HOUSE OF ASSEMBLY

Tuesday 1 May 2001

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

ASSENT TO BILLS

His Excellency the Governor, by message, intimated his assent to the following bills:

Community Titles (Miscellaneous) Amendment,

Essential Services (Miscellaneous) Amendment,

Expiation of Offences (Trifling Offences) Amendment,

Fisheries (Southern Zone Rock Lobster Fishery Rationalisation) Act Repeal,

Lake Eyre Basin (Intergovernmental Agreement),

Legal Assistance (Restrained Property) Amendment,

Police Superannuation (Miscellaneous) Amendment,

Sandalwood Act Repeal,

Software Centre Inquiry (Powers and Immunities),

State Disaster (State Disaster Committee) Amendment,

Youth Court (Judicial Tenure) Amendment.

CRIMINAL LAW (LEGAL REPRESENTATION) BILL

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

NATIVE BIRDS

A petition signed by 23 residents of South Australia, requesting that the House urge the government to repeal the proclamation permitting the unlimited destruction by commercial horticulturalists of protected native birds, was presented by the Hon. J.W. Olsen.

Petition received.

DENTAL SERVICES

A petition signed by 94 residents of South Australia, requesting that the House urge the government to fund dental services to ensure the timely treatment of patients, was presented by Ms Stevens.

Petition received.

COUNTRY HALLS

A petition signed by 174 residents of South Australia, requesting that the House urge the government to return the proceeds from the sale of country halls to the local communities contrary to the advice of the Crown Solicitor, was presented by Mr Lewis.

Petition received.

PAPERS TABLED

The following papers were laid on the table:

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

Architects Board of South Australia—Report, 1999-2000
Occupational Therapists Act—Regulations—Registration Renewal Fee

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

South Australian Ports (Disposal of Maritime Assets) Act—Transfer Order

By the Minister for Education and Children's Services (Hon. M.R. Buckby)—

Regulations under the following Acts—
Southern State Superannuation—Carclew
Stamp Duties—Adelaide CBD
University of South Australia Act—By-laws—Driving Conduct and Ban

By the Minister for Environment and Heritage—(Hon. I.F. Evans)—

Liquor Licensing Act—Regulations—Dry Areas—Onkaparinga
Supreme Court Act—Supreme Court Rules—Interest Rate

By the Minister for Water Resources (Hon. M.K. Brindal)—

Water Resources Act—Regulations—
Prescribed Water Course
Surface Water Area

By the Minister for Local Government (Hon. D.C. Kotz)—

Local Government Act—By-laws—City of Playford—
No. 1—Permits and Penalties
No. 2—Moveable Signs
No. 3—Local Government Land.

PUBLIC WORKS COMMITTEE

The SPEAKER: I lay on the table the following reports of the Public Works Committee which have been received and published pursuant to section 17(7) of the Parliamentary Committees Act:

The 149th report on the Glenelg Wastewater Treatment Plant—Environment Improvement Project; and

The 150th report on Bionomics Limited new research laboratory and office facilities.

Mr LEWIS (Hammond): May I respectfully request that the House order that the foregoing reports of the committee be published?

The SPEAKER: I advise the member for Hammond that it was automatically done by the method with which it was delivered to me out of session and signed in.

QUESTIONS

The SPEAKER: I direct that the written answers to the following questions on the Notice Paper, as detailed in the schedule that I now table, be distributed and printed in *Hansard:* Nos 34, 43, 61, 64, 67, 74, 77 and 82.

FARMBIS

In reply to **Ms HURLEY** (28 March).

The Hon. R.G. KERIN: All state and territory governments have a funding agreement with the commonwealth to deliver the FarmBis program. The agreement includes a cap on administration costs at 10 per cent which covers processing costs, state steering committee sitting fees, monitoring and evaluation information, development and printing of forms and stationery etc.

The Hassall and Associates mid term national review of FarmBis (as at 30 June 2000), confirms all states are operating at approximately 10 per cent for administration.

	NSW	NT	Qld.	SA	Tas.	Vic.	WA	Avge.
Cost of administration per participant 99-00 $	61	76	72	65	12	84	40	62
Administration costs as a percentage of total program costs based on acquittals 99–00	10%	13%	9%	10%	1% Very low participation rate	11%	9%	9.5%

The result for South Australia is in fact lower than 10 per cent when forward commitments are taken into consideration and administration costs continue to be contained below the cap.

As at 30 September 2000, expenditure and forward commitments for FarmBis in SA totalled $6.9 million, which includes an administration cost of $417 000 (6 per cent).

As at 28 February 2001:

- expenditure and forward commitments for FarmBis in SA totalled $9.255m comprising:
  - training delivery $6 245 000 (67.5 per cent)
  - administration $730 000 (7.9 per cent)
  - training support $1 883 000 (20.3 per cent)
  - state coordination $197 000 (2.1 per cent)
  - information and promotion $200 000 (2.1 per cent)

Current indications are that FarmBis will be on budget at 30 June with administration costs capped at 10 per cent of budget.

TAFE COURSES

In reply to **Mr De LAINE** (13 March).

The Hon. M.R. BUCKBY: I am advised that the part time delivery of the particular course the member referred to is six hours per week over ten weeks (i.e., 60 hours) for a course fee of $500. Full time delivery is an intensive 9am—4pm, 5 days per week over three weeks (i.e., 90 hours) and costs the student $685.

Adelaide Institute has developed this course and offers it on a commercial basis to meet the needs of the call centre industry, which is growing nationally at a rate of 267 per cent per annum.

The course has been specifically designed for:

- Practising call centre agents who wish to be team leaders, wish to upgrade their skills or wish to gain a national vocational qualification, and;
- Those wishing to enter the call centre industry as operators.

A major feature of the course is that all the training is done in an actual call centre setting. Students get practice at receiving and transferring calls using a system that is NEC's latest mid range platform QMaster, and they practice entering calls into a database and searching for information as they would in a call centre. There are no additional expenses that students are required to meet and the lecturers have extensive and recent call centre experience.

The course represents good value for money and the responsiveness of the Adelaide Institute of TAFE in meeting industry needs is to be commended.

QUESTION TIME

ELECTRICITY TASK FORCE

Mr FOLEY (Hart): Given the urgency of the electricity crisis facing business in South Australia and the importance placed on the results of the Premier's electricity task force, can the Premier explain to the House why the Chairman of this task force, Mr John Eastham, is on four weeks leave overseas until 11 May; and will he say how many times has the task force met since its membership was announced in March?

Members interjecting:

Mr FOLEY: Four weeks leave! On 28 March, the Premier announced the membership of a high-level electricity task force to examine the rules of the national electricity market, review it and, most importantly, recommend action that needs to be taken to improve it. Since then, the chair left at Easter for four weeks leave overseas and the opposition has been advised that the task force has met only twice. The weekend media reported that the Premier has asked the task force to urgently produce for him an interim report due early this week. Who will write it, Premier?

The Hon. J.W. OLSEN (Premier): The honourable member has one component of it wrong, yet again, but I will go through that. The task force was put in place for the purpose of looking at the issues confronting South Australia in the national electricity market—

Mr Foley: They have gone on leave; they have gone on holidays.

The SPEAKER: Order! The member for Hart has asked his question.

The Hon. J.W. OLSEN: Well, the member for Hart, like the Labor Party, is very good: they identify the problem, they sit on their hands and they do not even search for a solution. They have no plan; they have no idea. The Leader of the Opposition has said that they will develop their alternative model but that they will release it in a few months; they will put it on the table. I invite the leader to put a policy on the table. If he has an idea, he should put it on the table.

To come back to the question of the member for Hart, the task force was established; it has started its deliberations; and it has met on a number of occasions. It has called for submissions and those submissions are due on 11 May. The time line of 1 June is when I have asked for the interim report. Why 1 June? Because the Premiers' Conference, or COAG meeting, will be held on 8 June. I have asked the task force to prepare an interim report for me, prior to my going to the Premier's Conference on 8 June, so that I have a week in which to read the interim report prior to going to the Premiers' Conference.

I can assure the member for Hart that the work of the task force is continuing. The process has been put in place. The submissions are being received. Consultants have been advertised and a core group of consultants has been appointed and they will report directly to me and advise the task force, also. This will ensure that—

The Hon. M.D. Rann interjecting:

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

The Hon. J.W. OLSEN: —in a very complex market situation that now confronts us we are able to work our way through those issues that directly impact in South Australia and look at solutions to lessening that impact. I make the point that the national electricity market—the brainchild of Paul Keating and Labor governments—in practice has not delivered because the market is not mature. It is not mature in South Australia. That is why we have a three-point plan as of today to look at respective issues and how they might be addressed.

ELECTRICITY, NATIONAL MARKET

Mr SCALZI (Hartley): Can the Premier update the House on what the government is doing to address the impact of the national electricity market on South Australia?

The Hon. J.W. OLSEN (Premier): I have spoken to Professor Fels of the ACCC to investigate rising power prices as they are impacting on some 2 800 businesses in our state and to look at the commencement date for contestable

consumers into that national market. In his discussion with me, Professor Fels has indicated that he will consider looking at the issues raised by the government.

Also, I have sought urgent discussions with, first, the Chairman of the Board of AGL and with the CEO of AGL, particularly as to the way in which AGL is approaching the market in South Australia. I sought an urgent meeting because, in many instances, it is giving a very short time line in which businesses can respond to offers being placed on the table. AGL has made some time available tomorrow afternoon for me to meet them, and I hope that I will have the support of the opposition and will have a pair to be able to undertake that meeting.

Mr Foley: You're running scared, John!

The SPEAKER: Order!

Members interjecting:

The Hon. J.W. OLSEN: The deputy leader says, 'Why not here?' It is because they are going to board meetings in New Zealand on Thursday, and the only time made available is tomorrow afternoon.

Members interjecting:

The SPEAKER: Order! I call the deputy leader to order.

The Hon. J.W. OLSEN: The issue related to the national electricity market that I wish to take up with AGL is the way in which it is approaching the market here in South Australia. It is also the reason why I have sought and obtained agreement from the Prime Minister that the national electricity market will be the number one issue to be debated at the COAG meeting on 8 June this year.

I have asked the Prime Minister not only for it to be listed as number one but also for our officials to identify and work through the issues that are impacting on the various jurisdictions. It is clear—as newspaper and other reports have identified—that the issues that we are confronting with increases in the cost of electricity for those 2 800 contestable customers in South Australia are also having a not dissimilar effect on a range of customers both in New South Wales and in Victoria.

Mr Foley: What nonsense!

The Hon. J.W. OLSEN: I will give the member for Hart a copy of the articles and, in fact, a report by BHP at a recent industry meeting, I think in Sydney, that indicated that BHP electricity prices on the eastern seaboard have gone up by 50 per cent. Whilst, for political opportunism, the member for Hart would want to separate South Australia from the national electricity market, the simple fact is that there are case examples of companies such as SPC and BHP that, in both New South Wales and Victoria, are experiencing offers from retailers that are not dissimilar to those being put in place in the marketplace in South Australia.

The Prime Minister has agreed for that to be listed. Also at that meeting, I will be seeking to have a ministerial council put in place to ensure that the respective governments from those jurisdictions—Queensland, New South Wales, Victoria, South Australia and the commonwealth—have the opportunity of policy input over the national electricity market.

If this were simply a South Australian issue, we could address it in isolation, but, as it is not solely a South Australian issue, the ACCC, NEMMCO, NECCA and other bodies that have been put in place have influence in the policy decisions that are made and in the operation of the national electricity market.

The market is not mature in South Australia, because we do not have the competitive base in place. It is on that basis, therefore, in circumstances that I think are extenuating as they relate to South Australia, that I have sought to put these measures in place. We have looked at ameliorating the impact of and the effect on businesses, and I need not only talk about WorkCover. If you look at WorkCover in the quantum both of those businesses that pay WorkCover and exempt employees, you see that between them the benefit that rolls out across the board is some $103 million. And, whilst I indicated previously that Mr Lew Owens had said that it would cost between $10 million and $15 million, I meant to put to the House that it was between 10 and 30 per cent.

The point that we need to put in place is that other business input costs are coming down in our state compared to those which apply in other states. And, if we want to talk about a competitive advantage in operating a business, there are competitive advantages in South Australia vis-a-vis New South Wales and Victoria. Anyone who has picked up the eastern states newspapers in New South Wales in recent times would see the dilemma in WorkCover alone in New South Wales and the escalation in the unfunded liability, and hence the costs that are blowing out in that state.

We do not have that set of circumstances. Through policy management, good decision making of the board and work practices in the workplace, with a 10 per cent increase in the work force and a 20 per cent reduction in claims, it indicates that there is movement to make our workplace safer for people to work in—and rightly so. At the end of the day, that means a suppression of the cost, a reduction in the cost, compared to what is happening in New South Wales and Victoria.

It is important to keep all this in context when debating these issues. The market is not mature: it has issues and problems associated with it. It is adversely affecting a number of South Australian businesses, and I can assure the House that we will be working assiduously to try to lessen the impact in South Australia, so that we can continue to have a competitive edge: South Australia versus Victoria and New South Wales.

ELECTRICITY, PRICE

The Hon. M.D. RANN (Leader of the Opposition): My question is directed to the Premier. What happened to the Premier's promise that under the government's electricity reform process in the national electricity market, South Australia would have (and I quote directly from the Premier) 'the cheapest electricity of any state in Australia'? That was his promise.

As electricity minister on 11 April 1996, the present Premier told this House that South Australia had to be a part of the reform process 'to ensure that for residential, commercial and industrial purposes, we have the cheapest electricity of any state in Australia'. That is what he promised. South Australia, right now, has the most expensive electricity of any state in the national electricity market—

Members interjecting:

The SPEAKER: Order! The Leader is now starting to comment and debate his explanation.

The Hon. M.D. RANN: The Opposition has been advised that the agreement to set up the national electricity market was signed by the then Premier Dean Brown, supported by his electricity minister John Olsen in April 1995. Some say that it is one of the few things—

The SPEAKER: Order! The Leader will resume his seat. I withdraw leave.

The Hon. J.W. OLSEN (Premier): There is one thing the Leader of the Opposition cannot get away from as much as he may wish to try and rewrite history, and that is the fact that Paul Keating established the national electricity market, and it was labor governments which put in place a model; and agreements were subsequently signed when we came into government that we supported. I do not deny that—not at all. Other mitigating factors—

Members interjecting:

The SPEAKER: Order! I suggest that members on both sides start to settle down.

The Hon. M.D. Rann interjecting:

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

The Hon. J.W. OLSEN: There are a number of mitigating factors, one of which is the disadvantage that this state has traditionally had in relation to power generation. In New South Wales and Victoria, power generating plants are effectively in the coalfields. In New South Wales in particular, high-grade black coal is a fuel source. In South Australia, energy sources, such as Moomba gas and our low-grade brown coal at Leigh Creek, are a substantial distance from our generating capacity and, throughout our history, that has been a natural disadvantage that this state has had to meet and overcome.

Mr Foley interjecting:

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

The Hon. J.W. OLSEN: One of the pieces of infrastructure that would have militated against these rises is an alternative gas supply to South Australia. What did the Labor administration do in its 13 years to put in place gas infrastructure? Why is that important? The fact is that something like 40 per cent of our electricity generation is fuelled by gas. At the moment, there is effectively one source for gas in our electricity generation, and that is from the Moomba field. It is not a competitive gas market to underpin an input cost to generating electricity.

What have we done about that? This government has moved to put in place a gas pipeline from Melbourne through to Adelaide without the commitment of taxpayers' funds to meet that objective, which will see 45 petajoules of gas made available out of the BHP Minerva field in Bass Strait as an alternative, competitive gas source for South Australia. Not only will that have advantages as it relates to generation of electricity but also areas such as Murray Bridge, the South-East (particularly Kimberly-Clark at Millicent), the Coonawarra and the Lower South-East will benefit from gas being available as an alternative energy source for the establishment of industry, processing and manufacturing, so it is an important step forward. That infrastructure should have been there a decade ago. It was not put in place and we have now moved to secure alternative, competitive gas supplies into South Australia.

In addition, it was the former administration that was advised and agreed to build another generating plant in South Australia; but, when the bank collapsed, I understand it put that on hold. The former Labor administration, by its inaction, has in effect played a part in the outcome that we are experiencing today. Be that as it may, the issues are there and we are addressing them. In a methodical way, we are working our way through those issues to address them for the future. I point that out in stark contrast to the Labor Party opposition, which has no plan and no solution to put on the table. Whinge as they will, we will simply move on and address the issues as best we can in the interests of South Australians.

ALICE SPRINGS TO DARWIN RAILWAY

Mr VENNING (Schubert): My very good question is directed to the Premier. Will the Premier inform the House of the benefits to South Australia following financial close for the Adelaide to Darwin railway?

The Hon. J.W. OLSEN (Premier): I certainly can and I am delighted to advise the House that, following support of the parliament for the additional funding, financial close has finally been put in place for the Adelaide-Darwin rail link. We are already reaping the rewards of that project. To date, some $100 million of investment has been secured, that is, contracts have been secured by OneSteel in Whyalla. That will mean the generation of some 40 jobs in Whyalla over the period of the operation of the rail contract but, more importantly, it will bring about a further investment in OneSteel's operation in Whyalla.

In addition, some 900 South Australian companies have tendered or registered an interest as suppliers of materials and labour for the rail project. In the past few weeks, some $150 million worth of contracts have been let, and more is to come. To date, one steel project is the single largest contract to be let. The $1.3 billion project will create more than 7 000 direct and indirect jobs during the construction phase of this line. In the long term, the railway will position South Australia as an export hub to the Asia Pacific region. The eastern seaboard, through road and rail hubbing in South Australia, creates an opportunity for us now to build a transport hub. It will, of course, further boost South Australia's export potential.

In recent years we have witnessed very strong export growth from South Australia, and the rail link will further enhance our export capabilities. We have worked hard over the past five years to bring this project to fruition. It is arguably the single biggest project the country has seen since the Snowy Mountains Hydro-Electric Scheme, and many country cities and regional communities will clearly benefit from it. We had a number of hurdles to overcome in securing what was a very complex project but, at the end of the day, what counts is financial close, the contract in place, a fixed-term contract for the construction of the rail link and tenders now being let for the provision of a range of goods and services. The people of South Australia will be the beneficiaries not only in the construction phase of the rail line but also subsequently in the operational phase.

Again, I thank the House for its support in terms of addressing, on a number of occasions (more than I would have wanted), the issue relating to financial support for the railway. As a result, we have underpinned a very important piece of transport infrastructure for our state and better secured our state's future.

ELECTRICITY, PRIVATISATION

The Hon. M.D. RANN (Leader of the Opposition): My question is directed to the Premier. When the Premier was announcing electricity privatisation (that is, following his announcement before the election that he would not) on 17 February 1998, he said that privatisation was essential to save South Australians from the risk of higher electricity prices. The Premier further stated:

We have to protect them from higher power prices they cannot afford; that is our duty.

As South Australian businesses now face electricity price increases of as much as 80 per cent, will the Premier now admit that he has completely failed in his stated duty to South Australians in that huge reversal, that broken promise, over electricity privatisation?

The Hon. J.W. OLSEN (Premier): Here we have the hypocrisy of the Leader of the Opposition. Not only did the last Labor administration shelve greater generating capacity for supply to be greater than demand to keep competitive prices in the electricity industry—it shelved the last generating capacity in the state—

An honourable member interjecting:

The Hon. J.W. OLSEN: I am glad that the honourable member raised that; I will come back to that in a moment. When we wanted to move to secure private sector investment in building at Pelican Point, who were the first to demonstrate? The member for Hart and the Leader of the Opposition were totally opposed to it. We see here the hypocrisy of the Labor Party, wanting to criticise it on the one hand and, on the other, identifying the problems that have been created. You cannot have it both ways. Political opportunism will have itself out at the end of the day. Members opposite are seen with absolute political opportunism.

Members interjecting:

The SPEAKER: Order!

The Hon. J.W. OLSEN: The other point relates to Riverlink—and I refer to TransGrid. It is NEMMCO (the national electricity market company) that has not given the approval for TransGrid. Instead of the Leader of the Opposition and the member for Hart constantly raising this furphy, I point up that it is a matter of fact that NEMMCO is making that decision, not the South Australian government—NEMMCO, the national electricity market company. I simply ask the opposition to get its facts right, because NEMMCO still has not given approval for TransGrid.

Members interjecting:

The SPEAKER: Order!

OPERATION CITY SAFE

Mr HAMILTON-SMITH (Waite): My question is directed to the Minister for Police. Given the success of Operation City Safe in making Adelaide streets safer, will the minister outline any recent policy initiatives that are building on that success across the metropolitan area?

The Hon. R.L. BROKENSHIRE (Minister for Police, Correctional Services and Emergency Services): As the member has said, Operation City Safe has been an outstanding success and came about as an initiative that was, I understand, partly driven by the Premier and the current Lord Mayor through the Capital Cities Committee, the involvement and development of that policy and the operational implementation of that policy by SAPOL. So far there have been 900 apprehensions stemming from the City Safe operation and out of that 205 arrests, 75 of which were for carrying an offensive weapon and five for firearm offences. As a result of that and further discussions in the area of policy development, the government wants to see more commitment and effort by SAPOL going into street crime and the areas that concern the community across the metropolitan area and the state.

SAPOL has put into place a new operation known as Metro Safe, involving the utilisation of 300 officers. This is on a rather large and wide geographical scale and will be evaluated on a regular basis with weekly assessments and, depending on how it goes, there will be further development and implementation of that policy.

I am pleased to report to the House that Metro Safe will target offenders believed to be involved in things like growing, producing, selling and distributing illicit drugs, something which is very dear to us as a government in order to ensure we get those people behind bars where they belong if they are to be big in trafficking of drugs and in damaging our families and young people. We will also target robbery with violence, serious criminal trespass and motor vehicle crimes.

The preliminary figures for Operation Metro Safe so far, given that the inaugural evenings of 19 and 20 April (when this operation started), showed that already 162 arrests and reports had occurred and 291 expiation notices had been issued. I am pleased, having checked the program and the operation only today, to discover that from last Thursday and over the weekend 40 more arrests have occurred and there has been a large seizure of cannabis plants.

City Safe and Metro Safe are programs which show that politicians of all persuasions and indeed governments have to be committed to their job of ensuring that they listen to the community, that they are committed to representing the community and that as a government and as politicians they want to do the job. That is what we are about on this side of the House. We do not make any apologies for being tough on crime, and we certainly do not make any apologies as members of parliament on this side for wanting in this House to be able to develop policy that will keep the community safe.

That is in stark contrast to the commitments and attitude of people like the star recruit of the Leader of the Opposition, the candidate for Adelaide. This is where they are when it comes to their commitment in protecting the community and in wanting to get into this House. I will quote—

Mr Koutsantonis interjecting:

The Hon. R.L. BROKENSHIRE: —for the benefit of people like the member for Peake, who might want to know where is the real commitment to protect and represent this community. I will quote from the candidate for the seat for Adelaide, the star recruit of the Leader of the Opposition, as follows:

Being a politician is not my ambition. I don't need any of it. If I walk away from all this tomorrow I will be better off. I already have a career which provides me with an adequate income, children and a social life. Being a politician—

this is the candidate for Adelaide, Jane Lomax-Smith—

would have an adverse effect on all these, so it would be a hugely liberating experience to not win the seat of Adelaide.

That is how committed are the candidates and members opposite in wanting to protect the community of South Australia. It shows that the Leader of the Opposition's meeting that potential candidate, pushing her to the pie cart and forcing a meeting with the member for Elder mean nothing because the Labor candidate for Adelaide does not want to win or does not want to do anything about coming into this House and protecting the community of South Australia. She is soft on cannabis, soft on drugs and does not want to become a politician.

Members interjecting:

The SPEAKER: Order, the Minister for Water Resources!

Mr Foley interjecting:

The SPEAKER: The member for Hart.

COMMUNITY FORUM

The Hon. M.D. RANN (Leader of the Opposition): I can see that the minister has embarrassed the member for Adelaide, Michael Armitage, and I think we are all sorry for that embarrassment.

The SPEAKER: Order! The leader will get on with his question.

The Hon. M.D. RANN: My question is directed to the Premier. Given that the member for Chaffey has demanded that the Premier take personal control of the electricity issue, will the Premier agree to attend a community forum in the Riverland to hear personally from fruit growers worried about their future livelihood because of soaring irrigation and electricity costs? Last week the member for Chaffey, supported by the member for Gordon apparently, demanded that the Treasurer, Rob Lucas, be sacked from the electricity portfolio because 1 800 Riverland fruit growers now face a $500 000 jump in their irrigation bills.

A short time ago I spoke with Brian Martin, the business manager of the Central Irrigation Trust in Barmera, who claims that our irrigators will have to absorb the extra costs because rival growers just across the border have cheaper power. That is what he has told the media. Will then the Premier agree to join me and the member for Chaffey in a community meeting involving the board and a cross-section of its members to discuss how to protect these farming families from potential ruin? Let's do it in a bipartisan way, just like the railway.

The Hon. J.W. OLSEN (Premier): Well, it might have escaped the attention of the Leader of the Opposition but we had three or four community cabinet meetings in the Riverland only a few weeks ago. At those community cabinet meetings, not only do we meet local government but in the afternoon we meet a range of volunteers from the broader community and in the evening we present the case for the rebuilding of our economy and the diversification and the policy direction of the government which is then open to a series of questions.

We have been doing this every couple of weeks for almost three years, so this is a bit of Johnny-come-lately stuff. We have been out there and doing it consistently, and we will continue to do it every two to three weeks, where we all go out as a government—all the ministers and all the chief executives of the government departments—to meet on the ground the respective agencies.

I noted the leader's comment about bipartisanship. He seems to have developed a great passion for this word 'bipartisanship' of recent times. Not that I disagree that he should not have a more bipartisan role with a number of things that we do, but the simple fact is he is overusing the word at the moment. I wonder why he would be using 'bipartisanship' with such regularity at the moment.

Mr Lewis: He's afraid to include me!

The Hon. J.W. OLSEN: Is he? I will leave the leader to explain that. I would not want to be accountable for the leader's views on that. I simply say: been there, done that. I just invite the leader to get out and do the same.

OAK VALLEY ABORIGINAL SCHOOL

The Hon. G.M. GUNN (Stuart): I direct my question to the Minister for Education and Children's Services.

The Hon. M.D. Rann interjecting:

The SPEAKER: Order, the leader.

The Hon. G.M. GUNN: Can the minister provide to the House the facts surrounding the situation at the Oak Valley Aboriginal School? The minister would be aware that the Oak Valley Aboriginal School is one of the most isolated schools in South Australia. It is situated in an area where there is lack of water and it is difficult for communication. It is an area that I have visited many times. In view of the recent publicity, it would be interesting if the House had the real facts.

The Hon. M.R. BUCKBY (Minister for Education and Children's Services): I thank the member for Stuart for his question and his interest in this matter. It is important that the situation at Oak Valley is clarified, because currently it is lost in a cloud of misinformation, half truths and, not far behind, some political opportunism involving the AEU. Here we have a community located about 1 300 kilometres north-west of Adelaide—

Members interjecting:

The SPEAKER: Order!

The Hon. M.R. BUCKBY: —in fact, it is 300 kilometres or about five hours' drive on a desert track north of its nearest community, Yalata, which itself is about 10 hours' drive from Adelaide. As members would know, the Great Victoria Desert has a range of temperatures, ranging from winter night temperatures of below zero to well above 50°C on a summer's day. The school community consists of seven teachers and ancillary staff, and enrolment of up to 40 students, with an average daily attendance of about 15 students. These students are part of the Aboriginal community which has begun re-establishing itself with Oak Valley as its home. Of course, the department provides schooling for all our children regardless of the site's whereabouts and the circumstances that exist, particularly bearing in mind in this case some very hostile and harsh conditions. With regard to the complexity of providing education to children at this remote location, we have responded by installing infrastructure appropriate to the demand and will continue to respond appropriately to all demands at this unique site.

Oak Valley has no sealed roads, electricity, sewerage, running water or shops; in fact, it has no facilities whatsoever. We must remember that this is a small community in a very isolated and harsh desert environment. None of the comfortable services that we as members here enjoy operate or are available at Oak Valley. In spite of those difficulties, in the 1999-2000 budget this government has committed $1.2 million to build a school at Oak Valley. In that regard, we undertook a long period of negotiations and discussions with the local community. In March last year, Archie Barton, the administrator of Oak Valley, signed off on the design, and I would have to say that it is an extremely good design of school for that community. It involves closed classrooms as well as open-air teaching facilities, and it is a fantastic design of school for that community. That was over a year ago.

The normal tender process was then followed, and tenders closed in July of last year. The successful tender agreed involved a contractor who was well known and respected in the area and who was extensively experienced in working with Aboriginal communities. However, last August the community rejected working with that tenderer but expressed a desire to work with a tenderer whose price was 40 per cent above that of the successful tenderer. Had that tender followed its normal course, that school would have been pretty well built by now. It would be on the ground now, and

those students would be able to use that school. However, that is not the case. In good faith the department has attempted to negotiate a successful outcome for the students of Oak Valley, and we will continue to do that.

There is more, because the school was due to reopen tomorrow. However, one of the teachers at Oak Valley, acting as the occupational health and safety representative, has issued a default notice on the department, and I just wonder whether it has been under pressure from the AEU, because this has been the source of a lot of misinformation about Oak Valley. I understand that the health and safety reasons that have been cited by the teacher include noise from the generators and air-conditioners, classroom overcrowding and a lack of storage facilities. I want to assure the House that these matters will be fully addressed at a meeting later this week, and my department continues to progress the longer-term strategy for a new school at Oak Valley. The funds are committed. It is matter of working with the community to ensure a successful outcome for the students of this isolated community.

LUCAS, Hon. R.I.

Mr FOLEY (Hart): Given the calls by the member for Chaffey for the Hon. Rob Lucas to be stripped of his responsibilities for electricity, stating 'we need to have someone else take over this issue,' and that the removal of Mr Lucas was 'my preferred course of action', what discussions has the Premier had with the member for Chaffey and has the Premier reprimanded the Treasurer for his poor performance in the electricity portfolio?

The Hon. J.W. OLSEN (Premier): I can assure the member for Hart that any discussion I have with any member of parliament is a matter between the member of parliament and me. The honourable member would not expect me to recount discussions I have with him on the floor of the chamber, more or less any other member of this chamber. I simply make that point. Also, I have put down a series of steps which I intend to take to address some of the issues that need to be addressed in the South Australian economy.

REGIONAL SOUTH AUSTRALIA

Mrs PENFOLD (Flinders): Can the Deputy Premier provide to the House examples of the many positive achievements which have occurred in rural and regional areas during this term of the government?

The Hon. R.G. KERIN (Deputy Premier): I thank the member for Flinders for her important question—one which the other side never likes to hear at all. There is certainly no shortage of positive achievements in regional South Australia at present, and the greatest measure of that is the level of exports coming out of regional areas as outlined in yesterday's newspaper. In this current financial year, the percentage increases for our major commodities are predicted to be up as follows: meat, 50 per cent; grain, 30 per cent; wine, 20 per cent; wool, 20 per cent; seafood, 15 per cent; malt, 40 per cent; and fruit and vegetables, 20 per cent. Those figures indicate that an enormous amount is going on in regional South Australia. Certainly, it is bringing about an unprecedented level of regional development and, as a result, enormous investment in infrastructure.

One of our real challenges is that, due to a lot of neglect of infrastructure in the 1980s and 1990s, we are having to play catch-up. But, through the Regional Development Infrastructure Fund and other initiatives, the state government is tackling the important issue of infrastructure in regional areas.

I must say that some recent statements made by the Leader of the Opposition and others really show that the ALP does take country people for granted. Last week I saw a press release which, to country people, was saying, 'Trust us', but if one looks at Labor's track record one certainly could not do that. I think Bill Hender had it totally correct when he resigned from the ALP and said that the factions completely ignored the needs of country people and that they just do not understand. I think that ignorance showed in the statements made last week in the Upper Spencer Gulf area. It has been particularly difficult for us in that particular area as a result of what was left there. A common purpose group and the development boards in the three cities in the area have worked hard, and the greatest amount of optimism seen in that area for decades has come about because of the successful sign-off for the railway line, the proposal for a magnesium plant at Port Pirie and, of course, the SACE project at Whyalla. That provides a lot of hope for an area which has done it very hard for a long time.

