no sense. Even if the government was addicted to its market position, then please at least apply it to taxpayers' money in West Java.

The truth of this matter is that not all government members are simply driven by ideology in their desire to strip the public structure bare. The simple truth is that some more hard-headed members of the government have not seen that far ahead; they want a hollow log for the next election.

Ms Key interjecting:

Mr CONLON: It is not that log; it is a different log. They want a hollow log for the next election. They are prepared to sell the Ports Corp at a marked down price when there are very few interested buyers; they are now prepared to sell the TAB; and they are so desperately keen to sell the lotteries, because they know that is where the prize stuffing for the hollow log will come from. Then they will squander it in a desperate attempt to get themselves re-elected. I note the minister today is buoyed up by the *Advertiser* poll; he now thinks he might actually win. Hope springs eternal in the human breast, does it not?

Mr Hamilton-Smith interjecting:

The ACTING SPEAKER: The member for Waite will come to order.

Mr CONLON: The member for Waite raises a problem that we dearly look forward to having. I mentioned that the absolute ironclad guarantee is that jobs will be lost. Currently, we have an asset that makes money and makes decisions. It makes money that benefits the public purse and the racing industry. It makes decisions—and, Mr Acting Speaker, I would have thought you would have a particular interest in this—that take into account the interests of the whole industry. Today, we have been told that the bulk of the racing industry supports it, but one of the key factors about the TAB is that not everyone in the racing industry has the same interest. There are country racing codes, which, I am sure, are not particularly relaxed about the sale of the TAB, because the simple truth is that if the TAB is in the hands of an eastern states operator who runs some other TAB, it will be looking to its own commercial interests, not to the racing

interests of the people of South Australia or to the small racing clubs or the country racing clubs.

What it will be looking at is where it gets a maximum return for its investment in terms of bets and investments made on particular racing courses. And as night follows day, sometime down the track they will cease to operate on many of the country meetings that are currently covered by the TAB. But, even more importantly and more immediately, we will lose jobs. The employment requirements of this industry are eminently mobile. We simply have to ask why someone in the eastern states will be committed to employing people in South Australia. Well, they are not. I might at this point declare an interest. I have been a member of the ASU for sometime, currently unfinancial, and have no doubt that the assistant secretary of the ASU, who is in the gallery, probably has a dual purpose of being here tonight—she probably wants to remind me of that.

The ACTING SPEAKER: I remind the member for Elder that members of the gallery are not part of the House and are not supposed to be mentioned in any debate.

Mr CONLON: Thank you, Mr Acting Speaker, they shall not be there any more for me.

The ACTING SPEAKER: If the honourable member wants to play the rules of the House, he ought to understand them.

Mr CONLON: The position of the ALP has been consistent, intelligent and honest, which are three things that we cannot say about the government on this matter. In terms of consistent, if we had a view that you should not be in business, we would not be in West Java. I inform the member for Waite that, if we had a view that you should not be risking money in business ventures, we would not be in West Java. Intelligent, because the best performing economies in the world are mixed economies, economies with a balance between ownership of assets that provide a public good in public hands and the benefits of competition in the marketplace where that is appropriate. Honest, because before the last election we told the people of South Australia we were opposed to the sale of ETSA and to further privatisation. We have continually told the people of South Australia that, and that stands in stark contrast to the message the people of South Australia were given by this government prior to its re-election. I did not prepare a speech and therefore I have not been able to go on for my full 20 minutes. I thank the Acting Speaker for his forbearance. I am sure that other members of the ALP are keen to participate in this debate. I simply reinforce the ALP parliamentary party's continued opposition to the privatisation of state government assets.

Mr KOUTSANTONIS (Peake): It seems that every time I see a government asset there is a 'For sale' sign on it. I am sick and tired of seeing 'disposal' written next to the bills we get in our little black books. This government is committed to a path of selling off every asset we own in this state. The member for Gordon was telling me earlier that \$8 billion has been paid off from asset sales and \$3 billion from state debt: where is the other \$5 billion? We will have to find out that answer later.

The government has no mandate to sell the TAB. It went to the state election not once canvassing the idea that the TAB would be privatised or sold off. We are used to that—the government does it with ETSA, SA Water, Transport SA and State Print. The government always hides its privatisation agenda. It never takes running the state seriously. It talks about risk and not being involved in the private sector. Yet,

as the member for Elder pointed out, we are in West Java. Why we are in West Java, I am not quite sure. Why we are employing people with hand guns and bags of cash, I am not quite sure. Why we are employing Governor's brothers and doing all sorts of other things, I am not quite sure. But I do know why the government is selling the TAB: it is all about ideology. The worst thing about all this is that it can never be honest about it.

Prime Minister Keating said in his concession speech in 1996, 'The only way the Liberals can win is by masking who they really are.' They cannot win on their agenda, so they hide it. They do not tell the truth or come out and say, 'If we win office we will sell off state government assets'. They do not say, 'We will sell ETSA, TAB and the Ports Corp.' They do not say that, but mask themselves. The people of South Australia at the next election will have a clear choice between two political parties: one which has been steadfast and true and which has not misled the people of South Australia, and the other which has told nothing but falsehoods from the day it was elected until now, constantly not telling the truth about what it wants to do with government assets. I remember the former minister talking about ETSA during the election campaign and saying that it will not be sold—full stop! But when we get into this place the Premier comes in one day and says, 'I have just been shocked to find out that we are at huge risk to the market in owning ETSA—we have to sell it.'

There are other assets we had to sell. We had to sell SA Water, something about which at the 1993 election we were not told. I do not remember the former Leader of the Opposition, Dean Brown, talking about selling, if elected, SA Water, Transport SA or State Print. But this government does not tell the truth. Members opposite are afraid of the will of the people and afraid of the mandate they do not have. They realise they are a minority government, so much so that their own members are leaving halfway through their term. We have had two members, one expelled for loyalty to a former leader and the other expelled for loyalty to his own electorate. I will get to the member for Fisher in a moment. He made some interesting remarks, when resigning from the Liberal Party, referring to his position on privatisation—how the government has sold everything off, that it is privatisation mad and all that it wants to do is sell assets. What is the first thing the member for Fisher does after becoming independent? He supports privatisation.

I can tell the member for Fisher one thing: we had a candidate named Alex Zimmerman working hard in his electorate. He said to his local constituents, 'I fought with the political party with which I am affiliated, the Labor Party, not to sell off our assets.' The Australian Democrats in another place have sold out as well and are also supporting privatisation, so South Australians have only one choice as to who is the party keeping state assets owned by South Australians—the people who paid for them. The people are the real owners. We are entrusted to run the state and not sell it off. We are entrusted to come in here and manage the economy, not sell it off. I agree that maybe we should not be involved in some government enterprises: we will look at that and be honest about it and not do things after an election campaign.

There should be a mixed economy, but not a one-sided one, where the government has no role to play in the private sector. The government has a huge responsibility to the employees of the TAB. A lot of part-time workers, including women, are employed by the TAB. What guarantees are they being given? I have not heard any guarantees from this government that lead me to believe that their jobs will be

secure. We assume that one of the eastern states will buy the TAB. We have become accustomed to seeing with this Olsen Liberal Government that a firm in South Australia will move to the eastern states where the pastures are greener, because this government is offering them nothing. When their headquarters move to New South Wales, Queensland or Victoria, what do we say to South Australians employed by the TAB, about their future and their risk? Nothing! We do not engage them or care about them.

The government is driven by ideology. Not once has the government taken into account the mums and dads employed by the TAB, trying to put their children through school to get an education and having to go through life working hard. This government does everything it can to make it hard for them. The Labor Party does not agree with the sale of the TAB and I am glad we do not because it is obviously a privatisation with no real merit. The government's privatisation schemes since it was elected are interesting, especially ETSA and the way the government has tried to deceive the population of South Australia by talking about risk. Risk has been the catchcry by the Premier, who is always talking about how he does not want to expose taxpayers to risk as did the former Labor government, apparently.

If that is true, what are we doing in West Java? What is the state government doing working in West Java at huge risk? We do not hear any answers about that. We are told about opportunities, new contracts we might get, and about how South Australians are edging into the Asian market. Why could not ETSA or the TAB have these opportunities? Why could not the TAB be given an opportunity to grow and expand into other markets? Why could not ETSA be given the opportunity to sell power interstate and be given the chance to compete and beat the other states? Why is SA Water different from these other assets? Why do we not trust these people to run their own affairs and have to sell the asset off? If there is a reason, it is ideological—they are clearing the decks. This government is trying to cash up itself to buy itself out of an election defeat.

My message to the minister and the government is that they can sell off as much as they like. We will stand here in their way and fight these decisions, but they cannot buy the next election. No matter what promises they offer, what grand schemes they dig up, the people of South Australia have seen through their privatisation program, through their seven years of failure, selling off \$8 billion worth of assets, paying off only \$3 billion. Where has the money gone? We are not told, as it is not detailed. The budget is running in deficit—the so-called great economic managers of South Australia running a budget deficit! When we talk about selling off our assets like the TAB, there is usually an impact immediately in the city, but what about country and regional areas that are often forgotten by this government? They are forgotten because their country numbers are dwindling every day. It already lost three seats at the last state election. It got one back through 'Switch' Williams, but we will be getting that seat back at the next election.

The government has lost touch with country people. From what the member for Lee has told me about the impact of the sale of the TAB, country race meets will be affected. Apparently a three year guarantee is in place. But what happens after that three years? What do we do after that? What happens if all of a sudden it is not profitable to have these race meets in the country on the calendar? What happens then? What guarantees are in place for these country regional areas? None.

But the government does not care, because it knows it will not be in office in three years. It knows that it will not be on Treasury benches making these decisions. That will be our problem. Well, we will find a way of dealing with that. Unfortunately, when the TAB is sold, there is not much we can do.

On almost every occasion we have sold off an asset, whether it be ETSA or SA Water, there are job losses, prices go up, service gets worse and we lose control. There is mismanagement, and people do not get the service which they are used to and for which they have paid through building up the asset and through their years of being taxpayers. What do they get in return? A raw deal.

I cannot see there being any difference with the TAB. There will be job losses and prices will rise. The TAB in New South Wales has increased its tax by an extra \$11 million per year. Why would it be any different in South Australia? The facts are that privatisation might have been successful 10 or 15 years ago. However, that is not the way governments run, or try to be involved in, economies. Governments can run certain services better, and they can do so profitably. However, we do not try anymore. We just give up. We throw our hands in the air and say that we cannot do it; it is too hard. We sell it off and, whatever return we get from the sale, it is spent in the next two or three years, and it is gone. The revenue which we used to receive from these assets, for which we have budgeted for and which we use to pay for our hospitals, schools and police are gone. What happens then? Taxes must rise to make up that shortfall, or we just spend less on hospitals, schools and police.

One of the problems we have with privatisation is that it does not deliver to anyone—apart from the incumbent government which thinks it can buy its way out of bad polls. There is one worse problem about privatisation, that is, that we the parliament, the government of South Australia, lack confidence in ourselves and in our departments to run our state assets. We do not think we can do it. We do not believe South Australians have the ability to do these things better. Well, I disagree: I think South Australians can do these things better. In the past they have proved that they can run events and businesses better than anyone else.

The government does not have the faith in the South Australian public that we on this side have. It does not have faith in the South Australian public servants who work in these institutions such as the TAB to make it successful and profitable. But Labor does. We think that they can do the job, and we support them in doing their job. We support these South Australian employees who go out and spend their wages in the shops, delis and small businesses and who pay the ever-increasing number of taxes that this government has imposed on them. What do they get in return? Risk—the risk from which the government is removing itself but placing on employees. Who cares about them? Not the minister or the government. Only we do. We are the ones who are worried about the risks for the families employed by the TAB, who are trying to make ends meet. Where is the government in all this? Is it worried about risk? They are walking around West Java with a pistol holster and a bag of money. That is fine for the government. But who cares for the mums and dads employed in South Australia? Who cares for them? Who worries about them? Not this government. It has abstained from any responsibility to the taxpayers of South Australia. It does not believe that they can do their jobs. We think they can, but this government does not.