There are hundreds of examples of successful efforts by many individuals or families who are doing very well. The efforts of those people are ignored by the Labor Party, which continues to talk down regional development in South Australia. That talking down of country towns does ignore the fact that for the first time in decades we are facing a shortage of housing in many country towns—something which presents a unique challenge and which would never have been caused by members on the other side.

Nowhere is that turn-around more evident than on Eyre Peninsula—an area of which the member for Flinders is well aware. It is an area that did it very hard in the 1970s, 1980s and into the early 1990s. It is an area which has less than 2 per cent of the state's population and which produces 40 per cent of grain and 60 per cent of seafood product. A total of 92 per cent of that product is exported, resulting in an enormous contribution to the state.

The Eyre Peninsula aquaculture industry is now bigger than the Tasmanian industry, and growth and employment in aquaculture on Eyre Peninsula has increased by over 450 per cent in the past five years. What that means is that fishing and aquaculture, which comprised 2 per cent of the employment on Eyre Peninsula, is now 11 per cent and really starting to make an enormous difference to all those towns over there. That is starting to flow from aquaculture and the fishing industry into the general service industries and manufacturing in that area. While that is but one example, regional South Australia is going ahead.

I invite the leader to try some of that bipartisanship on regional development and to stop talking down regional South Australia. Confidence is really building out there, and the last thing we want to do is undermine that. I know that regional South Australia does not really expect the help of members of the opposition, but it would be helpful if they stopped talking it down.

ELECTRICITY, SUPPLY

Mr FOLEY (Hart): My question is again directed to the Premier. Given that the Premier warned as long ago as 1996 of power shortages by the summer of 2000, and that the Olsen government has had no fewer than three bodies advising it on how to prepare for the national market, that is,

the Electricity Reform and Sales Unit, the Energy Supply Industry Planning Council and the Office of Energy Policy—incidentally, costing taxpayers many millions of dollars—what did these bodies advise and why has the government failed to plan to avert the present electricity crisis facing our state?

The Hon. J.W. OLSEN (Premier): If the Labor Party were ever to get into government it might employ consultants, as Premier Bracks has done. Premier Bracks has recently employed a consultant to advise him on 'how to get the message'. The advice of this consultant, and I am reading an article—

Mr FOLEY: On a point of order—

Members interjecting:

The SPEAKER: Order! The chair would like to hear the point of order.

Mr FOLEY: I know that the Premier is highly embarrassed with this electricity crisis—

The SPEAKER: Order! What is your point of order?

Mr FOLEY: —but my question was to Premier Olsen, not to Premier Bracks.

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

The Hon. J.W. OLSEN: In case the honourable member missed the article, Premier Bracks has spent something like $30 000 on a consultant whose task was to advise him on how to get messages in his office. The advice was that, if he put a pad and a biro by his phone, he could take the messages down. I would be more than happy to have photocopies of this article circulated to people, because Victorian taxpayers have forked out $30 000 for the humble notepad advice to Premier Bracks.

Mr CONLON: On a point of order—

The SPEAKER: Order! The chair would like to hear the point of order.

Mr CONLON: My point of order is, very simply, that the Premier is required to answer the substance of the question. While much leeway is given on these matters, this has absolutely nothing to do with the price of electricity.

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

The Hon. J.W. OLSEN: The member for Hart talked about consultants: I just wanted to highlight to the House how Labor treats consultants. In relation to the improvement of the electricity market in this state, let me take two sets of figures that put this in context. In 1990-91, when Labor was in power, the average number of minutes without power in South Australia was 263; yet, for the last seven years, from 1993-94 through to 1999-2000, the average number of minutes lost was in the range of 112 to 119. There is a benchmark, if you like.

We improve by double the track record of the Labor Party when it was last in government. I know that members opposite do not like being drawn to account for their tardy and inappropriate performance, their lack of forward planning or their lack of investment in the future, but at the end of the day they cannot have it both ways. They cannot criticise and highlight the problems when, in fact, they were participants in the development of the problem, and now they are not prepared to put forward any solutions.

MURRAY-DARLING BASIN

The Hon. G.A. INGERSON (Bragg): My question is directed to the Minister for Water Resources. Can the minister comment on the recent press report which suggested that Australians should decide in a referendum whether the states should lose control of water rights along the Murray-Darling Basin to the commonwealth?

The SPEAKER: There is a point of order.

Mr LEWIS: Mr Speaker, would you care to comment on whether ministers can comment on press reports?

The SPEAKER: I uphold the point of order in that ministers cannot comment on or vouch for the accuracy of media releases. The member for Bragg.

The Hon. G.A. INGERSON: Thank you. I will reword my question. Can the minister advise the House on whether a referendum should be called in relation to the states on whether they should lose the control of water rights in the Murray-Darling Basin?

The Hon. M.K. BRINDAL (Minister for Water Resources): I thank the member for Bragg for his very important question. Yes, I must admit that I was surprised to read that the South Australian federal member for Sturt, Chris Pyne, someone who is well known to me, had mooted the idea that Australians should decide at a referendum whether the commonwealth controls the water rights of the Murray-Darling Basin. Apart from the fact that I have reservations about the commonwealth having control over anything, I would point out to this House that if it had been left to the commonwealth we would still be waiting to discuss the Murray-Darling Basin. It was the Premier of South Australia who, at a first ministers' meeting, put it on the agenda. It was the Premier of South Australia who put it on the agenda—

Members interjecting:

The SPEAKER: Order! I warn the member of Elder.

The Hon. M.K. BRINDAL: It was this parliament and this Premier that caused the matter to be discussed and has led the debate ever since. So, I doubt the efficacy of the commonwealth—the protest vote that grew legs—and, clearly, federal control is not the answer.

Mr Clarke interjecting:

The Hon. M.K. BRINDAL: However, one has to be realistic—I will come to you in a minute—and say that federal control might be a consequence if the eastern seaboard states do not stop squabbling and start acting responsibly. That was the warning that I gave to the *Advertiser* when I was interviewed last month. It is better to have one authority in control of the river and have a healthy river than have squabbling states and a river that is dead. What is—

Mr Hill interjecting:

The Hon. M.K. BRINDAL: The shadow water resources minister asks what our position is. What I would like to ask him—quite clearly in the spirit of bipartisanship—is where Labor stands on this issue. Certainly, the messages that are coming from them, as usual, are little, none at all or confused. Senator Nick Bolkus has started by saying that altering the Constitution to hand control of the Murray-Darling Basin water to the commonwealth will not work, but that stands in contrast to the view of other members. The hapless member for Ross Smith, the member who has been so loyal to a party which has dumped on him—

Members interjecting:

The Hon. M.K. BRINDAL: No, they dumped on him. Last August, at the national conference in Hobart, he moved that the federal Labor government should seize control on salinity issues—from someone no less distinguished than an ex-deputy leader in this House. The federal opposition leader, Kim Beazley, told the *Advertiser* last July that Labor had a secret committee of senior frontbenchers and if it won—

Members interjecting:

The Hon. M.K. BRINDAL: He did. The member laughs but he said 'a secret committee'. I can remember—I am much older than he is—the days when Labor had 13 faceless men running the entire country, and the leader in those days was kept waiting outside while the power brokers decided what the policy would be. Nothing much seems to have changed. If Labor won office, this secret committee would have a strategy to address Murray-Darling salinity (and I quote the leader) 'ready to go with the cooperation of the key Labor-held states'. If Kim Beazley can have secret meetings and cook up deals behind closed doors to help the Murray-Darling Basin, what about the Leader of the Opposition? Where does South Australia count in this, or is the Murray-Darling Basin a pawn for faceless Labor power brokers to play games with at the expense of South Australia? It is about time that members opposite decided whether they are first and foremost members of the ALP or whether they are members of the parliament of South Australia.

We hear about bipartisan support on a daily basis. Indeed, I hope that the leader did not mislead this House today, because I am told that he rang the CIT to offer bipartisan support on this issue. He prattles it daily, but where is he when it comes to his colleagues in New South Wales, Victoria and Queensland, or is he playing some sort of asinine game in which South Australia suffers? Does South Australia have to suffer so they get into office? Does South Australia have to suffer so you get into office, or do you care about your kids and your grand-kids and the good of this state? Where are you going to get—

Members interjecting:

The Hon. M.K. BRINDAL: I will sit down, sir, when I am good and ready and when I have finished the answer. The gentleman opposite has Brylcreem on his brain; I am sure of that. The federal opposition has promised to roll back the GST. We know that the Leader of the Opposition—

Mr FOLEY: I rise on a point of order. I hoped you might have picked up on this, sir, but the minister is clearly debating the question and has strayed that far off the question that it is not funny.

The SPEAKER: Order! I do not uphold the point of order but there was a point where even the chair was starting to struggle with the thread of his argument. The Minister for Water Resources.

The Hon. M.K. BRINDAL: We know that the federal opposition leader has promised—

Mr Clarke interjecting:

The Hon. M.K. BRINDAL: You look enough like a bantam for both of us. The Leader of the Opposition has promised not to throw billions of dollars at anything. The federal government knows, this state government knows, and this Premier has said repeatedly that salinity in the Murray River is a problem that will cost billions of dollars. It is estimated to be $20 billion in the course of the next few decades. If the Leader of the Opposition is not going to throw billions of dollars at it and if he is going to roll back the GST, where will he get the money from? If he is not going to get the money—

The Hon. I.F. Evans interjecting:

The Hon. M.K. BRINDAL: Increased income tax, I am told by my colleague, and that is where they may be heading. If they are not heading in that direction—

Mr Clarke interjecting:

The SPEAKER: Order, the member for Ross Smith!

The Hon. M.K. BRINDAL: If they are not heading in that direction, is the Leader of the Opposition or the shadow minister going to pledge billions of dollars from our state budget for us to go it alone on salinity? How are the Leader of the Opposition and the shadow minister going to guarantee cooperation from their colleagues interstate? They have promised bipartisanship but they never deliver. They promise and promise.

An honourable member interjecting:

The Hon. M.K. BRINDAL: If I am wrong, I will apologise to this House, and I suggest that when we leave this chamber the shadow minister could ring his colleague in Queensland and get him on the bandwagon, or his colleague in New South Wales or his colleague in Victoria. Rather than talk to us all the time about how much they support this issue, perhaps they could do something for a change.

I have every confidence that their colleagues may well listen to them and, if their colleagues do listen to them and this state is the better, we will acknowledge that they have assisted. However, at present, all we hear is a daily attack, a daily plea, for bipartisanship, but no evidence at all that it may be forthcoming. This river is important to this state. There is no more important issue. All that we want on this side of the House is a bit of cooperation, a bit of bipartisanship and a bit less incessant griping.

SUPERANNUATION, TRANSFER PAYMENTS

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

Leave granted.

The Hon. M.H. ARMITAGE: On 7 November in the committee stage on the South Australian Ports (Disposal of Maritime Assets) Bill 2000, in response to a question on clause 14(5), and based on advice that I received in the House, I indicated that the transfer payment would be tax free. I have since been advised that, whilst this information is correct in particular circumstances, other arrangements pertain in different circumstances. I therefore seek to make it clear that the advice from the sale consultants is that the transfer payment is tax free at the time of the payment to the employee if the employee elects to roll the transfer payment over into a superannuation or similarly approved fund.

It should be noted that tax then becomes payable by the superannuation fund on the amount rolled over. It should also be noted that the employee's tax liability on the transfer payment is only deferred until the superannuation fund pays out the transfer payment. The rate of tax which is applicable to the payout by the superannuation fund will then depend on the taxation rules then in force for payments from superannuation funds, including the total amount paid out and the nature of the payout, for example, a lump sum or annuity. Whilst the potential maximum rate payable on the payout is the maximum marginal tax rate, the fund member would have had the benefits of any investment income earned by the fund and which is taxed at only 15 per cent.

The tax rules of superannuation funds are complex and are applicable to all participants in superannuation funds. However, should the Ports Corp employee elect to take part or all of the transfer payment in cash, then the employee will be taxed on the transfer payment, also described as an eligible

termination payment, which I intend to refer to as an ETP, based on the following five factors:

Factor 1: whether the employee started his or her employment before 1 July 1983; if before 1 July 1983 then only 5 per cent of the ETP is liable for tax; if after 30 June 1983, all of the ETP is liable for tax with the tax rate depending on the age of the employee and dollar amount, due to a dollar threshold.

Factor 2: whether the employee is under 55 years of age. Age is not relevant for the ETP earned before 1 July 1983. For ETP earned after 30 June 1983, 100 per cent of the ETP is taxable at the following rates: if the employee is under 55 years at a tax rate of 31.5 per cent; and if the employee is over 55 years at a tax rate of 16.5 per cent to 31.5 per cent due to the threshold.

Factor 3: the amount of the ETP. The amount impacts on the marginal tax rate and the applicability of a surcharge of up to another 15 per cent for an ETP over $81 493.

Factor 4: the employment period. The employment period also impacts on the calculation of the threshold surcharge.

Factor 5: the employee's marginal tax rate for the year in which the transfer payment or ETP is received.

The reference to 5 per cent of the transfer payment, or ETP, as being the amount which is eligible for tax is only applicable to the pre 1 July 1983 component. The further that the employment period is beyond 1983 the less significant is the 5 per cent rule for determining eligibility of the ETP for tax and the more significant becomes the age of the employee and the actual amount of the transfer payments—due to surcharge thresholds—in determining the tax liability on transfer payments.

In summary, I hope that I have demonstrated that the tax treatment of transfer payments or ETPs is complex and is both detailed and specific to individual circumstances, and as such no generic 'rules of thumb' are applicable. Further, I wish to confirm that there was no legislative provision that could have been made that would have lowered the tax liability.

GRIEVANCE DEBATE

Ms KEY (Hanson): I acknowledge that today is May Day, and in South Australia we have celebrated International Workers Day since 1891. In fact, the South Australian May Day Committee has been in existence since 1891, and that committee has been very active over those years in bringing forward major issues for workers in South Australia. I was very disappointed to read over the weekend an article by Paul Lloyd in the *Advertiser* in which he did not acknowledge the history of May Day in South Australia, despite the fact that it has made quite a long and distinguished contribution to the South Australian community.

The other point I wish to raise today relates to a letter, not published by the *Advertiser* or the *Messenger*, that I received from a constituent. I would like to put this letter on record because it underlines a couple of issues we have not only in the electorate of Hanson but also in the federal electorate of Hindmarsh. The letter states:

> Dear Sir,
>
> This is a true story. On Friday 16 March I turned 40 again. I spent much of the day waiting, hoping desperately for a 'Happy birthday' call from my federal member, Liberal member Chris Gallus. Wait as I might, though, there was no call. I was heartbroken and on the verge of crying myself a river. I was plucked from the depths of despair, however, when the phone rang. 'She hasn't forgotten me', I thought with rapt anticipation. Turns out she had. The dulcet tones on the other end of the line belonged to none other than Steve Georganis, Labor's candidate for Hindmarsh. Mr Georganis not only wished me a happy birthday but threw in a present as well. I felt on top of the world as if all my fortieth birthdays had come at once.
>
> That was not all, though: there was much, much more. No sooner had I put down the receiver than the phone rang again. To my amazement it was Stephanie Key, the state Labor member for Hanson, ringing me to wish me a happy birthday and inviting me to have dinner with her. This was too good an opportunity to knock back, so I went to dinner with my local MP.
>
> After dinner she suggested we attend a recital by the Adelaide Symphony Orchestra. it was a great performance and it included a beautiful operatic interlude by Ms Elizabeth Campbell. All in all, it was one of the best fortieth birthdays I have ever had, thanks to the wonderful Ms Key and the ubiquitous Mr Georganis. As for the elusive Ms G, there is always next year. Perhaps we—Chris Gallus and I—could go to an Irish restaurant.

That letter was received from Mr Kevin Purse of West Richmond. I should also say that Mr Kevin Purse is my husband, hence the very generous offer to take him out for dinner. The point I wish to make about that particular letter I received is that the *Advertiser* and the *Messenger* did not see fit to publish it, although they saw fit to publish some of the information that was made available by Ms Gallus about her ringing up members of her constituency on their birthday and, secondly, her idea, which did not go down well in the electorate, of greeting people in different languages, leaving out, interestingly, most of the Aboriginal languages spoken in South Australia—which I think was a major oversight—and also not distinguishing between the different terms of greeting for some of the different Chinese communities in South Australia.

Mr Atkinson interjecting:

Ms KEY: I have not mentioned that. As I said, however, Mr Kevin Purse was disappointed that Ms Gallus did not bother to ring up. The more important question that I would also like to raise in the brief amount of time available is something that the government never talks about, namely, the contribution of mature workers in our work force. I note that the federal government actually released a report recently from the Department of Health and Aged Care which looked at the contribution of mature workers in our workplace.

Time expired.

The Hon. G.A. INGERSON (Bragg): This week I just happened to read a very interesting article called 'A Woman on the Edge of Time', and it seems that the Labor candidate for Adelaide has been busy contemplating her future. It would appear that she is already having second thoughts on her political career. I read with great interest the interview, 'A Woman on the Edge of Time' in the Adelaide street paper, *Blaze*, a local gay and lesbian publication which, I hasten to add, I do not often read. When asked about her political ambitions, the Labor candidate amazingly replied:

> Being a politician is not my ambition. I do not need any of it. If I walk away from all of this tomorrow, I will be better off. I already have a career which provides me with an adequate income. I have children, and I have a social life. Being a politician would have an adverse effect on all of these. So, it would be hugely liberating to not win the seat of Adelaide.

What an amazing statement from this so-called superstar in Adelaide. The great superstar does not want to be here. She has obviously been talked into coming here by media Mike, or perhaps she was talked into it by the member for Elder. I wonder whom? Perhaps it was media Mike. But all the media coverage—

Mr KOUTSANTONIS: On a point of order, Mr Speaker, you are constantly reminding members to refer to members in this House by their title, not by their names.

The SPEAKER: Order! I uphold the point of order and ask members to refer to all members by their parliamentary rank or electorate.

The Hon. G.A. INGERSON: I am sorry, Mr Speaker. Obviously I was talking about the Leader of the Opposition when I was referring to media Mike. It really is of concern to me that here we have this superstar, this person who will change the whole area of Adelaide, who will come in and transform this whole Parliament, and give us a brilliant future, but she does not even want to be a politician! She does not want to be here. She cannot be bothered with even coming into this place.

Mr Speaker, I have enjoyed 18 years of being in this place. At least I have made a commitment to be here. I enjoy the place. I enjoy being part of it. But here we have the so-called superstar of the future, Princess Jane, about to come into this place and transform the place, making these comments.

It was not only this year but also in 1999 this new superstar said, 'I do not have any political ambitions. I am not particularly interested in status or a position.' Furthermore, she was reported in the *Advertiser* as saying, 'I would find it extremely difficult to operate in that area because I am not attracted to the environment where people join factions.' But what is the Labor Party all about? It is about factions! It is about this young man trying to run everything. As we all know, he gets nowhere, because he does not have any mates. He is on the right-hand side. He cannot get anywhere because he does not have any mates. They have all gone home. The poor old future member for Enfield.

Princess Jane does not want to come in here. What an absolute insult to all the people in the electorate of Adelaide. Here we are told that we will get the next superstar, a potential leader. What will happen to poor old Leader of the Opposition, media Mike? Will he step down?

Mr KOUTSANTONIS: On a point—

The SPEAKER: Order! The member for Bragg will refer to the leader by his title. We have a point of order.

Mr KOUTSANTONIS: Thank you, Mr Speaker, that was my point of order.

The Hon. G.A. INGERSON: Let us get down to the latest issue. I would sooner sit on one side of the park and sip champagne or chardonnay—I had better get the quote absolutely correct—while other people are being arrested for drinking beer and drinking from casks. I am really concerned about that. Why have we had a hassle in Victoria Square? It is because this same Princess Jane—

Time expired.

Mr KOUTSANTONIS (Peake): I am glad that the former Deputy Premier is still in the chamber so that I can inform him of the good work the Young Liberals are doing. This trustworthy lot has put out a pamphlet. Their newsletter calls on Liberal Party members to volunteer for a number of activities such as doorknocking, letterboxing, disrupting Labor candidates and doing secret things in the night—in fact, all of the above; and they give a contact, John Gardener, of St Peters. His email address is fishies@senet.

What does this sort of covert operation of disrupting Labor candidates mean? What does it mean to disrupt the Labor candidate? Does it mean subverting the democratic process? Does it mean ripping down signs or doing illegal things? I do not see anyone here defending these Young Liberals.

Perhaps this is not an official organ of the Liberal Party but a renegade group within it. I checked that on the new Liberal Party web site that was launched last weekend. Lo and behold! There it was! A few luminaries were published in this magazine, and I will go through them. On the front page is the new super staff of the Liberal Party. There is Michelle Lensink. Whom does Ms Lensink work for? Minister Lawson. We have already had the Liberal Party registering mikerann.com. Who knows what it was going to do with that? We also have in this organ Rosemary Craddock, the President of the Liberal Party. We have federal minister Senator Vanstone and federal member for Adelaide, Trish Worth, all writing articles in this magazine which calls on Liberal Party members to disrupt Labor candidates and do secret things in the night.

I am involved in Young Labor, because I believe it is an important part of the Labor Party, just as I am sure the Young Liberals are an important part of the Liberal Party. However, if I saw any of our members encouraging anything like this, the first thing I would do is charge them and throw them out of the party.

To have Robert Hill's staffer Angus Bristow, Minister Lawson's staffer—and a senate candidate—and Rosemary Craddock in this magazine! Of course, who is on the front cover? Vicki Chapman is on the front cover, calling for members of the Liberal Party to do secret things in the night. What does all this mean? We will never know because the government has cranked up its dirty tricks campaign. It knows that it cannot win the election on legitimate campaigning so it has cranked it up and has started a dirty tricks campaign.

I want to talk about another issue, the federal member for Hindmarsh, Ms Gallus. She is a very famous member of the Liberal Party—

An honourable member: In her own mind.

Mr KOUTSANTONIS: Yes. She is the person who thinks that people of Greek descent cannot ask the Prime Minister questions because they speak only Greek. I have never heard anything more insulting in my life, to have a federal member of parliament ostracise an entire segment of an ethnic community in her electorate and say that they cannot ask the Prime Minister questions because they speak Greek. I have seen the president of the Thebarton senior citizens organisation. I have spoken to members of this organisation, and they were told a week earlier by Ms Gallus that they could not ask the Prime Minister questions relating to the GST. They were told that they could ask only certain questions which had to be advised in writing beforehand. What a disgrace.

We had Kim Beazley in Hindmarsh in a forum involving 400 people, but there was none of that. Anyone could get up and ask a question. When Paul Keating was at the height of his unpopularity, he came to Hindmarsh with David Abfalter to a public meeting. He was asked difficult questions but he did not shy away from them. John Howard has not changed. They just wrap him in cottonwool, bring him out for the election and spirit him away again. What a dreadful way to treat pensioners. What a dreadful way to treat a group of the community who have worked their entire lives and who have paid their taxes, yet when the Prime Minister of Australia goes to speak to them they have been told that they cannot ask him any questions.

An honourable member: It is worse than Soviet Russia.

Mr KOUTSANTONIS: It is worse than Soviet Russia. The worst thing about this is that we pay his wages. Could

anyone imagine the Deputy Premier going to a public meeting in his electorate and not allowing questions? He would not do it.

Time expired.

The Hon. D.C. WOTTON (Heysen): Yesterday, you, Mr Speaker, I and a number of other colleagues had the pleasure of attending the official launch by the member for Adelaide, Trish Worth, of the Investigator Science and Technology Centre's Centenary of Federation exhibit, our Centenary Innovators of Science, Technology and Engineering.

Mr Meier: That was excellent.

The Hon. D.C. WOTTON: As the member for Goyder says, it was an excellent occasion, and I was pleased that he was able to be there as well. Yesterday, we learned that in July 1999 the Investigator Science and Technology Centre received notification that it was one of the successful applicants under the federal government's $30 million Federation Community Projects Program. The innovators and inventions that directly affect and have affected the South Australian community and everyday life, as well as internationally significant developments, were selected for the contents of this exhibition. The main aim of the project that was launched is to demonstrate to the South Australian community the considerable achievements of our own scientists and engineers since federation and to show how this knowledge has helped to build our nation.

The development of this exhibit will assist with engendering pride in the achievements of our fellow South Australians and, in particular, will inspire young people to follow in their footsteps. That is very much what we heard about yesterday. Of course, this will include representations from minority groups that have often been neglected in the recognition of our scientists and engineers, for example, women scientists will have a strong presence, as will indigenous and ethnic representatives.

The project also promotes South Australia as the clever state, acknowledging individuals, as well as their innovative discoveries and inventions, to emphasise the human and social elements of their achievements. Mr Speaker, as you would have known, those innovations profiled in the exhibition include Sir William Henry Bragg and also Sir William Lawrence Bragg, Lord Howard Florey, Dr Helen Mayo and Sir Mark Oliphant. There were many others, including Professor Sam Luxton who was one of those who spoke yesterday; Stanley Menzel, OBE, OA; Dr Sarah Robertson; and Mr David David, AC. That is a list of people who have all contributed significantly in different ways in South Australia.

On behalf of the parliament and those who were able to attend the function, I want to commend the Investigator Science and Technology Centre for staging this exhibition, particularly bearing in mind that South Australia has set its sights on becoming the high-tech centre of Australia.

We would all be aware that numerous international R&D companies have established themselves in South Australia, recognising that South Australia is very supportive of the technology industry. The aim of the Investigator Science and Technology Centre—and, of course, it is a not for profit organisation operating largely on funds that are generated through public admissions, government and the corporate sector—is to encourage and foster interest in pursuing science, technology and engineering as careers.

The Investigator, of course, works closely with professional teachers and is forging strong links with both the science and technology industries. However, limited financial and human resources, lack of space and poor outdated facilities mean that, in order to successfully continue promoting science, a new science and technology centre is needed. Once again, because I have done it on a number of occasions in this place, I want to support as strongly as I possibly can the need for a new centre in South Australia. I know that cabinet agreed in principle in 1998 for the Investigator to be redeveloped. The board is hopeful, I know, that a final decision will be announced in the near future. I support the board in working towards this goal. It would be a very positive initiative for South Australia to become the hub of technology in Australia, and I support that initiative.

Ms BEDFORD (Florey): On Friday 27 April, I gathered with—I am sorry to say—an ever growing number of people at Pennington Gardens near the Workers' Memorial Plaque. We were there to observe the Sixth International Day of Mourning to remember workers killed, injured or diseased because of work and also to remember the union activists and officials who face repression for supporting basic human and workers' rights—both very important issues.

The 28 April is observed by the World Health Organisation and the International Confederation of Free Trade Unions as a day on which to remember workers who have died or suffered because of workplace hazards or because they have suffered repression for supporting workers' rights. It is sad in one way to see the number of people who now mark this day, because this means that many more workers have suffered the ultimate price because of unsafe workplaces. Many more people are becoming aware of the dire consequences of lack of action on enforcing workplace safety in the community. The statistics are frightening and, because they do not elicit the emotion of road accidents, they are taking longer to be fully understood by the public who are only now becoming aware of the implications of inaction on this issue.

The International Day of Mourning is a day when ordinary working people recall their lost work mates and give solidarity to the grieving loved ones of those workers. This year we remembered a large number of Australian workers who have suffered cancer because of contact with dusts or chemicals. In particular, we reflected on the fact that asbestos dust is the biggest killer of workers. The National Occupational Health and Safety Commission estimates that during the period 1987 to 2010 there will be 16 000 mesothelioma deaths and 40 000 deaths altogether from those related illnesses. While most of these deaths are due to mining, processing and widespread use of the material, groups of other workers are now being affected. Mesothelioma is now appearing in the so-called 'well controlled' industries such as friction part manufacture and repair. It is also a problem for domestic workers and those working in buildings which consist of asbestos-containing material.

In July 2000 the World Trade Organisation supported the 1997 French ban on the importation of white asbestos (chrysotile). This is because, like other forms of asbestos, it causes asbestosis, lung cancer and mesothelioma. There have been bans on chrysotile in nine other European countries for much of the 1990s. Those countries are complying with an EU directive that chrysotile be banned by all EU member states by January 2005. Brazil and the Gulf States also intend to follow the EU lead.

The Australian government shows no inclination at this time to take similar action. Despite the great death toll caused by asbestos in this country, Australia currently imports 15 000 tonnes of chrysotile for the manufacture of 1 million asbestos-containing products. The ACTU executive carried a resolution in October 2000 expressing its belief that the continued import of chrysotile is a national disgrace. It stated that if this is not stopped innocent workers and their families and the general public will be exposed to the killer dust.

The International Day of Mourning this year was used to seek support from the wider community to pressure federal workplace relations minister Tony Abbott to halt the import of all asbestos and asbestos-containing products. We should also be demanding that the South Australian government provide greater enforcement of laws protecting workers from exposure to all carcinogenic agents such as solvents, commercial products and radiation. Also, we should call on this government to support and expedite the Hon. Nick Xenophon's bill seeking to allow compensation to be paid to workers who commence legal proceedings prior to their death. It is a doubly cruel blow to contract a terminal disease because of others' inaction and then to face financial despair and uncertainty for your loved ones because of our inaction here in this House and the other place.

It is sad, too, to see the membership of the Asbestos Victims Association growing and many more workers and their families facing pain and suffering and tragedy because they did their job. In addition, the International Day of Mourning focuses on another group of workers doing their job—working for others in their roles as union officials both here in Australia and world wide. They face harassment and repression for their activities to gain healthier and safer workplaces and to defend other workers' rights. Lest we forget those workers who have perished because of asbestos, we should remember and hold close to our hearts the fact that the new bill before the House, which seeks to look after the rights of workers who have contracted mesothelioma, provides compensation once a worker's case has been brought before the court and not have it extinguished because they have passed away after a long and often painful illness. I commend the bill that will be before the House shortly.

Mr VENNING (Schubert): I would like to speak today about the state's last grain harvest that was reaped over the 2000-01 season. The total tonnage of the harvest was 7.8 million tonnes which resulted in an estimated total gross value of $1.5 billion. This was a record. The state has never before produced that dollar amount of grain. Prices have risen since then, so that with a reasonable season next year we could mirror that—and in fact even better it. It is solid proof that our farmers' practices are world-class. One cannot grow record crops if one does not have up-to-the-minute technology and good management practices in place.

Some people accuse our farming communities of not being willing to accept change and new practices and principles. They do not know the facts. I have to say that most of our farmers are entrepreneurs—and they have to be to survive. One has only to look at the new crops such as canola and lentils, as well as the tried and proven field peas and faba beans, which are being introduced into the farming rotations today. Only a decade ago, canola and lentils were not very common but they are now grown abundantly around the state. Figures before me indicate that canola was the third largest yielding crop, with wheat and barley the top two. Canola produced a total of 206 000 tonnes which equated to some $66 million.

Canola is not easy to grow but if conditions prevail favourably farmers can look to gain a reasonable return, because the grain brings about $320 a tonne compared with wheat at about $200 a tonne. The last price I got was $220 a tonne—and increasing. Malting barley is around $200. Another example of farmers working to embrace change has been their preparedness to grow durum wheat, which is ideally suited for pasta—and we all know about San Remo and the fame it has given our state. Last year the state produced 234 000 tonnes of durum wheat worth approximately $55.7 million. On our farm we grew 800 acres of durum wheat and, fortunately, it was high grade, which improved the bank balance immeasurably. It was a great fillip to an ordinary season in the Mid North.

With these record crops year after year we need to be ever mindful of the absolute need to establish a new deepsea port at Outer Harbor. We have to be quite clear which entity has the credentials to operate a new port—we need a very clear line of thought on that issue. If the industry starts to squabble and prevaricate, we will end up not having a new port at all. I do not want to dwell on that issue, because that process is currently being worked through. I note the Deputy Premier is in the House and I thank him for his involvement.