I cannot believe the number of public instrumentalities that this government has privatised in its short seven year term. It was elected in 1993 with a huge mandate to govern. The Liberals won 37 of 47 seats. Congratulations to it. It did well. It out campaigned us. We made a lot of mistakes and probably deserved to lose. Less than four years later, loser of the century loses 13 seats in a massive swing, making it a minority government. During that period of minority government, it gained one seat and lost two. Well done! What geniuses! The government has squandered a decade of South Australia's lives and of economic growth. During the government's period of office, the economies on the eastern seaboard have grown and unemployment has fallen. We are still now getting trickle-down effects from the eastern states because of the government's mismanagement. This government is still running budget surpluses after all its asset sales. And it calls itself an economic manager! It is a joke. It is a farce.

An honourable member interjecting:

Mr KOUTSANTONIS: It is running deficits, not surpluses. I thank the member for that advice. I appreciate the advice, but I will be all right by myself. Not one constituent has come into my office and said, nor have I met one through my door knocking or community groups I see who has said, to me, 'Isn't it good that we are selling the TAB, ETSA and SA Water? Isn't it good that our prices have gone up and we have lost control of our assets? I'm so glad the government asked me for my opinion. I'm so glad that our prices have gone up and we have lost control of our state economy and our infrastructure. Isn't this a great situation that the government has made for us?' Not one person has said that. Even members of the Liberal party in my electorate have written to me, signing my surveys and letters, opposing privatisation.

An honourable member: Liberals?

Mr KOUTSANTONIS: Liberal members who have probably handed out how-to-vote cards against me have signed my petitions and my letters opposing privatisation. Not only is the government not listening to the community of South Australia but also it is not listening to its own membership. We know that because of all the preselection struggles it is having. We know that by all the fights it is having in public. It is not listening to its constituents to such an extent that it had to go to Victoria to recruit new members. This government is a farce; it is a joke. It has done nothing good for this state in seven years—nothing! There has been no real benefit to this state in seven years. What is the great revelation? Where was the great rescue? Look at the growth in Victoria, New South Wales and Queensland after the recessions, and the disasters in Western Australia of the 1980s. Why have we not had that here?

Why has the government failed to deliver on promises it made in 1993? It is because it is inept. Government members are driven by ideology, desire, personal wrangling and fighting amongst themselves. The Liberals have failed to give South Australians the government they deserve, but that is okay, because we will: we will give them the government they deserve. We will give them leadership, direction and a path they can follow. We will give them low unemployment and high growth. We will compete with the eastern seaboard. We will make South Australia a better place, because we deserve better. We deserve better than what this government has provided.

This government has let us down in everything it has done. Not only has it let us down but also it has lied about it. It has not had the courage of its convictions to go its electors

and say, 'We want to sell these assets,' because it knows what the result would have been. I wonder whether the member opposite who is smiling, the former Independent—the member for MacKillop—would have won his seat if he had said that he would support the sale of ETSA. I wonder whether he would be here now. I wonder whether he would have beaten Dale Baker if he had said that he supported selling and privatising of ETSA, Ports Corp and the TAB. I wonder whether these rural voters would have endorsed him in the way that they will endorse him at the next election—by voting you out, because you have let them down.

The member for Hartley sent out pamphlets at the last election saying that he opposed privatisation and the sale of ETSA, that he does not believe privatisation works, and he believes the ministers when they say that they will not be selling ETSA. Where is his promise now? Where is the indignation? Where is the anger? Why do you not get up and get angry with your government for selling off these assets, or are you just sheep who will follow government ministers in any direction that they lead you? It seems to me that there has been no voice of opposition from opposite, not one person who has been prepared to stand up and say, 'I do not agree with government agendas.' Those who dare to speak out are thrown out and called disloyal: those who dare to speak out against privatisation are attacked and defamed in this chamber rather than outside where people have legal recourse. That is the kind of government that we are dealing with—a government that is corrupt and bereft, morally and ethically. It is a government which has no standing left in the community whatsoever and which will be swept from office at the next election. I look forward to the next election. I cannot wait to see how the government defends itself and to hear what it will say to the public.

After four years of privatisation we are still in debt and we are still running budget deficits. Thank you very much for your contribution! Fantastic effort! What is next? When are you putting the 'for sale' sign out the front of Parliament House? What is next? Government House, maybe? Why not rent it out? Why do we not just rent it out?

Time expired.

Ms RANKINE (Wright): If this debate was about logic and reason, if this debate was about content and relevance, if it was about any form of honour whatsoever, this government would vote down its own bill. If it was about any of these things, the not-so-independents in this House would also show some credibility and vote it down. The member for Lee, and other speakers with far greater knowledge of the racing industry than I have, have put forward very good arguments against privatisation of the TAB. The government has not been able to refute these arguments. But do they take on this good advice, this reason, this logic? No, they do not. They are hell-bent on pursuing their ideology which has been running rampant since they were elected seven years ago. Let us not kid ourselves that this, in some way, is for the benefit of South Australian taxpayers, because it is not. This is about a government divesting itself of every asset, every enterprise, for which it can grab a quick buck. Never mind the long term consequences: never mind the impact on our community.

If selling the TAB was such a good idea and if this was such a great deal for South Australians, the government would have been out there lauding its benefits during the last election campaign, just as it would have told electors about the sale of ETSA, as we have heard at great length from the member for Peake. It would have been out there telling

people that it wanted to sell off our Lotteries Commission. It does not have the skills and expertise to be able to run even a profitable raffle. But it wriggles and it squirms. It does not even tell its own backbenchers—and, I dare say, some ministers—the truth about what was going to happen. They were all pretty red faced, however—and appropriately so—when the Premier made the great revelation that he needed to sell our power utility. Members opposite may have been red-faced, and the member for Hartley might have pulled out his hair with embarrassment, but the community was also red-faced. However, they were red-faced with anger—anger that they had once again been duped and once again been lied to. Now we are here debating the appropriateness of selling off one of our few remaining money generating assets. Surely that little word should be a key: it should be a hint to this government.

They are called assets simply because that is what they are: they are something of value and they are something of benefit. Surely, it is the aim of any good business—or any good government, for that matter—to gain assets. I wonder whether Kerry Packer would be flogging off the TAB if he owned it. I do not think so. Indeed, some time ago I had the opportunity to speak to a person who is heavily involved in the racing industry in New South Wales and I discussed the government's proposal to sell our South Australian TAB. She shook her head in disgust and said, 'It is a licence to print money. If only I could buy it.' If the TAB is not producing to its full potential, then, surely, we need to fix that. Surely, it is a management problem.

However, we have to recognise that there is more to an asset than merely its money making potential. Surely, we have to look at and consider the social benefits of these enterprises. I am not talking about the ability to place a bet conveniently—and that is not, let me tell you, very profitable, particularly if you take the tips of the member for Bragg, and my mother would be happy to attest to his amazing ability not to be able to pick a winner. I am not talking about the ethical standards which, as a result of the establishment of the TAB, now apply as far as punting is concerned, as important as they are. Indeed, I remember a time when SP bookies were very prevalent and, as a young girl growing up in the north and north-eastern suburbs, there was a number of very well known, old SP bookies who operated there who were held in great affection by their customers, and were great characters. As the member for Kaurana relayed the other day, I can remember the Saturday afternoon calls, the ticketing, the slipping of the bet at a pub and the surveillance of the vice squad officers, some of which stood out like neon signs as they breasted the front bar in their suits and pork-pie hats—not the usual garb, I can tell you, in the front bar of the Highbury Hotel. Others were a bit more subtle, having arrived in their dirty working clothes, having a beer, breasting the bar and waiting to catch some poor bloke wanting to place a bet. The reason that we brought in the TAB was to clean out that industry so that there was proper remuneration coming to the state government.

When I talk about the other important issues in relation to the selling of the TAB, I mean the hardworking, dedicated and skilled workers of the TAB—workers who, in many instances, have made a huge commitment to the TAB since its establishment. Again, this government disregards workers and is willing to dispose of them: as the member for Peake pointed out, this government is willing to gamble away their futures. The impact that this government has had on the stability of our community as it has slashed thousands of jobs

and slashed thousands of services that have contributed to the type of society we live in has been enormous and will be with us for many years to come. The member for Waite says that those workers deserve to be employed and they deserve to be retrained. Yes, they do, but let us be real: many workers are in the older age bracket, are part-time workers and are women. Where are the jobs that the member for Waite suggests they take up? It is time for him to join the real world. The lives of all of us are not as cushy and not as affluent as his life and the lives of other members on his side of the House. It is time that this government put a value on loyal employees.

The member for Chaffey, if I am correct, said in the debate that she thought that the past week had been a good argument to keep racing at arm's length from this minister. Let me say, I cannot disagree with that, but the electors of Adelaide will see to that. We do not have to sell the TAB to achieve her aim. We should not sell the TAB: I know that; members on this side of the House know that; members opposite know that; and, most of all, South Australians know that.

The Hon. M.H. ARMITAGE (Minister for Government Enterprises): I move:

That the time for moving the adjournment of the House be extended beyond 6 p.m.

Motion carried.

The Hon. M.H. ARMITAGE (Minister for Government Enterprises): I thank members for their contribution to this important bill. I shall be brief in my summing up. In particular, the essence of a number of the arguments has been that the South Australian government is not interested in racing. Nothing could be further from the truth, and the allegations that were made that I personally do not have my heart in South Australian racing are ridiculous, given that I well recall being in the gun at school for organising a sweep on the Melbourne Cup and I have had many horses race in my name, very few of which have returned a cheque. I challenge members opposite to identify whether they have, in fact, contributed to the racing industry in the way in which I have.

The member for Lee identified that Ernst & Young, in their original ask, recommended a \$50 million injection from the government and went on to point out how it was appalling that this had not been accepted. The member for Lee also identified in glowing terms that Mr Phillip Pledge was involved with Ernst & Young. I am sure that the member for Lee knows—but maybe members opposite do not—that Mr Phillip Pledge was also on the South Australian racing industry negotiation team which accepted the government's offer.

The member for Hart referred to Mr Phillip Pledge in glowing terms as a very well respected Adelaide businessman. So, it is quite clear that the opposition believes that Mr Phillip Pledge is a key in what the racing industry should or should not have accepted. It is important that the member for Lee and the member for Hart—who spoke of Mr Pledge in those glowing terms—and members of the opposition know that Mr Pledge asked a signatory of the RDA (the Racing Distribution Agreement) to give me a personal message when the Racing Distribution Agreement was signed. That personal message was: 'We're in the money, we're in the money.'

An honourable member interjecting:

The Hon. M.H. ARMITAGE: No, I did it well. I was glad to get it right twice. So, that was the message from Mr Phillip Pledge. That was the message from the man whose virtues the member for Lee and the member for Hart—and, I am sure, other members of the opposition—would have been extolling in relation to the package that the government has provided to the racing industry. Mr Pledge, the well respected Adelaide businessman who was such a key in the member for Lee's speech, quite clearly identified that the package that the government is providing to the racing industry is a terrific one. Not only that, but the member for Hart and the member for Lee both indicated that the racing industry had better know its figures.

The member for Hart went on to threaten them and say that, as Treasurer (if he ever got there, God forbid), he would never give them any more money—thumping the table, gesticulating and so on. At the end of the day, the figures were signed off by Mr Phillip Pledge, who the member for Lee said 'knows racing'. The member for Lee also asked whether they would be better off. Yes, they will—by \$5 million every year; by the difference between what they received over the past couple of years (\$36 million on average) and what they will get, \$41 million. So, when the member for Lee says that the lifeline of the industry is being turned on its head, I agree with him that it is being turned on its head, because we are making it more profitable with this package, which the key Adelaide businessman, upon whom the opposition based all its argument, signed off on and said, 'We're in the money.'

The member for Lee indicated that a Department of Industry and Trade subsidy should be allowed. As the member for Bragg pointed out gleefully, indeed, there has been a subsidy of a couple of million dollars a year.

Mr Wright: Not from the Department of Industry and Trade.

The Hon. M.H. ARMITAGE: Yes, it has been. It is true.

Mr Wright interjecting:

The SPEAKER: Order! If the member has a question, he can ask it during the committee stage.

The Hon. M.H. ARMITAGE: A number of members opposite talked about job losses after the purchase. I know exactly why they would do that: it is in their interests to paint a particularly gloomy picture of any good story that the government has. However, in focusing on the call centre, in particular, members opposite simply forget one fact: that South Australia has Australia-wide recognised expertise in call centre provision, and that is for many reasons. One key reason is that the employees are good and another key reason is that there is very small churn in the industry when people set up their businesses here. What that means is that the people running the call centres do not have to pay a whole lot of money for retraining new employees. So, we have a good story to tell in the call centre business.

Only a couple of days ago, I announced the appointment of 60 new staff at the high end of a call centre for EDS. They came here because of the cost structure, the stable work force and the decreased churn that I have just identified. We believe very strongly that there is an opportunity, if indeed the purchaser were an interstate TAB (and unlike members opposite we are not at all of the view that it is a lay-down misère), to draw their business here because of our expertise in that area.

A number of people opposite talked about the fact that the \$650 million that the TAB has now will never make \$850 million, that this is a disaster for net wagering revenue,

and so on. Maybe members opposite have not heard of inflation but that is all that figure is. It is just inflating the \$650 million by the 2.8 per cent inflation.

The Leader of the Opposition did not give one assessment of the bill. All he did was give a diatribe against privatisation. Frankly, the racing industry deserves more than that from the opposition leader. This is too important a piece of legislation to be used as a political battering ram, and I think that there should have been an assessment of the bill. A number of people also said that we would have a complete loss of funding coming into the government: actually, it is terrific to be able to put them right. I know that they will not believe it but there is not only an income from the sale of the asset: there also is a duty going on into the future.

As I mentioned, the member for Hart said, 'This is a rolled gold deal for the racing industry and I am not going to vote for it.' That is very interesting, and I look forward to seeing how the shadow minister for racing sells that to the racing industry.

Mr Wright: Say it again.

The Hon. M.H. ARMITAGE: I am happy to. I will say it regularly. The member for Hart said, 'This is a very good deal for the racing industry. It is a rolled gold deal for the racing industry but I am not going to vote for it.' It will be fascinating to hear the shadow minister for racing saying, 'The person who understands the figures [allegedly] on our side of the deal, the shadow treasurer, thinks that it is a rolled gold deal.'

Both the member for Hart and the member for Lee say the first three years. I wonder why this well respected Adelaide businessman, Mr Phillip Pledge, on whom they base so much of their criticism of us, signed off on this. If he is such a well respected businessman, I wonder why he was stupid enough—on their allegations—to sign off on this deal. Why did he send me this message, 'We're in the money'? One wonders whether he has got it right or whether the opposition has got it wrong—or both: I think it is both.

A number of people have talked about there being only three buyers. First, let me say is it not great that there are three buyers, if that is correct—we happen to believe that it is wrong; in fact, I am sure that it would be wrong. But is it not great that there will be some competition, because that means that the price will go up?

The member for Gordon has mentioned a number of matters. Indeed, there is an amendment, which we have already filed, to the Authorised Betting Operations Bill. There is an amendment to the Racing Distribution Agreement regarding maintenance of effort. I believe that the agreed words for the amendment were finalised a week or so ago, and we have received correspondence from the Racing Codes Chairmen's Group identifying that it is comfortable with that.

The issue of the upgrade at Mount Gambier seems to have been resolved. The Hospitals Fund, which I believe the member for Gordon was identifying (and I am happy to clarify this again during the committee stage), was set up under the Racing Act and, accordingly, as that will be repealed by this legislation, we need to remove that.

The member for Hammond talked about shares in the enterprise by the employees. All my advice is that there would be a 30 per cent reduction in the value of the TAB if it were to be a share sale rather than a trade sale. Whilst I am confident that the member for Hammond is particularly well intentioned in his concerns, I believe, from all the advice that we have received, that it would see the staff suffer.

The member for Ross Smith talked about what an extremely generous deal this is for the racing codes and yet intends to vote against it. The member for Hanson mentioned, in particular, not just jobs but country jobs. I should have thought she would realise that no-one is going to purchase this asset and want to close down the places in which bets can be taken, particularly in the country. The member for Mitchell also identified that this was a common feature.

The member for Elder talked about squandering the money. In racing parlance, when the ALP was in government it won the worldwide best quinella of squandering money and taking risks left, right and centre.

The member for Peake identified in a wonderfully idealistic and incorrect speech a number of things such as 'when SA Water was sold'—wrong. He has been informed on many occasions that SA Water has not been sold. He will continue to spout the ideological pap, but he is in fact wrong. Also, in what was a wonderfully naive statement but, nevertheless, I am sure, from his perspective ideologically pure, the member for Peake stated that after seven years of a Liberal government there was no benefit seen to the state. He said it about four or five times. I am not sure that the member for Peake has realised that we no longer have a debt in the non-commercial sector, that our ratings are going up and that a whole lot of things that flow on from getting debt under control have actually happened as a direct result of having a Liberal government deal with the debt issue.

There was quite a lot of talk about ideology which, given the number of statements made on a regular basis by members opposite, is good political sport but not much more than that. As a government, we believe that this bill deserves the support of the House. I thank members for their contributions and look forward to the committee stage.

The House divided on the second reading:

AYES (22)

Armitage, M. H. (teller)	Brindal, M. K.
Brokenshire, R. L.	Brown, D. C.
Buckby, M. R.	Condous, S. G.
Evans, I. F.	Gunn, G. M.
Hall, J. L.	Hamilton-Smith, M. L.
Ingerson, G. A.	Kerin, R. G.
Kotz, D. C.	Lewis, I. P.
Matthew, W. A.	Maywald, K. A.
McEwen, R. J.	Meier, E. J.
Olsen, J. W.	Penfold, E. M.
Venning, I. H.	Williams, M. R.

NOES (20)

Atkinson, M. J.	Bedford, F. E.
Breuer, L. R.	Ciccarello, V.
Clarke, R. D.	Conlon, P. F.
De Laine, M. R.	Foley, K. O.
Geraghty, R. K.	Hill, J. D.
Hurley, A. K.	Key, S. W.
Koutsantonis, T.	Rankine, J. M.
Rann, M. D.	Snelling, J. J.
Stevens, L.	Such, R. B.
Thompson, M. G.	Wright, M. J. (teller)

PAIR(S)

Scalzi, G.	White, P. L.
Wotton, D. C.	Hanna, K.

Majority of 2 for the Ayes.

Second reading thus carried.

In committee.

Clauses 1 and 2 passed.

Clause 3.

The Hon. M.H. ARMITAGE: I move:

Page 4, line 24—After 'officer' insert:

, but does not include a casual employee unless the person is a regular casual employee

Page 4, after line 25—Insert:

'executive' means a person occupying a position designated by the minister, by order in writing, as an executive position;

Page 5, after line 6—Insert:

'regular casual employee' means a casual employee whose casual employment has been on a regular and systematic basis over the immediately preceding 52 weeks;

Page 5, after line 24—Insert:

'transferred employee' means—

(a) a person transferred by an employee transfer order to the employment of the purchaser or, if the shares in TABCO were transferred to the purchaser, to the employment of TABCO; or

(b) a person who was an employee in the employment of TABCO when the shares in TABCO were transferred to the purchaser, and includes such a person in the employment of an employer related to the purchaser of TABCO;

Page 5, after line 26—Insert:

(2) Employers are related for the purposes of this act if—

(a) one takes over or otherwise acquires the business or part of the business of the other; or

(b) a chain of relationships can be traced between them under paragraph (a).

The amendments have arisen as a result of agreement having been reached between the government and the Australian Services Union, the Public Service Association and the Employee Ombudsman on provisions that will apply to employees as a result of the sale process. A memorandum of understanding has been developed to reflect the agreement. The amendments are intended to embrace the elements of the agreement. My understanding is that they have been signed off between the relevant parties. Certainly, I was party to some particular negotiations in relation to that and I understand that they reflect that agreement. Bearing that in mind, I shall not speak further to that other than to identify that they are part of that agreement.

Mr WRIGHT: I support these amendments moved by the minister. As the minister has shared with the committee, these amendments arose as a result of negotiations that took place with the ASU and the PSA. Other amendments will be moved by the minister which are related and which pick up some of the renegotiated positions with respect to employee conditions. I am happy to support these amendments which have been moved by the minister and which are relevant to the clause in the full knowledge that they have been negotiated with the two relevant unions and the Employee Ombudsman, and knowing full well that those two relevant unions have represented their membership assiduously throughout this process and have signed off on those amendments.

Mr CLARKE: Like the member for Lee, I also support the amendments. I pay tribute to the two unions, in particular my own union, the Australian Services Union, which ensured that casual employees were treated no less favourably than permanent full-time workers. With the growth in the number of casual employees, not only in this state but throughout Australia as an alternative form of employment to full-time employment, it is high time that casual employees were treated the same as full-time employees. I am very pleased to see that the Australian Services Union, in cooperation with the Public Service Association, was able to make that absolutely clear.

I regret intensely that the obdurate attitude of the minister and the government caused those employees to lose wages in an attempt to force that opinion on the minister and the government. It should never have been necessary. They

should have been treated equally from day one. I am extremely pleased that those workers have been able to get these benefits in these circumstances. I also pay tribute to those casual employees who have been members of my union for so many years and who stuck with me through thick and thin when I was secretary of that union. I owe them a great debt of gratitude and whatever I can do to assist them I will certainly continue to do.

Mr FOLEY: I, too, acknowledge the role of the ASU and the PSA. I declare that I am a member of the ASU and, unlike my colleague, my fees are up-to-date. I look forward to the ASU, perhaps, representing me one day when I am retrenched, and I hope that I do as well as the workers have done in this instance. I would like to know—purely looking at the issue of what the net benefit to the state will be from this sale in financial terms—about the arrangements put forward for redundancy provisions for the work force. What are the estimated costs to the sale for the redundancy payments and other costs associated with restructuring the work force? What is the expected number the minister has worked on?

The Hon. M.H. ARMITAGE: The costs of the package will depend on a number of factors, not least of which is how many employees are taken on and, indeed, as I have contended, if we are successful in selling our call centre expertise there may be a completely different picture. The package is believed, depending upon a lot of factors such as that (which are indeterminate at this stage until the day of sale, and even thereafter), to be estimated to be between \$7 million and \$17 million.

Mr FOLEY: Did I hear correctly? Did the minister just say that the cost of work force arrangements sit somewhere between \$7 million and \$17.5 million? Depending which market commentator one talks to—and I made this point the other night in my second reading contribution—the estimates of what the asset is worth range between \$30 million and, perhaps, \$40 million to \$50 million. If we take a low end number and take out \$17.5 million for work force displacement costs, we then have to pay for the consultants—and that question is coming next and I expect that the minister will be able to provide me with an answer. Do we end up having to pay the person who buys the TAB to take it from us?