Deregulation and national competition policy has caused great uncertainty. Farmers in South Australia want things to continue as they have for many years—including the retention of a single desk for the Australian Wheat Board. Overall the rural sector is experiencing quite buoyant times at present. I read with interest an article in the *Advertiser* yesterday which reinforces this view. Figures from the Australian Bureau of Statistics show that rural-based exports are estimated to reach a record $3.8 billion this year, passing last year's total by $600 million.

The state's export earnings for 2000-01 are estimated to be $7.5 billion and, with rural-based exports at $3.8 billion, this represents more than half the state's total export dollars. Wine heads the list at $1.1 billion, which is a record in itself. Obviously, I am very pleased about that, representing as I do the top premium wine growing region in Australia.

Cattle prices are at a premium at present, with prime lambs also bringing very high prices. Lambs sold recently at the Dublin saleyards for $120 a head, which is an outstanding price. Wool is also enjoying an improvement in price, although the industry is viewing the future with cautious optimism. Even the wool stockpile has diminished to such a degree that it could be sold in one transaction. This all shows that our rural-based industries play a most vital role in the economic wellbeing of our state. We need to remember that every article that is produced around the world has its origins from either being grown on a farm or mined from the ground.

Time expired.

SELECT COMMITTEE ON PETROL, DIESEL AND LPG PRICING

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

That standing order 339 be and remain so far suspended as to enable the committee to authorise the disclosure or publication, as it sees fit, of any evidence presented to the committee prior to such evidence being reported to the House.

The DEPUTY SPEAKER: I have counted the House and, as there is not an absolute majority of the whole number of members present, ring the bells.

An absolute majority of the whole number of members being present:

Motion carried.

SELECT COMMITTEE ON THE MURRAY RIVER

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

That the committee have leave to sit during the sitting of the House today.

Motion carried.

LISTENING DEVICES (MISCELLANEOUS) AMENDMENT BILL

Received from the Legislative Council and read a first time.

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

That this bill be now read a second time.

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

Leave granted.

This Bill makes a number of amendments to the *Listening Devices Act 1972*. A Bill in essentially the same terms was considered by this Parliament in a previous session and, regrettably, laid aside.

The Bill amends the *Listening Devices Act 1972* to—

- update the provisions of the Act taking into account technological advance;
- make a number of other amendments aimed at overcoming some current practical problems in the Act;
- increase the protection of information obtained by virtue of this legislation;
- increase the level of accountability to accord with other similar legislation.

In addition, as a result of a compromise accepted in another place, the Bill provides for oversight of the warrant application process by the Director of Public Prosecutions (DPP), with consequent amendments to the *Director of Public Prosecutions Act 1991* to ensure the DPP has the powers to do so and to require the DPP to report on the subject in the DPP's Annual Report.

Since the *Listening Devices Act 1972* was passed, there have been significant advances in technology. The development of visual surveillance devices and tracking devices facilitates effective investigation of criminal conduct. Also, there have been a number of court cases which have raised issues about the operation of certain provisions of the *Listening Devices Act 1972*. As a result, the police are experiencing some practical problems in using all forms of electronic surveillance to their full potential in criminal investigations.

Electronic surveillance (encompassing listening devices, visual surveillance devices and tracking devices) provides significant benefits in the investigation and prosecution of criminal activity. Electronic surveillance, as a whole, was significantly praised by the Royal Commission into the New South Wales Police Service. The Royal Commission considered its use of electronic surveillance the single most important factor in achieving a breakthrough in its investigations. The Report from the Royal Commission (the Wood Report), released in May 1997, states that the advantages of using electronic surveillance include—

- obtaining evidence that provides a compelling, incontrovertible and contemporaneous record of criminal activity;
- the opportunity to effect an arrest while a crime is in the planning stage, thereby lessening the risks to lives and property;
- overall efficiencies in the investigation of corruption offences and other forms of criminality that are covert, sophisticated and difficult to detect by conventional methods;
- a higher rate of guilty pleas by reason of unequivocal surveillance evidence.

Currently, the *Listening Devices Act 1972* allows police to apply to a Supreme Court judge for a warrant to authorise the use of a listening device. However, the definition of a listening device does not extend to video recording and tracking devices. While the use of visual surveillance devices and tracking devices is not illegal, the Act does not contain a provision to allow the police to enter onto private premises to set up a video recorder or tracking device.

In view of the limitations of the current legislation, it has been the practice in South Australia to install video cameras only where police have permission to be on particular premises, or where the activities can be filmed from a position external to the premises. However, criminal activity, by its very nature, is often conducted in private, resulting in there being an area where criminal activity is occurring, but where devices that have many investigative and evidentiary advantages cannot be used. The Government considers that the police should be in a position to use up-to-date surveillance technology to detect and prevent serious crime. This Bill will, therefore, allow the police to obtain judicial authorisation to install video surveillance devices and tracking devices (collectively referred to in the Bill as surveillance devices).

However, the Government also acknowledges that the legislation must seek to balance competing public interests. The Government believes that the Bill strikes a balance between an individual's right to be protected from unnecessarily intrusive police investigation, on the one hand, with the need for effective law enforcement techniques, on the other.

The existing Act envisages obtaining information and material by use of a listening device in three ways—

- illegally, in contravention of section 4;
- in accordance with a warrant; and
- where the person records a conversation to which he or she is a party in certain circumstances.

The disclosure of the information or material obtained by such use of a listening device is currently restricted by existing sections 5, 6A and 7(2), respectively. The Bill amends these existing sections and inserts new disclosure provisions.

The amendments are required for several reasons. Existing section 5 makes it an offence to communicate or publish information or material obtained from the use of a listening device in contravention of the Act, and there are no exceptions to this rule. The Act does not provide for the information or material to be communicated to a court in prosecutions for illegally using a listening device, or communicating the illegally obtained information in contravention of the Act. This has raised some concern and can make such offences potentially difficult to prove.

New section 5 will restrict disclosure to relevant investigations and relevant proceedings relating to the illegal use of a listening device or illegal communication of the illegally obtained material or information. It will also allow communication of the information to a party to the recorded conversation, or to a third person where each party to the recorded conversation consents.

Existing sections 6A and 7(2) are problematic in that they make it an offence for the persons involved in recording the conversation to disclose information or material obtained through the legal use of a listening device, except in limited circumstances. However, if information has been legally communicated to another person, it is not an offence for that person to communicate or publish the information to any other party.

New provisions are inserted by the Bill to make it an offence to communicate or publish information derived from the use of a listening device, except in accordance with the Act. New section 6AB will also make it an offence to communicate or publish information or material derived by use of a surveillance device installed through the exercise of powers under a warrant, except as provided.

Under new sections 6AB and 7(3), communication will be permitted to a party to the recorded conversation (or activity, in the case of new section 6AB), with the consent of each party to the recorded conversation (or activity) or in a relevant investigation or relevant proceedings. The new sections also allow for disclosure of material in a number of other circumstances, including where the information has been received as evidence in relevant proceedings.

In the Bill, relevant investigation is defined as the investigation of offences and the investigation of alleged misbehaviour or improper conduct. The definition of relevant proceedings includes a proceeding by way of prosecution of an offence, a bail application proceeding, a warrant application proceeding, disciplinary proceedings, and other proceedings relating to alleged misbehaviour or improper conduct.

Clause 8 amends section 6 of the Act. A judge of the Supreme Court may issue a warrant authorising the use of 1 or more listening devices, or the installation, maintenance and retrieval of surveillance devices on specified premises, vehicles or items where consent for the installation has not been given. This will improve the ability of

the police to conduct effective investigations into serious criminal activity. An application for a warrant may be made—

- where the DPP, being satisfied that the warrant is reasonably required, by written instrument approves the making of the application for the purposes of the investigation of a matter by the police—by a member of the police force; or
- where the warrant is required for the purposes of the investigation of a matter by the National Crime Authority, by a member of the Authority or a member of the staff of the Authority who is a member of the Australian Federal Police or the police force of a State or Territory of the Commonwealth.

Except in urgent circumstances, an application for a warrant must be made by personal appearance before a judge of the Supreme Court following lodgement of a written application. This Bill requires the judge to consider specified matters, such as the gravity of the criminal conduct being investigated, the significance to the investigation of the information sought, the effectiveness of the proposed method of investigation and the availability of alternative means of obtaining the information.

In particular, the Bill will also require the judge to take into account the extent to which the privacy of a person would be likely to be interfered with by use of the type of device to which the warrant relates. This provision was not included in the original Government Bill introduced to Parliament in December 1998. However, a provision in these terms was debated by the Parliament. While this provision may not really be necessary, given that every other factor that must be considered by the judge indicates that the privacy of the person is a relevant consideration, the Government is satisfied about including the provision. Inclusion of these clear criteria is only one way in which the Bill seeks to balance the public interest in effective law enforcement with the right to be free from undue police intrusion.

Clause 8 also makes it clear that the judge may authorise the use of more than one listening device, or the installation of more than one surveillance device, in the one warrant, and that the judge may vary an existing warrant. Currently, a separate warrant must be issued for each device, and a new warrant must be issued if the terms of the warrant are to be altered. Requiring the judge to fill out a separate warrant for each device to be used or installed (as the case may be), or in requiring a judge to fill out a new warrant when he or she is satisfied that the existing warrant should be varied, does not offer any additional protection.

Until the decision of the High Court in *Coco—v- The Queen* (*Coco*), it was assumed that the legislative provision which empowered a judge to authorise the use of a listening device also authorised the installation, maintenance and retrieval of that device. However, the Court, in *Coco*, held that the power to authorise the use of a listening device did not confer power on the judge to authorise entry onto premises for the purpose of installing and maintaining a listening device in circumstances where the entry would otherwise have constituted trespass. New section 6(1) will make it clear that a Supreme Court judge has the power to authorise entry onto premises for the purpose of installing, maintaining and retrieving a listening device and surveillance device.

New section 6(7b) will operate in conjunction with new section 6(1) to make it clear that the power to enter premises to install, use, maintain and retrieve a listening device will also authorise a number of ancillary powers. While some may consider that new section 6(1) already authorises the exercise of ancillary powers, it is considered beneficial, for the purposes of clarity, to specify ancillary powers that may be exercised. New section 6(7b) will make it clear that, subject to any conditions or limitations specified in the warrant—

- a warrant authorising the use of a listening device to listen to or record words spoken by, to or in the presence of a specified person who, according to the terms of the warrant, is suspected on reasonable grounds of having committed, or being likely to commit, a serious offence will be taken to authorise entry to or interference with any premises, vehicle or thing as reasonably required to install, use, maintain or retrieve the device for that purpose;
- a warrant authorising entry to or interference with any premises, vehicle or thing will be taken to authorise the use of reasonable force or subterfuge for that purpose and the use of electricity for that purpose or for the use of the listening or surveillance device to which the warrant relates;
- a warrant authorising entry to specified premises will be taken to authorise non-forcible passage through adjoining or nearby premises as reasonably required for the purpose of gaining entry to those specified premises;
- the powers conferred by the warrant may be exercised by the person named in the warrant at any time and with such assistance as necessary.

A comprehensive procedure for obtaining a warrant in urgent circumstances has been inserted by clause 9 of the Bill. Under existing section 6(4) of the Act, a warrant may be obtained by telephone in urgent circumstances. New section 6A will provide that an application for a warrant may be obtained in urgent circumstances by facsimile machine or by any telecommunication device. The new section also provides that where a facsimile facility is readily available, the urgent application must be made using those means. Facsimiles provide an instant written record of the application and the warrant, if issued. This reduces the opportunity to misunderstand the grounds justifying the application or the terms of the warrant. However, for the purposes of flexibility, where a facsimile is not readily available, an urgent application can still be made by any telecommunication device.

This Bill makes significant improvements to the recording and reporting requirements under the Act and will insert an obligation on the Police Complaints Authority to audit compliance by the Commissioner of Police with the recording requirements.

Existing section 6B requires the Commissioner of Police to provide specified information to the Minister 3 months after a warrant ceases to be in force. The Commissioner is also required to provide specified information to the Minister annually. The Minister is required to compile a report from the Commissioner's report and information received from the National Crime Authority (NCA), and table the report in Parliament.

While the existing Act imposes a reporting requirement on the police, it does not specify that the information forming the basis of the report must be recorded in a particular place. New section 6AC will specify that the Commissioner must keep the information (which will form the basis of the report under section 6B(1)(c)) in a register. The information to be recorded in the register includes the date of issue of the warrant, the period for which the warrant is to be in force, the name of the judge issuing the warrant and like information.

New section 6B(1b) will require the police to provide specified information about the use of a listening device or surveillance device that is not subject to a warrant, in prescribed circumstances. The additional reporting requirements are based on similar reporting requirements under the *Telecommunications (Interception) Act* (Cth). Under that Act, the report to the Minister must contain information relating to the interception of communications made under section 7(4) and (5) of that Act, which provides for the interception of communications without obtaining a warrant in certain circumstances.

There has been no suggestion that the police are inappropriately using listening devices in accordance with section 7, nor is there any suggestion that the police are inappropriately using surveillance devices. However, the additional reporting will increase police accountability in using a listening device or installing a surveillance device without a warrant and so guard against improper use. An example of a prescribed circumstance may be where the police use a declared listening device in accordance with section 7.

New section 6C will regulate the retention and control of records, information or material obtained in relation to the use of listening or surveillance devices by the police and the NCA. Currently, the police have adopted a comprehensive procedure to deal with information and material derived from the use of listening devices. However, this is largely a procedural, rather than a legal, requirement. New section 6C will allow the regulations to prescribe a procedure for dealing with the material and information derived from the use of a listening device under a warrant, or the use of a surveillance device installed through the exercise of powers under a warrant. It is proposed that a number of recording requirements relating to the movement and destruction of information and material obtained under the Act will be inserted in the regulations. New section 6C, when coupled with regulations, will allow for stricter controls over the information than the current legislation requires.

In addition, new section 6C will require the Commissioner of Police and the NCA to keep a copy of each application for a warrant under the Act, and each warrant issued under the Act. This provision has also arisen out of debate that took place in relation to the original Government Bill to amend the *Listening Devices Act 1972*. Again, this provision will not affect current practices because the Commissioner of Police, the NCA and the Supreme Court already retain copies of these documents. It should also be recognised that, by entrenching this practice in legislation, Parliament does not intend to alter the laws governing access to these documents.

The increased recording and reporting requirements in the Bill are also prompted by the decision to require the Police Complaints Authority to audit the records kept by the Commissioner of Police. Under the *Telecommunications (Interception) Act* (Cth), the police are obliged to keep registers of warrants which are audited biannually by the Police Complaints Authority in South Australia to ascertain the accuracy of the records and ensure that they conform with the reporting requirements. The Government believes that it would be appropriate for the police records relating to warrants obtained under the Act to be independently audited by the Police Complaints Authority. New section 6D will require the Police Complaints Authority to inspect the records kept by the police in accordance with the Act once every 6 months and report the results of the inspection to the Minister. New section 6E will set out the powers of the Police Complaints Authority for the purposes of the inspection.

Clause 12 will insert a new section 7(2) to extend the exemption from section 4 of the Act, which makes it an offence to use a listening device. Section 7(2) will prevent prosecution of any other member of a specified law enforcement agency who listens to a conversation by means of a listening device being used by an officer of that law enforcement agency in accordance with section 7 of the Act. On occasions, police officers involved in undercover operations will have a device hidden on them which transmits conversations for monitoring by nearby police. Courts have previously held that the officers monitoring the conversation are not direct parties to the conversation and are, therefore, not covered by the exemption under section 7. However, this practice is used to help ensure the safety of the officer using the device. The procedure should be permissible under the legislation.

Clause 14 will repeal existing section 10 of the Act and insert new sections 9 and 10. The repeal of current section 10 will remove the right of a defendant charged with an offence against the *Listening Devices Act 1972* to elect to have the offence treated as an indictable offence. This right (currently provided for in existing section 10) is inconsistent with the *Summary Procedure Act 1921* which classifies offences into summary offences, minor indictable offences and major indictable offences. Summary offences are defined to include offences for which a maximum penalty of, or including, 2 years imprisonment is prescribed. The offences created by the *Listening Devices Act 1972* fall within that definition.

Existing section 8 makes it an offence for a person to possess, without the consent of the Minister, a type of listening device declared in the Gazette by the Minister. In addition, existing section 11 empowers a court, before whom a person is convicted for an offence against the Act, to order the forfeiture of any listening device or record of any information or material in connection with which the offence was committed. However, the legislation does not currently provide for the police to search and seize the record of information or declared listening device. This can impact on the effectiveness of existing sections 8 and 11. New section 9 of the Act will authorise a member of the police force to search for, and seize, a declared listening device which is in a person's possession without the consent of the Minister, or information or material obtained through the illegal use of a listening device.

New section 10 will allow the Commissioner of Police or a member of the NCA to issue a written certificate setting out relevant facts with respect to things done in connection with the execution of a warrant, such as the fact that the device was installed lawfully. In the absence of evidence to the contrary, the matters specified in the certificate will be taken to be proved by the tender of the certificate in court. Such certificates will be used in connection with the prosecution for an offence in which evidence to be used in court has been obtained by use of a listening device or a surveillance device where a warrant was issued to allow the installation of that device. A similar provision has been enacted in the *Telecommunications (Interception) Act* (Cth).

The Bill will also make a number of other minor amendments to the *Listening Devices Act 1972*, including the insertion of definitions, review of penalties, re-wording of sections to include references to surveillance devices, general re-wording for the purposes of drafting clarity and statute law revision amendments.

As has been noted earlier, the Bill before the House has a notable addition. The effect of the addition is that an application for a warrant may only be made either where the DPP, being satisfied that the warrant is reasonably required, approves the application in writing.

This addition was made as a compromise because the Bill had been stalled over the question whether it should include the oversight mechanism known as the Public Interest Advocate. The arguments for and against that course of action have been very well ventilated over nearly 2 years and have been the subject of a thorough investigation and report by the Legislative Review Committee. Unhappily, that Committee was divided on the question. It is not intended to rehear the arguments for and against a Public Interest Advocate here. It suffices to say that the Government was sufficiently persuaded of the case against such a policy that it would have laid aside the Bill, and all of its obvious benefits for law enforcement and hence the safety and well being of the community of South Australia, rather than be compelled to accept such an institution.

The Government is of the opinion that the compromise that it has offered—that is, oversight by the independent office of the DPP—is sufficient to satisfy the objectives of those who want independent oversight of what is already a well documented and rigorous process. It is quite clearly in the interests of the DPP that the evidence obtained by surveillance be legal and admissible, for it is the DPP who must make the decision to prosecute and rely on such evidence.

Conclusion

The Government believes that it is important to improve the ability of police to monitor the activities of suspects as part of their investigations in serious criminal cases while, at the same time, recognising that an individual has a right to be protected from unnecessarily intrusive police investigation. The Government is of the view that this Bill strikes the appropriate balance.

I commend this bill to the House.

Explanation of clauses

Clause 1: Short title

Clause 2: Commencement

These clauses are formal.

Clause 3: Amendment of long title

The principal Act regulates the use of listening devices. However, the effect of these amendments is to provide also for surveillance devices and hence the long title is to be amended to reflect the new purpose of the Act.

Clause 4: Amendment of s. 1—Short title

As a consequence of the proposed amendments, it is appropriate to amend the short title of the Act to be the *Listening and Surveillance Devices Act 1972*.

Clause 5: Amendment of s. 3—Interpretation

This clause sets out a number of definitions of words and phrases necessary for the interpretation of the proposed expanded Act. In particular, the clause contains definitions of listening device, surveillance device (which means a visual surveillance device or a tracking device), tracking device and visual surveillance device, as well as definitions of relevant investigation, relevant proceeding and serious offence.

Clause 6: Amendment of s. 4—Regulation of use of listening devices

The proposed maximum penalty for contravention of section 4 is 2 years imprisonment (as it is currently) or a fine of $10 000 (increased from $8 000).

Clause 7: Substitution of s. 5

5. *Prohibition on communication or publication*

New section 5(1) provides that a person must not knowingly communicate or publish information or material derived from the use (whether by that person or another person) of a listening device in contravention of section 4 (maximum penalty: $10 000 or imprisonment for two years).

However, new section 5(2) provides that new subsection (1) does not prevent the communication or publication of such information or material—

- to a person who was a party to the conversation to which the information or material relates; or
- with the consent of each party to the conversation to which the information or material relates; or
- for the purposes of a relevant investigation (*see clause 5*) or a relevant proceeding (*see clause 5*) relating to that contravention of section 4 or a contravention of this proposed section involving the communication or publication of that information or material.

Clause 8: Amendment of s. 6—Warrants—General provisions

The amendments proposed to this section are largely consequential on the proposal to expand the principal Act to make provision relating the use of both listening and surveillance devices.

Amendments to the section provide that a judge of the Supreme Court may, if satisfied that there are, in the circumstances of the case, reasonable grounds for doing so, issue a warrant authorising one or more of the following:

- the use of one or more listening devices;

- entry to or interference with any premises, vehicle or thing for the purposes of installing, using, maintaining or retrieving one or more listening or surveillance devices.

An application for a warrant under new subsection (1) may be made—

- where the Director for Public Prosecutions, being satisfied that the warrant is reasonably required, by written instrument approves the making of the application for the purposes of the investigation of a matter by the police—by a member of the police force; or
- where the warrant is required for the purposes of the investigation of a matter by the National Crime Authority, by a member of the Authority or a member of the staff of the Authority who is a member of the Australian Federal Police or the police force of a State or Territory of the Commonwealth.

Such a warrant must specify—

- the person authorised to exercise the powers conferred by the warrant; and
- the type of device to which the warrant relates; and
- the period for which the warrant will be in force (which may not be longer than 90 days),

and may contain conditions and limitations and be renewed or varied.

An application for a warrant must be made by personal appearance before a judge following the lodging of a written application except in urgent circumstances when it may be made in accordance with new section 6A (*see clause 9*).

Subject to any conditions or limitations specified in the warrant, a warrant authorising—

- the use of a listening device to listen to or record words spoken by, to or in the presence of a specified person who, according to the terms of the warrant, is suspected on reasonable grounds of having committed, or being likely to commit, a serious offence (*see clause 5*) will be taken to authorise entry to or interference with any premises, vehicle or thing as reasonably required to install, use, maintain or retrieve the device for that purpose;
- entry to or interference with any premises, vehicle or thing will be taken to authorise the use of reasonable force or subterfuge for that purpose and the use of electricity for that purpose or for the use of the listening or surveillance device to which the warrant relates;
- entry to specified premises will be taken to authorise non-forcible passage through adjoining or nearby premises (but not through the interior of any building or structure) as reasonably required for the purpose of gaining entry to those specified premises.

The powers conferred by a warrant may be exercised by the person named in the warrant at any time and with such assistance as is necessary.

Clause 9: Substitution of s. 6A

6A. Warrant procedures in urgent circumstances

New section 6A provides that an application for a warrant under section 6 (as amended) may be made in urgent situations by facsimile (if such facilities are readily available) or by telephone. The procedure for an application by facsimile or by telephone is set out.

New section 6AB replaces current section 6A.

6AB. Use of information or material derived from use of listening or surveillance devices under warrants

New section 6AB prohibits a person from knowingly communicating or publishing information or material derived from the use of a listening device under a warrant, or a surveillance device installed through the exercise of powers under a warrant, except—

- to a person who was a party to the conversation or activity to which the information or material relates; or
- with the consent of each party to the conversation or activity to which the information or material relates; or
- for the purposes of a relevant investigation; or
- for the purposes of a relevant proceeding; or
- otherwise in the course of duty or as required by law; or
- where the information or material has been taken or received in public as evidence in a relevant proceeding.

The maximum penalty for contravention of this proposed section is a fine of $10 000 or imprisonment for two years.

6AC. Register of warrants

There is currently no register of warrants required to be kept under the principal Act. New section 6AC provides that the Commissioner of Police must keep a register of warrants issued under this Act to members of the police force (other than warrants issued to members of the police force during any period of secondment to positions outside the police force) and sets out the matters that must be contained in the register.

Clause 10: Amendment of s. 6B—Reports and records relating to warrants, etc.

Section 6B deals with the reports and information relating to warrants issued under this Act that the Commissioner of Police and the NCA are required to give to the Minister, as well as the report (compiled from the information provided to the Minister) that the Minister must lay before Parliament. The reports given to the Minister by the Commissioner of Police must distinguish between warrants authorising the use of listening devices and other warrants. The information for the Commissioner's report will be obtained from the information contained in the register of warrants (*see new section 6AC*).

New subsection (1b) provides that, subject to the regulations and any determinations of the Minister, the Commissioner of Police must also include in each annual report to the Minister information about occasions on which, in prescribed circumstances, members of the police force used listening or surveillance devices otherwise than in accordance with a warrant. The Commissioner must provide a general description of the uses made during that period of information obtained by such use of a listening or surveillance device and the communication of that information to persons other than members of the police force.

Clause 11: Substitution of s. 6C

6C. Control by police, etc., of certain records, information and material

New section 6C provides that the Commissioner of Police and the NCA must keep as records a copy of each application for a warrant under this Act and each warrant issued, and control and manage access to those records, in accordance with the regulations.

The Commissioner of Police and the NCA must,in accordance with the regulations—

- keep any information or material derived from the use of a listening device under a warrant, or the use of a surveillance device installed through the exercise of powers under a warrant; and
- control, manage access to, and destroy any such records, information and material if satisfied that it is not likely to be required in connection with a relevant investigation or a relevant proceeding.

6D. Inspection of records by Police Complaints Authority

In the current Act, there is no provision for the Police Complaints Authority to monitor police records relating to warrants and the use of information obtained under the Act in order to ensure compliance with the Act.

This new section provides that the Police Complaints Authority must, at least once each 6 months, inspect the records of the police force for the purpose of ascertaining the extent of compliance with sections 6AC, 6B and 6C and must report to the Minister on the results of the inspection (including any contraventions of those sections).

6E. Powers of Police Complaints Authority

The Police Complaints Authority is given certain powers of entry, inspection and interrogation so as to be able to conduct properly an inspection in accordance with new section 6D.

A person who is required under new section 6E to attend before a person, to furnish information or to answer a question who, without reasonable excuse, refuses or fails to comply with that requirement is guilty of an offence (maximum penalty: $10 000 or imprisonment for two years).

It is also an offence for a person, without reasonable excuse, to hinder a person exercising powers under new section 6E or to give to a person exercising such powers information knowing that it is false or misleading in a material particular (maximum penalty: $10 000 or imprisonment 2 years).

Clause 12: Amendment of s. 7—Lawful use of listening device by party to private conversation

Proposed new subsection (2) extends the exemption from section 4 (Regulation of use of listening devices) given to a member of the police force, a member of the NCA or a member of the staff of the Authority who is a member of the Australian Federal Police or of the police force of a State or Territory of the Commonwealth, in relation to the use of a listening device for the purposes of the investigation of a matter by the police or the Authority to any other such member who overhears, records, monitors or listens to the private conversation by means of that device for the purposes of that investigation.

New subsection (3) sets out the circumstances in which a person may knowingly communicate or publish information or material derived from the use of a listening device under section 7 as follows:

- when the communication or publication is to a person who was a party to the conversation to which the information or material relates; or
- with the consent of each party to the conversation to which the information or material relates; or
- in the course of duty or in the public interest, including for the purpose of a relevant investigation or a relevant proceeding; or
- being a party to the conversation to which the information or material relates, as reasonably required for the protection of the person's lawful interests; or
- where the information or material has been taken or received in public as evidence in a relevant proceeding.

A person who contravenes new subsection (3) may be liable to a maximum penalty of a fine of $10 000 or imprisonment for two years.

Clause 13: Amendment of s. 8—Possession, etc., of declared listening device

It is proposed to amend the penalty for an offence against this section by increasing the fine to $10 000 from $8 000. The maximum period of imprisonment remains two years.

Clause 14: Substitution of s. 10

Current section 10 is repealed as a result of classification of offences and time for bringing prosecutions now being dealt with in the *Summary Procedure Act 1921*.

9. Power to seize listening devices, etc.

New section 9 provides that if a member of the police force, a member of the NCA or a member of the staff of the Authority who is a member of the Australian Federal Police or of the police force of a State or Territory of the Commonwealth suspects on reasonable grounds that—

- a person has possession, custody or control of a declared listening or tracking device without the consent of the Minister; or
- any other offence against this Act has been, is being or is about to be committed with respect to a listening device or information derived from the use of a listening device,

the member may seize the device or a record of the information.

Certain powers are given to such a member for the purposes of being able to carry out the power given to the member under this proposed section and there is provision for the return of such seized items in due course.

10. Evidence

New section 10 provides that, in any proceedings for an offence, an apparently genuine document purporting to be signed by the Commissioner of Police or a member of the NCA certifying that specified action was taken in connection with executing a specified warrant issued under this Act (as amended) will, in the absence of evidence to the contrary, be accepted as proof of the matters so certified.

Clause 15: Insertion of s. 12

There is currently no provision for the making of regulations for the purposes of the Act but such a provision has become necessary as a consequence of the proposed amendments.

12. Regulations

New section 12 provides that the Governor may make such regulations as are contemplated by the Act including the imposition of penalties for breach of, or non-compliance with, a regulation.

Clause 16: Further amendments of principal Act

The Act is further amended in the manner set out in the schedule.

Clause 17: Related amendments to Director of Public Prosecutions Act 1991

The related amendments to the *Director of Public Prosecutions Act 1991* are necessary as a result of the insertion of new subsection (2) in section 6 (*see clause 8*).

Schedule: Statute Law Revision Amendments

The schedule contains amendments to various sections of the Act of a statute law revision nature.

Mr FOLEY secured the adjournment of the debate.

STATUTES AMENDMENT (TRANSPORT PORTFOLIO) BILL

Received from the Legislative Council and read a first time.

The Hon. DEAN BROWN (Minister for Human Services): 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.

Road Traffic Act 1961 and Harbors and Navigation Act 1993

Provisions for carrying out breath tests in certain circumstances, to determine whether or not a person has consumed alcohol, are set out in the *Road Traffic Act 1961* and the *Harbors and Navigation Act 1993* and the regulations made under these Acts.

To ensure consistency of application, the provisions of the *Road Traffic Act* are mirrored in the *Harbors and Navigation Act* and the regulations made under these Acts.

Time limit for commencement of a breath analysis

These Acts provide that, in certain circumstances, a member of the police may require a person to submit to an alcotest or breath analysis or both.

The *Road Traffic Act* currently stipulates the alcotest or breath analysis must be performed within two hours of the event giving rise to the need for the alcotest or breath analysis. Consequently, delay in completing the alcotest or breath analysis may result in non-compliance with this provision. The proposed amendment removes this uncertainty by providing that the test must be commenced within two hours.

A further anomaly exists in section 47E of the *Road Traffic Act* in that no time period is stipulated for the conduct of a breath analysis at a random breath test station, although alcotests are required by section 47DA to be conducted in quick succession at a station.

It is therefore proposed that the same two hour requirement apply to a breath analysis at a random breath testing station.

Consequences of not having a blood test

While the legislation makes provision for a blood test to be taken in circumstances where a person cannot provide a breath sample as a result of either a medical or physical condition, it does not require police to advise a person of this facility.

In the absence of advice, very few people would be aware of their rights in this regard. Consequently, a person may forgo their right to a blood test and then be charged with failing or refusing to provide a breath sample.

The penalties for this offence are quite severe and would be even more traumatic if they were imposed simply because the person was not made aware of the alternative or the full consequences of not pursuing a blood test option.

It is understood that police advise people of their right to a blood test without detailing the consequences of not providing the blood sample. This may not therefore be sufficient for a person already distressed by their contact with police and their inability to provide the breath sample, to fully understand the ramifications should they not opt for a blood test.

The proposed amendment will ensure that police fully explain that a blood test can be taken in place of the breath test. Police will also be required to explain that failure to adopt this approach could lead to a charge of failing to provide a breath or blood sample and to outline the penalties involved.

Testing procedure to be prescribed

At the moment the Acts are silent as to the manner in which an alcotest or breath analysis is to be conducted. It is proposed that the regulations provide for the taking of two samples of breath in the conduct of a breath analysis, as a fairer testing procedure, with the lower result obtained from analysis of the two samples being designated as the result of the test for the purposes of the Act. Both the *Road Traffic Act* and the *Harbors and Navigation Act* are amended to provide for the making of such regulations. It would seem that provisions requiring that there be two breath samples will have to deal with the question of adequacy of breath samples. The matter is left to be dealt with by regulations in order to ensure the necessary flexibility to cater for technical changes that might be required as new forms of instruments are introduced.