This is an extraordinary revelation. What other public asset has been sold in this state where up to, possibly in excess of, 50 per cent of the gross sale proceeds for the state will be paid out to make the work force redundant. This is bizarre. I spoke the other night, minister, about my lack of confidence in your ability to manage this process. We know that you have been sitting on this for three years. After three years of vacillation and indecision, after three years of tying the board up and not allowing it to function properly and not allowing the organisation to deal with itself, you walk into this place with a piece of legislation where upwards of 50 per cent of the gross proceeds of this sale will be paid to the work force to make it redundant.

Well, if this is the best you can do after three years, minister, you are hopelessly out of depth when it comes to this. I have had a bit to do with asset sales on this side of the House over the last seven years. I have seen them all. I have seen ETSA, I have seen the pipeline supplies, I have seen a whole raft of assets, but I can tell you this, I have never seen one that could possibly consume \$17.5 million worth of redundancy payments. Minister, at what point will you decide that a sale is not financially viable, that is, at what point do we reach a negative sale; at what point does it cost us as a state to remove ourselves from having the TAB in public

ownership? What is the value that we will need as a state for this to be a worthwhile financial transaction?

The Hon. M.H. ARMITAGE: The member for Hart's estimated valuations of \$30 million to \$50 million are incorrect.

Mr FOLEY: It was a question, and I will put it to the minister again. For argument's sake, somebody offers us \$35 million for the sale of the TAB. I am told that, yes, it would be a low number, but it depends who is bidding and it depends on what value they put on the business, and I wait to hear what the costs of the consultants are. We also have the loss of dividends from the TAB, notwithstanding the duty that we may be getting from the proceeds. And, of course, I forgot the other big number in all of this, the \$18 million. How could I forget the \$18 million that we are handing over to the racing industry?

So here we go: \$17.5 million for redundancies and \$18 million as a handout, as a sweetener, to the racing codes. That is the \$18 million they had to spend to get the racing authority's endorsement for this. So that is \$35 million, and we then have the cost of consultants. Let us say that we have \$5 million, \$6 million or \$7 million in there for consultants. We have to get \$43 million, probably \$45 million, just to break even. This is extraordinary. Let me put this to you quite bluntly: what is the break-even point where the state covers all of its costs, consultants, redundancies and any other associated costs, together with the \$18 million? What is the break even point?

The Hon. M.H. ARMITAGE: I am not sure if the member for Hart is quite right in his questioning, in that the \$17 million top figure is not only for retrenchments. That is the employee costs in total—such things as transfer payments, career transition payments, and so on and so forth.

Mr Foley interjecting:

The Hon. M.H. ARMITAGE: No, it is not all the same.

Mr Foley interjecting:

The Hon. M.H. ARMITAGE: The member for Hart has been saying quite specifically in the debate that that is a retrenchment cost. I needed to clarify that it is not a retrenchment cost.

Mr Foley interjecting:

The Hon. M.H. ARMITAGE: Let me answer the member for Hart's question by saying that if someone offered us \$35 million we would not sell the TAB. That is why I indicated to the member for Hart before, and he can quiz me—

Mr Foley interjecting:

The Hon. M.H. ARMITAGE: Well, I am not going to identify that because that is clearly telling all of the potential bidders where they might start bidding and that would be a silly thing to do.

An honourable member interjecting:

The Hon. M.H. ARMITAGE: Yes exactly, because that is well below what we would accept. As to the member for Hart's original justification for his anger about \$17 million as an upper cost for employee costs as a percentage of what he said the sale price was going to be, his sale price estimations are not the values that we have been advised we will get and, accordingly, the percentages are, as such, equally incorrect.

Mr FOLEY: I said \$17.5 million is the total of all costs associated with making workers redundant, retraining them, or whatever. I am just staggered with that number—no disrespect to the work force involved, quite the opposite. But I would never in my wildest dreams expect a redundancy

number of that order. That is just breathtaking—it is quite extraordinary. As I have said, this is quite an extraordinary development. It is a very serious development. I appeal to the members for Gordon and Chaffey to think very seriously about this issue at the third reading. Where are we at minister? I admit that I was surprised when you said that you will not accept \$35 million. You should probably learn something from your colleague the Treasurer: you do not actually talk lower numbers or upper numbers. You have obviously made that mistake and you will have to deal with it. What happens if there is no acceptable bid? You have spent three years running the TAB by ministerial direction and you have not allowed the TAB to function properly. The TAB has operated extremely well under very adverse conditions—

The Hon. M.H. Armitage interjecting:

Mr FOLEY: It has.

The Hon. M.H. Armitage interjecting:

Mr FOLEY: I am saying that it has operated well, despite the fact that you have run it by ministerial direction and not allowed the board to function commercially, and you have severely hampered its ability to operate, grow and be a vibrant business. The minister is saying that, if we do not get a bid in excess of \$40 million to \$50 million, it is not a transaction worth doing. What is the minister's strategy if we do not get an acceptable bid?

The Hon. M.H. ARMITAGE: In the first instance, the whole premise of selling the TAB is that we have advice that we will get that bid. Every member opposite has spent five of the last number of hours we have been debating this issue talking about how at least three people wanted to buy it and claiming that is a bad thing. The government thinks that it is a good thing because it means that at least there will be competition. We believe that the valuations we have, which are much higher than the figures about which the member for Hart has talked, will be reached.

The ACTING CHAIRMAN (Hon. G.A. Ingerson): The member for Hart has had his three questions. There are many other clauses under which I am sure he can pursue this matter.

Mr WRIGHT: In closing the second reading debate, the minister did not do very well; in fact, the best part was his singing. Standing orders do not permit me the same privilege but, in relation to some of the material already raised by the member for Hart, will the minister indicate the cost involved in selling the TAB? We have already been told the figure regarding the package; the racing industry will get money beyond what it would normally get as a result of the current arrangement. Despite the member for Chaffey incorrectly quoting me in her second reading speech to the effect that 'it is the worst thing of all time', she will not find that I said that in *Hansard*. If she is going to quote me she could at least do the courtesy of quoting me correctly. The point I made is that I am concerned, particularly beyond three years, because we go under a new concept of net wagering revenue. I also made the point that the figures for the first three years look good on the surface but that we come off a low base. I do not think that people would deny that, and it is for a whole range of reasons: that is not just the government's fault. It may well be that for the first three years that increase will be a good thing for the racing industry. So, I would appreciate that when the member for Chaffey quotes me she at least does so correctly or not quote me at all.

The figure in question obviously refers to the package for the employees. As to what the racing industry will get beyond what it would get if it was going to still be a continuance of

its current formula—consultancies, and there may be other factors that the minister can identify as well—what is the cost of the global figure for getting this to the process of being sold (the outcome for the racing industry, the workers and so forth)?

The ACTING CHAIRMAN: The committee is actually looking at amendments in relation to the executive and issues relating to casual employees, but there are other clauses under which other issues can be addressed. The committee is still discussing the amendments.

The Hon. M.H. ARMITAGE: I understand that there are very few costs other than the ones that the member has identified. There is the consultancy total, which I know the member for Hart will be interested in and which, over the course of time, is \$2.7 million, and there is the \$18.25 million for the up-front racing payment and the employee costs. Other than that, very little. We cannot think of any specifically. If there are, I will get back to the member.

Mr CONLON: I can assure you, Mr Acting Chairman, there is probably no really appropriate clause to ask this question, so I will ask it now. Will the minister give an assurance to this parliament that, if he is successful in selling the TAB, he will not at some time in the future give into an urge to use taxpayers' money to set up a betting agency in West Java?

The ACTING CHAIRMAN: The minister will realise that the question is out of order. It is entirely up to him whether or not he answers it.

The Hon. M.H. ARMITAGE: I am quite prepared to say that in none of the briefings that I received from Mr Sean Sullivan was that suggested.

Amendments carried.

Mr FOLEY: I come back to the numbers. The minister has said that the upper limit for redundancy payments is \$17.5 million. I have been doing a little mathematics—

The Hon. M.H. Armitage: It's \$17 million.

Mr FOLEY: I would not want to over embellish the figure—\$17 million. What is the average cost per package per employee that the minister has calculated to arrive at \$17 million?

The Hon. M.H. ARMITAGE: The answer is encapsulated in the range that I gave the member for Hart before. Because we have agreed with the ASU, the PSA and the employee ombudsman to provide a number of choices for the employees and, because we are uncertain what number of employees will take those choices, we are unable to identify an average cost per package. As I say, that is why we have given a large range of employee costs from \$7 million to \$17 million. In answer to a previous question, I identified that those costs would depend largely on the options that were taken by the various employees.

Mr FOLEY: I would hope that the minister has done his homework a little better than that. A lower end of \$7 million, on my workings on the back of an envelope, equates to about 200 employees. I think the minister will find that \$17 million averages around the \$30 000 mark per employee, which is the entire work force of the TAB. Will the minister confirm tonight that in his contingency there is the possibility that very close to the entire work force of the TAB will be made redundant?

The Hon. M.H. ARMITAGE: In the first instance, there are a number of long serving employees, who, if they chose to take redundancy, would get large packages. What we have done is provide the figures on the whole range. I am absolutely sure that, if we had said, 'We think there will be only a

small number of employees to whom this will apply and we are making no provisions for it', the member for Hart would have made exactly the opposite accusation to which he is making now. What we have done is provide the figures for a range of scenarios, and we will accommodate those scenarios, depending upon the choices which the various employees make.

Mr FOLEY: With all due respect, that is a non-answer. I put it specifically to the minister because he has this information and it is his duty as a minister to share it with the committee. With an upper limit of \$17 million, how many employees has the minister estimated would be needed to take up that \$17 million? The minister has not plucked a figure out of the air. How many employees? The minister would have to have a number.

The Hon. M.H. ARMITAGE: As I identified before, we have made provisions for a quantum of money that might be required. This is not predicting what the outcome will be—

Mr Foley: What it is based on.

The Hon. M.H. ARMITAGE: Exactly right; I am about to come to that. However, in case the member for Hart's next question is, 'So you are predicting that X people will leave', I make the point before I provide the figures that we have provisioning. The number of employees would be in the vicinity of 250. However, we do not believe that that is the case. That is not our prediction, but that was, as I say, a provisioning which we had to make.

Mr Foley interjecting:

The Hon. M.H. ARMITAGE: Ninety per cent of the head office and 100 per cent of the call centre.

Mr Foley: What is the total number of workers?

The Hon. M.H. ARMITAGE: It is about 250.

Mr Foley: All up?

The Hon. M.H. ARMITAGE: Yes, in those areas.

Mr Foley: So, 100 per cent of the call centre.

The Hon. M.H. ARMITAGE: I can tell the honourable member that there are 112 people in head office and 148 in the call centre.

Mr Foley interjecting:

The Hon. M.H. ARMITAGE: We are not making a prediction; we are provisioning for that number, as, if you like, a worst case scenario. It is the honourable member's prediction, not ours.

Mr Foley interjecting:

The Hon. M.H. ARMITAGE: But it is not our prediction.

Mr WRIGHT: The minister has confirmed what the opposition has been saying about this all the way through; that is, if the TAB is privatised, the call centre and head office will be the first to go lock, stock and barrel. I know the minister said it is not his prediction, so what is the minister's prediction?

The Hon. M.H. ARMITAGE: Our prediction is as I indicated in the second reading summation that, because we have such a great record in call centres in South Australia, because we have such a low churn rate and because we have such a good work force and so on, there is a strong possibility that none of the call centre staff will go, and indeed we will get other call centre staff coming from another state, if it is purchased by an interstate TAB, because we are good in call centres. I think that is a highly likely outcome. I reiterate that the member for Lee is quite correct in indicating that these figures are not our predictions but, if they were to occur and we had not made provision for them, we would obviously be criticised for that.

Mr WRIGHT: This is fairyland stuff. You come into this chamber on a regular basis along with some of your colleagues and lecture us about business principles. We all know full well that the most likely outcome of a South Australian TAB sale is that one of the big three—TABCorp in Victoria, New South Wales TAB Limited in New South Wales or Queensland TAB—will be the purchaser. The favoured one of those three is New South Wales, but that is not critical at this stage. The critical matter is not which of those three but that it will be one of those three. Whether or not the minister acknowledges that is neither here nor there, because both in and out of the industry it is well known that one of those three will be the ultimate purchaser of the South Australian TAB. It follows that they will be the purchaser for basic economic business principles.

People with any business nous know what those principles are. They will look at trying to achieve economies, looking at the synergies and starving the costs. In his second reading speech the member for Bragg quite correctly talked about turnover. We all know that, in generating profits, the industry is all about turnover. There is no doubt about that. We all well know that with the sale of the South Australian TAB it is almost a certainty that one of those three TABs will be the buyer. The minister will say that that does not have to be the case, and that is certainly true, but we have all these other factors that we are now learning about.

Revelations are being made tonight about prices that may or may not be beyond market expectation. That is an unknown factor; we all have parameters at which we may value this TAB. However, we can be sure that, if one of those three interstate TABs ultimately purchases the South Australian TAB, as they almost certainly will do—one of those will almost certainly be the buyer—the outcome will be that they will starve their costs. They will first do that by reducing their labour. The first to suffer the consequences will be those people who work at head office and the call centre, irrespective of our good record with call centres. Do you think that TABCorp, New South Wales TAB Limited or Queensland TAB will say, ‘Gee; South Australia has a fantastic record in call centres. We won’t worry about our call centre which has been operating for a number of years, which is bigger and which has economies of scale. We won’t worry about trying to reduce the cost.’?

That is not what this game is all about. We know what it is all about. The minister will confirm the outcome: that the first people who will suffer the consequences of this TAB sale will be the people at the call centre and head office. It is just as well that they have been made aware of this sale process because, sadly, they will be the first people to have their head on the block. Although the minister says it is not his expectation, the figures that he talked about, involving 250 in a work force of 550 (let us hope it is not worse), leave me, from the numbers that have been put forward here tonight, in little doubt that the minister also is aware of what will go first.

The Hon. M.H. ARMITAGE: I understand the politics of this, but I would like to take the member for Lee through the argument he just used, because it is circuitous and hence defeats its own purpose. Let us assume that his argument that our TAB will be purchased by New South Wales, Queensland or the Victorian TAB is correct. That was his premise, although we disagree with that premise. But, for argument’s sake, let us assume it is correct. At the beginning of his argument the member said that those TABs will look at the

South Australian TAB that they have purchased and make a decision based purely on cost.

Mr Wright interjecting:

The Hon. M.H. ARMITAGE: It is one of the critical factors and, because it is a critical factor, they will make these decisions to close the call centre, etc. He went on and said a few other things. Then he said that, even though South Australia is able to provide these people with a lower cost and better based call centre, they will not move their call centre here. That is exactly our point. If in fact they are as avaricious as the member for Lee determines (and that may or may not be correct), the deal that we will be able to put forward—because they are avaricious, accepting the member’s premise—will make them very keen to look at our deal and move their call centres here. That is why call centres come to South Australia: because we have a lower cost base, we do not need as much training for staff, and because we have a lower churn rate, and so on. I put to the member for Lee that, if these TABs are avaricious, that is a good thing for us, in that it provides us with a better building block to grow our call centres.

Secondly, we have been completely up front all the way through this process in identifying that the decision would not be based on cost alone. If the member for Lee is correct and the three TABs that the member has identified are bidding, and the prices are roughly similar but the lowest has a much lower redundancy cost, transfer payment costs, and so on, that would obviously be taken into account. We are looking not only at the bid figure but also a whole lot of other factors—

An honourable member interjecting:

The Hon. M.H. ARMITAGE:—and indeed employment would be one of the factors that we would be taking into account. I reiterate what I said previously: there are a number of long serving members of the TAB staff. Because of that long service, they are entitled to large redundancy payments. Public accountability requires us to identify the highest values, even though I stress again that they are not our predicted values.

Mr WRIGHT: That is a fallacious argument. You are talking about large call centres which are now operating interstate. I am not sure how many employees they have, but it would be not unrealistic to say that in Victoria and New South Wales they would be at least double, treble (and perhaps even more) the size of the call centre here in South Australia. Obviously, they are able to achieve certain economies of scale as a result of that. They are also able to get some economic benefits from the maintenance costs, and so forth, of their infrastructure. Is the minister suggesting to us that he believes in his heart of hearts that, as a result of the sale, one of these big call centres that are already established interstate with their existing work force will close down their operation, employing a minimum of 300 to 400, to come to South Australia? I think I am probably underestimating the number. If the minister is suggesting that, I suggest that the taxpayers may assist, as they have done with other call centres that the government has brought here to South Australia. So, that will add to the global figure that the minister has already talked about.

You also said that this was not to be based on cost alone, and we welcome that, but that also potentially adds to what that global figure may be. From what the minister is saying, it may be the case that you will accept \$60 million but not \$80 million for other factors, which may be of a nature related to employment and there may be good reasons for

that. That will add to the overall global figure again. My main question on this occasion is to explore what the minister is suggesting with regard to the call centres. What the minister is presenting is a highly fallacious argument and most unlikely.

The Hon. M.H. ARMITAGE: We will have to agree to disagree, because our record as a state in terms of call centres is extraordinarily good and, accordingly, we predict it will be good in this instance as well. A number of jobs have transferred from Victoria to South Australia in the past two weeks, so it happens. We believe there are some cogent arguments as to why it is a very strong possibility. We would certainly take that into account in the bidding process.

Clause as amended passed.

Clause 4.

Mr WRIGHT: I refer to clause 4 paragraph (c), which covers an interstate owner and South Australian law applying. That is contingent on an interstate owner coming in, which I appreciate we have to do. Is there any precedent for this type of arrangement?

The Hon. M.H. ARMITAGE: I am informed that it reflects provisions in the Electricity Disposal Act and its intent is solely that South Australian law will apply.

Mr WRIGHT: I have no problem with that. The minister may want to take the following question on notice, because he might not have considered it. What is the situation regarding the Queensland TAB? I understand that the Northern Territory is a part of the Queensland TAB. Do the Northern Territory and Queensland have a similar type of clause in their legislation to cover that? How would that be covered when you have a privately owned TAB in Queensland, of which the Northern Territory is a part, and how do those laws work? In my logic we will be in a similar situation as a result of one of those eastern seaboard purchasing the South Australian TAB.

The Hon. M.H. ARMITAGE: I understand where the member for Lee is coming from. If he reads the clause, he will see that it is only indicating that a court will apply South Australian law to the determination of any question about this act or law. It is not necessarily about the body that will be sold under it: it is saying that the act will be sovereign (and I am not sure whether that is the correct legal term) within the South Australian legal system. That is how I take it. I will get further advice on it, but we are not aware of what the Queensland law states in relation to its system. I believe it means that South Australian law will apply to this legislation rather than to the arrangement that may occur at the end of the sale process.

Clause passed.

Clause 5.

Mr FOLEY: I come back to my earlier questioning about redundancy payments and I ask the minister to clarify the figures. On my reckoning, you have either misled the parliament or you are guilty of a lesser offence of not giving us correct information by mistake. You said you have an upper limit of \$17 million for all costs associated with work force adjustments. I asked you to tell me your estimates in terms of how many in the work force that would cover. You said that it was 90 per cent of head office—about 112—or 90 per cent of 112.

The Hon. M.H. Armitage interjecting:

Mr FOLEY: There were 250 workers. You have said 250 workers upper limit equates to \$17 million. You have said that 250 workers cost \$17 million and you have worked on a worse case scenario for the call centre and the head office.

But we have 300 workers in the agencies. You have either underestimated the \$17 million and in fact it is a much higher figure when you factor in redundancies in a worse case scenario for the agencies, or you have given incorrect information by saying that the \$17 million covers 250 workers. Your figures do not add up. Can you please have another look at it and give us the correct figures?

The Hon. M.H. ARMITAGE: I reiterate the information I was given before that there are a number of long serving employees in the TAB and, accordingly, if they were to be retrenched there would be a large package. We do not know, until the sale process is concluded, what the numbers are likely to be and which will be transferred, employees, etc. There are costs in relation to the career transition processes and salaries and on-costs of people whilst that is occurring. There are transfer payments and the payments for the retrenchments.

Mr FOLEY: The minister has not answered my question. You said \$17 million covers 260 workers. You said those 260 workers are in the head office and the call centre. I put to you again that there are 300 workers in agencies. You have either misled the parliament or you have not given us the proper information. I will give you another chance to correct the record. Does \$17 million cover 260 workers and you are expecting no redundancies at the agency, or is the figure higher than \$17 million so it does cover the agency workers?

The ACTING CHAIRMAN: I ask the member for Hart to address his questions through the chair.

The Hon. M.H. ARMITAGE: I am informed that there is an allowance in that for what has been termed a non-significant number of agency staff costs as well. There are 260 staff in the agencies and it is suggested, as best we can allow, not predict, a 10 per cent number of those staff. That is another 26 staff for whom we have allowed. I reiterate that it is not our prediction because, as I said in a second reading contribution, it is our prediction that a new owner will be looking for a growth in the business and hence to increase staff, particularly in agencies. It would not be a relevant or appropriate thing for us to do not to provision for that number.

Mr FOLEY: The minister said that there are another 26 workers. This is probably not the place to argue this point, although my colleague may wish to pursue it. Ten per cent seems to be a small number of redundancies in an agency. As I mentioned in my second reading speech, any owner will strip out as much cost as they can, particularly given the deal that they have to pay in their first years, at least, to the racing industry. There will be enormous efficiencies. I find that 10 per cent number extremely—

The Hon. M.H. Armitage interjecting:

Mr FOLEY: Yes, but I find the 10 per cent figure extremely light on, and my colleague may wish to pursue it. The minister took a submission to cabinet to get cabinet approval to sell the TAB. The minister gave cabinet predictions as to what the likely sale revenue would be and what the budget could expect to get from it. The minister then had a dispute with the ASU and the PSA and now he has done a deal with the unions. Therefore, cabinet was approving a sale in much more generous terms to government than what will now be the likely outcome. Has the financial modelling on the sale been reworked, and has that gone back to cabinet for further endorsement?

The Hon. M.H. ARMITAGE: Of course.

Mr WRIGHT: The provisioning that the minister has made for staffed agencies amazes me. The 10 per cent is well

under budget. Perhaps the minister can tell us what has happened in other states, whether it be TABCorp, New South Wales Limited, Queensland or, for that matter, all three, post the privatisation. What happened in those states with regard to the changes in staffing at their agencies? I am not suggesting that it will be identical, but perhaps we can draw some sort of relevancy from that.

The Hon. M.H. ARMITAGE: I am unaware of what has happened in other states. However, as we have identified quite clearly, a large percentage of revenue comes from agencies. On several occasions the member for Lee has bemoaned the fate of the racing industry in that not as many people as previously go to the racetracks, and that is because agencies with betting facilities, TAB monitors, and so on, are popular. That is where these people are employed. It is our view that that is really not at risk from any owner and we think that to allow for a figure of 10 per cent is an appropriate figure on advice that we have been given.

Mr WRIGHT: As a matter of urgency, we should have some information back here about what has happened in interstate TABs with regard to the staff situation and the changes that have taken place in staffed agencies. I am happy to bring that information in more detail back to the chamber, because we are obviously not going to finish this bill tonight. In the meantime, I suggest that the minister's good officers do a bit of research in that area as well.

One thing I can say with great certainty is that, from the time they shifted from being in public hands to private ownership, the figure was much more than 10 per cent, and I will come back with greater detail with respect to that. One thing that I have suggested, and I did so in my second reading speech, is that it is possible that the whole structure of these staffed agencies may well change when there is a private owner of the South Australian TAB. There is a real possibility that they may be franchised. If they were to be franchised, what numbers would we be looking at with respect to the cuts that would take place in staffed agencies?