Clarification of the concentration of alcohol in a person's blood

Section 47B(2) of the *Road Traffic Act* presently provides that, if the prescribed concentration of alcohol is shown to be present in a person's blood within two hours after the alleged offence, it may be presumed that the prescribed concentration was present at the time of the offence.

The Supreme Court decided in *Delurant v Macklin* that the wording of the section meant that the presumed alcohol concentration at the time of the alleged offence could only refer to the prescribed concentration of alcohol, not the actual concentration obtained as a result of a breath or blood analysis.

The presumption can still be used to establish that a defendant had a blood alcohol concentration of the prescribed limit which will be sufficient to allow the prosecution to establish that there is a case to answer. However, it will not by itself assist the court to establish the extent by which the prescribed concentration of alcohol was exceeded.

This can only be achieved by calling expert evidence to establish the concentration of alcohol at the time of the alleged offence by the use of back calculations. In the absence of back calculations, the court will be restricted to determining penalties on the basis of the blood alcohol level being at the minimum level of illegal concentration.

The use of back calculations is both costly in terms of the need for expert witnesses and time consuming through the questioning of witnesses.

Another anomaly arises from this decision in that if the actual concentration of alcohol cannot be established, then the category of the offence cannot be determined as category one, two or three.

The category of the offence is important as the penalties differ significantly between each category. The court may thus be disposed to impose a category one penalty as the lowest common denominator. However, the *Road Traffic Act* requires that the issue of an expiation notice must commence the prosecution of a category one offence.

The proposed amendment will create a presumption that the concentration of alcohol present at the time of a blood test conducted under section 47I or 47F must be conclusively presumed to have been present throughout the period of two hours immediately preceding the blood test.

This amendment will facilitate the court establishing the concentration of alcohol at the time of the alleged offence without the need to introduce back calculations and will ensure that the penalty imposed is in accordance with the extent to which the prescribed concentration of alcohol is exceeded.

Designation of breath test results in terms of grams per 210 litres of alcohol

Since the inception of breath analysis in Australia during the 1960's, the unit of measurement for breath analysis results has been expressed in grams of alcohol per 100 millilitres of blood. This method of reporting was adopted from the United States where much research had been done during the early years of breath analysis. It is still the current method used throughout Australia.

When a breath analysis is conducted under the current procedures, the instrument converts the breath result into a blood result by using a formula that contains a distribution ratio. While this distribution ratio is internationally acknowledged, it is not uncommon for the validity of this method to be challenged in court. It is quite feasible that improving technology might eventually disprove this approach.

The Australian Standards Commission has advised that Australia is a signatory to the Convention on Legal Metrology and is obliged to adopt the International Recommendations of the International Organisation of Legal Metrology (OIML).

From a scientific view, it is generally unsatisfactory to measure an anolyte in one matrix and express the concentration in terms of another matrix. There is a risk of introducing an unnecessary error. Expression of the test result in terms of breath concentration rather than blood concentration removes this risk.

In 1977, OIML approved the draft International Recommendation on Evidential Breath Analysers. The recommendation makes no provision for converting breath analysis into blood alcohol measurements but requires that 'evidential breath analysers shall be capable of expressing measurement results in terms of ethanol content in the exhaled breath'.

Since the adoption of breath analysis, all Australian jurisdictions have expressed breath analysis results in terms of grams of alcohol per 100 millilitres of blood. A great deal of time, effort and resources has been expended in increasing public awareness of the dangers of drinking and driving. As a result, the expressions 0.05, 0.08 and 0.15 are now synonymous with the drink/drive message and are readily recognised and understood by the majority of the Australian public.

The Australian Standards Commission has acknowledged the importance of retaining the present numeric values for expressing breath analysis results and has recommended that alcohol related offences be expressed in terms of 0.05 (or 0.08 etc.) grams of alcohol in 210 litres of breath. Blood test results will continue to be expressed in terms of grams of alcohol per 100 millilitres of blood.

The relevant offences will however, continue to be expressed in terms of alcohol in the blood so the change to the readings produced by breath analysing instruments necessitates an amendment to the *Harbors and Navigation Act* and the *Road Traffic Act* to introduce a deeming provision for the conversion of that reading (expressed in terms of breath) to a reading that is meaningful in relation to our offences.

Other minor amendments

Section 47GA of the *Road Traffic Act* makes provision for breath analysis to be undertaken in circumstances where a person has consumed alcohol between the time of an event giving rise to a breath test requirement and the conduct of that test. For example, when a person is involved in a crash and someone gives the driver an alcoholic drink in the mistaken belief that this will calm the driver.

To take advantage of the defence provided under section 47GA, the driver must do a number of things, including meeting the crash reporting requirements of the *Road Traffic Act*.

The crash reporting provisions were previously set out in section 43(3)*(a)*, *(b)* and *(c)* of the *Road Traffic Act*. However, these provisions are now contained in section 43(1) of the *Road Traffic Act* and Rule 287 of the Australian Road Rules.

Amendment to section 47GA of the *Road Traffic Act* is now required to update this reference. The opportunity has also been taken to update an obsolete reference in section 167. The Bill also amends a penalty provision in section 26 of the *Harbors and Navigation Act* to remove the reference to a Divisional penalty.

Motor Vehicles Act

Nominal Defendant

The purpose of this part of the Bill is to make a change to the *Motor Vehicles Act 1959* to enable the appointment of a body corporate or a natural person as the Nominal Defendant.

The Nominal Defendant is the means by which a person can make a claim for death or bodily injury under the Compulsory Third Party insurance scheme, where the identity of the motor vehicle is unknown.

The nominating of a natural person as the Nominal Defendant may expose an individual to personal harassment from claimants for compensation. This has occurred in the past.

Therefore this amendment changes the Act so that it is clear that a body corporate can be the Nominal Defendant.

Classes of vehicles that may be ineligible for registration

The purpose of this amendment is to ensure that certain classes of vehicles, and in particular, those defined as written-off, cannot be registered in South Australia.

Management of such vehicles is a key element in preventing stolen vehicles from being sold to unsuspecting purchasers and ensuring that only roadworthy vehicles are able to be registered.

A report by the National Motor Vehicle Theft Reduction Council (State and Territory Written-off Vehicle Registers: Development Status and Recommended Best Practice Principles) reported that 'Every year in Australia more than 20 000 vehicles appear to vanish into thin air. While many will be dumped in bushland or waterways and others broken down into parts for sale on the black market, around 5 000 will be on-sold as whole vehicles to unsuspecting consumers.'

In order to on-sell a stolen vehicle, professional thieves require a legitimate Vehicle Identification Number (VIN) to apply to a stolen vehicle of the same age, make and model. Written-off vehicles have traditionally provided the greatest source of legitimate identifiers. More than 2 000 vehicles are 'rebirthed' by this means each year at a cost to the community of more than $30 m'.

Written-off Vehicle Registers that record the details of vehicles declared as write-offs have been promoted as an effective means of reducing rebirthing practices. To again quote the National Motor Vehicle Theft Reduction Council Report 'Car thieves do not recognise state and territory boundaries and are quick to exploit any avenue that allows them to circumvent the procedures of individual jurisdictions'.

South Australia and New South Wales are currently the only jurisdictions that have legislation in place to support the operation of a Written-Off Vehicle Register.

In April 1999, the Australian Transport Council agreed to expedite the linking of State and Territory vehicle databases and the development of a Written-Off Vehicle Register (WOVR). While other jurisdictions have now agreed to establish a WOVR, its effective operation is dependent on all jurisdictions having consistent legislation. This is currently being developed through Austroads, in association with the National Motor Vehicle Theft Reduction Council.

As I have already indicated, legislation for the management of 'written-off' vehicles already exists in South Australia. South Australia commenced recording details of wrecked and written-off vehicles in January 1991 on the basis of a voluntary agreement with insurance companies. In July 1993, notification of wrecked and written-off vehicles by insurance companies, vehicle wreckers, auctioneers, collision repairers and private owners became compulsory under the *Motor Vehicles Act 1959*. The legislation supports the operation of a 'Written-Off Vehicle Register'.

Vehicles that are written-off by insurance companies are usually sold at auctions. A written-off vehicle, purchased at auction, depending on the extent of damage, may be either used for spare parts, or repaired and brought back into service. Where a written-off vehicle is repaired, it is subject to an identity and roadworthiness inspection before it can be registered.

However, certain categories of written-off vehicles in New South Wales are precluded from being registered under New South Wales legislation. Nationally consistent legislation to establish which vehicles should be eligible for registration and which should not be eligible is currently being discussed by Austroads and the National Motor Vehicle Theft Reduction Council. It may be some time before agreement is reached by all jurisdictions and each jurisdiction adopts a common approach.

In the meantime, it is proposed to amend the *Motor Vehicles Act* such that the Registrar may refuse to register a certain class of vehicle. The regulations relating to written-off vehicles will be amended to ensure that, in the first instance, the categories of wrecked vehicles in New South Wales that are precluded from being registered in New South Wales are precluded from being registered in South Australia. The amendment is aimed at ensuring that South Australia does not become the 'dumping ground' for such vehicles. The amendment will cover the eventuality that other States and Territories may introduce similar legislation to New South Wales.

I commend this Bill to honourable members.

Explanation of clauses

PART 1

PRELIMINARY

Clause 1: Short title

Clause 2: Commencement

Clause 3: Interpretation

These clauses are formal. Note that clause 2(2) removes the application of section 7(5) of the *Acts Interpretation Act 1915* to Part 3. This is because the amendment made by clause 10 may be brought into operation after section 14*(c)* of the *Motor Vehicles (Miscellaneous) Amendment Act 1999* has been brought into operation (section 14*(c)*, and this clause, make different amendments to the same subsection).

PART 2

AMENDMENT OF HARBORS AND NAVIGATION ACT 1993

Clause 4: Amendment of s. 26—Licences for aquatic activities

This clause amends a penalty provision in section 26(4) to remove the reference to divisional penalties.

Clause 5: Amendment of s. 71—Requirement to submit to alcotest or breath analysis

This clause amends section 71—

- to allow the regulations to prescribe the manner in which an alcotest or breath analysis is to be conducted (for example, by requiring the taking of more than one sample of breath and, in such a case, specifying which reading is to be taken to be the result of the test or analysis);
- to provide a defence to a prosecution for an offence of refusing or failing to comply with a requirement or direction where the defendant was not allowed the opportunity to comply with the requirement or direction after having been given the prescribed oral advice in relation to the consequences of refusing or failing to comply with the requirement or direction and his or her right to request the taking of a blood sample.

Clause 6: Insertion of s. 72C

This clause inserts a new section providing for the conversion of a reading obtained as a result of an alcotest or breath analysis in terms of the alcohol content in a person's breath to a reading in terms of the alcohol content in the person's blood.

Clause 7: Amendment of s. 73—Evidence

This clause makes consequential amendments ensuring that the wording of section 73 is consistent with breath analysing instruments producing a reading in terms of the alcohol content in the breath and with proposed section 71(3a).

Clause 8: Amendment of s. 74—Compulsory blood tests of injured persons including water skiers

This clause inserts an evidentiary provision in section 74 so that if, in proceedings for an offence under the Division, it is proved by the prosecution that a concentration of alcohol was present in the defendant's blood at the time at which a blood sample was taken under this section, it must be conclusively presumed that that concentration of alcohol was present in the defendant's blood throughout the period of two hours immediately preceding the taking of the sample.

Section 72(4) of the principal Act provides that this evidentiary provision will also apply to blood samples taken under that section.

Clause 9: Transitional provision

This clause provides that an amendment does not apply to an offence committed before the commencement of the amendment.

PART 3

AMENDMENT OF MOTOR VEHICLES ACT 1959

Clause 10: Amendment of s. 24—Duty to grant registration

This clause amends section 24 to allow the regulations to prescribe a class of vehicle that the Registrar may refuse to register, either completely or pending investigations. Paragraph *(c)* of this clause makes the same amendment as paragraph *(b)*, but it is necessary because section 14*(c)* of the *Motor Vehicles (Miscellaneous) Amendment Act 1999*, which also amends section 24(3), may be in operation at the time that this amendment is brought into operation.

Clause 11: Amendment of s. 116A—Appointment of nominal defendant

This clause amends section 116A to state that the Minister may appoint as the nominal defendant either a natural person or a body corporate.

Clause 12: Amendment of s. 145—Regulations

This clause strikes out the definition of 'written-off motor vehicle' in section 145(8) and allows the regulations to prescribe the definition of that term.

PART 4

AMENDMENT OF ROAD TRAFFIC ACT 1961

Clause 13: Amendment of s. 47A—Interpretation

This clause substitutes a new definition of 'alcotest' to reflect the fact that the reading that will be obtained from the test apparatus will no longer be expressed in terms of the alcohol content in the person's blood, but rather in the person's breath.

Clause 14: Amendment of s. 47B—Driving whilst having prescribed concentration of alcohol in blood

This clause repeals section 47B(2), which is to be replaced by proposed 47I(13bb).

Clause 15: Amendment of s. 47E—Police may require alcotest or breath analysis

Section 47E of the principal Act is proposed to be amended to—

- provide that an alcotest or breath analysis (whether conducted at a random breath testing station or otherwise) must be commenced within two hours of the person driving, or attempting to drive, the vehicle or being stopped at a random breath testing station;
- to allow the regulations to prescribe the manner in which an alcotest or breath analysis is to be conducted (for example, by requiring the taking of more than one sample of breath and, in such a case, specifying which reading is to be taken to be the result of the test or analysis);
- to provide a defence to a prosecution for an offence of refusing or failing to comply with a requirement or direction where the defendant was not allowed the opportunity to comply with the requirement or direction after having been given the prescribed oral advice in relation to the consequences of refusing or failing to comply with the requirement or direction and his or her right to request the taking of a blood sample.

Clause 16: Insertion of s. 47EA

This clause inserts a new section providing for the conversion of a reading obtained as a result of an alcotest or breath analysis in terms of the alcohol content in a person's breath to a reading in terms of the alcohol content in the person's blood.

Clause 17: Amendment of s. 47G—Evidence, etc.

This clause makes consequential amendments to ensure the wording of section 47G is consistent with breath analysing instruments producing a reading in terms of the alcohol content in the breath and with proposed section 47E(2e).

Clause 18: Amendment of s. 47GA—Breath analysis where drinking occurs after driving

This clause amends section 47GA to update a reference in that section.

Clause 19: Amendment of s. 47I—Compulsory blood tests

This clause inserts an evidentiary provision in section 47I so that if, in proceedings for an offence against section 47(1) or 47B(1), it is proved by the prosecution that a concentration of alcohol was present in the defendant's blood at the time at which a blood sample was taken under this section, it must be conclusively presumed that that concentration of alcohol was present in the defendant's blood throughout the period of two hours immediately preceding the taking of the sample.

Section 47F(3) of the principal Act provides that this evidentiary provision will also apply to blood samples taken under that section.

Clause 20: Amendment of s. 167—Causing or permitting certain offences

This clause amends section 167 to update a reference in that section.

Clause 21: Transitional provision

This clause provides—

- that an approval issued in relation to an alcotest apparatus continues to operate for the purpose of the proposed new definition of 'alcotest'; and
- that an amendment does not apply to an offence committed before the commencement of the amendment.

Mr FOLEY secured the adjournment of the debate.

STATUTES AMENDMENT (GAMBLING REGULATION) BILL

Adjourned debate on second reading.

(Continued from 5 April. Page 1341.)

Mr FOLEY (Hart): This is a sombre occasion, as this is the last time I will rise as lead speaker on a gambling bill, having had the portfolio stripped from me today by my leader in caucus, with the Premier equally stripping the portfolio from the Treasurer.

One of the key points of the bill is that no longer do leaders of political parties wish to see the Treasurer of their party have responsibility for gaming. I think that it is a tragic moment, but I suspect that only Robert Lucas and I have that view: I did not see any of my colleagues jumping to my defence in caucus today as the portfolio was stripped from me, and I suspect that Rob Lucas in another place received the same treatment from his colleagues.

However, on a more serious note, this is a piece of legislation that has not been long in the making by this government. I have to be careful with what I say here, because there is a mixture of elements to this bill. There is a conscience issue, in which I am able to be a bit more free ranging in my views, but there are also a number of elements of the bill that the Labor caucus today unanimously supported.

The Labor Party today unanimously agreed to support those elements of the legislation that are of an administrative nature. To say that it was a unanimous agreement is not quite correct: we supported it, although there was some dissent. Clearly, the issue of a cap is a conscience issue for each of us to speak on and to vote on as a matter of conscience. I understand that the government has been somewhat more stringent in its application of its internal policies, in that it is making this a government bill and will be expecting all members of the government to vote as per the government's decision.

The Liberal Party, I thought, was a party of conscience, anyway, and its members are always exercising their conscience vote. I hope that, in the true spirit of the Liberal Party, a few of them will have the strength to cross the floor. I hope that the member for Bragg is one who will oppose the cap, because I know how strongly he objects to the notion of a cap.

I have been a consistent opponent of a cap: I remain an opponent of a cap and will vote against a cap today and always will do so in this House, because I think it is a wrong instrument with which to deal with what is considered by many as gambling related issues, in terms of the negative impacts on a number of people in our society. I happen to think that a blanket cap is the wrong policy tool for a government to use. We can see the effect of a cap, and I believe that, where governments and parliaments intervene in the market without thinking through the consequences of their actions, unintended consequences occur.

Nowhere is this better demonstrated than with a cap on poker machines. I understand that since a cap was raised and debated in the media, speculated upon in this parliament, talked about by independent members of parliament and talked about often by the Premier, we have seen something in the order of 1 900 licences approved by the Gaming Supervisory Authority; 1 900 licences as hoteliers, in the main, and some clubs, anticipated the implementation of a cap and got in early. They made decisions, based not on sound economic or financial logic for their businesses, based not on the normal growth patterns of their businesses, based not on their business plans, but based on the fear that they may never get a poker machine if they did not act early and swiftly.

So, what we have seen—as we often see with other mechanisms like first home owner grants in the housing industry—is a significant pull-forward effect on demand. We see a skewing of the market, distortions in the market that, in the end, create more problems than they provide solutions. The problem now is that if a hotelier has an application that has been approved, but has not yet put the machines in, that hotelier is probably thinking that he or she had better put the machines in now that approval has been given because, the way this parliament is operating, who knows, in a few months' time it might decide that it wants to take those licences away.

So, what we are going to see is, no doubt, hoteliers who cannot afford to do it putting machines into their hotels. They may, indeed, over-capitalise, take on borrowings that they cannot sustain and find themselves in very serious financial circumstances in the months and years ahead. I fear that outcome. I fear the fact that poker machines may, indeed, flood certain parts of our state and our cities, in areas where there is already a sufficient supply of machines. This will have a social impact because these decisions are not made based on sound business principles: they are based on panic and they are based on a desire to at least get the machines in. How they are to be paid for and managed and how the cash flow implications will be dealt with are questions put off to a later date. That is the net effect of ill-thought through measures, such as caps. What it is—without wanting to offend my colleagues and those opposite—I believe, is feel-good policy more than sensible policy.

Mr Venning interjecting:

Mr FOLEY: Look, Ivan—

The SPEAKER: Members will refer to other members by their electorates.

Mr FOLEY: If the member for Schubert wants to fight me on this turf, then he should get his facts right first. He should go outside and think his arguments through, then return. But I will get to you in a moment, and those on your side who continually raise this issue.

I do not doubt for one minute that the Premier of South Australia does have genuine concerns for those who are affected by gambling addiction; I have no doubt that the Premier is sincere and has genuine concerns. My criticism of the Premier, however, is that he has been the Premier of this state for many years and his party has been in office for seven and half years and he has spoken often about what he considers to be the evils of poker machines, but he has done nothing about it until we are on the eve of a state election and he needs to be seen to be addressing the issue.

Maybe this has something to do with the advisers that he now has on board who are a bit smarter than some of the people that he has had working for him in recent years. Maybe they have suggested to him that this is a bit of good politics. Well, it might be: it might be good politics but I just do not think it is good policy. The Premier had every opportunity two years ago, when he said that enough was enough, to take some action then, but he did not. He and his government had opportunities to take decisions prior to that, but they did not. I get very sceptical of premiers and governments that talk the talk, but do not do anything about something until the eleventh hour on the eve of a state election when someone has to shore up a Premier's image, and there is no better issue than this for a Premier whose popularity, as we know, is at a record low.

Mr Venning: You are off the subject.

Mr FOLEY: I am off the subject? The member opposite talks about the Labor Party as the party that introduced poker machines into South Australia. It was not the Labor Party: it was the parliament of South Australia, and the member for Bragg knows what I am saying. Why don't you talk to the man next to you?

Mr Venning: I was here.

Mr FOLEY: Talk to the man next to you. I hope the AHA listens to this: I know they read everything I say. Here yet again we have the Liberal Party bashing up the Labor Party and blaming the Labor Party for the introduction of poker machines. Here we go again—the Labor Party is the party that brought poker machines into South Australia! I remind the member for Schubert that it was not the Labor Party; it was the parliament. It was the member for Bragg, it was the member for Adelaide and it was the Minister for Transport. It was the Hon. Rob Lucas in another place.

The Hon. G.A. Ingerson interjecting:

Mr FOLEY: It was the then Treasurer. Frank Blevins brought it in as a private member's bill and he received a hostile response—

Mr Venning interjecting:

Mr FOLEY: The member for Schubert says that Frank Blevins got it wrong. Frank Blevins did not get it wrong. Nobody got it wrong but, if the honourable member is critical of what Frank Blevins did, he should be critical of what the member for Adelaide did, he should be critical of what the man sitting next to him did, and he should be critical of Diana Laidlaw, Rob Lucas and all those Liberals whose vote was needed to pass the legislation. He should not try to rewrite history.

Mr Venning interjecting:

Mr FOLEY: Therefore, because it was 75 per cent Labor who voted for pokies—

Mr Clarke: That means that 25 per cent of the Liberals were even more culpable because they could have stopped it.

Mr FOLEY: Exactly. Instead of huffing and puffing at me, the honourable member should talk to the man sitting next to him. I say to the member for Schubert, get stuck into the member for Bragg. Get stuck into him and give him your lecture about the evils of poker machines. It was a Labor member of parliament who brought poker machines into this state. It was a Labor member of parliament who had the strength of character to put his convictions into a private member's bill and to allow the parliament of the day to decide whether or not we should have them.

Rob Lucas, and I dare say the Premier of this state, would have a much greater budgetary problem to fix if it were not for the income the state receives from the pokies. If we want to keep talking about what some perceive as the evils of pokies, let us give equal and generous time to the benefits of pokies. I have said it before and I am going to say it again in this place: today, thousands of young South Australians are employed in the hotel industry as a direct result of the investment and opportunities provided from the gaming industry. Are we honestly saying that we would like to rob those young people of their careers, of their chance to make a go of life? Is that what those members at the extreme end of attacking poker machines really want? I think they have to answer that question. We have heard the member for Bright say in this place that we should get rid of poker machines, that we should rip them out of the hotels. I say to members like the member for Bright—

Mr Venning interjecting:

Mr FOLEY: The member for Schubert has just said that we should rip poker machines out of every hotel. I ask the member for Schubert: how many young people in his electorate are employed today in an industry that has given them a career? How many companies in his electorate have earned precious dollars from the refurbishment of hotels? How many families in his electorate today can see their daughters and sons in a career?

Mr Venning: Not many.

Mr FOLEY: Not many? I have to say to the member for Schubert that there are plenty in my electorate. There are plenty of kids in Port Pirie, Mitcham, at the Arkaba in the member for Bragg's seat, in Elizabeth—

Mr Hamilton-Smith: The Arkaba is in my seat.

Mr FOLEY: In the member for Waite's seat. Many people in the western suburbs have a career courtesy of the gambling industry.

Mr Venning: There are many disadvantaged people, too.

Mr FOLEY: There are not as many disadvantaged people. It is so wrong to say that. There is disadvantage in the community from pokies, no mistake, but do not spin me lies on that. Let us have fact. Let us look at the opportunity for many in our community to enjoy an afternoon in a hotel. I say to members opposite and members on my own side that I can go to a hotel in my electorate and see a vast majority of people, mostly retired and mostly elderly, who enjoy the opportunity to have a cheap and affordable form of gambling, who are responsible gamblers and who enjoy a cheap meal and social interaction. They are the same sort of people who like to play bingo at a club, and they are probably losing as much or as little as they used to spend on playing bingo at the local football club or church hall.

I think of my wife's parents, who love nothing more than taking their $10, going down to a hotel, having a feed, playing the pokies for a couple of hours—they do it pretty

efficiently—and that is their entertainment. There are thousands like that and we should not judge those people and we should not deny them a legitimate form of entertainment. That is not to say that some people are not capable of responsible gambling. I am saddened by that fact and, as a parliament and as a government, we should do what we can to address it.

We should also be prepared to acknowledge that some people are totally irresponsible when it comes to gambling, and I am not sure there is a lot we can do for some of those people. We can try but, at the end of the day, they have to make their own call when it comes to irresponsible gambling. I do not want to put too much on the record here about my own family circumstances, but I should say that irresponsible gamblers can be found in many families and in many communities, and I can tell members from personal experience that it has very little to do with the fact that there are poker machines in hotels. However, it has a lot to do with the fact that they are irresponsible and that they are not capable of dealing with their own personal circumstance.

A person can lose a bucket load of money by going to the racetrack, by going to the trots, by getting involved in a card-playing syndicate, from compulsive gambling at the lotteries at the local newsagent, and from gaming machines. Please do not try to preach to me that problem gambling is the result of too many poker machines. I just do not accept that. It is a problem in our society and it is a fact that we have a lot of forms of gambling in our society. Many people have lost a lot of money on forms of gambling other than poker machines. However, it is the responsibility of any good government and any proper parliament to be doing real things to address problem gambling and to be seen to be doing things. I am not naive. At times governments have to be seen to be doing something, even if what they are doing does not have practical effect. There are measures in this bill which my party supports and which fall into that category: they are seen to be doing something but do not have any real material effect.

I have no criticism of the work of the member for Bragg. He was given a difficult task to perform in a short space of time. My criticism would be limited to the fact that he did not include the opposition. I think that was an error, as the opposition should have been included. It should not have been a partisan committee consisting only of Liberal members without Labor or other members being represented. I think that was a fault, and the fact that there was no-one from the Liquor Trades Union who represent many of the thousands of workers who are in the industry was also an error.

Mr Lewis interjecting:

Mr FOLEY: Maybe that was it, but the outcome of that exercise has been a number of recommendations, many of which are not of great moment. They are not of any real substance. They will address some of the issues in my view and they will be seen to address some others, without having any material effect, but ultimately it will be packaged up as a political win for the Premier. That is the art of politics. It is the art of presentation and how you are seen, not necessarily involving the substance of what you are actually doing.

Putting aside the cap issue, to which I will return in my concluding remarks, I wish to comment briefly on a number of issues. We will be seeing the establishment of a gambling authority, the resources for which will be taken from a number of other bodies, including the Gaming Supervisory Authority, some of the regulatory functions involving the racing codes, and also the Liquor Licensing Commission's functions that are related to gaming. So there are no real resource implications. I do not have a problem with that. I think that is the most sensible thing in the legislation. We have to better define, and better build, the structure that we have in government to deal with this.

Putting aside my churlish reaction to the fact that I have had the gambling portfolio stripped from me unceremoniously—it is probably not such a bad idea that it be taken away from me—I refer again to presentation. It has no real effect, because cabinets of governing parties make decisions, but—

Mr Lewis interjecting:

Mr FOLEY: I thought I was fairly objective about gambling, but many do not think that, except for my colleague the member for Hanson. I did see her as about the only one who looked remotely interested in saving my neck today, but that is trivialising the debate. I think it is a good structure.

The idea of a code of conduct is important. The issue on which I want to question the Premier—or the member for Bragg, whomever is carrying this bill—is the code of conduct, what penalties will apply and just exactly how that code of conduct will be formed. We need to get a strong code of conduct. I have been of the view that the code of conduct as developed by the AHA, with a bit of tweaking and with some refinements, is a good basis to begin with (and perhaps to end with), but we need to include penalties in it, and I need to question the degree of penalties that apply for a breach of that code of conduct, and that is a good measure. I think that mechanism should work well.

The Labor Party will support the government's intention to reduce to $200 the amount of money available through EFTPOS and ATMs in hotel gaming facilities. I have to say—and I do not think I will be breaching the guidelines of my caucus by saying—that we think it does involve some issues in relation to its implementation. I do not think my caucus was significantly convinced that it was necessarily a mechanism to deal with problem gambling, but we accepted that perhaps it provided some limit.

It probably provided some brake on the gambling cycle. If I can be indulged by my colleagues, given that only one is present and I do not think that the member for Hanson will object to my saying this, I think that it is a bit of nonsense, but we will support it. If a problem gambler needs more than $200 day, I do not think that the lack of an ATM in a gaming machine will stop their getting access to more money. It will probably mean that they will stop at an ATM on the way to the hotel. In fact, they might be innovative and obtain two credit cards or be super creative and get three credit cards and wait for a change of shift or a different person and use a different credit card. Again, I think that this is one of those feelgood exercises that the government put into the bill, but so be it.

We support the voluntary barring of gamblers, although (and I have flagged this to members opposite) we are a bit intrigued to see that the maximum penalty is $2 500, but that penalty, I understand, is applied to the poor person who has put their name forward to be barred. So, if they cannot resist the temptation to go into that gambling venue, they will get pinged and they will get fined, and I am not quite sure of the logic of that. If the person has been prepared to put themselves on a list as a problem gambler, wouldn't we want to put the onus on the establishment? Again, I do not think that we can put too onerous an obligation on the establishment.

I am not suggesting that if it is a busy night and 400 people are gaming, the hotelier should automatically identify this person from a mug shot—or perhaps they should have a

photograph behind the bar. I believe that a publican should be expected to take some reasonable steps to identify a problem gambler. If one has been identified, I think that there needs to be an obligation on the hotelier or the club to do something about the problem gambler. If a hotel, club or casino is aware of a problem gambler in the facility and knowingly allows that person to continue gaming, a penalty should apply to the premises (and I think that that would come under the code of conduct) and not on the poor person who has clearly identified himself or herself. We found that clause to be a bit of an anomaly and we look for some further clarification and discussion on that.

With respect to lifting the payout from 85 per cent to 87.5 per cent, we look forward to further advice, but my recollection is that John Lewis from the AHA (and I do not want to be accused of misrepresenting its view) indicated that hotels tend to offer somewhere between 88 per cent and 90 per cent pay back. Is this another exercise, to which I alluded previously, of being seen to be doing something but you are not really? However, that is politics. I think that questions will be asked from my side of the House and questions were asked of me in caucus.

Members asked, 'Hang on, what are we trying to do? If you give punters a greater chance of winning, are you not fuelling the gambling cycle?' The government, I think, would argue that if you give punters more money, they are losing less. I am not sure of the logic of the debate. I look forward to whoever it is in government who will be explaining these clauses running that one past me. Again, with the indulgence of my colleagues, I think that it is odd. I think that it is a bit of a nonsense clause. I do not think that it achieves anything but, as I said from the outset, when one is trying to find something to put into legislation one tends to come up with these sorts of things that are more about presentation than they are about any real effect.

There are some other bits and pieces, such as the games that will be introduced. The authority will be able to make a judgment about whether or not a new game is encouraging problem gambling and, if so, it can be ruled out. We will support that. I hope that members opposite conduct the debate tonight, in the hours ahead, in the right spirit: that we will ask some genuine questions and make some legitimate criticisms. We will make the odd political point but we are supporting the government. We want to have a robust debate. However, I really would caution members opposite not to take the tack of the member for Schubert and blame the Labor Party, or to try to score significant political points because that would be unhelpful and, I would argue, unwise.

Mr Venning: But it is true.

Mr FOLEY: The honourable member cannot help himself. Electricity prices are increasing by 80 per cent, so the member for Schubert is now accepting that that is the government's fault. Well done, thank you, member for Schubert. The honourable member has now admitted that the government is totally responsible for the 85 per cent price increase in electricity.