The Hon. M.H. ARMITAGE: Under those arrangements as sketched out by the member for Lee, we would pay for the HRIR costs at the point of sale, which I identified in the agreement with the unions. If a different set of HRIR conditions—

Mr Wright interjecting:

The Hon. M.H. ARMITAGE: Sorry, human relations/industrial relations—was identified in six months that would be at the cost of the new owner, not the state. We are identifying the costs within the ranges that I have identified in relation to the sale.

Mr WRIGHT: We need to explore that further, and we will have an opportunity to do that later. That is an important issue. I wanted to ask a range of questions on clause 5 about preparatory action. It is somewhat of a surprise. Given what we have gone through and the fact that three to four years has passed, it is not unfair of me to say that time has been wasted. That is certainly the sentiment of the racing industry. I foreshadowed in my second reading speech—and TAB management would concur with this—that, during the period when interstate TABs were privatising, we should have been looking to try to find a critical mass. Nowhere near enough work was done there. We should have been looking for alliances. However, it perplexes me that, despite that period, it would look as though a golden opportunity has been wasted. The value of the TAB has gone down. There is little if no doubt that, if this TAB had been prepared for sale and sold, which the minister clearly wanted to do and had wanted

to do for some years, three to four years ago, the value would have been higher. We also may have been able to find a critical mass and strategic alliances.

Of course, post all that happening, we also have had some runout problems this year with announcements the government has been making about parallel trade sales and the Racing Code Chairmen's Group, and sets of figures being brought into and taken out of parliament. Yet all through clause 5 there is talk about what has to occur to prepare for this sale to take place. I would have thought that all this work would be done and, if it has not been done, if some of the measures in clause 5 are incomplete, will it cost us more money for the preparation work that needs to be done? Is more work required for consultancies in the preparatory action we are talking about? I would have thought that a whole wad of information in clause 5 would be well and truly dealt with. Do we still have to determine the most appropriate means of disposing of the business and go through a number of actions with regard to its disposal? Is there a success fee on the consultancy? Are more consultancies required with regard to this part of the sale process? These are undetermined issues, despite the four year period we have gone through.

The Hon. M.H. ARMITAGE: The only question in that is: is there a success fee in the consultancy? I have identified—

Mr Wright interjecting:

The Hon. M.H. ARMITAGE: No, there is no more for the preparatory. However, there is obviously work in the sale process, and there is a 1.2 per cent of the sale price success fee.

Mr CLARKE: Following on the member for Hart's question, I want to make a number of points about costs. If my memory serves me correctly from when I was secretary of the union, the longest serving employees amongst the casuals—and for that matter the part-time agency officers—actually worked in the agencies and possibly the head office, as distinct from the call centre. The minister's costings have an upper limit of \$17 million. I congratulate the unions on the agreement they entered into with the minister and his agreement to it in terms of those employees. On the sale of the TAB, any employee may not wish to go along, go across to the new owner, even if there is a position there, and would be entitled to be paid out with a redundancy payment. There may be some key employees, and they have to stay there for a few months and then, at the end of those few months, they can elect to take their payout.

If I were the minister, I would look at those 300 agency staff, a number of whom have many years service. A person would say to themselves, 'I am agency employee with many years of service, having grown up with the TAB over the past 33 years, and I am now to go across to a new owner.' We should take into account what has happened in other states like Victoria and elsewhere, where they have franchised out the agencies—and this has been done for some time. It has seen a reduction in the number of casual staff employed, because the franchisee takes over and works the extra hours because it becomes a family business.

I suggest to the minister that a large number of long-serving agency staff would elect to take the redundancy package. It would not be the 26 that the minister is talking about but a hell of a lot of those 300 agency staff would choose to opt to take the payout, which would escalate considerably to the \$17 million top end. The call centre would be the most likely centre to be rationalised if the

minister's scenario does not work out and the New South Wales, Queensland or Victoria TABs are successful. It is more likely that they will move to the other states, rather than the other way around, and a significant part of the head office work would likewise move—not all of it, but a significant part. That fixes up the minister's \$17 million, if that worst case scenario happens. I suggest to the minister that, rather than the 26 agency staff, or 10 per cent, a very large proportion of agency staff with a lot of years of service would opt to take the package. There is no limit. Once it is sold, and they do not wish to avail themselves of going across to the new owner, they pick up the package. They do not have to go across. Am I correct in that interpretation?

The Hon. M.H. ARMITAGE: The member for Ross Smith is quite right. There will still be the jobs there. He is absolutely correct in his assumption about numbers who may choose to take the package.

Mr Foley interjecting:

The Hon. M.H. ARMITAGE: No, our assumptions are based on the fact that \$17 million is the cost and, again, we have factored in what the member for Ross Smith is talking about, if indeed up to 50 per cent of the agency staff—

Mr Foley interjecting:

The Hon. M.H. ARMITAGE: No, the jobs would still be there.

Mr Foley interjecting:

The Hon. M.H. ARMITAGE: But that is what I said before. It relates to the choice. That is exactly what I was saying before.

Mr Foley interjecting:

The Hon. M.H. ARMITAGE: The member for Ross Smith is correct. There is no way we can predict this. It is not our prediction. It may be that up to 50 per cent of staff in agencies would choose to take a retrenchment package, which is covered in the \$17 million. There would still be the jobs available.

Mr Foley interjecting:

The Hon. M.H. ARMITAGE: The jobs are still there, but the employee costs are covered in the \$17 million. The advice I have is that, because we are unclear of all the numbers of people who will take the choices, we are giving a range of between \$7 million and \$17 million.

Mr CLARKE: When you were answering the questions from the member for Hart, minister, the worst case scenario figures you gave were 250—

The ACTING CHAIRMAN: I inform the member for Ross Smith that the word 'you' does not apply in this place: in this case it is 'minister'

Mr CLARKE: Yes, of course. Minister, in the information you provided the member for Hart, in your worst case scenario, the jobs of 250 out of 550 employees were being terminated; that is on the assumption that something like 90 per cent of the head office equals 112 employees. I am not sure if it was 112 in total or 90 per cent of the 112. There is a format.

The Hon. M.H. ARMITAGE: It is 90 per cent of 112.

Mr CLARKE: It is roughly 100 people. It is the whole 100 per cent of the call centre of 148.

Mr Foley: And 10 per cent of the agencies.

Mr CLARKE: And 10 per cent of the agencies. It seems to me that in head office, on your assumption of 90 per cent, roughly 95 out of 112 go, and 148 in the call centre go. That is 243 out of roughly 550; let us say 250 out of 550. There are 300 in the agencies. Now that I have raised this issue of saying you are factoring in 50 per cent of the agency staff

may choose to go, that is another 150. That is not 250: that is 400. I agree with you that the jobs may still be there and other people may occupy them in the agencies. But, in terms of liability for the state, what we have to pay out in redundancy payments is not for 250 people but potentially for up to 400. The jobs may still be there, but they will be filled by someone else.

Mr Foley interjecting:

Mr CLARKE: Or they may not be. Nonetheless, what we do know is that the state may be liable for 400 redundancy packages which must be more than the \$17 million, because the figure you provided the member for Hart—

Members interjecting:

Mr CLARKE: —was an upper end of \$17 million.

Members interjecting:

The ACTING CHAIRMAN: The members for Waite, Lee and Hart are out of order. Can we allow the member for Ross Smith to finish his question?

Mr CLARKE: Thank you, sir. It seems to me that, working on the minister's own figures, he was very clear that \$17 million was the upper end, worst case scenario, that is, the call centre and head office, with an estimate of only 10 per cent at that stage of the agency staff costing at an upper end of \$17 million. As we have gone through it with the minister now, it is more like 400 redundancies, whether or not the jobs are available for them. It is 400 packages the taxpayers have to pay out. That has to be more than \$17 million, significantly more at the upper end if that scenario comes into play. Am I correct?

The Hon. M.H. ARMITAGE: My advice is that the employee costs are \$17 million, and they are, as I said, the figures which the member for Ross Smith has talked about. The employee costs would be spread, according to the package which was agreed, in the worst case scenario—not our prediction, but a worst case scenario—90 per cent of the head office and 100 per cent of the call centre, and those jobs would go.

Mr Foley: You said the other way around before.

The Hon. M.H. ARMITAGE: No, I did not. It is 90 per cent of head office and 100 per cent of the call centre. Those jobs would go in the worst case scenario. In the agencies, the \$17 million includes up to 50 per cent who may choose to go but the jobs would stay. The jobs would still be required, but those people may choose to take a retrenchment.

Mr Foley interjecting:

The Hon. M.H. ARMITAGE: The argument is that they are there working and the dollars are coming across the counters in the agencies that the member for Lee and I discussed before. The majority of those would be there, and that is where my prediction of maybe 10 per cent might be. The majority would be there. The 50 per cent is the people who choose to go but the jobs remain. The employee costs in the worst case scenario would include those three factors.

Mr CLARKE: We will deal more with the numbers in your amendment, but you now say, contrary to what you earlier told the member for Hart, that the \$17 million upper end includes up to 50 per cent of agency staff leaving, plus those other factors. Minister, I commend the union for doing its best by its members. Why did the minister agree that, if there are jobs available with the new owner and there is to be no loss of benefits or entitlements or loss of hours or earnings to those employees, we have to pay them a pay-out figure as well? I am not opposed to the unions or the members getting what they got. Good luck to them—and I would have done the same as the secretary of the union. But the minister is in

charge of the public purse. I wish I had him opposite me when I was trying to negotiate when I was still union secretary. It seems to me that it is Christmas come early and the taxpayer is being Santa Claus. If the jobs are going to be there, as you say, and employees have the right of employment with no loss of benefits on transfer, and all the rest of it, why are we paying out a redundancy package?

The Hon. M.H. ARMITAGE: I think the member for Ross Smith has identified the elements. This was a negotiation. The government believes that the long-term risk to the taxpayer of retaining the ownership of the TAB is such that it was an appropriate negotiation to conclude. There was a number of other factors, including the threat of strike action with potential loss of income on three of the most lucrative days of the racing calendar. So a lot of factors are involved. The member for Ross Smith is correct: this is a generous package.

Clause passed.

Clause 6.

Mr WRIGHT: Correct me if I am wrong, but my understanding of what you have been trying to explain to us is that the \$17 million package picks up the possibility of 100 per cent of the employees from the call centre and 90 per cent from head office. Some time ago, you talked about 10 per cent—

The Hon. M.H. Armitage interjecting:

Mr WRIGHT: No? You mentioned 10 per cent from the agencies. Now you are talking about 50 per cent. Does the \$17 million include the 50 per cent?

The ACTING CHAIRMAN: I remind the member for Lee that we are now on clause 6, 'Authority to disclose and use information', and the briefing at this stage does not relate to that. I direct the member back to the clause that we are discussing.

Mr WRIGHT: We may as well try to clarify it because, if we do not clarify it now, we will clarify it later.

The ACTING CHAIRMAN: The member for Lee knows that we go through the bill clause by clause. There are many other clauses in the bill, I anticipate, on which he could ask this question. This clause does not relate to his question.

Mr WRIGHT: I will ask another question.

The ACTING CHAIRMAN: On this clause.

Mr WRIGHT: Clause 6, 'Authority to disclose and use information', provides:

- (b) a current or former member or employee of TAB or director or employee of TABCO; or
- (c) persons involved in the authorised project,

Are there any dangers in this concept?

The Hon. M.H. ARMITAGE: No, there is no risk involved. This is a standard clause in disposals which is designed to ensure that people who provide information, as required, can be comforted that there is no risk in their doing that. It is a clause to protect the provision of information.

Mr WRIGHT: The latter part of clause 6 describes how this will be determined. Who decides what they are talking about in the last part of the provision after clause 6(c)?

The Hon. M.H. ARMITAGE: In essence, the relevant clause provides for disclosure of information as reasonably required. That would be a matter of judgment and a matter of fact as to what was reasonable in the provision of information regarding the authorised project, being the disposal of the TAB.

Mr WRIGHT: Yes, but who decides? Is it the government; is it the Gaming Supervisory Authority; or is it the Liquor Licensing Commission?

The Hon. M.H. ARMITAGE: Eventually, it would be the courts, if it was in dispute.

Clause passed.

Clauses 7 and 8 passed.

Clause 9.

Mr FOLEY: With your advice, Mr Acting Chairman, can I come back to some questions about the redundancy package? I think it would probably fit under this clause.

The ACTING CHAIRMAN: That can be dealt with under clause 15, which deals with the transfer of staff.

Mr FOLEY: I am happy to deal with that issue under clause 15. There are some very serious unanswered questions about the numbers that the minister has provided. I refer to the disposal of the asset and the process which is envisaged to set about disposing of the asset. The minister has said tonight that he will not automatically accept the highest price, that he will take into account redundancy costs and other factors in deciding who will be the potential buyer. I am assuming that, when he goes to market, he will stipulate that what a potential buyer offers in terms of redundancy will be a criterion by which the bid will be judged. Will it be stipulated as a criterion?

The Hon. M.H. ARMITAGE: We have already publicly identified those sorts of matters, and they will be made quite clear in the conditions of sale so that all bidders will know that we will take all those factors into account.

Mr FOLEY: In relation to the disposal, will you be tendering for the consultant, or have you already engaged a consultant to undertake the sale process? If so, will it be a different consultant from the one which has done the preparation work?

The Hon. M.H. ARMITAGE: The consultant is the same one who is employed, CSFB.

Mr FOLEY: So Credit Suisse First Boston has been your adviser to date on preparing the asset for sale and will now be the consultant that will sell?

The Hon. M.H. ARMITAGE: Yes, that is correct. CSFB has been the consultant involved in the latter stages but not in some of the early stages. The consultancy, which it won in a competitive process, included the completion of sale post the legislation passing.

Mr WRIGHT: Do the figures that we were given earlier include all of that with regard to consultancies?

The Hon. M.H. ARMITAGE: The figures that I provided previously are the figures for every consultant that has been engaged until now. I think the member for Lee asked whether there are further costs in the completion of the sale. Yes, there are, and they have been identified in the contract, and that will be a quantum in addition to what we have already identified. Thus far, the figures are for every consultant involved in all of the scoping studies and so on.

Mr WRIGHT: Is it normal procedure, for want of a better term, to have the same organisation do the two forms of work—the preparatory work, and then bid and win as well?

The Hon. M.H. ARMITAGE: Completely. It is actually very logical to have a consultant who has been dealing with all of the intricacies of the asset which one is selling as part of the sale process, or leading the sale process, because they are able to best answer all of the questions in the due diligence, the sale rooms and so on. It is completely appropriate.

Clause passed.

Clause 10 passed.

Clause 11.

Mr FOLEY: This clause relates to the sale agreement. Has the minister sought and received any advice in terms of the ACCC on any competition issues and, if so, what is that advice? Are any of the potential bidders, such as TABCorp Victoria, TAB New South Wales and TAB Queensland excluded in any way because of any competition issues?

The Hon. M.H. ARMITAGE: The advice with which we have been provided is that it would be up to any potential purchasers to identify with the ACCC. As the member for Lee said, there is a relationship between, I think, the Queensland TAB and the Northern Territory TAB. There has not been a problem in the past, but it would be up to the potential purchasers to identify.

Mr WRIGHT: The minister referred earlier to what he would not accept. I appreciate that he does not want to and will not tell us what he thinks the TAB is worth, but perhaps he could give us some guidance as to the parameters within which the government may be working regarding the worth of the TAB. This is a never-ending debate. As the minister knows, I put forward a scenario, not necessarily with any great conviction, but I set out a business case for what the TAB could be worth, and that led me to an expectation that we might be looking at anywhere between \$30 million and \$50 million. There are other predictions much higher than that, some of which I have received from the minister's government. So, I am interested in this without the minister's putting a specific figure on it because of the disadvantages that that may have in terms of the sale.

Mr Foley: It certainly won't go for \$35 million. He's told us that.

Mr WRIGHT: We understand that you will not sell it for \$35 million, because the government has already paid \$40 million for the sale process. Within what parameters does the minister expect the South Australian TAB may be worth?

The Hon. M.H. ARMITAGE: I have no intention of answering that question, not because I am perverse but because it would be a stupid thing to do on behalf of the taxpayer, as it would identify to any potential purchaser roughly where they ought to consider ending their bidding. I think that is in exactly the same vein as someone wishing to sell their house at auction and saying, 'I want \$X00 000 for it.' No-one would do that, and the government does not intend to do that in this instance either, not because I am perverse but because it would not be in the interests of the taxpayer.

Mr WRIGHT: I will not dwell on that because the minister is obviously steadfast in his refusal. The minister suggested earlier that he has some expectation—I do not believe it is a very strong expectation—that there may well be someone outside the big three on the eastern seaboard who may buy the South Australian TAB. Who might that be?

The Hon. M.H. ARMITAGE: If the member for Lee expects me to answer that question, I am surprised. It is no secret that there are many people Australia-wide and internationally who are looking at the gaming industry as a good investment, almost as part of a leisure industry into the future. It is also no secret that large numbers of those people are looking to have a broader portfolio of interest within the gaming sector, and we believe that both nationally and internationally our TAB will be of interest to some of those potential purchasers.

Mr WRIGHT: We are building here a scenario that was previously built by the opposition during the second reading debate with regard to the costs, the potential sale price and the potential buyer. It involves not so much what the minister

does say but what he does not say, because that confirms what has been put before this chamber by the opposition during the second reading debate. The minister has been reluctant to answer any of the questions I have asked him about this clause. At the very least, he could inform the committee what happened to his announcement about a parallel sale of the South Australian TAB and the Lotteries Commission.

The Hon. M.H. ARMITAGE: It is very much the view of the government that a parallel trade sale is the greatest opportunity for South Australia's taxpayers to maximise their benefit. Legislation in relation to the Lotteries Commission will be introduced shortly.

Mr FOLEY: I return to the whole sale process, given that the minister is talking about the sale agreement. I want to work through these numbers to see how good or bad a deal this is, because it has just dawned on me—perhaps I am a bit slow and I should have picked it up earlier—

Mr Lewis: That would be an understatement.

Mr FOLEY: Thank you. The minister likes to go around and cut deals before he brings the legislation into the parliament to get approval and before he puts the sale process in place because, three or four months ago, he cut a deal with the racing codes. He guaranteed an \$18 million payment up front to the racing codes as a one-off payment, which the cynics amongst us—I would be close to the top of the pile—would say was nothing more than buying racing industry support from some elements of the hierarchy of the industry.

Mr Wright: Your mates.

Mr FOLEY: Yes, my mates. The minister committed \$18 million of taxpayers money to the racing industry before knowing what it is worth. He has signed a deal with the unions for, he said, \$17 million. We will come back to that later, but I think the numbers could be a lot higher than that—probably more like \$24 million or \$25 million—and I will explain the rationale for that a little later. It would be highly unusual—I would say, negligent, to put the appropriate word on it—for these arrangements to have been put in place, as the minister has done, prior to going to the marketplace.

The minister sniggers. He has already put a \$40 million to \$45 million lead weight on this sale process before we go to market. Would it not have been more appropriate to have given himself some flexibility and to have got the sale through and then decided from the proceeds of the sale what the taxpayer and the industry quite rightfully could get? The minister has put a lead weight on this whole sale process. It is a poorly executed process. So, I put this question to the minister: is the \$18 million agreement with the racing industry negotiable? If you find that a sale offer does not give you sufficient money to make the numbers work, do you have the ability to renegotiate your package with the racing industry?

The Hon. M.H. ARMITAGE: The package with the racing industry is payable on the sale: it is not payable until the TAB is sold.

Mr Wright interjecting:

The Hon. M.H. ARMITAGE: Correct.

Mr Wright interjecting:

The Hon. M.H. ARMITAGE: No. As I said, it is payable on the sale. I cannot be clearer than that.

The ACTING CHAIRMAN: By interjecting, the member is out of order.

The Hon. M.H. ARMITAGE: It is payable on the sale. For the member for Hart—

Mr Wright interjecting:

The Hon. M.H. ARMITAGE: —I am completely answering the question—even in banter across the chamber, to suggest that anyone would purchase the TAB until the deal had been done with the racing industry to supply the product—

Mr Foley: That wasn't the question: it was the \$18 million payment.

The ACTING CHAIRMAN: Order! The member for Hart is out of order.

Mr Foley: It is the one-off payment.

The Hon. M.H. ARMITAGE: No, what the member for Hart was suggesting was that the government should have sold the TAB and then attempted to go to the various bodies to secure, in the case of the racing industry, the product upon which the TAB would supply its betting services.

Mr Foley interjecting:

The Hon. M.H. ARMITAGE: That is exactly what the member said. It is fanciful and it is wrong. There is no way that one could ever sell a TAB—which is, after all, an organisation which takes bets on something—unless one had something to guarantee the new purchaser that they would be able to supply as a betting medium. That is why the racing industry negotiations occurred, that is why the deal has been finalised, and the final deal is that, on sale of the TAB, that money is payable. If there is no sale of the TAB, no money is payable. The racing industry knows full well that it goes back to the status quo, and that is one of the reasons why, in his heart of hearts, the shadow minister for racing realises that this is an important deal for the racing industry, because what the racing industry has under the status quo is not a pretty option for it. They have all acknowledged that.

Mr FOLEY: The minister totally misrepresented my question—in fact, he misled the committee but we will not get too hung up on that—

The ACTING CHAIRMAN: Order! The member knows the process that he should follow.

Mr FOLEY: Exactly.

The ACTING CHAIRMAN: I suggest that the member keeps to that process and asks questions.

Mr FOLEY: I am getting to that. What I was talking about was the \$18 million one-up payment. You would obviously have an arrangement with the racing industry for product; you will obviously have legislation passed (as we will) in terms of a duty or the taxes or the arrangements in terms of payments to government, payments to industry—all the mechanical side of the arrangement. I am talking about the \$18 million one-off capital payment which I believe, in my heart of hearts, was a sweetener to the industry to accept the sale. The point I was making in my question was whether we have the ability to renegotiate that \$18 million sweetener if the sale proceeds, or if the price, are not sufficient. I will finish my question, but I would like the minister to also answer that question. What is the expected amount of duty or tax revenue that the state will receive: once the sale process is concluded and the world moves on, what is the budgeted number for income to the state from that part of the transaction?

The Hon. M.H. ARMITAGE: I think that if the member chose to review *Hansard* (which I know he will not—and I do not blame him for that) he will find that I did answer that question. The \$18.25 million is part of the deal—the negotiations that have been signed off with the racing industry—and, hence, is non-negotiable on the sale of the TAB. It is not, however, a figure that will get paid to the racing industry in any circumstance other than if the TAB is sold.

There were a number of ways in which the package could have been structured. The racing industry perhaps may have been interested (and I was not involved in the negotiations) in a package that had a smaller up front payment and a larger long-term payment—maybe a different percentage of the net wagering revenue. Clearly, they decided, as part of the agreement to supply their product to the new TAB owner, that they would like to see a quantum up front so that they can address a number of the issues which require up front capital. So, it is a non-negotiable once the TAB is sold: once that is concluded they get their money. If the decision is that it is not sold, they receive nothing other than the status quo—and that is completely appropriate. So, they will provide a product to the new owner upon which the new owner can run the betting services. In relation to the longer-term duty, it is 15 per cent in total of net wagering revenue, which will be 6 per cent directly and 9 per cent refunded through GST.