Mr Venning: I did not.

Mr FOLEY: The honourable member just said that he was in government. Labor is to blame for pokies because we were in government. Electricity prices are increasing—the honourable member is in government, he is to blame. The member for Schubert must take some of this responsibility sometime. If the honourable member wants to launch this attack on me we will set the ledger right. The cap will be an issue for the next parliament and, whilst I appreciate that may not be an issue for you, Mr Acting Speaker, it will be an issue for my colleagues on this side of the House and the remaining members on the opposite side.

The Hon. G.A. Ingerson interjecting:

Mr FOLEY: It is my churlish response to the member for Schubert, but I will get back to the main game. I apologise, Mr Acting Speaker. Those of us who are a part of the next parliament in a year's time after the election will have to deal with it. I look forward to some sensible deliberations in two years time. My fear is: how will the cap be removed? My fear is that a parliament in two years may choose not to remove the cap, and I believe that would have extremely negative consequences on our state. Make no mistake about it, the hotel industry in South Australia is effectively suspended. The development of the hotel industry in South Australia is effectively on hold for two years.

It might be okay, over the next six to 12 months (to which I alluded earlier), for those developers who submitted their applications early to get their developments up and running, but effectively we have a two-year suspension on development in the hotel industry. We will have, arguably, great uncertainty if the indications are that, in the next 18 months, a new parliament may not lift that cap. What happens in two years is relevant because the issue of transferability of licences has been raised with the opposition by the AHA and by licensed clubs. My response to the issue of transferability is that, at present, it is a no-go zone.

I will not entertain transferability, and when I am but a voice around a cabinet table no longer with responsibility I still will not support transferability on licences. I did not support the cap and damned if I will take responsibility for trying to fix the mess that a cap delivers. Members can take it as read that if I am Treasurer, on the slight chance that there is a Labor Government after the next election, I will not entertain the issue—

The Hon. G.A. Ingerson interjecting:

Mr FOLEY: I am taking the member for Bragg's lead that a bit of humility is a good thing. I am nothing if not versatile in politics. I can switch to humble very quickly. On the odd chance that we have a Labor government, I will not accept transferability because the only reason we would be debating transferability is because, foolishly, we adopted a cap. I will not be about trying to fix bad policy. I will have enough bad policy to fix. I will have to find ways of bringing down electricity prices and I will have to balance budgets in the red. I will have enough problems, created by this government, to fix without having to fix the parliament's problems with respect to a cap. However, transferability will be an issue that I will have to turn my mind to as a cabinet minister, as will my colleagues, if for some reason the cap is ever extended beyond 2003, because then we have serious problems and we will have to have a mechanism to deal with—

Mr Venning: You will still be over there.

Mr FOLEY: Maybe, and if I am you will be back there on the back bench. After your sixteenth year you will still be on the back bench because your mate, Premier John Olsen, knew you would never squeal and knew he could leave you sitting on the back bench for your entire parliamentary career while he rewarded people like Wayne Matthew, perhaps for loyalty. Perhaps Wayne offered more loyalty than did you, member for Schubert. Politics is a funny old world when your mates treat you like that. I feel sorry for you.

Mr Venning interjecting:

Mr FOLEY: It is a bit funny: the loyalty you have given the Premier and he leaves you on the backbench and rewards someone like the member for Bright with a ministry; and the tourism minister, the minister for soccer stadiums, also gets rewarded. I am concerned about what a parliament will do in two years' time, and I flag that, if we are faced with a nightmare scenario of the continuation of this cap beyond 2003, the government of the day will have to put the matter of transferability on the table, but I do not support a debate about that for the next two years.

The signal was sent to development, and we cannot escape from it. We have all received letters from the Adelaide solicitors, Wallmans, which to its credit has corresponded twice now with MPs and has said that this is an anti-development measure and it will stop some developments going ahead. That clearly does not bother this Premier or this government. It does bother me as shadow treasurer and it bothers many of my colleagues.

Mr Venning interjecting:

Mr FOLEY: Another statement from a senior Liberal was that it is ill-gotten gains from poker machines. They do not let up. The Liberal Party does not let up in criticising Labor for poker machines. It is not bad, the Liberal Party—those members who like to play cheap politics and blame Labor for pokies. It is also the party that increased taxation on pokies, the political party that gave us a cap on pokies and the political party that has done everything in this parliament to work against the interests of hoteliers. I wonder sometimes why the AHA gives the government the time of day, because the government has not done much that I would have thought advantages hoteliers, but ultimately the hoteliers quite rightly have treated both sides of politics as important and as significant participants and have lobbied both sides. Their patience must be tested with this government, or at least I hope it is, given the outcomes this government has given to the hotel industry.

We have received correspondence from the Hotels Association today, and it needs to be noted that the Hotels Association has formally advised members of parliament (and if members have not as yet read it I urge them to go to their mailbox and read correspondence from the AHA's John Lewis). To paraphrase it, the AHA supports the creation of the independent gaming authority and the code of conduct and code of practices, but has concerns about two elements of the bill, one being the daily withdrawal limits on ATMs and EFTPOS machines. It indicated earlier that there are problems with that. The AHA wants it to be $300 and not $200.

The other area of concern is a freeze on gaming machines. The AHA states that it remains opposed to a statewide cap on gaming machines,'which we believe will not help problem gamblers nor reduce the potential for problem gambling within the South Australian community. However, if parliament supports a cap, we would urge parliament to support more flexibility than the bill currently provides.' There is a fat chance of the AHA's views getting up in this parliament, because the cap will occur without transferability.

For consistency, those of us who have opposed the cap have felt a little lonely from time to time, and I want it on the record that I do not believe that the AHA has been as strong or as vocal in its opposition to a cap as it should have been. I have made that well known to both Peter Hurley and John Lewis and they disagree. That is fine, but a number of us have at times been lonely figures when it has come to opposing a cap. There have been many on this side—

Mr Hamilton-Smith: What is your policy on taxing hotel revenues? Tell us about that.

Mr FOLEY: Sorry, what is my policy on taxing? Will I be increasing it?

Mr Hamilton-Smith: Will you increase the tax on pokie revenues?

Mr FOLEY: I am not sure what has provoked that interjection from the member for Waite, who I thought was also a supporter of the hotel industry, but when it comes to taxation records on pokies your side of politics would be the last to raise that issue. The Labor Party struck a taxation rate for poker machines. The only people to increase it was the Liberal Government, admittedly in the last parliament. You increased pokie taxation to 50 per cent, so you should not be coming at me on pokie tax increases. You should look at the person you replaced—Stephen Baker—who significantly increased pokie taxation in this state. Whether the Labor Party will review taxation on poker machines is something the Labor Party will consider, as it does all the financial and taxation measures of its policies in the lead-up to and beyond the next state election. I assure the honourable member that the only political party with a track record of hiking up taxation rates on gambling venues in this state is his government. If I were the member for Waite, I would go back to reading whatever it is that he is reading and think of another line of attack on me if that is the best he can do.

I am passionate about the cap and about the fact that it is just bad politics, a bad and dumb policy, an ill thought through policy. Regrettably it will become law. It would not be the first time this place has passed something that is not sensible policy. I will not labour that point too far as I will probably offend a fair number on my side if I go on much longer about that, and it will probably only be the member for Hanson and I on this side of the House when it comes to voting on the cap later tonight. It is a difficult time, particularly in the lead-up to an election, when we have a member of parliament elected to this place and/or another place on the platform of 'no pokies'. It is a difficult time for those members of the House in marginal seats who are facing the political realities of a disaffected electorate.

It is understandable that the AHA, the Licensed Clubs Association and others are trying to navigate a way through a volatile political environment. It is easy for me with my views to be critical of others who should have argued their case harder and with more conviction from time to time, but I am not in the position of trying to navigate this through. I have the luxury of being able to oppose it, and do so without any consideration of other factors that people such as the AHA, the licensed clubs and others have to balance.

I am glad the Premier has come back, because I wanted to wind up with some remarks directly to the Premier. The licensed clubs have voiced to us criticism of the government. They have asked the opposition to support a number of issues to do with transferability. The Premier could have met with AGL last week, the week before or the week before that when they were in Adelaide and he refused to meet with them, but never mind.

An honourable member interjecting:

Mr FOLEY: That's not what we hear.

An honourable member interjecting:

Mr FOLEY: Well, you know everything.

An honourable member interjecting:

Mr FOLEY: AGL? You just want to get out of question time, Premier. We know your tactics. You fly off to Sydney

whenever there is a crisis in electricity and avoid question time. We know your style. Anyway, I return to the bill.

The Hon. G.A. Ingerson interjecting:

Mr FOLEY: I have unlimited time. I could speak for another hour if I so chose. I might just speak for another hour.

The ACTING SPEAKER (Mr Scalzi): Order! The member for Hart will continue.

Mr FOLEY: The Licensed Clubs Association has articulated concerns and criticisms to the Labor Party that it would like dealt with. I have said to it that we will need to consider those issues in a different environment. Many issues confront the licensed clubs in our state that I am not convinced are necessarily the result of poker machines. Community clubs involve wider issues in our community, and they need to be dealt with in a considered and responsible fashion in another forum at another time, but that is not to diminish the concerns of licensed clubs. We are not in a position to deal with them in this legislation in this environment at this time.

That will not suit the licensed clubs, but that is the way it has to be. I am disappointed that the government could not accommodate the licensed clubs, especially given that it was part of the task force. Earlier discussions I had with the member for Bragg provided me with some hope that they would find some mechanisms to meet the concerns of the licensed clubs. Perhaps that is an opportunity lost, and it will have to be dealt with in another way. As I said, the issues confronting the licensed clubs need to be dealt with by governments, can only be dealt with by governments and cannot be part of a process of attempting to amend this legislation in an ad hoc fashion in order to try to pick up some of those concerns.

With those few words, I will conclude. As I said, the opposition will be supporting the administrative elements of this bill. The opposition leader has deemed that the cap on poker machines is a conscience vote. As I have said many times this afternoon, I will oppose that part of the legislation. However, it will clearly become law as it passes another place.

We should remember where this bill came from, what it was designed to do, and what it is all about. It is about politics and about a Premier who is looking for an issue on which he can be seen to be taking leadership and some action to address what is perceived by some as an ill in our community. Unfortunately, after 7½ years and the 'Enough is enough!' statement of two years ago with no action, people will see through a lot of this: that it is nothing more than a stunt. However, it would be wrong for the opposition to ignore the fact that there is some substance here and some substantive issues that have to be addressed. We will be supporting the government in its endeavours, bar the issue of the cap which is a conscience vote. All members of the Labor Party will be able to exercise their conscience vote, and I intend to vote against that.

The Hon. G.A. INGERSON (Bragg): I will make a few brief comments. It has been a privilege to chair this review committee. I would like to put on record the support we received from Steven Richards, Dale West and Mark Henley in particular, and also Peter Hurley, John Lewis and Bill Cochrane. It is important that we mention that up front because, without much of the work that had previously been done by the hotels and clubs along with the welfare groups, this legislation could not possibly have come to fruition.

Whilst I, on behalf of the government, chaired the committee to try to bring together an outcome in a legislative sense, it is absolutely critical that the community is aware that the amount of work done initially was the catalyst and the key to the outcomes that we now have before us.

This bill is about problem gambling. That is all it is about. It is about recognising that between 3 and 5 per cent of people who gamble—whether it be on gaming machines, the race track or lotteries—fall through the crack. It is not about any political stunt but about recognising that we have some real issues to deal with.

The Productivity Commission reported on this issue some 18 months ago in what was possibly the best social report done on gambling in this country and probably in the world. It clearly identified that a group of people is falling through the crack and that we need to do something legislatively to recognise their issues. We cannot solve the problem but we can at least make a positive attempt to recognise the issues involved, fund them and give legislative backing to some change.

I also make the point that this bill is clearly not attempting in any way to override existing acts that apply. This parliament has recognised that there should be a Racing Act, a Lotteries Act and a Gaming Act and that, like it or not, this industry has been set up by this parliament over a number of years. This legislation in no way attempts to dismantle that. In one clause it provides that in our recognition of the issue of problem gambling it should be done in the total context of a sustainable, responsible gambling industry. That is a very important factor to take into consideration in any decision that the parliament may make.

The previous speaker, the member for Hart, made an important comment in relation to the cap. In hindsight, it was the most stupid decision this parliament has made. We have to look only at what has happened to see why it was a stupid decision. On 7 December when the bill was proclaimed, we had 13 410 gaming machines in this state. Having heralded this cap, a further 1 799 machines were approved, giving us a total of 15 209 machines, and that was because this parliament chose to bring forward a cap and not recognise that the free market over a period would have sorted all this out. However, in the best interests of everyone, we decided that we as a parliament should put in place this cap, and it has had a negative effect. I want to make that point up front.

Of course, the Casino Act is linked to this number of machines. At the same time that the machines are going into the community, there is also an increase in the number of machines that can go into the Casino, because the two are linked. In round figures, we have ended up with 2 000 extra machines because of the decision to put a cap on them and, in essence, not let the market take its own weight. We as a parliament made that decision and we have to wear it. We now have to work with that number of machines.

It was the view of the committee that we ought to leave the cap in place for a period for a couple of good reasons. First, it was the view of the committee that someone would have to do some work to establish whether we ought to return to a free market or whether we should continue to have a totally regulated system. The view was that the cap needed to be extended for a period to achieve that result. Secondly, the committee's view was that having put the cap on, you could not suddenly let it go again. Fundamentally, some proper research has to be done on what should be a reasonable number of machines, how they should be properly located and what should be the environment for the poker

machine industry in the next five to 10 years. The only way to do that is to have a cap for a reasonable period. We chose two years and that has been reflected in the legislation.

We also suggested that one of the most important things to do was to recognise that there ought to be an independent gambling authority which ought to pull in under its umbrella lotteries, racing, gaming and the Casino so that one regulatory body could look at both the positive and negative issues of gambling. The recommendation in the bill is to have an independent authority. I argued strongly that we should not try to reinvent the wheel; that we already have a couple of authorities which we ought to expand. It was suggested that the gaming supervisory authority be expanded. Consequently, the bill recommends expansion of the authority by two members.

We also argued strongly that we have in place a very good licensing system through the Liquor Licensing Commissioner. The commissioner principally works with the hotel industry and the clubs but has other regulatory roles. We should not reinvent the wheel. We should expand his role to make him a gambling commissioner so that he can do the policing and licensing and a lot of the work in relation to future recommendations for games and that sort of thing. The recommendation in the bill is to have the gaming supervisory authority expanded and to expand the role of the Liquor Licensing Commissioner. I think that is a view held strongly by our group and, hopefully, by the parliament.

As I said earlier, all codes ought to be involved and we have recommended that it all come under the new authority. We also recognise that the new authority ought to be looking at codes of conduct because at the moment, while there are voluntary codes of conduct, to achieve outcomes with positive benefits for the community in terms of practice, they need to be regulated and legislated. This bill recommends that existing codes of practice be accepted and then modified in conjunction with industry and public consultation and developed into some modern codes of practice.

I think the member for Hart mentioned penalties. It is my understanding that any breach of the code of conduct is in fact loss of licence under the act. That needs to be checked but, in essence, the existing act provides for a breach of licence conditions. This would be a condition of licence that, in essence, would affect the individual licensee. That needs to be checked but that is the intent in any case that this legislation would have.

It is the view that the new authority should have a specific role of harm minimisation and recognise that there are significant gambling issues in the community. It should be independent of government and it should be looking in a very broad sense at harm minimisation, taking into consideration the positive and negative impacts of the industry on the community and the need to have a sustainable and responsible gaming/gambling industry. It is my view—and I know it is the view of the majority of the committee—that if we are to help those who fall through the cracks we need to have a continuing, sustainable industry in which that can occur or we have to make a decision as a parliament that we take out the whole lot. It is my not view that that is the path down which the parliament will go. We must recognise that any new authority needs some rules. We must recognise there are in place existing acts which previous governments have put into place.

Research is a big issue in terms of this industry. As I said, the Productivity Commission has done some of the world's first and best research, but that needs to continue. We believe that the authority needs to have a specific reference to research. It needs to be funded. Clearly, that is a budgetary issue, but it needs to be funded; research needs to be a major role of this independent authority. We also believed in the short time we had available that a range of other issues needs to be looked at properly if we are fair dinkum about looking at the issue of problem gambling, in particular issues such as multi-line games, game speed, maximum bet limits and enforced breaks in play. If they were put in place would they have any effect? We did not have time as a group to research those issues. We believe that needs to be done independently by the gaming authority which ought to report that information to parliament so that parliament can then make some decisions. There is a range of other issues including pre-commitment schemes and consents for gambling products which the government would be referring through its minister to the new authority.

We currently have a Gamblers Rehabilitation Fund which is primarily funded by the hotels and clubs. The government has made a commitment for further funding of $800 000 on top of that $1.5 million—$500 000 in its current budget and $300 000 on top of that. That is a very significant fund which is doing a lot of good work and which is being stretched at the moment but which needs further support. I mentioned the Liquor Licensing Commissioner's role.

Among the major issues that this bill picks up is the banning of auto play facilities. It specifically bans the introduction of note acceptors. It establishes a barring register for problem gamblers, which is a voluntary barring. It also increases the required return to players. The member for Hart mentioned that that seemed to be an odd one, but it came out of the review. It was a recommendation of one of the groups; that is, since the reality is that 87.5 per cent is what is in use in Victoria, which is less than what is being returned to the player in South Australia, we ought to lift the current return from 85 per cent to 87.5 per cent. It was a suggestion from one of the members of the group—the hotel industry specifically—and, in our view, it is something that could be simply done while this legislation is before the House.

Probably the most controversial recommendation is to have a cash limit on the site. I spent a lot of time, as did the Hon. Angus Redford and other members, talking to many practitioners in the welfare area. It was their strong view—and it was supported by the hotels and clubs—that for problem gamblers cash on site is a major issue. It is not an issue for 97.5 per cent of gamblers who do not have a problem, but it is a major issue for gamblers who do have problems to be able to readily access cash on site. Therefore, we ought to at least look at doing something about it.

I do not believe that a limit of $200, $300, or any figure, is necessarily the answer. However, what I do believe is the answer is for us to try a cash limit and assess whether it has a very significant impact on the problem gamblers who are falling through the cracks. At least in that way we as a parliament are attempting to do something to address this major issue for problem gamblers.

It is a major issue. The banks have made a comment and said that they may not be able to implement it. I do not care about that; I think that is their problem. What we are talking about is a principle of whether or not we believe a lot of cash should be available on site. If the answer to that is 'No, there should not be' or 'Access to a lot of cash on site should be minimised,' then the banks will have to fall in line in terms of their ATMs.

I believe that, in essence, the banks will come to the table and talk to us. It is fair to say that they were not consulted in detail, because it was my view that it was a policy issue about minimising the cash available and not about how it should be implemented. However, there will be future discussions with them in terms of how it is practically implemented. It is interesting that today their executive director said that it could be done but that it might be a bit difficult. In essence, that answers the issue.

In terms of the Casino, its view is that it ought to be exempted. I do not share that view. It is my view that we ought to have an across the board cash limit, and it is something we ought to do because we are talking about the problem gambler. We are not talking about Mr and Mrs Average who have their $1 000 (or whatever) in their pocket. We are talking about the person who loses $200, then withdraws another $200, loses that and then withdraws another $200. If we can minimise that happening, we have a chance of saving a few people who are having difficulty.

That is very broadly the bill as I see it. The member for Hart addressed some issues during his contribution, but I believe that we can overcome most of them. I wrote to the Leader of the Opposition and he replied. I wrote to the Democrats and Nick Xenophon and we received replies. We did not approach all parties or all members of parliament, and for that I apologise but, in essence, this bill has been on the *Notice Paper* for two or three weeks and it was clearly available for everyone to have a good look at it. I believe that these issues are the beginning of what will be, in my view, a developing social issue that we as a parliament will need to look at over the next five to 10 years.

I am only sorry that, when these gaming machines were introduced, I was not strong enough or perhaps powerful enough in the party to convince parliament to implement a set sum of money to be put aside. I did argue it in the party room, but at that stage I did not know how to get things done. I believe this is a very important start, although it is not the complete answer. However, it is the beginning of looking at this whole issue of problem gambling. It also clearly recognises that we have viable industries. We have the racing industry through the TAB, on course betting and bookmakers. We have the Lotteries Commission, which is a very considerable investor in our hospital system. We have gaming machines and the hotel industry, which is a very viable part of our long-term tourism industry in this state, and we also have the Casino in this state. They all act legally and work within a very sustainable and responsible industry.

We need to keep the wood on that sustainable and responsible industry, but we need to recognise that a growing number of people are falling through the cracks, and we as a parliament need to deal with those issues. We ought to do that through an independent authority, and we should give it the power and some objectives and ask it to report to us on a regular basis. In that way the issues of harm minimisation and problem gambling can be properly dealt with in the best interests of all South Australians as a genuine social issue, without the politics that has gone with it over the past three or four years.

The Hon. M.D. RANN (Leader of the Opposition): I support the bill. Certainly on the issue of a cap on gaming machines, that is a conscience issue in our party, and that is as it should be. I do have some doubts about a number of parts of the workability of the bill but, be that as it may, I understand that the churches have given broad support for it, even though it is limited in scope. Therefore, I am prepared to support the bill.

It is true that the member for Bragg wrote to me earlier this year and asked for my personal response. I think it would have been appropriate for every member of parliament to be contacted. Indeed, I thought that that was the case. I am happy to read into the record my complete letter in reply, so that there is no doubt:

> Dear Graham,
>
> Thank you for your invitation to be involved in the gaming machine review. I am happy to speak with you personally. I am also sure you have consulted other ALP MPs, given that gambling issues are treated as a conscience issue in our party.
>
> Over the eight years since pokies have been introduced, I have become more and more concerned by the adverse effects pokies have had on some constituents in areas such as Salisbury in my electorate of Ramsay. Consequently I have come to the following views:
>
> · I support a cap on the number of gaming machines at no more than present levels;
> · There should be talks with the gambling industry and with concerned groups about the usefulness, practicality and positive or negative impacts of 'slowing down' gaming machines to limit the rate at which games can be played and to limit the number and value of games which can be pre-purchased;
> · Clocks should be highly visible in all areas with gaming machines;
> · Consideration should be given to extending the prohibition on the siting of cash withdrawal facilities to the whole of licensed premises which incorporate gaming areas;
> . I support a review of the advertising of pokies and other forms of gambling to eliminate misleading advertising and to minimise the negative impact on problem gamblers;
> · I support a full review of the operation of the Gamblers' Rehabilitation Fund in order to maximise its effectiveness, particularly in relation to the better targeting of assistance to problem gamblers.
>
> I am also interested to know how the government is considering addressing the issue of major new developments, including those in areas such as tourist precincts, where the proponents believe that gaming machines are necessary to make the project viable.
>
> I would be happy to meet with your review group to discuss my views further.

So, I did respond to the honourable member. I believe that he should have consulted with all members of this House and, indeed, the Legislative Council. I understand that a week or so ago a joint communique was issued from a ministerial council on gambling. I have a press release from Amanda Vanstone, who welcomed the outcome of that ministerial council. I will read that through, because I think it is important for the debate and how it impacts on this legislation. It states:

> The commonwealth's representative on the ministerial council on gambling, Senator Amanda Vanstone, this afternoon welcomed the outcomes of today's ministerial council on gambling. 'Gambling is a problem that pervades communities across the whole of Australia, and no state is immune from its devastating social implications,' said Senator Vanstone. 'It is pleasing that the commonwealth and the states can work together to find solutions to combat problem gambling. Both the commonwealth and the states agree that it is only through a national cooperative effort that the damage that is inflicted on thousands of people and families can be adequately addressed.'

That communique further states:

> The commonwealth and all state and territory governments today reached agreement on a series of steps to help further the substantial work undertaken by states and territories over past years to address and prevent problem gambling.
>
> At the second meeting of the ministerial council on gambling held in Adelaide today, commonwealth and state/territory ministers discussed progress to date and reached agreement on further progress to be made over the coming year. The ministerial council on gambling noted the substantial progress that states and territories have made on initiatives agreed by the Council of Australian Governments (COAG) for early implementation. These include

public awareness, training and clearly warning gamblers about the risks they face.

The ministerial council agreed to a national strategic framework on problem gambling and the development of a research program to further understand the causes of problem gambling and additional measures to help reduce its incidence.

The Ministerial Council on Gambling agreed to collaborate with the Community Services Ministerial Council on a national research and services development agenda, having regard to their respective areas of responsibility and expertise.

Ministers agreed the research program would examine as a priority the:

- Feasibility and consequence of changes to gaming machine operation, such as a pre-commitment of loss limits, phasing out note-acceptors, imposition of mandatory breaks in play, and the impact of linked jackpots.
- Best approaches to early intervention and prevention to avoid problem gambling.
- National approach to definitions of problem gambling and consistent data collection.

The commonwealth will take the lead in consulting with financial institutions on best practice restrictions on ATMs and credit in gambling venues.

The ministerial council asked officials to examine the provision of gaming machine generated information for players, and the feasibility of a national approach to training of gaming venue staff in responsible gambling.

The council asked the Ministerial Council on Education, Employment, Training and Youth Affairs. . . to consider options for targeted education strategies for school children on the issue of problem gambling.

The issue of the commonwealth's intention to ban access to interactive gaming and wagering services licensed in Australia was discussed and the effect of the commonwealth's proposed legislation on states and territories was the subject of debate.

I want to put this on the record because it would be very useful to get some understanding from either the Premier or—

An honourable member interjecting:

The ACTING SPEAKER: Order, the member for Bragg!

The Hon. M.D. RANN: —the member for Bragg about how the issues announced by the joint ministerial councils will impact on this legislation: that would be useful.

I also commend the member for Kaurna who took the initiative some time ago to bring the hotel and club industry together with community services, charities and churches to try to reach a common set of principles to deal with gambling. The South Australian Hotel and Club Industry's Advertising and Promotion Voluntary Code of Practice has now been established and announced by a range of participants, including the Australian Hotels Association, the Licensed Clubs Association, the Office of the Liquor and Gaming Commissioner of South Australia, and Centacare. I think that it is a very positive first step. The stated objectives are:

To ensure that playing gaming machines in a hotel or club constitutes a socially responsible leisure and entertainment activity.

To enhance the appropriate development of gaming machines within the hotel and club industry throughout South Australia, consistent with community expectations.

To develop and promote guidelines for the responsible advertising, promotion and use of gaming machines in hotels and clubs.

To enhance the positive public image of the hotel and club industry.

To provide a voluntary advertising and promotion assessment committee to give advice and assistance to individual hotels and clubs regarding gaming machine advertising and promotion.

To assist those patrons who experience gaming machine-related difficulties by promoting information on appropriate industry-funded support services, such as BreakEven Gambling Counselling.

To react to legitimate community concerns related to issues covered by this code.

To comply with the Gaming Machine Act 1992 and government policy relevant to the provision of gaming machines in hotels and clubs.

In terms of its application, the code relates to gaming machine operations in hotels and clubs only. By the way, subsequent to this, I have spoken to the Casino suggesting that it embark on a similar course of negotiations with the same group of church and welfare agencies. The code states:

The advertising and promotion code is intended as a harm minimisation strategy and supports the overall promotion of responsible gaming machine services in terms of advertising and promotion in media, point of sale material, leaflets, displays and other promotional activities.

I think that the details are very important. It says that advertisements and promotions must comply with the laws of South Australia; that advertising and promotion should focus on the entertainment value and not be false, misleading or deceptive, particularly with regard to winning; and that advertisements and promotions should reflect prevailing community standards. I endorse that initiative by the member for Kaurna that got the ball rolling to see if we could get some commonsense and some consensus into how we deal with this.

I understand that the current legislation is opposed by the AHA, although it seems to me not to be opposed with great vigour. There has not been any lobbying campaign against this bill, so I guess it is what I would call the 'opposition of the pulled punch'. There does not seem to have been any vigour in terms of, for instance, urging members to oppose this bill. That probably speaks for itself.

I have some doubts about a whole range of things. It will be interesting to see how the banks can implement the $200 limit, whether they are going to implement that and whether it can be put in place. Of course, it means that some people with multiple credit cards can use them to take out different lots of $200. There are some other issues in terms of the fining of prohibited gamblers—people who voluntarily declare themselves banned from a premise and who then face substantial fines later on. Whether that is a workable deterrent and how much onus that puts on workers in the industry remains to be seen.

I am pleased that under this legislation we will support the setting up of the new authority. I believe that there should be representation from the unions. The unions, particularly the Miscellaneous and Liquor Trades Union (since it has responsibility for employees in hotels, clubs and the Casino), should have been consulted prior to this being established. I think it would be appropriate not only to consult with that union but also to involve it in the process from now on, and I am disappointed that that has not happened and that there is no provision for it in this legislation. That is something that can be changed at a later date.

There are other issues where, I think, lip service is being paid to the problem rather than there being any real intent of action. Much of it is designed to look good rather than to be effective. I understand that many hundreds of approvals have already occurred. Someone told me that 1 900 machines are in the pipeline and that they will still be in the pipeline.

There is also the fact that the ban goes for the next couple of years. As to what happens after that, I guess we will have to wait and see. What we have seen is some good intent and some political intent, mixed together with a good deal of lip service. I guess we would need to see the shakeout in terms of whether this has any impact on reducing the problems for a very small minority of gamblers.

I know that in my own electorate the vast majority of people have no problems with poker machines. They do not like being stigmatised as problem gamblers. They like to go

down with a certain amount of money, have a flutter, enjoy a cheap meal, and then go home. There is a problem for some, and it is the very nature of the particular form of gambling that encourages some obsessiveness and gambling addiction. That is why it needs to be treated seriously.

I hope that the Casino has a similar code of practice. I would like to see these codes of practice continuing on a range of fronts. If we deal with this by consensus rather than in an adversarial way, we are more likely to achieve the best possible outcome. I support the legislation and I will support the cap, which is a conscience issue.

Mr VENNING (Schubert): I will make a very short contribution to this debate. I support the bill before the House. I do not apologise for my opposition to poker machines. During the member for Hart's contribution, several times he grabbed hold of my interjections, criticised me for being small-minded, etc., and tried to twist the whole thing around. I am opposed to poker machines. I understand that the honourable member lost his shadow portfolio this morning, so that is probably why he is upset.

I think this legislation is timely. Some would say that it is a bit late, but better later than never is my policy. This is all about problem gambling. I am sure that all members agree that we have problem gamblers. This legislation has not been introduced, as the member for Hart said, because there is an election coming. That is a stupid comment, but it is a typical comment from the member for Hart. The Ingerson Gaming Machine Review Committee has sat in judgment and its recommendations are in this bill.

I urge the member for Hart to read the *Hansard* of the past three or four years, because he will see that several members of this House have spoken in opposition to poker machines. To say that this measure has been dished up for the election is ridiculous. We have been working towards the minimisation of the effects of poker machines for many years. The previous Labor government was in power when South Australia introduced poker machines—that is an undeniable fact; 75 per cent (or even more) supported the legislation and probably 20 per cent of my colleagues went with it. The Premier of the day did not vote for poker machines—he crossed the floor—but the greater share of the Labor Party supported them.

We knew from the early days of that debate that the matter was lost because only two or three members of the Labor Party intimated that they would oppose the legislation. So, we knew that poker machines would be introduced in South Australia. I believe that the legislation was wrong and that we should never have put poker machines all over the state, as we did. I believe that they should only ever have been installed in specific licensed clubs. I was a member of this parliament, I did not support the legislation then and I will not now.

If I could rid this state of poker machines altogether, I would do so now. As I said, they should have been introduced only in specific clubs across the state so that it would have been quite clear that they were situated in particular areas. To install them in hotels in every community in this state is wrong because the people are too exposed to them. I spent the grand sum of $3 on electronic gambling in the Morgan Hotel in a very weak moment. It was opening night in a hotel in my electorate, so I was a bit reckless and I spent $3. It was totally lost—I might as well have thrown it out of the window.

I support the $200 limit on EFTPOS. Many poker machine addicts siphon away their savings because when their wallet is empty they can access the whole of their savings. It is debatable what the figure should be, but I think $200 is a reasonable amount: you can have a lot of fun with $200. On the weekend, we heard about a person who is going to take legal action after losing $10 000 at the Casino. It is a bit late for that now, but we wish him all the best.

Some organisations are in financial difficulties. They installed poker machines in the early days and established a cash flow. They then spent substantial moneys on upgrading their premises by borrowing against an expected income. What happened? Other nearby hotels and clubs installed poker machines, so their income decreased. They now have trouble servicing their loans. No names; no detail, but I think some of my colleagues would know whom I am talking about.

I agree with the cap. It is a good start. After two years, I will push for at least an extension of that cap or, at best, a reduction in the number of machines. We do have problems with poker machine gambling in South Australia. I hope this bill will go some way towards alleviating those problems, which I acknowledge. I support the bill.

Ms STEVENS (Elizabeth): I was pleased to see earlier this year that there was to be a joint approach by major stakeholders in relation to gambling and problem gambling, particularly in relation to poker machines in this state. I had been involved with the member for Kaurna, the member for Hart and the member for Elder in discussions with the AHA and representatives of social welfare organisations about doing this, and there was agreement that there needed to be a sensible way forward to manage the situation and to address the issue of problem gambling.

I was also very pleased to be present when the memorandum of understanding was signed between the Australian Hotels Association and the South Australian Heads of Christian Churches Task Force on Gambling. Many of the principles of the framework that was signed up to are reflected in the functions and powers of the new independent gambling authority and that is pleasing to see. I do note, and applaud, the principle of harm minimisation which was established there and which threads through some of the issues, changes and additions to the legislation that we are looking at today.

However, I, like other members on our side of the House, was concerned that in the member for Bragg's task force, the major union was omitted from the stakeholders who worked with him to bring this legislation to a point where it could be put before the House. That was a major omission, and quite a surprise when we consider that this is the body that represents the workers, the people who come face to face with the punters, with the patrons and with the people who are part of the industry and the people who have to implement and who are bound by codes of practice and other regulations. So, this was a serious omission and it is a concern that they were omitted. Obviously, if a Labor government is to be returned at the next election, we would remedy that immediately.

I have not seen any official correspondence on this bill from either the churches or the AHA, but I have received a letter from the licensed clubs which I understand everybody else received—

Mr Venning interjecting:

Ms STEVENS: Do you mind? As I was saying, I have not read or seen any official correspondence from the AHA or the heads of the churches. I have received a letter from the

licensed clubs dated 6 April, (a copy of which was sent to the *Advertiser* but which was unpublished) in relation to their position, their concern and their disagreement with—

An honourable member interjecting:

Ms STEVENS: Oh, I see. I have not seen it. In relation to the letter from the licensed clubs, they talk about their reasons for not complying with or agreeing with the package that was put in place for this legislation. I must say that I do have some sympathy with the position of the licensed clubs. I do have some sympathy with the fact that many of them are struggling in today's climate.

Most, if not all of them, do their very best to provide a service and opportunities for community participation in a whole range of activities and encourage juniors and others in sporting and recreational programs. I believe we need to address those issues, and I was pleased to hear my colleague the member for Hart also say those things. I look forward in the next year or so, when we are in government, to being able to work with the clubs. Certainly, I will be interested in working with the clubs in my own electorate but, in a wider perspective, we must work with them towards addressing some of the critical issues they are facing today.

In relation to the legislation, the newly established gambling authority's roles and functions—to develop and promote strategies for reducing the incidence of problem gambling and preventing or minimising the harm, and the function of assisting and coordinating ongoing research into matters relevant to those functions—are important, and I am pleased to see that they are there. I note that the objects that they will be following in relation to carrying out their functions are the fostering of responsibility in gambling and in particular the minimising of harm caused by gambling and the maintenance of a sustainable and responsible gambling industry in this state.

They are all good and worthwhile functions, but I will be interested to hear how the Premier sees this authority fitting in with the newly announced federal authority. Will they be doing the same things or will they be different? If they are to be the same, how will they coordinate their functions? Will we have two major bodies doing separate things? Obviously there need to be links between the federal and state bodies if we are to have any sort of coordinated position and progress.

In relation to the other matters that have been introduced in this legislation, generally I support the issues, although I have some questions in relation to some of them. I am not sure how the $200 cap on cash from a debit or credit card will work in practice; I would be interested to hear comments from the Premier in relation to that. I am not sure that that will actually be able to happen; we seem to have conflicting information from the banks about whether or not it is possible, so who knows? I would be interested to hear his comment on that one.

The member for Hart has already raised the issue of the voluntary barring of excessive gamblers. It is interesting that people are able to put their names on a register for voluntary barring but that a penalty of $2 500 applies if they have a weak moment and go against their own voluntary barring. In my view that seems to be a disincentive for somebody to do that; it remains to be seen whether I am right. That would need to be monitored very carefully to determine whether or not it is useful in helping problem gamblers to stay away from venues where they are at risk.

I am pleased to see that the codes of practice are well and truly entrenched in the bill. Those codes of practice have been established and I understand that they are working throughout clubs and pubs in relation to gaming machines, but it is important to have them in the legislation, it is important that they come under regulation and it is also important that they are monitored so that we can see what works, what does not work, and make appropriate changes.

I note that the cap has been extended for another two years. I have been looking back on comments that I made not the last time we voted on a cap but the time before, and I return to those comments. On that occasion I said that I would support the bill with amendments that could alleviate some of the problems caused by the cap and support amendments which would require some evaluation of the gambling legislation, knowing that the cap, in itself, would do nothing to help problem gamblers or solve any of the issues related to problem gambling. However, I suggested that it could provide the impetus for a serious look at all facets of gambling policy and allow the development of some comprehensive initiatives by the government concerning consumer protection, harm minimisation and adequate help and support for problem gamblers.

I know that that has not occurred in the six months or so that we have had the first cap but, at the end of two years, we will need to revisit this and, depending on what the gambling authority brings to light, we will need to consider very seriously the future of caps in South Australia.

Mr LEWIS (Hammond): I am alert to the fact that much of what is proposed is what the Premier and cabinet, and thus the Liberal Party room, in the first instance, believe to be adequate and no more than adequate, to get it over the line at the next election, and that it is a balancing act between what the hotels association has threatened the Liberal Party with in the removal of campaign funds as compared with what is known to be the level of concern and support for change in the wider community and the effect that will have on voting at the time of the election, not just voting intention but voting, literally. That is a political judgment on the part of the Liberal Party.

In the case of the Labor Party, the decision is made to influence members within the party in their attitude to these proposals to the extent that they do not cause offence to either of the same political lobbies any more than is necessary, again attempting to balance the trade-off between the two. That pays no respect whatever to the responsibility they have as individual members in this place to do what they know to be in the public interest and to make law which they know will make for a better society tomorrow than the one we had yesterday, as we go about our work today.

I recognise the risk that I take, then, in advocating the position which has been a consistent position for me long before I came in here. I did not hold the view as other members in this place held the view, and some now regret that they ever advocated it, that South Australia was losing too much money to the other states which had poker machine gambling venues which were described as being attractions for tourism and venues for entertainment, and that there was of the order of $1 million, some said $2 million a week, leaving South Australia and going across the border to places such as Tooleybuc, the closest such venue, and other similar venues, being taken there in the pockets of people who went by the bus load to play the pokies.

Mr Speaker, you and I now know, to our cost, as does every other member of this parliament, that a lot more than $2 million is going interstate every week, and that the amount is growing. Most of the large venues that have the highest

turnover and net profit from gambling are not owned by South Australian interests. The profits so generated from the activities undertaken by those interests which own the hotels that have these gambling facilities—are powerful and clever in protecting their interests and are not afraid to exercise those powers. They do that and will do that in several different ways. It does not need me to tell anyone in this chamber—or anyone else, for that matter, who has an interest in what happens—what that might be likely to be. The simple fact remains that we are the poorer, not the richer, in consequence of being seduced into allowing poker machines to be established in South Australia. We are the poorer because more of our money every week now goes out of our state as a consequence of gambling on poker machines than was the case before we allowed their establishment in South Australia.

I believe, quite contrary to what the member for Hart and the member for Bragg have said, that there needs to be a cap. I have made no bones about that. It is the only way in which we are likely to be able to wind back the consequences for those least likely and least able to defend themselves. There are other measures besides the cap but let me deal with that first. The lame argument of the member for Hart that a cap would be bad because it would mean that those people who own the licence would suddenly have a taxi plate type asset which they could sell for a huge capital gain need not necessarily be valid. We could not only introduce a cap but also tenure the length of time over which the licence existed. That might be the economic life of a poker machine, which I understand is 3½ to four years. It might be double that: I do not mind. If it were eight years, it would mean, in fact, that the licence for the poker machine could be written off over an eight year period as straight line depreciation, contrary to the alternative in which capital would have to be invested in the machine licence to buy it from someone who owned it—before you could get that capital, you would have to pay tax on it, whether as a company or as an individual. The model that I am proposing would mean that more of the money would stay in South Australia.

I will explain it simply. The government would sell the licences and every year one-eighth of the number of licences would come up for resale and would be up for either private tender or open cry auction or maybe half of each. You need not do it once a year: you could do it once a quarter so that every three months you would then have one-eighth of the annual total sold by the government by tender and one-eighth by auction of the total number of poker machine licences coming up for renewal which, in percentage terms, is about 3 per cent of the total number of machines. If you wanted to expand your gaming venue, or establish one, you would have to go into that bidding process by tendering on the day: if you failed to get it by tender, when tenders closed at say 4 o'clock, the tenders that were offered were opened and the number of machines on the list of those who bid for them was exhausted, then the rest would go for open cry auction in the next 20 to 30 minutes or so.

The money for those licences stays in South Australia, and no government then attracts the odium of having to set what it costs to buy a licence: the market itself will do that, and it will do it regularly, every quarter, in the process. It will be done not only by the tendering process but also by open-cry auction to ensure that no-one can manipulate it, and therefore it would be a means by which the government could reduce the number of machines when they come up for renewal—there would be no necessity. If, say, an eighth of 12 000 poker machine licences (that is, 1 500) come up for renewal, and if that is somewhere around 375 a quarter, approximately 185 would be tendered for in that quarter and approximately 185 would be sold by open-cry auction.

When they have gone they have gone, and anyone who had a licence could trade it on the open market at any time for the remaining length of time for which it was current. There would be an open market in the licences but the state would retain control of them. The point I wished to make about that was that the state, instead of releasing the 185 for tender, and about 185 for open cry auction, could cut it back to 150, 130, or whatever figure it wanted, in order to reduce the number if it thought that desirable and in the public interest. No-one could claim that they were being unfairly discriminated against because, if they wanted the licences to operate any one of those machines, they would simply have to bid a higher price against anyone else who wanted them.

What we as legislators could and should then do is determine what the minimum level of payout must be, and the bill before the House proposes to change that from 85 per cent to 87.5 per cent. If the arguments are valid that it is for the purpose of entertainment, the amount of the payout ought to be lifted to 95 per cent. No-one has yet produced any argument which says that 87.5 per cent is precisely the right figure or that 85 per cent is some way different: it is all subjective. I am saying that if you are fair dinkum about the way in which you want these machines to be sources of entertainment, you ought not only to lift the amount that has to be paid out but also reduce the number of occasions on which there is a payout and increase the amount of the payout when it occurs.

The actual number of occasions on which a machine would then make a payout would be reduced but the amount would be greater. I also believe that where the amount exceeds, say, $500, it should not be possible for the gambler, the person playing the machine, to obtain that in cash: they should obtain it as a cheque that cannot be cashed that day, so that they are not, as is the case at present, encouraged to believe that they are having a run of luck and to put all the proceeds back through the machine again that day. Each time the machine makes a win for the player of more than $500, the machine registers that point and the venue must make cheques payable for each such win and not pay in money.

I agree with the Premier's statement of two years' ago that enough is enough but, damn it, we have done nothing and licences still continue to be granted. I do not accept that we have moved anything like swiftly enough. We have seen an escalation in the amount of crime because this activity is not without its victims. The victims are not only the people, the individual gamblers, who have lost their life's savings, where they have become addicted to it; but also the dependants of those adults who have played poker machines and lost the household income.

We know it is a fact that, in a majority of instances, that household income is pensioner income. They are very low income families, and the people dependent on it are those least able to afford the loss. Yet they continue to spend it and, having spent it, regardless of age, and regardless of whether or not they are dependent on welfare payment, very often, and to an increasing extent these days, they are going outside and committing assaults and robbery, burglary and other even more serious crime, such as stealing from firms (that is, employers), and so on, to finance their gambling addiction. Therefore, in my judgment, it is not appropriate for us to leave the number of licensed machines at their present levels.

We should attempt to reduce the number of machines and we should take far stronger measures to prevent those people who discover that they are becoming addicted to gambling (and who, indeed, probably are) from ending up losing everything—and losing it not only for themselves but also for their families, and ending up with a wrecked marriage, with children who are not properly looked after and with a spouse or partner who has been disillusioned that their share of a life's work has been squandered on the machines.

The owners of the licences really do not care. If they did, they would do more than they have done to prevent this from happening. And if they did care, they would certainly set out immediately to remove those things which they have consciously and deliberately made features of gambling venues which seduce those who are prone to addiction to becoming addicted. I refer to the intensity of light, the colour of the light—in other words, low lights, and light which is nearer to the red-yellow end of the spectrum rather than the blue-violet end of the spectrum. It is more seductive. There are those who merely see the fun and the entertainment of the $10 to which I have heard some speakers refer—and one speaker almost obscenely said that $200 is good fun. They should tell that to some pensioners: that is more than they get in a week. Yet I know they spend it, some of them who are addicted to gambling, and then throw themselves on the mercy of the churches, and so on, which run additional welfare assistance.

The feature of the tone (colour) and the intensity of light ought to be addressed in legislation and, equally, the feature of the use of music, again, in tone and volume. No machine ought to be able to play music in a way that inspires, reinforces and encourages the player to continue to play after they have had a win. Indeed, I do not mind if music is played in the venue, but I am flatly opposed to the seductive influence of each machine being able to reinforce the win and encourage the player to continue to play beyond what they know they should, and can, afford.

I am also concerned to observe that problem gambling is worse in poker machine users, because it appears to them to be not a great expense to put an extra dollar or two, or 10, down the slot and then play it. I think that the problem gambler is not so frequent (as a proportion of the total population) on racecourses because of the interval between the events and the audio visual stimulation to participate in the events—the interval being greater and the audio stimulation less. The consequence for the gambler is that there is less risk of them becoming problem gamblers than is the case in poker machine venues or on some other gambling devices in the Casino.

It is also my judgment that, if a machine has been played constantly for 55 minutes, whether by one or another person, that machine ought to automatically be programmed to shut down for five minutes, so that people who have these ridiculous and laughable—albeit regrettable—beliefs that they are having a run of luck and they should stick with it, or that some other portent is in their favour and that the machine is responding and giving them winnings, can come to their senses, let their adrenalin level settle down and their brain take over again during the break of five minutes. They should leave the ruddy machine and go and think about what they are doing before they can go on and play, or at least leave that machine and go to another; they should be compelled to think, to move.

I also believe it is quite wrong for the owners of gambling venues to continue saying they care when they provide stimulants that enhance the rate—the pulse rate and the gambling rate. If you enhance the pulse rate and you have a higher level of adrenalin, the excitement is higher. I am talking about free coffee in gaming rooms as a deliberate inducement. It seduces those who are prone to be so affected with the caffeine it provides. Drinks delivered, whether containing alcohol, caffeine or both, to those people sitting at the poker machines, where they can pay for the drink on a credit card account while they sit there and play, should also be banned in law. Accordingly, I will be moving that that occur.

I am mindful of the time, and regret that I cannot draw attention to some of the world experts who have made remarks on these matters, such as Professor Robert Goodman and the sorts of things he had to say in 'The Luck Business', and a few other papers which have been properly referred to by other speakers, particularly the Hon. Nick Xenophon in another place in the course of his remarks some two years ago on these matters. If we do not draw a line in the sand, and if we do not recognise these simple physiological factors to which I have referred in the course of my remarks and other things, then we will deserve the contempt with which we will be treated. We are here and this is the opportunity to stop the crime and the suffering of the victims and those who rely on them. This is our chance.

Ms KEY (Hanson): The member for Bragg admits that there has been little time to adequately deal with all the issues in the debate associated with the legislation before us. As a result of that we have a piece of legislation before us that is a hodgepodge result, and I expect that although there were important contributors to the Gaming Machine Review Committee, certainly a number of people were not part of that committee. I also note that yet again no women are named as part of that review. I understand that there was a female executive officer, but I sometimes wonder whether the fact that there was an all male review may explain some of the impractical views that have come out of this bill.

There are some positive aspects, however. The concept of an independent gambling authority is a good one which will include all codes. The proposition that we have seven people involved with a board with that authority who are supposedly independent is a good concept. I would be very interested to understand the government's definition of 'independent'. As to the commitment to more research, although I am not exactly sure, having heard Graham Ingerson speak a couple of times now—

The SPEAKER: Order—the member for Bragg.

Ms KEY: Sorry, the member for Bragg: my apologies to the honourable member. I am not sure how much money we are talking about, whether it is $300 000 and $700 000 or $200 000 and $700 000. Needless to say, the commitment to more research is important and I commend the government on adding to what I think is a very important gambling rehabilitation fund set up by the AHA. I have read a number of publications that have come from the AHA on the issue of problem gambling and I compliment it also on the work it has done.

I support programs for harm minimisation. In previous jobs I have had I have seen the other side of people who have different gambling addictions—not so much pokies but certainly the races, the dogs and even scratchy tickets. Other than the obligatory ALP raffle in which one always has to participate, I am not interested in gambling. I have seen people who have had their families wrecked by problem

gamblers. As a union official I did not see union members asking for further funds in one form or another, but I had partners of members asking that their superannuation be made available to them so that it could be gambled away, and this was the case before it was compulsory to contribute to superannuation. They are real issues, and I do not want to take anything away from them.

The concept of a gambling minister is probably a good idea. I just hope the minister the government appoints will not be a junior minister. One distinguishing feature of the Olsen government is that a number of important portfolios such as Aboriginal affairs and local government have been held by junior ministers. I would like to know about the status of the minister in such an important area, and perhaps we can address this later. I have not seen the report from this famous review committee, and I would like the member for Bragg as the chair of that review to make that report available. He may have already done so, but I certainly have not seen it. I do not know what will be in the code of practice. Although this is quite regular, with regard to not having that information, again I would feel more comfortable if I knew exactly what was going to be in the code practice.

I have real concerns with the legislation as it relates to banning the cashing of cheques in hotel facilities. In the area I represent, the seat of Hanson, a number of workers who are unfortunately still paid by cheque and who work long hours—particularly those who do shift work—use the local hotel as a place to cash their pay cheque because facilities have not been made available in the proper way by their employer. Also in the area I represent a number of people who live on a social security wage use the local hotel to access money. They do so because of the poor facilities in the area, and this is due to the number of banks that have closed down in the electorate of Hanson. In addition, there are not very good shopping facilities for all people in the electorate.

I know from some of the pensioners to whom I talk that they use the hotel not only as a place of entertainment for themselves but also as an opportunity to do some banking. Although this would not necessarily be my first preference for banking being made available, we must think about the fact that some people are driven to hotels to access money and not necessarily to gamble. One other thing that always worries me about this debate is that a certain amount of snobbery is attached to pokies. As I have already said, I am not interested; in fact, I could not think of anything more boring than playing the pokies.

An honourable member interjecting:

Ms KEY: Yes, I suppose it does compare to being in the House of Assembly after dinner. For the first time in their life, a number of people—particularly women—can go into a hotel, not be harassed, play the pokies, have a drink if they so chose, and take advantage of the coffee and cheap meals that are provided. For a lot of older folk, this is a nice night or afternoon out that does not necessarily cost a lot of money. After all, we should remember that only about 2 per cent of our gambling population have a problem. The other 98 per cent who like going into the hotels tell me that this is a cheap night out for them. They place a limit on how much they gamble. I must say that I get very tired of the snobbery that is attached to pokies as opposed to going to some of the other gambling facilities. I am not sure about my position on the limit of $200. I would be interested to find out how it is to be implemented. There are ways around having a limit of $200; for example, you could have three credit cards. You could easily find other ways to find that cash by, say, going to the bottle shop.

Debate adjourned.

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

STATUTES AMENDMENT (AVOIDANCE OF DUPLICATION OF ENVIRONMENTAL PROCEDURES) BILL

The Legislative Council agreed to the bill without any amendment.

STATUTES AMENDMENT (GAMBLING REGULATION) BILL

Adjourned debate on second reading (resumed on motion).

Ms KEY (Hanson): Before the dinner break I was talking about my concern about snobbery against people who participate in pokies as a form of gambling. As I said, I am not personally interested in playing the pokies but a number of people actually find pokies a reasonable way to spend time and a socially supportive time. A number of women, particularly women on the age pension to whom I have spoken, have found that for the first time the hotels or clubs with pokies are quite a supportive and secure environment. I think that we need to bear that in mind when talking about reform in this area.

The other issue I wish to raise is that I have had the pleasure of presenting cheques in the electorate, courtesy of the active club grants. I think we need to bear in mind that not all is ill with regard to poker machines. I have presented cheques to a number of sports clubs that have managed finally to get things such as proper surfacing on basketball courts. I think that a number of softball and baseball clubs have managed to obtain decent equipment and also training in various sports facilities. If we were to take a very hard line on gambling in the community—and I support that for problem gamblers—we need to bear in mind that this is so much a part of our society now that we need to be realistic about the harm minimisation programs—which I support—and some of the positive aspects.

The Council of Churches, for example, is reported as saying that gambling is here to stay and that we need to ensure that if we are going to have a sustainable industry we also put in place a safety net to ensure people are not harming themselves and their families as a result of whatever legislation we are putting in place. I notice the final summary of the Productivity Commission's report emphasises the fact that caps are not the answer to problem gambling. The summary of the report states:

> Gambling has been a feature of Australian society and its economy since the arrival of the First Fleet but, even by Australian standards, the recent proliferation of gambling opportunities and the growth of gambling industries have been remarkable.

I think we need to bear that in mind. We have been asked to take a position on a number of other issues over the past three years and it is important that, if we do come out with a solution, it is practical.

The last point I make relates to the lack of consultation with the Miscellaneous Workers Union, which covers workers in the hotels and clubs industry. If we can go by some of the activities that took place around the enterprise

bargaining to do with the Casino, I have some real concerns about that union not being involved in either the review or further negotiations.

Reference is made in the second reading explanation to intoxicated customers being banned. I have no problem with that, but if you are a worker who is deemed to be a responsible person for a particular gaming facility or even if you are a worker in a hotel behind the bar, quite a bit of work has to be done to ensure that you abide by the task being set before you, and it is very difficult to manage intoxicated customers. I look forward to being corrected if I am wrong, but I could not find anything in the bill that deals with that issue, which, I would say, is significant. Judging from the recent media reports, there are quite a few legal implications regarding responsibility for intoxicated customers. As I said, I look forward to being proven wrong, but I could not find any reference to that matter.

One of my criticisms of this bill is that, in my view, not only was there inadequate consultation with the liquor trades union and other unions such as the Australian Services Union—both of which I am a member, I should say—but also little thought has been put into the cash limit. I have talked about my concerns with the limit of $200 and the ban on people being able to cash their cheques, but I am also told—and it is certainly my experience—that in some of the country and isolated regions, particularly with the cutbacks of banking services and other services, we really need to review whether the limitations on the ATMs and the cashing facilities are really helping people. Again, I would raise a question about that.

There is mention in the second reading explanation of the training of staff. I would like to know what we are talking about. Having training as part of my shadow responsibilities and having a fair bit to do with the hospitality Industrial Training Advisory Board (ITAB), I would be quite keen to find out what we are talking about with regard to training. So there is another question mark there.

As has already been said by previous speakers, particularly the member for Elizabeth and the member for Hart, our caucus has made a decision to support this legislation. Having read the Productivity Commission report, particularly its views about the lack of success with regard to caps, and looking at what has happened in Victoria, I believe it is obvious that this new authority, which I support, should take up all these issues. I hate to be cynical, but I wonder about the timing and the recommendations that have been put forward. It seems to me that the more sensible way of dealing with this issue would be to have enabling legislation to set up an authority, to have a board, to look at the research, and perhaps to extend the cap until, say, the end of the year—although it is something that I do not support—and get the authority to come back with expert recommendations about how this legislation could work to enforce harm minimisation on the one hand but on the other hand to have some sensible provisions and a code of practice which this parliament would have an opportunity to look at.

There are lots of other implications and different members on this side of the House have covered those issues. If we had taken that line of approach, the issue of transferability, which is a big issue, and the issue of new developments, whether they be new licensed clubs or new developments in greenfield areas and the applications flowing from them for gambling facilities, could be looked at in a more sensible way. As I said earlier, I would like to see the report that has been put forward as well as the code before I felt absolutely satisfied with what was being put forward. It is the decision of our caucus to support this bill and, as a member of that caucus, I will quite willingly do that. However, like the member for Hart, I have some real concerns about the cap. I think it is absolute nonsense and, as a matter of conscience, I will not be supporting it.

Mr McEWEN (Gordon): Mr Deputy Speaker, I am sure that you have heard about the farmer who won $2 million in X-Lotto. When he was at the pub he was pressed as to what he would do with his winnings, and eventually he volunteered the truth. He said, 'I think I'll keep on farming until it is all gone.' The point of that story is that there are a lot of ways to gamble and that life itself is a gamble. For the first time tonight we are actually starting to focus on problem gambling rather than problem gaming. Gaming happens to be only one form of gambling.

Of course, gaming machines have had a significant impact on different communities but, tonight, at least, we are reflecting more broadly on our need to minimise problem gambling, and that is why I think that the Gaming Machine Review Committee has done a good job. It has expanded its terms of reference and, in reflecting on the need for an independent gambling authority, it has focused on the fact that people can get themselves into trouble with many forms of gambling.

I am delighted also to have the opportunity to follow the member for Hanson because I think she made some very valuable points about finding a balance in this debate between gambling in general and gaming machines in particular being for many people a legitimate form of recreation: that we are not dealing with that issue but with the fact that some people find it difficult to manage—as with alcohol and a lot of other social interactions. We have a responsibility as a society to assist people in that regard without going overboard.

I think the Gaming Machine Review Committee has tried to strike a balance between what is legitimate and what are our freedoms; what are the rights of individuals to make decisions about the way they dispose of their income and the way they seek legitimate forms of recreation; and also to respond to the challenge that the member for Hanson talked about in terms of sustainability.

I have heard a number of figures being thrown around. Some people have told me that as much as 37 per cent of the moneys lost through gaming, in particular, are the moneys of something like 5 per cent of the people—that is not sustainable. So, very quickly the hotel industry has to realise as well that problem gambling and a sustainable industry are not compatible. It is also in its best interests to manage this recreational pursuit in a way that is sustainable.

I do not know whether things such as banning auto plays and machines not accepting notes, and the way you process barring registrations will work, but I think it is all worth while as an attempt to strike that balance again between allowing people to legitimately go about a recreational pursuit that suits them and to minimise the harm that it can do to a small number of people in relation to problem gambling.

The one difficulty I have with the committee's response is to do with the $200 a day limit. I do not think it has looked broadly enough at the other role hotels play in a number of communities in terms of being a de facto bank. I have actually driven through a town where the arrow in front of the closed bank said, 'Go to pub for cash,' with another arrow

further up the street. It was actually advertising the fact that the hotel was providing another facility for the community.

A number of people whom I know and who work afternoon shift are paid on Friday afternoon and cash their cheque on the Friday evening. They use EFTPOS to convert an electronic transfer from their bank account into some cash, and on the Friday night or the Saturday morning they hand over the housekeeping—whatever their domestic arrangements are, or whatever. So, the hotel is a bank.

Many business people staying at a hotel might decide in the morning what cash they need for the day and draw it out on their way out. We need to strike that balance, which I think is a legitimate service that some hotels are providing, along with the need to try to minimise access to cash for people who are problem gamblers. If a lot of the other things are working maybe this initiative of the $200 a day will not be necessary. If, though, we find that we need to move on with it then I think we need to open up the exemptions, find a way where we are not now restricting some other legitimate activities of the hotel industry. I think that is probably the only the other point I wish to make at this stage, other than to reiterate the fact that we are trying to protect the many while managing the problems of the few, and that gaming is only one form of gambling, and obviously, as I have said, many other life activities are themselves a gamble. We are always taking risks, and as a community we need to learn how to be risk-takers.

Ms THOMPSON (Reynell): In the interests of brevity I want to start by saying that the member for Hanson has very eloquently said many of the things I wanted to say, so I will just summarise my remarks for the record. My view is that this bill does represent a start to doing something about problem gambling. The previous cap, which I believe some people supported in a genuine belief that it would reduce exposure to gaming machines, and therefore curb problem gambling, has as many of us expected, including the member for Hanson and myself, proved to be totally useless. All it has done is bring forward the number of machines that are available to be used, and could be argued to have increased people's exposure to gaming machines. My view is that we need to do something about the gambling behaviour, not the machines. Gambling has always been with us. If anyone reads a bit about Chinese history they will know about the problems that mah-jong caused in the Chinese community, but I do not think we say that mah-jong had psychological inducements that made people compelled to gamble. Gambling is something that some of us do with enjoyment and occasionally, unfortunately, a very few, about 2 per cent, do it too often to the harm of themselves and to the harm of their families.

So, having made those points in terms of my view that gambling is often a reasonably innocent form of entertainment but that we need to do something to help those who are most affected by it to help themselves, I would like to comment specifically on the bill. I think the good points of it are bringing all the gambling forms together, that it seemed most unfair to me the way pokies had been singled out recently as the evil of gambling. In my childhood I heard about the evils of the SP bookie and gradually bookmaking has become more regulated, but it does seem to me that there is always something that is seen to be the evil. Time moves on and we gain a new evil. Technology will always ensure that there is something different that can be used adversely in our community. What we have to deal with is the behaviour not the machine.

But to get back to the issue of bringing all gambling together, it will stop the nasty way in which pokies are treated, and those who play pokies. The many times that I have heard in various places about the mindlessness of playing pokies is, as the member for Hanson said, smacking of class distinction. Racing is regarded as exciting. We do not have the same opprobrium brought on racing as we do on pokies but it causes just as much trouble. The other point that I welcome is that relating to the research. Hopefully, a better focus on research will enable us to come together in thinking about how we can deal with the problems that do exist in our community from gambling, instead of some of us thinking that putting a cap will help and some of us saying that that is just silly, it is just going to mess up the market.

We need to look at addictive behaviour. One of the clubs in my electorate has pointed out to me that they have observed that people who seem to have problems with gambling and have to be spoken to from time to time in their own interests also have problems with nicotine and alcohol. Flinders University's Centre for Addiction Studies—I think that is the name of the organisation—has pointed to these sorts of problems of addictive behaviour. We need to invest this money in research so that we know how to help the people who have a problem to help themselves.

One issue on which I would like some clarification, therefore, is how much money is going to be devoted to research. I understand that the Premier's press release refers to $300 000, but I do not know the period involved, whether that is an annual figure, or just what our commitment will be in terms of support for that research. As the member for Hanson said, some research will enable us to decide whether or not a pokies cap will help those who are harmed by gambling.

Some of the problems that I see with the bill involve, first, lack of consultation with workers in the industry and their unions. This relates particularly to the issue of banning gambling whilst intoxicated. I think it is quite ludicrous that the people who are going to have to enforce these laws have not been consulted. Not only is there the insult of not consulting them about the laws that they are going to have to enforce but, on the other side of it, these people are close to the people who have problems. They recognise who they are, and I am sure that they would have been able to bring forward some useful suggestions about different strategies for dealing with people who have problems with gambling whilst not limiting the entertainment of about 82 per cent of the community who gamble in a quite healthy manner.

The cap on withdrawals from ATMs is also problematic for me. This seems to be another area where this government has not really thought through the administration of such a provision or its implications. We have already heard about the opinion expressed by banks about the high cost of implementing this provision and whether they might withdraw ATMs from hotels and clubs. Whether we think that is likely to happen is quite irrelevant. We have heard about country hotels where workers often need to cash their wages. The member for Hanson referred to shift workers who often find hotels to be a good source of cash to enable them to access their wages.