Mr CLARKE: Clause 11(8) provides:

If an instrument is identified in, or under, a sale agreement as a transferred instrument, the instrument operates, as from a date specified in the agreement, subject to any modifications specified in the agreement.

I want to ask some questions in relation to the superannuation of the employees of the TAB. As I understand it, looking through this bill and the minister's amendments, I think there is only one specific reference to superannuation, although this subclause can refer to superannuation because upon sale of the TAB it is an instrument which comes into effect.

What guarantees can the state government give that TAB workers will not be disadvantaged with respect to their superannuation? There are no guarantees in this legislation with respect to superannuation—or in the memorandum of understanding which is referred to in this bill. As the minister may be aware, there are two superannuation funds involving the 550 workers. There is a TAB Staff Superannuation Fund, which is confined to permanent or part-time permanent employees numbering some 90 people, approximately, and the remainder of the employees are covered by SSS. I have a few extra questions with respect to that matter, but I will allow the minister time to give me some information with respect to those guarantees about which I have asked.

The Hon. M.H. ARMITAGE: I am advised that the matters that the honourable member is addressing are covered under the Southern State Superannuation Act 1994, and for those people in the South Australian TAB superannuation scheme we have moved amendments that protect that superannuation under clauses 15(3)(c) and 15(5). If the honourable member is interested in what happens to the fund per se, that moves over to the purchaser so that people can continue their contributions if they choose to do so.

Mr CLARKE: I will divide my question in two, so this part just deals with the Triple S scheme. Once the employees of the TAB who are in Triple S cease to be government employees, as I understand it, they can no longer be members of the Triple S scheme. Whilst their moneys will be preserved, what assurances will the government seek that, in terms of any superannuation scheme that new owner will bring into force for its employees (the ex-TAB employees), the new owner's superannuation scheme will be no less favourable to those employees?

For example, if they have an industry fund, that industry fund may not be as generous in terms of some of its conditions as the Triple S scheme, financial hardship just being one of them; that is, to make application for release of funds and investment returns.

The Hon. M.H. ARMITAGE: I am informed that, under the MOU that has been agreed with the unions, any potential purchaser will be required to provide details of the superannuation component. The honourable member may not have yet been made aware of the MOU, but transferred employees who are members of the Triple S scheme are not permitted to maintain contributory membership in that scheme.

Employees can either roll over their own contributions and those of the employer into another fund (which may include the superannuation fund offered by the purchaser), preserve their own and employer contributions in this scheme, or withdraw their own contributions and preserve the employer contributions in this scheme as agreed with the unions.

Mr CLARKE: Whilst the ex-employees of the TAB and Triple S may be able to keep their money in Triple S or roll it over, depending on the circumstance, my concern is that, if they go across to the new owner, the government has not made provision to insist—and this is what I would like the government to do—that the new purchaser allow the employees, either in the purchaser's own fund or at the employee's own election, to choose a fund that is no less favourable than they currently have with Triple S, because there are superannuation funds that are significantly different in terms of a whole range of conditions, which have a very important bearing.

Financial hardship is one, that is, access to funds as a result of financial hardship, and there are disability provisions and a number of others. The MOU does not cover that, so what would be desirable is if the government said to any prospective purchaser: 'If you want to buy it, we want you to make sure that there is a superannuation scheme in place for your employees (with respect to ex-TAB employees) that is no less favourable for those employees who transfer over [to the new owner].'

While I am on my feet dealing with the TAB staff superannuation fund, I understand that that fund has around \$4 million in surplus moneys. In fact, the TAB has not had to contribute to that fund for a little while because of that surplus. Has the government considered directing the TAB board to wind up that superannuation fund so that the surplus can be distributed amongst those 90 employees on an equitable basis, then they start with a new employer on ground zero, whatever scheme applies with that new employer?

If it is simply transferred over to the new owner, that new owner gets a gift, in a sense, of \$4 million of surplus funds that have been generated by employee contributions and the TAB's own contributions, which the new employer has done nothing to contribute to in terms of generating those funds; and they simply get the benefits by not having to pay any contributions or a reduced contribution rate into that TAB fund, if it were to continue with that new owner, without having to make any of those additional contributions to it.

They would use up that \$4 million surplus when they themselves have not done anything to contribute towards it in the first place. Why not just wind up the fund, pay out the 90 employees on an equitable basis and allow the new employer to start off at ground zero with respect to the employees who transfer across?

The Hon. M.H. ARMITAGE: The answer is that we have not contemplated winding up the fund. As I identified in answer to a previous question, the fund will be one of the assets that will transfer over because we are confident that the TAB will be an ongoing entity. We believe that it is appropriate that that occur that way. In regard to the requests made by the member for Ross Smith, that does not form a part of the memorandum of understanding between the unions and the government. However, the employees have the choice of rolling over their own and employer contributions into another fund. They will be able choose what particular fund they roll over as one of three options available to them. The answer is: we will be reflecting the conditions of the memorandum of understanding.

Progress reported; committee to sit again.

OCCUPATIONAL HEALTH, SAFETY AND WELFARE (PENALTIES) AMENDMENT BILL

Received from the Legislative Council and read a first time.

ADJOURNMENT

At 7.59 p.m. the House adjourned until Tuesday 28 November at 2 p.m.

Corrigendum

Page 425, column 1—Delete line 21.

HOUSE OF ASSEMBLY

Tuesday 14 November 2000

QUESTIONS ON NOTICE

CONSERVATION RESERVES

8. **Mr HILL:** What protection is provided to 'Conservation Reserve' land, which lands are covered and what resources are allocated to their protection?

The Hon. I.F. EVANS: I have been advised as follows:

Conservation reserves are dedicated under the Crown Lands Act 1929.

There are currently 46 conservation reserves, with a total area of 274,133 hectares. A list giving the name of each conservation reserve, its area and date of proclamation is attached.

Where a conservation reserve is contiguous with a National Parks and Wildlife Act reserve, they are managed as one unit, and where appropriate, the conservation Reserve added to the park.

The protection afforded to land dedicated as conservation reserve is the same as applies to other Crown land. It is an offence under Sections 272-275 of the Crown Lands Act 1929 for a person to occupy, graze, injure or remove timber or otherwise damage Crown land without permission. Mining, provided it is appropriately licensed, is a permitted land use in conservation reserves.

Care and management of conservation reserves is a responsibility of district staff of National Parks and Wildlife SA and is undertaken as an integral part of their day to day duties. Regional priorities determine where resources are applied to management activities, including protection of biodiversity values.

Conservation Reserve Name	Total Area (ha)	Dedicated
Barwell	5600	1993
Bascombe Well	1442	1993
Bernouilli	200	1993
Big Heath	103.8	1993
Buckleboo	279.62	1990
Bunbury	1951	1993
Canunda	1091	1993
Caralue Bluff	2186	1993
Chadinga	8125	1993
Cocata	10090	1993
Cortlyne	209.2	1987
Cox Scrub	14.16	1993
Desert Camp	893.1	1993
Ediacara	2145	1993
Fowlers Bay	8649	1993
Gawler Ranges	15570	1993
Hardings Springs	6.323	1997
Heggaton	6489	1993
Hincks	886.6	1993
Koolgera	44720	1993
Kulliparu	30800	1993
Lacroma	56	1998
Lake Gilles	23470	1993
Laura Bay	9.409	1993
Lincoln	1032	1993
Malgra	65.88	1988
Moongi	1219	1990
Munyarroo	6082	1993
Murrnatta	95.61	1993
Naracoorte Caves	70.2	1997
Nullarbor	630	1993
Nunyah	22790	1993
Peachna	4621	1993
Pinkawillinie	2626	1993
Pinkawillinie Reservoir	278.4	1987
Point Bell		602
1993		
Poolgarra	170.4	1987
Pureba	15570	1993
Sceale Bay	531.5	1995
Sheoak Hill	1690	1993
The Plug Range	2574	1993

Tola	30.36	1988
Venus Bay	3357	1993
Wahgunyah	29163	1993
Woakwine	424.4	1993
Yumbarra	15580	1993

BACK INJURIES

19. **Mr HILL:** How many back injuries were reported by bus drivers at the Morphettville and Lonsdale bus depots during 1997-98, 1998-99 and 1999-2000 and for each year what percentage were caused by faulty seats? What action has been taken to address these problems?

The Hon. DEAN BROWN: The Minister for Transport and Urban Planning has provided the following information:

1.				
Lonsdale	1997-98	1998-99	1999-2000	
Total	11	12	3	
Cause—bus seats	2	4	0	
Seats as percentage of total back injuries	22%	33%	0	
Morphettville	1997-98	1998-99	1999-2000	
Total	41	38	16	
Cause—bus seats	11	12	3	
Seats as percentage of total back injuries	27%	31.5%	18.6%	
Morphettville/Lonsdale	1997-98	1998-99	1999-2000	
Total	52	50	19	
Cause—bus seats	13	16	3	
Seats as percentage of total back injuries	25%	32%	15.8%	

2. Any bus which had a faulty seat complaint report, was taken off the road and put through the workshop. Any faults identified were fixed before the bus was put back in service.

Furthermore, as a prevention strategy, TransAdelaide instigated a back awareness program at both Lonsdale and Morphettville Depots—and it was compulsory for all employees to attend. The program was conducted by a qualified physiotherapist, and entailed a 4 hour session which covered manual handling as well as back awareness. All employees were also offered free back massage treatment to assist in prevention of back injuries.

FROGS

21. **Mr HILL:** What action will the minister take to ensure that frog species are protected from the continued use of weed killers on footpaths by Mitcham Council?

The Hon. I.F. EVANS: I have been advised as follows:

In November 1997 the Environment Protection Agency (EPA) published a 'Stormwater Pollution Prevention Code of Practice for Local, State and Federal Government'. The code specifically addresses the issue of pesticide, including herbicide, spraying in and around waterways. The primary purpose of the code is to inform government agencies of their general environmental duty under the Environment Protection Act 1993.

EPA officers regularly address local council officers, including those from the Mitcham Council, to explain the purpose and significance of the code.

I am advised that the Mitcham Council uses only Roundup Bioactive a 'frog friendly' herbicide with reduced surfactant as it is the surfactant that has the most effect on frogs.

MUSSELS

24. **Mr. HILL:** What is the current state of the Port Noarlunga reef with regard to a problem with mussels as reported recently by the media?

The Hon. I.F. EVANS: I have been advised as follows:

There has been a considerable increase in cover of mussels (*Xenostrobus pulex*) at Noarlunga and Horseshoe Reefs. Reef health surveys conducted by the University of Adelaide and the Environment Protection Agency showed that mussel cover at Noarlunga reef increased from 0.5-2 per cent in 1996 to 15-27 per cent in 1999. There was no 1996 survey at Horseshoe Reef but similarly high numbers of mussels were found in the 1999 survey.

The mussels form dense, single-species mats that can exclude most other life forms. A recent honours project from Adelaide University clearly demonstrated that the presence of dense mussel cover inhibits the recruitment of macroalgae (large, canopy forming

brown algae). Loss of macroalgal cover is likely to seriously decrease species diversity on these reefs.

High nutrient and sediment loads are well established as a common problem for reefs. Nutrient and sediment loading favor the formation of dense mats of short, 'turf forming' algae, which in turn provide a settlement surface for juvenile mussels.

Noarlunga Reef is an aquatic reserve and under PIRSA jurisdiction. The EPA has applied for commonwealth funding under the Coast and Clean Seas Program to develop a monitoring program within an integrated management framework for Noarlunga Reef, as well as funding from the Coast Protection Board to develop an appropriate management strategy for the reefs.