The other issue that has been brought to my attention in my electorate relates to clubs. Club committee members put in a lot of voluntary hours to provide a facility for the community, whether for entertainment or sporting purposes. My constituents suggest that these people will be severely

disadvantaged by not being able just to go to the club and take their wages out of the ATM. They say that this will break the relationship that these people have with their club and they will start going somewhere else. The services that are available to the community can be affected by the breaking of such a fragile link. It appears to be a small thing, but it is part of the feeling of belonging to a club: 'This is where I go and get my wages.'

The other part of it that seems a bit farcical is that there is a $200 limit on one card. This will make it easy for people who like to gamble to say, 'I'll get over that one by opening five accounts', which is a very easy thing to do these days. So, it is not really helping people who want to help themselves; it is just putting obstacles in the way of people who may or may not have problems and, for those who do have problems, this is just another challenge for them to overcome. It is easy to envisage the reaction of someone who is caught on a gambling gig saying, 'I'm going to get those people who are trying to stop me and tell me how to live my life. I'll just open five accounts.' So what to them!

My view is that we should be helping those who want to be helped, not just issuing challenges for those who have a problem but who do not yet realise that they have a problem; and at the same time making life a bit harder for perfectly ordinary people who can manage their gambling entertainment and workers who need to cash their cheques at a convenient venue or obtain access to their wages through an ATM.

I do not support the cap, but I will listen to the debate before I finally decide how to vote on this occasion. I have consistently voted against the cap. The only reason that I may support it on this occasion is the consensus that appears to be around in relation to it. I would support the consensus rather than the cap, but the probability is that I will vote against the cap because, as I say, I do not see that it has actually achieved anything. I suppose the one thing that it may have achieved is this bill and some focus on the issue of problem gambling instead of grand statements.

The issue of the cap brings with it the issue of transferability of licences, and I certainly do not wish to see a situation where we create a tradeable commodity and reward those who already have licences at the cost of those who do not. We have seen problems with this in the taxi industry and in the fishing industry, and I think we need to be very careful about doing anything which might create that problem yet again.

I commend the hotels, clubs, churches and welfare organisations for getting together to deal with the real issue of problem gambling, and I also commend my colleague the member for Kaurna for his initiative in this area. It is so sensible and practical, it is a wonder that it has taken so long. So, I look forward to real action in the next few years, based on the hard research that we hope will come from this bill, so that we are able to help those who have problems to deal with those problems. We will also have to look at measures to support the families of those who are not yet ready to deal with their own problems and to move things towards decent self-management and decent family living.

As with addiction to alcohol and nicotine, we will not be able to solve the problem overnight, but with alcohol and nicotine I think everybody has come to realise from experience that problems will not be solved until the person that has the problem recognises it. In the meantime, all we can do is support the families who are affected by whatever the horrible addictive behaviour is. I commend the fact that we are starting to deal with the issue of problem gambling and I will be supporting the bill, although I will probably not vote for the cap.

Mr MEIER (Goyder): I believe that this bill is a step in the right direction and I am prepared to support it for that reason. I do not think anyone here would go so far as to say that this bill will solve the problem. There is no question that there are enormous problems, and those of us who opposed the introduction of poker machines some years ago identified most of those problems at the time. Very few of us, if any, identified the extent of the problems that have since occurred.

One morning about five years ago, I remember looking out of my window here at parliament house towards what was the Adelaide railway station. Another colleague was with me and I said, 'Good grief, have a look! A busload of people have arrived at the Casino.' There was this long line-up waiting to go into the Casino. I then said, 'I bet you that they are from the country somewhere. I ought to go down and see whether any of them are from my electorate.' I did not take the opportunity to go down and say hello to them. I just observed that they were there. It was probably about a week later that I took the opportunity to again look out of the window at a similar time, and there was another line-up. Of course, I have since come to realise that that line-up at the Casino is there every morning just before 10 o'clock. What sort of people are in the line-up? It is pensioners, in the main—people who can least afford to go to the Casino. They are probably the ones who are also complaining that the pensions are not sufficient to keep them in a reasonable lifestyle with three meals a day. There is no doubt that the gambling side of things has a very negative effect on our society.

I noticed in the *Sunday Mail* last weekend the headline 'Pokies rip $90 million from rural towns'. It was not news to me. I remember that, soon after the poker machines came in, several businesses in my electorate came to me saying, 'John, our business has dropped so significantly and it's definitely due to the poker machines. People don't have that spare cash any more; what can be done about it?' It was too late, because the debate had occurred in the parliament, poker machines had come into this state, and they were now with us. If anyone says, 'Let's get rid of them,' that will be as difficult as it would be to dismantle any part of our society. Certainly, hotels and clubs are doing very well out of them and there has been a lot of employment in hotels, particularly as a result of poker machines, but this discounts the massive number of people who are suffering.

We hear statistics of a certain percentage who are problem gamblers. I always question whether those statistics are anywhere near accurate. Do we hear anything about people who have lost money on the stock market? Do they come running up saying, 'Guess what! I just lost $10 000 on the stock market'? Of course, you never hear from them. You do invariably hear from people who have made money on the stock market; they say, 'Guess what! I made a few thousand on the shares the other day.' Yes, you will hear from them. I well recall when I was shadow minister for agriculture and we had the rural depression, the worst depression this state had known in recent times. I had never experienced a situation like that, where farmers rang me personally and said, 'Please help; what can you do?'

The irony was that I heard from so few of them. In the main, it was not from the farmers themselves but from their

spouses—the women. So often they were in tears. They were prepared to go out and personally identify the fact that they were virtually destitute, but in so many cases the farmers were not prepared to openly admit that they were in enormous strife. So it is with gambling; you will find that so many people have not been prepared to admit the real consequences of excessive gambling.

With that said, I believe these reforms are nevertheless a step in the right direction, and the creation of the independent gaming authority to replace the existing Gaming Supervisory Authority will hopefully be able to play a useful and significant role. The Gamblers Rehabilitation Fund will now directly report to the new authority. A minister for gambling will be established. I do not know that I particularly like the idea of a minister for gambling; there may be wrong connotations in that, but I understand the thinking behind it, and certainly it shows that the government is concerned and, all being well, the parliament will be concerned about the gambling problems that this state faces through poker machines.

I dare say that other reforms such as banning of the auto play facility will be of some help to players, and banning the introduction of note acceptors on all gaming machines will take away that temptation suddenly to fork out larger amounts of money. The issue of establishing a barring register for problem gamblers to be administered by the authority will be a problem in itself because of the number of poker machines around. The gaming committee indicated that 15 000 machines have been installed or are eligible for installation, so how anyone thinks that a problem gambler will be banned from using gaming machines at different venues, I do not know. However, if we can make some provisions in that area, again, it will be a step in the right direction.

As for the provision that imposes a $200 withdrawal limit per day, the banks have already indicated that they do not think they will be able to police that. I do not know how it will be policed. Other members have said that, in some country towns, the hotel which has the poker machines is basically the bank. I question whether that will work. However, attempting to put a limit on the amount of money that can be drawn, especially when a person is desperate to get more money so they can get back some of their losses, when we all know that they will simply make more losses, is worth trying. Getting a machine to pay back 87.5 per cent means that people can sit at that machine for a longer time and those who genuinely only put out a few dollars will probably get enjoyment for a longer time. For those who always lose their money, they will lose it a little more slowly than they usually do.

I will be supporting the proposal to continue the cap on poker machine numbers. I realise it needs more investigation and that it is not an answer, but at least it stops more machines coming into this state, given that the mistake and the tragedy was made many years ago.

The Hon. R.B. SUCH (Fisher): I support the bill. It incorporates many of the recommendations of the Social Development Committee, which reported over two years ago.

Mr Foley: Two years ago?

The Hon. R.B. SUCH: At least two years ago. Without going into the history of that report in great detail, I remind members that the committee recommended capping at 11 000 machines.

Mr Lewis: How many do we have now?

The Hon. R.B. SUCH: We now have 15 000 gaming machines either installed or approved. The committee recommended reducing the number to 10 000 machines over time. The committee also argued that gambling responsibilities should not be held by the Treasurer, and that matter is picked up here, and it made various other recommendations, including a code of practice, and it is pleasing to see that that has been incorporated.

As we know, this measure has an extension of the freeze built into it, no cash facilities within gaming areas, no bank note machines, a code of practice, staff training to identify or help identify problem gamblers, an advertising code of practice, and explicit indication of rates of return or winnings. It provides greater services to assist people who get into the area of problem gambling, including a voluntary ban on people who have a problem, and it bans automatic play machines.

It is a step in the right direction, albeit a modest step, and I say that indicating that I was one of the few on this side of the House who originally voted for poker machines, and I did that on the basis that I believe people should have the opportunity to spend their recreational dollar in the way they choose. What I did not support was the way in which the system was introduced, and I have argued for years that the modus operandi of the system that was installed here is deficient. What I was happy to support was a system where people could play for a period of time, lose a little and win a little. We have a system now where you can play for a short time and lose a lot. It is not the system that I had in mind and, if I knew then what I know now, perhaps I would have taken a different view of support.

There is an element of elitism about poker machines in particular. Some of it is rather patronising and arrogant and is based on the assumption that some forms of gambling are better than others. I do not accept that argument: I do not see that one form of gambling is better than any other or that it has a higher moral attribute. If people wish to spend their money on poker machines, that is up to them, but there should be safeguards and measures in place that protect people who are basically unable to look after themselves. You cannot totally control people, nor should you want to do so; that is against my personal beliefs. Nevertheless, we have in this state a small number of people who have a problem, particularly with poker machines but not only with them. This bill will, in some measure, help to address that.

I notice in the bill that there is provision for research. For members who know my background, it might seem strange for me to be questioning that. Victoria has a very extensive research focus funded by its gaming commission and has studied almost everything that it is possible to study, certainly at a macro level. It has looked at the impact of gaming machines on country towns, on the elderly, on Greeks, on Aborigines—you name it. But one area where I think research has been lacking is in terms of individual orientation and the inclination to get into problem gambling. I think that is one of the areas that needs to be addressed in research: why do people get hooked on a particular form of gambling; what are the triggers; and what are the mechanisms? I suspect that the companies that make the machines know very well what those triggers are and design the machines accordingly. Likewise, in other gambling codes, strategies are devised which will do exactly that—tempt people to gamble more, and more frequently.

As a community, we do not have the information about why individuals respond in a particular way to noise levels,

colours, prizes, jackpots and those sorts of things in gaming areas. If meaningful research is to be done, I think that is the area on which we ought to focus and not replicate what has been done in Victoria, where literally truck loads of research have been produced. I do not know whether members have looked at that research, but it is incredible and I guess provides a very nice income and activity for a lot of academics.

So, I think this measure is a step in the right direction. I guess we will see, during the committee stage, whether there are proposals for further changes, and I will certainly consider those on their merits. I think the fact that we will have a more coordinated approach to gambling overall is to be applauded. I hope that, over time, we can get this question of gambling and gaming into perspective. I think there has been a tendency to single out poker machines, as I indicated previously, not just in terms of often patronising attitudes, but blaming them for the ills of the world. We can see that now in relation to petrol prices where we blame the oil companies. The GST is being blamed for everything, and no doubt electricity will be blamed for what is left.

So, I think this is an appropriate step towards dealing with the issue of problem gamblers. I do not consider for a moment that it is the answer to all the problems that confront us. In many ways, the horse, as I have said on occasions, has already bolted in terms of the number of machines. In effect, we give a windfall gain to those who already have poker machines installed. Nevertheless, I think that the cap sends a signal to the wider community.

I conclude by indicating my concern about some of the expansion of gambling into the sports area. That might seem a little contradictory in terms of what I said earlier, but that expansion, I believe, has become quite aggressive. Whilst I do not pass judgment on one type of gambling over another, I think that we have reached pretty well saturation point in terms of opportunities for gambling in this state. I would hope that the federal government will persist with its commitment to restricting internet gambling, particularly in terms of protecting children in the homes and those who would be vulnerable in respect of internet gambling. I commend the committee for its work in giving rise to this bill, but point out that the Social Development Committee basically said all of this several years ago and the matter should have been acted on at that time.

Mr HANNA (Mitchell): Like some of my colleagues, I express disappointment at the consultation process which led to the presentation of this bill to the parliament. Workers in hotels and clubs who take care of patrons and who have to deal with patrons in gambling machine outlets have not been consulted, quite deliberately, by the government. The government left the relevant union completely out of its deliberations. The consultation process, as I see it, was an effort on the part of the government to negotiate the minimum possible interference with the hotel industry so as to do the minimum danger to the continuing profits of those who have one or more hotels; at the same time lip service is paid to the other forms of gambling in the state that are legal.

I considered making a submission to the committee but, whether I was right or wrong, I was too cynical about the process to proceed with it. I still have it in a file in my office. On the other hand, I am pleased to some extent with the progress that the bill makes. It is a concession to public concern about problem gamblers in particular. I think that the reach of the problem is much greater than some of us acknowledge when one considers the families, relatives and friends of those who have a terrible addiction to gambling, whether it be machines or some other form of gambling.

One point I make relates to the language that is used in this area. As in some other areas of social debate, there is an attempt to capture the language of the debate by those who make the most profit from it. For example, in the prostitution debate the aim of those who profit from it is to call it sex work, to use that euphemism. For those who promote euthanasia it is called dignity in dying so that people are not offended by whatever notion goes along with the word 'euthanasia'. And with respect to gambling we call them gaming machines to make it sound as if it is just some harmless form of entertainment rather than a form of gambling. It is gambling so let us call it that.

I am pleased to see that it is the Statutes Amendment (Gambling Regulation) Bill with which we are dealing, but in relation to the machines they will still be called gaming machines and I think that that is something of a misnomer. I challenge the assertion that this is purely a matter of entertainment with which we are dealing because, in some cases at least, we are dealing with people's livelihoods. For the past 50 years, or so, there has been a tendency in the field of gambling for the state to take over the opportunities and mechanisms of gambling, and one thinks of the Lotteries Commission, the TAB, the Casino, and so on.

That is for good reason. It is because the state is more likely to have a balanced view of the gambling transaction. It is more likely to consider both the gamblers and the revenue that is made from them; whereas, in relation to gambling machines, we have handed over the responsibility of care of those who have a problem, an addiction, with gambling, to those who will make immense profit from the process. I believe that is one of the problems with the introduction of gambling machines and the way that it has happened in South Australia, and we will continue to have that problem. I cannot see any way that we are going to withdraw from that. Having said that, this bill does temper the profit motive, to some extent, and address the balance, to a slight degree, in favour of those people who are addicted to gambling machines or other forms of gambling.

I can claim some consistency in my approach to the issue. The very first legislative attempt that I made in this place was to amend a government bill concerning gambling machines to impose a moratorium on the further granting of licences in respect of gambling machines. That was back in December 1997. I wanted a moratorium on gambling machines until the Social Development Committee had brought down its report, which was expected the following year, in 1998. That measure was defeated by about 33 votes to 13, as I recall—quite decisively. It is interesting to me that public opinion has changed or, perhaps more realistically, the attitude of the media has changed, and there has been some focus in the last year or two on those who suffer the curse of addiction to gambling machines. Consequently, the government has felt compelled to take some action, hence the consultation process, led by the member for Bragg, and the government's introduction of this bill.

To my way of thinking, this bill represents the minimum possible change to preserve the interests of those who make profits from those who have an addiction to gambling, while at the same time satisfying the public concern, as represented through the media, about that section of the population that has a real problem with gambling.

I resent the fact that the hotel industry has such a hold on the Labor Party and Liberal Party members of this parliament, but that is a fact of life to deal with. I commend the hotel industry on the way in which it has gone about a very slick process of maximising the profit from the opportunity that parliament provided when gambling machines were legalised in South Australia. I also commend the hotel industry on its very persuasive and pervasive lobbying of members of parliament: it certainly knows how to get its way.

I make the point that our laws should be for the vulnerable more than the clever and the capable. I think that that is really the point of legislation concerning gambling and a whole range of other social issues. If we are considered patronising in relation to our approach to those who want to spend their pension day mornings on the poker machines, I think our attitude is nothing compared to those who designed the machines to make them as addictive as possible, and those who designed the gambling machine venues to make them as conducive as possible to people relaxing, forgetting, losing inhibition and transferring the maximum amount of money possible to those who make a profit from it.

Having expressed that dissatisfaction with the general gambling environment, I express some satisfaction with the proposal to set up an independent gambling authority. I expect that some good will come of that, and I will be looking with care and attention at the appointments made to that authority. I will be looking to see if the government is really serious about doing anything positive in this area.

I will be supporting the cap. I do not accept the criticism that has been made of the six month cap which the government brought into parliament late last year. It was a joke. That cap—

The Hon. G.A. Ingerson interjecting:

Mr HANNA: The cap supported by the government late last year was a joke. Of course there was a bringing forward of poker machine or gaming machine licence applications because the environment was created in which hoteliers could expect that there would be some clamp down on their operations, so this phoney six month cap was brought in. I am glad to see it extended for longer, but it is still only a holding or temporary measure, and a long-term resolution of the issue is needed. I presume that that will fall to the lot of the incoming Labor government and I hope to be part of that process.

To address one point before closing in respect of the focus on gaming machines, I believe it is justified. There are other forms of gambling which can be equally addictive, and I am glad to see that this bill deals with more than just the gaming machines. The gaming machines have created a whole new class of gamblers, particularly the elderly and women, and the social impact of this form of gambling is iniquitous and it has been overlooked for too long. In some measure it is addressed by this bill. It is insufficient but it is a step in the right direction, and for those who seek reform in this area we take what we can get.

Mrs MAYWALD (Chaffey): I rise to support most of the bill before us. It is a major step in the right direction to deal with a number of issues in relation to problem gambling. Most importantly, I welcome the initiative to establish a gambling commission and the liquor licensing role of policing gambling. Over the past 12 months we have seen a number of attempts to try to address the growing concern within the community in relation to poker machines in particular, but problem gambling is an issue our community has to deal with. It is an issue where a small percentage of the community is exposed to a situation where the community needs to take some sort of responsibility for the minimisation of the harm of that percentage of the community.

I point out that there are a lot of people who do not have a problem with gambling, and in our community it is an accepted form of entertainment. A lot of reports undertaken in the not too distant past have indicated that about 95 per cent of the community do not have a problem with gambling and that our hotels, clubs, race tracks, other institutions and lotteries raise an incredible amount of revenue that is expended in this state for other purposes. The 95 per cent of people who partake in those activities contribute to a major part of the work force in this state. That has to be considered in the light of the contribution that those 95 per cent make to the economy. However, that does not abrogate our responsibility as a parliament to address the issue of the 5 per cent who have a problem with gambling, and the 5 per cent who have a problem have a broader impact on families, relatives and other areas within the community.

The provisions before us are only a start in how we manage and minimise the harm of gambling. We need to recognise that, whilst harm minimisation is the objective of the amendments, they do not address every problem. The opportunity to further explore issues from the independent gambling authority is one of the important factors of these amendments. A couple of the issues about which I am most concerned and how they will impact on the community, and in the Riverland in particular, are the ATM and EFTPOS provisions within the bill. I will seek further clarification in committee on those areas. In country towns EFTPOS is often the only opportunity for people to access cash, because banks do not offer ATM services in small communities.

Also, during times of peak usage, it is not uncommon in townships such as Waikerie, a community of 5 000 people that expands dramatically during peak tourism times, for the ATM machine to go down. The hotel or the club is then the only alternative for tourists and the community alike to access their accounts to get cash. That cash is not necessarily expended within the gambling area of the hotel. I have before me a letter from the Loxton Hotel indicating that only about 20 per cent of the cash that is accessed daily from the ATM is probably reinvested in gambling and other hotel facilities, including meals and alcohol. Of course, that does not include the figure of purchases customers were making for meals and accommodation on credit. However, a $200 limit would pose significant problems for a number of country hotels.

In country areas with one or two ATMs the community might feel that the safest place to access cash is in the broad public venue of a hotel reception area rather than requiring people to stand in the street where they face potential risk of being be mugged, and so on. The $200 per day limit at ATMs in regional areas in particular is a major concern I have. The barring of customers is also an interesting concept and one that we need to work through in committee also. I understand why there is a need for some provisions to be put in place, but exactly how we will manage it is another area of concern I have.

Overall, the bill put before us has worked through a number of very difficult issues and has identified a number of others that are still outstanding and need to be resolved. Removing it from the hands of government and the parliament so that we can actually put some independent research into the equation is certainly worth while. In line with those

provisions, I support the bill, and I support the thrust towards harm minimisation and the policies identified within this measure that seek to address the issue of problem gambling which cannot be easily solved.

Ms HURLEY (Deputy Leader of the Opposition): It is not as though this parliament did not know that there would be problems when gambling machines were introduced in this state. We had ample evidence from New South Wales that that would be the case and that there would be a new class of persons who would take up gambling and become addicted. Indeed, that has proved to be the case in South Australia. At the time, there was a lot of pressure for the introduction of these gaming machines, and there was a lot of feeling around South Australia that we could not be the only state that did not introduce them. Indeed, they are in place in every state in Australia except Western Australia, which in this small instance benefits from its isolation but which also benefits from mining royalties. The gaming machines were introduced in this state, and the numbers were far above expectations. At the time of introduction the revenue expectations were very modest compared to what we have now. We now have almost full saturation of gaming machines throughout this state, and we must look at ways that we can assist the community to cope with this new influx of gambling.

The government was dragged almost screaming into diverting some of the money it receives from gambling into sporting and other community undertakings and groups who would deal with gambling addictions and problems. This government saw a previous Labor administration bring in poker machines and benefit hugely from the increases in revenue that that provided. From the beginning of its term in office this government has been reluctant to use any of that income to the benefit of the community or to ameliorate the effects of gambling.

Now we see towards the end of this government's second term the Premier of this state suddenly starting to develop a conscience about gaming issues and introducing measures that will assist people in the community. This current bill outlines some of those measures, including a cap on poker machines, and I will certainly support those measures. I think it is about time that we did something to reduce the effects of gambling in the community, because I do not think any member who speaks to their community would not recognise that this has affected small business and charity and community groups in their electorate. Although this is a very cynical exercise by the government, I will certainly support it and I will look forward to a code of practice being developed. It will be the detail of that code of practice that will be important rather than the very sketchy outline as contained in this bill.

As other members have said, very sophisticated methods are developed by gaming companies to encourage gambling and to ensure that gamblers stay there to continue to gamble. We should take advantage of the research that is available and encourage more research to examine ways in which gambling trends increase, find a way to ensure there is far more responsible gambling in the community and implement those new methods. It is the implementation that will be contained in the code of practice that I very much look forward to seeing.

There is a wide range of reasons for gambling addiction. Many people, including pensioners, go once a month or once every other month to the Casino, or wherever, to spend a modest $10 or $20 gambling and it does them no harm. It is a form of entertainment to which they should have access if they want. They deserve to reserve out of their pension some small amount of money for whatever form of entertainment they wish. But there are problem gamblers and we need to look at why people are problem gamblers. People to whom I have spoken get addicted for a wide variety of reasons. Sometimes it is because they are very despairing of their circumstances in life and see no way ahead; sometimes it is because they won with an initial flurry and look forward to reliving that excitement, so they get hooked into gambling.

I think this bill should be only part of a package of measures to look at gambling and the effects of gambling in the community. This government has been responsible for taking away a lot of support measures in the community for those people who are despairing and for those people whose partner, husband, wife or son is a gambling addict. That impacts badly on their family life. We need to look at getting those supports into the community so there is a total package to support those charity and other community organisations that assist gambling addicts and their families. Some of the money the government receives from gambling should be put back into sporting clubs and charity and community groups so there is some balance in our society and some reasonable way in which to approach the gambling problem.

Mr SCALZI (Hartley): I, too, wish to make a brief contribution on this very important issue. I support the legislation and I commend the government and the independent review committee. I have spoken previously on the problem of problem gamblers. As members would be aware, I was a member of the Social Development Committee that looked into this area and, when it reported, that committee supported a cap on poker machines which, to date, has not taken place. I am pleased that we are doing that, that we will have an independent authority and that the changes proposed by this bill will assist in dealing with problem gamblers.

The member for Hart stated that a cap would have no effect and that it would be contrary to assisting problem gamblers. He also said that, in many ways, this legislation was trying to deal with the perception and not the real problem. I commend the hotel association for its code of conduct, and I have said that on previous occasions. However, whether or not we would like to admit it, there is a problem with gambling, and it involves not only the poker machines but all forms of gambling. As I have stated previously, to say that one form of gambling is a problem is like saying that, if an alcoholic stops drinking brandy and drinks wine, they will not have the problem.

However, when we look at the number of gaming machines that have been introduced, members can see that the share of problem gamblers in that area must be greater than ever anticipated, and for that reason the problem has to be dealt with. I commend all the bodies which have contributed to the sensible debate on this issue and which are prepared to compromise and come up with a solution to deal with this very important issue.

Someone once said at my first economics lesson at university that there is no such thing as a free lunch. I would suggest that there is no such thing as a cheap meal, either, and someone does pay for the cheap meal. I will never forget that when gaming machines were introduced a lot of small businesses were complaining that the hotels had an unfair advantage over them with regard to their costs of providing meals. The argument was that perhaps those small businesses were not running their businesses properly.

Now we get the argument from the hotels that, unless there are gaming machines, they cannot run their businesses. I have difficulty talking about a gaming industry as such, but as I said previously, to be fair, the hotels and licensed clubs have had a code of conduct. They introduced it and now, when we include all forms of gambling—as we should—it makes a lot more sense.

However, to say that gaming machines can keep increasing at the rate that they are today and to have no capping would be irresponsible, so I commend the government, the Premier and members from both sides of this chamber who support this bill, because the community wants us to do something—it does. Not only is there the perception that gambling is a problem but also there is the reality is that it is. It is not only 2 or 3 per cent of gamblers who are affected: it also affects their families, friends and people who support the problem gamblers.

With the number of machines in some gambling venues, at times I sometimes feel that the hotel looks more like a gambling parlour that occasionally sells alcohol. I do not believe it is what was intended when the legislation was passed in relation to gaming machines because it has had a far greater impact. I have said on many occasions that I would not have voted for them, but that is history. We have them now and we have to deal with them. They are not the source of all evil but, proportionately, there are problem gamblers, especially some groups who never had the problem before but have the problem now. We must deal with it and that is what this bill does.

Whilst the $200 limit on the ATM machines might not appear to be much, and some members are saying that it will not stop the problem gambler because they can get the money before they go to the venue, the experts tell us, however, that if the gambling cycle is broken it allows time to reflect. While it may not be the answer to all gambling problems, at least it might help some gamblers, and it is sending the right message. Ultimately, you cannot have external controls. There have to be internal controls and education to assist potential problem gamblers from getting to the point where it becomes a serious problem for them, their loved ones and families and, ultimately, for society. There is a cost because the more problem gamblers there are the greater the cost to our society.

It is true that governments of all persuasions throughout Australia realise that, on the one hand, it is a problem but, on the other hand, much revenue has been gained from gaming. This legislation at least acknowledges that fact and attempts to put the problem into perspective and to do something about it. So, instead of being cynical about what this government is trying to do, and what members supporting the bill are trying to do, let us look at this bill and implement something that I believe will assist problem gamblers and send a message to the community that we understand that there is a problem.

Mr CLARKE (Ross Smith): I would like first to read a couple of extracts from a newspaper article:

> Mr Bannon's problem, having approved almost every form of gambling yet devised, has been baulking at pokies as though they were significantly less mindless than most other forms of gambling, more addictive and more destructive.
>
> Since it is such an uncomfortable notion that governments should be trying to save people from themselves, and from developing their own senses of responsibility, the time seems long past when the state government should be objecting to poker machines.
>
> Given the revenue issue, it is hypocritical for any member of the government to try to capture a moral high ground with 'social issue' arguments against pokies on commonwealth property.

The article goes on:

> The wisest course would be to admit pokies, of his own judgment, to the Adelaide Casino and the state's clubs and pubs now and to leave their future in the hands of the people.

I will tell you shortly where that information came from, but I want to read an extract from another newspaper article:

> I flew to Italy on Malaysian Airlines Systems, stayed at Italian hotels, hired an Italian car, drank Italian wine and ate Italian food in Italian restaurants. In other words, my $10 000 (or whatever it was) went offshore. At least poker machine fanatics spend their time in Australian hotels drinking Australian beer and wine, eating Australian food served by Australian staff and presumably going home in Australian taxis (or using Australian petrol).
>
> Why aren't the struggling industries criticising me, and thousands like me, who spend money on overseas holidays? Why are people who spend their discretionary dollars on poker machines to blame for our community woes, not people who take expensive overseas holidays. . . It all strikes me as a bit odd, a bit unfair. Poker machines get some of the blame because they are relative newcomers in the competition for the discretionary dollar, the last kid on the block.
>
> But could it be that poker machines are simply not fashionable with the middle classes? Are they being blamed by the middle classes, the business leaders, because they are, at least to some extent, the playthings of the working classes at pubs and clubs? Overseas holidays are the province of the middle classes; therefore they can't be blamed. Having a bet at the races has always been a favourite of the middle classes, so that can't be at fault. Even a flutter at an elegant casino is a middle-class activity. No fault there. And when did you last see a working-class house full of antiques or with a cellar full of fine red?
>
> I have no doubt poker machines, indeed all forms of gambling, have contributed to a downturn in some industries. But that doesn't make poker machines the equivalent of some horrible alien monster.

The last article I quoted was a column written by Rex Jory of the *Advertiser* on 15 April 1998. The first article I read from was the editorial opinion of, dare I say, that most esteemed of journals in South Australia, the Adelaide *Advertiser*, dated 16 July 1990. Who are we to gainsay the *Advertiser*, even if it and its stablemate, the *Sunday Mail*, have changed their views over the past 10 years—which, of course, they are entitled to do?

In terms of the whole debate on poker machines that has given birth to this legislation, not every hotelier, every club or the Casino, which happen to have poker machines within their precincts, are un-Australian, un-South Australian or unsympathetic to the plight of those addicted to gambling, which causes so much hardship to individuals and, more particularly, to their families.

The fact of the matter is that hoteliers are involved, as are clubs and the Casino, in a legal industry sanctioned by resolution and legislation carried in this parliament some 10 years or so ago, yet they are being vilified for everything that goes wrong in this society. Let us pay attention to unemployment, to the drug problem, to the sense of hopelessness and despair that causes people to spend their hard earned cash on drugs or to be involved in crimes obtaining those drugs. But why should ordinary South Australians not be able to dispose of their discretionary dollar as they see fit?

If it is their money and they wish to gamble on poker machines—and 98 per cent of them are not problem gamblers—why are they to be denied their right to play poker machines, as it is the right of those who so wish to engage in various lotto competitions or to bet on the horses, the dogs or the trots? Why is it that poker machines are singled out for

all this venom and odium that is being poured on them and those who purchase them for their business?

When I look at this legislation before us, whilst I do not object to various parts of it that are aimed at assisting problem gamblers or, more particularly, to put some obstacles in the way of their spending the whole of their pay packet on that activity, we also ought to reflect on the fact that this is a legal industry sanctioned by parliament and, other than Western Australia, every other state in Australia allows poker machines to operate, to be properly regulated and to be taxed, and the revenue gained by the state is used to prop up our education, our health systems and our justice systems.

I will briefly touch on a couple of points regarding the legislation, because there will be more time to deal with those in committee. I fail to understand why we are to have a gambling minister who is not also the Treasurer. There is a conflict of interest inherent in a gambling minister because, on the one hand, a gambling minister is charged with looking after the social welfare of problem gamblers but, on the other hand, a gambling minister is driven by his or her cabinet colleagues to increase the revenue take and the profits of the gambling codes under his or her responsibility.

There are inherent conflicts of interest in that operation, and I do not see how they can be reconciled. I have no difficulty with supporting the codes of practice in the amendments which deal with the gambling authority. However, I do have some questions with respect to the limit of $200 on cash withdrawal facilities, and I will deal with that in more detail in committee.

I simply say that I do not think that any government of the day can simply wipe away the concerns of the banking industry. I am no friend of banks, but I think they have a point. If they are invited into hotel premises by the hotelier, they are lumbered with having to devise the necessary software to put in place those restrictions. If we are fair dinkum about it, we should ban ATMs and EFTPOS cash facilities altogether from those premises.

That would have a number of consequences, particularly in rural and regional towns where banking and other financial institutions have closed. Local hotel EFTPOS facilities and ATM machines—where there are also gambling machines—allow people to cash in their pay cheques or extract cash through direct debit facilities into their account from their employer. I will deal with that in more detail in committee and, in particular, why this government has, in a sense, signed off on a communique with Australian gambling ministers on 20 April this year saying, 'It is the commonwealth government's responsibility to liaise with all financial institutions on how best to tackle limits of cash extraction from ATMs and EFTPOS facilities at gambling venues.'

This issue was to be left in the hands of the commonwealth government to negotiate an Australia-wide solution to that problem, but this government has decided that, notwithstanding that communique to which it is a party, it will go on its own. I do not necessarily disagree with the state government going on its own and leading the way as we have done in a whole range of other areas in the past, but it seems a bit odd that only 11 days ago this government signed off on a communique which would leave it to the commonwealth government to take the lead in this matter, and yet we are doing it ourselves here without any reference to that aspect of the communique.

In terms of other issues relating to this bill, I am aware that some members of this House may be looking at areas of amendment with respect to banning smoking in the Casino and the gaming rooms of hotels and clubs. That is an area which I personally would support but which as a decision of my caucus today is to be subject to deferral and further consideration at a later date. I will have something more to say about that during the course of the debate on those amendments.

The issue of clubs has come up, and the real matter about which the clubs have been lobbying members of parliament is the transferability of poker machines. I can understand their concerns, as I think all of us can. However, I think that the transferability issue is only relevant while we have the cap on poker machines. When this issue of capping poker machines has previously been raised in this parliament, I, together with others on this side of the House, as well as some members of the Liberal Party, have opposed the imposition of caps. We said then that they would be ineffective, and it has proved to be true. All the cap did was to provide for a whole range of licensees, or potential licensees, to bring forward the number of poker machine applications by five years or more. They have been brought in with a sudden rush in an attempt to beat any legislative cap that would prevent people from installing poker machines. There have been some 1 900 applications for machines. When there was no suggestion of caps, around 200 licences were being sought per annum. So, all we did was bring forward that demand.

We have also made some hoteliers potentates. With the imposition of caps, without any capital gains tax or super tax on those particular hoteliers who have been able to take advantage of getting their businesses under way before a cap was introduced, the value of those machines in their properties, and the sale of those licences if the businesses in question were to be sold in the meantime, have been increased or enhanced—without any capital gains. Not through any effort, not through any sweat of their brow, we have allowed them to have a windfall gain simply because this parliament passed capping legislation on poker machines.

This had nothing to do with good policy, but everything to do with a knee-jerk reaction to the *Advertiser* and the *Sunday Mail* campaigning relentlessly (contrary to their views expressed only 10 years ago, or as little as three years ago) about whether or not we should interfere with the rights of the individual to be able to bet on poker machines. That is a very serious issue, which this government in its legislation has not addressed. And it continues not to address it in its quest to satisfy the editorial writers of the *Advertiser* and the *Sunday Mail*. Now, this might buy a couple of nice headlines this week or next week, but it does not necessarily guarantee you re-election when the election is due, because the electorate at large looks at the totality of the picture, how the government has performed and also at what the opposition of the day is putting forward.

It is bad legislative practice to have these sorts of knee-jerk reactions on policy, simply dictated by the print media, which is a pretty base media outlet at that. It is hardly the work of a quality newspaper on either the *Sunday Mail's* part or that of the *Advertiser*. In 1990-91, the *Advertiser* campaigned vigorously against the Bannon government, saying that then Premier Bannon should not be so conservative, that he should not want to promote the nanny state and should insist on allowing the people to spend their discretionary dollar in the way they saw fit—via poker machines. But now, because it does not suit the *Advertiser* to own up to what it advocated only 10 years ago, it wants to berate this government and force it into a position of introducing illogically

thought out legislation, such as the imposition of caps on poker machines.

I simply close with this observation on caps: it is quite simple. If this parliament is dinkum about poker machines and believes that they are so evil and so detrimental to our way of life, then let us not frig about and play around the edges. Let us legislate to get rid of them in totality and to raise revenue in some other way to replace the income stream lost from poker machines. There should be no half measures, because you cannot be a little bit pregnant in this game; if they are evil and bad, ban them outright and get rid of them—the community will applaud us for doing so—and impose extra emergency services levies or whatever to replace the lost income. If you are dinkum about that, do it: do not make these stupid policy pronouncements which make potentates out of those who already have poker machines and which do not get to the nub of the issue for those in our community who unfortunately suffer as compulsive gamblers.

Mr CONLON (Elder): I wish to make comments about the bill and particular matters. I will be brief. I do not include the member for Ross Smith in what I am about to say, because I agree with a great deal of what he has contributed. I will be brief, because this is one of those weird bills where contributions are made by so many people who have so little to contribute to the debate. I must say I have heard some offensively stupid, dishonest, opportunistic and cowardly things during this debate, and I want to address some of those.

Let me say again what I have said so many times in this debate. I cannot fathom the attitude that is expressed inside this chamber and, more importantly, outside this chamber, in proposals that are put up about the poker industry as to how we should treat people engaged in a lawful industry. Some terrible opprobrium seems to be attached to people who engage in this lawful industry which we do not attach to anyone else. We are prepared to change their rights retrospectively, make changes without consulting them that might bankrupt them, if you listen to some of the incredibly stupid ideas that I have heard flow around here before the debate got into this place. We are prepared to treat them as though they are criminals who deserve no consideration from us.

I have never heard those sorts of proposals raised, for example, for the corner deli that sells cigarettes. I have to tell you that cigarettes are very bad for you. I am prepared to say right now that cigarettes kill more people in Australia than do poker machines. I do not have the statistics to back me up, but I am prepared to have a guess at that. I find it offensive. I declare that I have an interest; I am sure this will be the cause of some risibility. I include publicans among my friends and I consider them good friends. They engage in a lawful industry and are decent people. I remember that Greg Fahey gave up drinking for Lent; I think that is a sacrifice few politicians would be prepared to make. They are decent people engaged in a lawful industry, and the debate should treat them as such. Let me go on to make a couple of further general points about some of the offensively stupid things I have heard in this place.

One of the things I heard just a short while ago is that pubs are no good any more, because if you go in they are gambling emporiums and do not look like places that sell alcohol. I have to tell you that some in the community do not think selling alcohol is such a good thing, and I can tell you that there are health problems in the community from the excessive consumption of alcohol. Many in this community would not let the pubs open beyond 6 p.m. some time ago. The answer they might give is that alcohol should be drunk in moderation, and that is what a responsible hotel would do. We have said all along that we think gambling in moderation is someone's free choice to do if it entertains them; drinking in moderation is the same. The opprobrium that attaches to one and not the other confuses me. I find it offensively stupid to suggest that pubs are not good anymore because they do not sell just alcohol. The logic escapes me.

Some of the other proposals which I have heard to retrospectively change the rights of people and which fortunately have not seen the light of day we would not thrust on the worst tax avoiders in this country, but we would thrust them on people operating a lawful business. I find that offensive, too. I spend the occasional hour or half hour in a hotel and I know about problem gambling.

Mr Clarke interjecting:

Mr CONLON: I am prepared to say that I have probably not spent any more time in hotels than the member for Ross Smith, so I defer to his superior experience in that regard. I have seen problem gamblers and I have seen how problem gambling on the pokies affects people. I was born in Belfast in Northern Ireland and, unfortunately, my old homeland had a problem with high levels of alcoholism, where the men in the family would go out and spend the money and when they came home there would be little for the children. It is a tragedy, and it is the same sort of tragedy when compulsive gamblers spend their money, because it has terrible effects on families, particularly on the constituency that we seek to represent in this place, that is, those who do not have a great deal in the first place.

I am sincere when I say that I would like to address problem gambling. Unfortunately, I do not believe that an awful lot of contributors in this place who have supported some of these measures are sincere. They are sincere about putting a political face on it and saving their butts at the next election. I do have concerns about problem gamblers. I think it is an absolute tragedy and we do need to address it, and things have been done in recent times that go part of the way. I was very pleased to have some early involvement with the bringing together of the hotels and the churches in the establishment of some of the principles that they have enunciated and codes of conduct, which I think are good.

I say to the industry quite plainly that it still has a way to go. There are difficulties with problem gamblers, and I do not think the industry can survive if it seeks to survive on problem gambling. I do not think that the industry desires to survive on problem gambling. It desires to survive by the provision of entertainment for adults who choose it, and the provision of meals, alcohol and a social environment. I am sure that is what the industry wants to do, and I am sure, too, that many people in the industry, like us, are sincere about wanting to address problem gambling.

Like the member for Ross Smith, I will address some particular issues in committee. I support the limit on cash withdrawal facilities. Having been in pubs and seen how people intend to spend $100 and make a different decision after about six beers, I think it makes a difference. I say to the House that the provision is problematically framed. I may have an argument with the hotel industry about this, but at least I am prepared to talk with the industry about my ideas, because I think it would be best if ATMs were withdrawn from hotels and cash withdrawal facilities were done via the manual EFTPOS operation, as they were done before the

provision of ATMs. At least then there is human contact and you know why someone is taking money.

I believe there should be limits on withdrawals for the purposes of gambling, but not for any other reason, because people should be free to get money where they want. If we removed ATMs and provided withdrawals via manual EFTPOS services by a member of the bar or hotel staff, it might be less problematic than it is at the moment. That is something that can be considered between now and the end of the debate on this bill. I have mentioned this briefly to the hotels association and I will talk to the association about it again, because I think that people in hotels want to make a contribution to the reduction in problem gambling.

I come now to the issue of the cap. I have said over and over in this place that a cap on the number of poker machines is one of the most stupid ideas that I have heard in this place, and this place has come up with plenty. To impose a cap on poker machines in a state which is near saturation point with poker machines is nothing but cowardly opportunism, in my view, on the government's part. It is not about doing anything about the tragedies of those individuals who are compulsive gamblers because it will do nothing about it. If you go outside and listen to government members in the corridors, they will tell you that themselves. Half of them who are here voting for it will tell you themselves that they know it will not do any good but that it is going to look good outside. This cap is a bit like a magician's wand: it is something that you wave around while your other hand is doing something dishonest and deceitful. It is offensive that people can come in here, make their bleeding heart speeches about problems with problem gambling and then do something they know to be opportunistic, ineffective and cowardly.

I think my views on that have been made plain in the past and I will not labour them. I will, however, repeat the view of the member for Ross Smith: we are making a rod for this chamber's back some time in the future. In two years' time we will be faced with the decision of lifting the cap or at some point making licences transferable. Unfortunately, it is the history of this place that whichever is the easier political decision might be the one that is made. Once we do that, people with licences will sit back and rub their hands together because, suddenly, we will have created a very valuable, tradeable commodity.

I apologise if I insulted those people who genuinely believe that a cap will make a difference. I am sure that there are some here, but I am absolutely sure that at least half of the people who support the cap do so for hypocritical and opportunistic reasons. There are people in this place and in the other place who are genuinely committed to doing something about gambling and who hold different views from me. I have a great deal of respect for the Hon. Nick Xenophon, a member in another place. He came here on the platform of tackling poker machines. I know in his heart that he would like to get rid of them all. I believe he has done it honestly throughout and I prefer to argue with someone I honestly disagree with than some of the more opportunistic hypocrites in this place. I will reserve further comments for the committee stages and, if I have offended any of those hypocrites, I am very happy.

The Hon. W.A. MATTHEW (Minister for Minerals and Energy): I rise to make a brief contribution to this debate and in so doing support the bill as a step in the right direction—a reasonably significant step which, in the true spirit of government in the political process, is legislation that is a mixture of compromise. The legislation has come about after a considerable professional and detailed consultation process and I think it is worth noting in my contribution the members of parliament and also of the community who played a significant role in the gaming machine review. Of course, the member for Bragg chaired the gaming machine review and the Hon. Angus Redford, of another place, also participated; as did Stephen Richards, the Chair of the Heads of Christian Churches Task Force on Gambling; Dale West, the Executive Director of Centacare Catholic Family Services; Mark Henley, the Senior Policy Adviser of the Adelaide Central Mission; Peter Hurley, the President of the Australian Hotels Association; John Lewis, the General Manager of the Australian Hotels Association; and Bill Cochrane, the Vice President of Clubs SA. So it was a review committee that had a good balance of those who had an interest—and a financial stake, at that—through their representative bodies in the gaming machine industry, in the hotels and the clubs, in the churches who have championed the cause against poker machines, and legislative representatives of both houses of parliament.

It is through that process, in the true spirit of compromise, that this legislation is now before the parliament. I never made any secret, during my contributions to debate in this parliament, of my opposition to poker machines. Again, I emphasise that, during the original debate on gaming machines, I strongly opposed, both in the public forum through the media and on the floor of the parliament, the introduction of poker machines into this state. At the time of the debate on the introduction of the machines, I pointed out that there would come a time when the parliament would recognise that it had made a mistake.

I think that there is little doubt that it is generally recognised that, at that time, the parliament made a mistake in introducing gaming machines into this state. There is no doubt that the public of South Australia, by strong majority, believe that the parliament made a mistake. That view has been reflected strongly in surveying that I have undertaken of my electorate. More than 82 per cent of respondents to a survey indicated that they would like to see the phasing out of poker machines in this state. That is a pretty significant response by people wanting to see a positive action of that type occur.

Again, the election by the people of the Hon. Nick Xenophon to another place to champion the reduction, phase-out and, ultimately, the elimination of poker machines in this state is testament to the fact that many members of the public want to see something done about gaming machines. This legislation before the parliament provides an opportunity to do so. I would have preferred that the legislation went further. I would prefer legislation that progressively phased out poker machines but, in that true spirit of compromise which is the process of politics, I accept that the bill before the parliament at this time is, with the best will and intent and combined viewpoint, an opportunity to move this issue properly and sensibly forward in a way in which the community expects, will appreciate and understand.

The bill, aside from making some fairly considerable efforts to reduce the issue of gambling with poker machines, also makes provision for the problem gambler, and that is a significant step in the right direction. I am particularly pleased to note that, in the area of reducing the attractiveness of machines, this bill provides for a number of very positive

aspects. The banning of autoplay facilities on gaming machines is an important step. I highlighted that process with respect to these machines during my debate in opposing the implementation of the machines in the first instance.

The autoplay features encourage the problem gambler to become more deeply entrenched. The banning of that feature, as this legislation facilitates, is a step in the right direction in assisting the addicted gambler. The banning of the introduction of note accepters on gaming machines, again, is vitally important. I highlighted this issue in the debate many years ago when these machines were introduced. Some members scoffed when I indicated that the machines would be capable of accepting notes. Thankfully, they do not yet accept them. The approval process is there for them to do so. This bill will ensure that, with the support of the parliament, that does not occur.

The establishment of a barring register for problem gamblers is extremely important and provides a significant measure of assistance to the problem gambler. Persons on that register will not be permitted to enter specified gaming venues from which they have been barred. The fact that problem gamblers can voluntarily place their names on such a list, again, in my opinion, is a positive step and something that I trust will receive the support of the parliament. Also, the issue of a daily limit on cash withdrawals at ATM and EFTPOS facilities is a step in the right direction.

I acknowledge that there are some potential difficulties with the administration of this aspect of the legislation, particularly where a venue may be one of the few places where cash withdrawals can occur. Certainly, it occurs that many people go to a gaming venue in the form of a hotel, or even the Casino, to withdraw money. In fact, I regularly go to the automatic teller machines in the Casino complex, because they are convenient to Parliament House. I have never laid a bet in my life at the Adelaide Casino, but I have withdrawn money from the ATM machines. However, I am more than happy to walk a little farther and go elsewhere to withdraw my money if it means that this limit will assist problem gamblers. I prefer to see no EFTPOS facilities in these locations, but I acknowledge the difficulties in enforcing and implementing such a change. What we have before us is a compromise which is worthy of consideration in moving forward to assist problem gamblers.

I believe that this bill is worthy of the support of the House. It does not go as far as some of us would like. It perhaps goes further than the remaining pro gaming machine advocates of the parliament would like. But in the political process we all recognise that we cannot have exactly what we want where there is a divergence of views in the chamber, and I am pleased to support this legislation as a step forward. I understand that a number of amendments are to be put forward tonight. I will look at those amendments with interest during the course of the night, and I will certainly give each amendment careful consideration—and I may, indeed, contribute to that process. I commend to the House the initiatives in this bill as being a significant step in the right direction.

Ms WHITE (Taylor): I support many aspects of the bill, but I oppose one significant aspect and that is the cap, or freeze, on the number of gaming machines. This is consistent with my stance on previous bills with respect to a freeze on gaming machines. When we voted in July last year I opposed that measure, and I again did not support the measure later in November.

Certainly, gambling addiction is a problem, and we need to address it. I think all members have reiterated that need. But we also have seen a number of members get up and feel very good about the fact that they are supporting this freeze on the pretext that they are doing something to address problem gambling in this state. While I respect genuine support and genuine intent amongst members, I think that we really have to call a spade a spade and act in the absolute best interests.

I defend my position against some members of the community who are very critical and very quick to criticise those of us who do not support a freeze. I say to those people that all of us act with the best of intentions, in that we are exposed to the pain and suffering of those members of our constituencies who have a gambling addiction and whose families have been affected by that affliction. In fact, I certainly have come across a number of my constituents who have got into serious difficulties through gambling. It has an impact not only on them but also on their families.

In fact, I have a very personal reason, if I was so inclined, to vote for this measure. With the advent of one of the previous bills before this parliament, I received a death threat because of my stance on the issue. In the 6½ years that I have been a member, it is not the first death threat that I have received on various matters, but it is certainly the one that I took the most seriously. In fact, it had quite some consequences for me personally, and it did cause me to really consider my position. But, at the end of it all, I have reached this conclusion—and I think it has been vindicated by the history of what has happened with respect to gambling in the case of the freeze that has been in place for the past six months.

In his second reading explanation the Premier says:

> It is a clear demonstration of my government's commitment to dealing with ongoing issues of problem gambling.

I agree with that statement. This bill is dressed up as an attempt to make the government appear that it is addressing the issue of problem gambling whilst in reality it is no more than a cobbled together collection of measures that will be brought out in an election campaign and touted as proof of action by a government desperate to deflect attention away from its own failings on the issue of gambling regulation.

There is one issue for which I give credit, namely, the establishment of an independent gambling authority that is long overdue. It is tasked with developing and coming up with strategies to reduce the incidence of problem gambling and preventing or minimising the harm caused by gambling. It will have a research role and will look at the social and economic effects, costs and benefits to the community of gambling, the impact of new products as they emerge and activities in the gambling industry. It will also look at both the positive and negative effects and the contribution made by the industry towards employment, taxation revenue and the culture of South Australian society. It is tasked with coming up with strategies for reducing problem gambling.

The objects of the bill support this in dealing with fostering responsibility for gambling, activities within the gambling industry and their consequences but also for sustaining the responsibilities of the industry. This is important for achieving a balanced look at the whole industry. The bill uses the mechanisms of committees to assist in performing its functions, utilising a problem solving mecha-

nism for dealing with individual matters and issues. Of course, it is important that there are representatives from all sectors of the community on those committees. Whilst this bill was born out of the recommendations of the gaming machine review set up by the Premier with representation from the churches, the welfare groups, the AHA and the licensed clubs, it was not a gambling review group but a gaming review group and many of the measures as outlined in the bill are specifically aimed towards the gaming industry rather than the gambling industry.

So, it is very important that those committees are used as a mechanism, and I urge the government to use them as such to include those other groups in the gambling sector which are affected by some measures in the bill. I include here the racing industry, the lotteries and other forms of gambling, because these measures apply to them also. Where those sectors stand on the measures in the bill I cannot know. They have not lobbied me at all on any of these provisions. In fact, some of the measures of intent listed in the Premier's second reading speech do not make it in a specific way into the bill, so I will have questions in committee as to how they will apply to other areas of the industry. For example, with the ban on gambling while intoxicated, I do not see anything specifically in the bill even though it is mentioned as an aim in the Premier's second reading speech. It is fairly easy to see how that would apply in the context of a gaming machines venue, but when applied to the very time constrained activity of racing and bookies dealing with punters in between the short time frames of race events, the question to be answered becomes more important.

I support the installation of clocks and the banning of the cashing of cheques in venues. Regarding the cash limit from ATMs in gaming venues, the opposition has had representation from the banking industry and a briefing that it would cost $2 000 per machine to upgrade the software for that capability. Whether this is achievable is really a matter for the government to work out with the banking industry. If it has not done that now, it really points to the fact that this bill has been cobbled together. It should have done that, but that really is a matter for government. The voluntary register for gamblers to have some mechanism by which they can be discouraged from following their affliction is a good thing. It is something that needs to be supported. We can follow up the matter of how it will work in practice by asking questions in committee.

I would now like to deal with the increasing from 85 per cent to 87.5 per cent of the minimum rate of return on new gaming machines. I have seen some information from the Adelaide Casino and other areas of the industry which suggests that on average gaming returns are as high as 90 per cent, but I have no way of knowing whether that is accurate. A mixed message is contained in all this, namely, that we are trying to dissuade problem gambling but, at the same time, we are making gambling more attractive by increasing the return to the punters. The logic is that it takes longer to lose the same amount of money, I guess, but I wonder how well thought out that is. What is the impact of that measure on revenue? It was indicated to us in the briefing by the Hon. Mr Ingerson that there was not much impact. I wonder about that, but I do not know the answer. Obviously, it impacts on turnover, so that is something the Premier can clarify in debate. One other matter that needs to be followed up in committee is exactly what powers this new gambling authority will have, the legal status of decisions of the minister and the authority, and how that will impact on the industry.

I have to ask: why is it that this independent gambling authority—which I think is a very good idea—is being set up only now? When we look at the history of this issue as it has been handled by the government, we see the real story. That is where the sham comes in. We would all remember the pronouncements before the state last election in July 1997 and the 'Enough is enough!' comment from the Premier in his pledge calling for a halt to the spread of poker machines. At the time of that announcement in July 1997, there were 10 451 pokies in 484 venues around the state, with 311 pokies approved and 17 venues yet to open with a further 288 machines. For all intents and purposes, there were 11 000 machines in the state. Then the parliamentary Social Development Committee recommended a cap at that 11 000 mark in August 1998. At that time, the Premier came out and said that he personally supported a cap. He signalled to the industry that a cap was on the books. In November 1998 there was again personal support by the Premier for a cap on the number of machines, with headlines in the papers such as, 'Olsen backs pokies curbs.'

The Productivity Commission around that time was examining the economic and social impacts of gambling, and again there were iterations from the Premier supporting a cap. Short-term political mileage from the Premier and years and years of equivocation signalled to the industry that a cap was coming, but at the end of December 1999—2½ years after the first pronouncement by the Premier—there was an additional 2 640 machines in the state—1 800 poker machines and a further 826 approvals.

By July 1999 and the Productivity Commission's report, and again the pronouncement by the Premier, 'Enough is enough', we had 12 500 machines. The AHA said that was saturation point and that there would be no increase. In fact, in the *Advertiser* of 20 July 1999 the AHA was reported as saying:

> All the cap will do is just inflate the value of gaming venues.

Interestingly, in June last year when we were debating a taxation bill to do with gaming (and the minister responsible for the carriage of that bill in this House was Malcolm Buckby), it was revealed that there had been 23 applications before the Liquor Licensing Commission, given the further talk about a cap, and 17 since the introduction of the freeze bill into parliament.

When asked by my colleague the shadow minister whether that was an abnormal number, Mr Buckby said that he was advised that it was indeed an abnormal number. He said:

> Since the introduction of the legislation that attempts to cap the number of machines, the industry has taken off again, and it is believed that the number will go above the 12 500 machines. The introduction of this new legislation appears to have stimulated further growth in applications.

During our briefing, Minister Ingerson nominated a figure of around 1 900 extra machines. When I asked him what the normal rate per year for applications was, he said that it was 200. The figures seem to indicate it might be closer to 400 but certainly 1 900 machines for a cap of six months tells a story, does it not?

There was task force agreement on a range of issues and I notice that they seem to have disappeared from the agenda. An article in an *Advertiser* of February this year reported that 'smoke-free pokies venues, cashless machines and advertis-

ing curbs are among strategies. . . mandatory training of staff in gaming businesses' and a number of other measures. They seem to have disappeared.

I want to point to one important fact and ask questions about it because it seems to have disappeared from the agenda quite completely. A small article appeared in the *Advertiser* newspaper on 11 February 1999 which talked about Mr Bill Pryor, the Liquor and Gaming Commissioner, and his anti-stockpiling policies. I will quote the article which raises two important questions. The article states:

> Publicans who apply for gaming machines and then fail to install them may have their licenses revoked under anti-stockpiling policies introduced by the Liquor and Gaming Commissioner, Mr Bill Pryor. Figures supplied to the parliament by the Treasurer, Mr Lucas, show that 725 gaming machines allocated to SA venues have not been installed. Dozens of licensees have been contacted by the Commissioner's office, with some warned of a time limit for installation. The [AHA] said many delays were due to circumstances beyond hoteliers' control.

Obviously there are delays between application and installation, and there may be many reasons why there is that delay. This article raises two questions which I would like the government to clarify. First, what did happen to those 725 licences (if the article is correct on the figure released by Mr Bill Pryor), and how many are still out there, that is, were not taken up?

The second question is what is this policy that the article talks about, this anti stockpiling policy? Has it changed since then; and how does it apply to all those licences currently in the system that were brought about by the cap that was put in place in December? Has the government created even more desperation in the lead-up to this freeze? Certainly it raises questions about transferability or any intentions of transferability, given this lag in the system. This bill is a very simplistic, opportunistic and populist approach, which, as far as the cap is concerned, is causing harm. It is not harm minimisation as claimed.

Quite frankly, the government is notorious for getting these things wrong. Look at the approach to ETSA, the haste of ETSA, going down a track before you have done the research. There is an assumption that a freeze is a halt to things: in this case it has proved exactly the opposite. Hotels have rushed into getting pokies even when they cannot afford it to create some sort of tradeable commodity in anticipation of future government policies. This government has got it wrong in the past and I am not convinced it will not get it wrong in the future.

Time expired.

The Hon. R.L. BROKENSHIRE (Minister for Police, Correctional Services and Emergency Services): I support the Statutes Amendment (Gambling Regulation) Bill, and given the hour of the night and the amount of debate on this I will be very brief. I would have thought that the politics would have been kept out of this debate tonight. It saddens me to hear how political some members of the Labor opposition are, particularly the way in which they have made derogatory comments about gambling and gaming and had a go at the Premier at a time when they should be supporting the Premier for his initiative in bringing this bill forward. I hate to think what would have happened had the Labor Party still been in office. Two things would have happened: first, I do not believe that it would have brought this bill into the parliament; and, secondly, I do not believe that it would have set up the gaming machine review. I do believe that a lot more people would have become addicted, because members opposite would not have addressed the debt; they would not have addressed economic recovery; they would not have been able to fix the job mess that we inherited, and a lot more people would have been desperate and depressed. If some of the members on the other side are going to play political games, let us get those facts on the record.

Again I congratulate the Premier and the chairman of the gaming machine review, Hon. Graham Ingerson, and I acknowledge the commitment of all those on the gaming machine review. I thought it was a very good cross-section of all those representative leadership bodies and organisations. I know it is not an easy task to come up with sensible recommendations, but I believe that in this case the gaming machine review has come up with sensible recommendations and I support them. However, on behalf of one of my constituent organisations that has raised an issue with me I do say that I have some concern over the proposed daily limit of $200, particularly when in some areas—and some in my own electorate—people are not able to access banks because banks have closed a lot of branches. Those people rely on those EFTPOS machines when they knock off work on a Thursday or Friday night not only to buy a beer or two before they go home but also to be able to access their money, their wages, for services, purchases and the like. However, I have been assured that there is an opportunity within the legislation for an appeal against that clause if you can demonstrate that you could be disadvantaged by virtue of accessing the EFTPOS machines.

They also raised with me the fact that if they wanted to see a deterrent for people to take them away from the focus of the gaming machines they would be better off to ban smoking in the gaming rooms, so they had to go outside to smoke and think about what was happening with respect to the money they were putting through. My grandfather, as was often told to me by my father, effectively overnight went from being a very wealthy man to being bankrupt because of gambling. He was a racehorse trainer and a good racehorse trainer, but sadly decided to play the gambling side of racing and through gambling he lost all the family assets and we had to rebuild again.

Sadly, it is a fact that throughout history there has been gambling; most people can manage it but some cannot. I do not believe that this parliament will ever manage legislation to accommodate everyone in society. But having said that, I think it is important that the parliament is responsible and that we try to accommodate and support those people who get caught up in the furore of gambling—particularly gaming—and, therefore, put themselves, family members and other people around them at risk. I am also concerned that sometimes those people get involved in criminal activity to support their habit and, of course, that is something that we in this parliament do not desire.

So, capping gaming machines and those sorts of initiatives will not stop people from getting into trouble when they gamble. There are so many ways people can gamble if they want, even if—in an ideal world—there were no poker machines. I certainly detest them with a passion but they are here and the reality is that they will not disappear. For those people who may become addicted to gambling—and I know this from my own family's history—it does not matter if it is poker machines or whatever, there are a range of opportunities for those people to get addicted.

What concerns me is that we have not started to see internet gambling having an impact yet. That is when we will really have a problem in this society and it will be almost

totally out of the control of federal and state governments and that is when we will see the real impact for those people who are affected.

One of my colleagues has said that I am a hypocrite in supporting this legislation. I am not. I have listened to my community because that is why I am here. I am privileged to serve them and I am committed to working hard to continue to serve them. The message I have had from my community is that they believe that the signals need to come from the parliament to say that while most people may be able to manage poker machines there are some who cannot and we need to put initiatives forward to assist those people. For that reason, as a representative in the House of Assembly for my constituency, the clear indication that I have gained from doorknocking and visiting them, from correspondence and in response to the newsletters that I send out on a regular basis, has been that I should support the Premier's legislation and, therefore, I am pleased to do so tonight.

The Hon. J.W. OLSEN (Premier): I move:

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

Motion carried.

Mr HILL (Kaurna): Before getting into some of the detail of this legislation, I would like to comment on a statement made by the member for Mawson in his just finished contribution. The member for Mawson said he deplored the fact that some people on this side of the House have politicised the debate. He then did exactly the same thing himself when he said that we were fortunate in South Australia that the Labor Party was not in government because, if Labor had been in government, the kind of committee that produced this report would not have been established.

I would just say to the member for Mawson that that is absolute arrant nonsense. The facts are that it was members on this side of the House who brought together the Christian churches task force and the AHA people for the very first time and said, 'Wouldn't it be a good idea if you had a talk to each other and tried to work out how to minimise harm on poker machines, and on gambling generally. If you can get agreement on those issues, we are pretty certain that the majority of the House will support you.' So, it was the Labor Party that initiated this process. For the member for Mawson to claim it as a government initiative and ignore the Labor Party's role in this is an absolute disgrace.

It is sad, of course, that the government, while wanting our support on this issue, has not acknowledged the Labor Party's contribution. In fact, it has jumped on the bandwagon that we established. I do not regret that; I think that is okay. I think it is good that the government actually took on that role because that is what we are trying to do. We are trying to get a solution to the problem and we thought the best way to get a solution was to get the two parties together talking to each other to reach some compromise and agreement. As I have said, I think that was the first time that had occurred.

I am not criticising the government for stealing our idea. I think that it is a good thing that they have included extra players on the committee and have involved other people. I do not object to them doing that, either. However, I think it is pretty sad that they had two Liberal members of parliament on that committee but no members of the Labor Party, and they did not have the Hon. Nick Xenophon or the Democrats, or other people who are represented in this parliament.

They certainly did not have members of the union on that committee, which just shows their prejudice and the kind of position they come from. But that is okay, because a report was produced and most of the recommendations and clauses in that report are worthy of consideration. We should be trying to work out how to minimise harm, and this bill, if passed, will do more to achieve harm minimisation than the Hon. Nick Xenophon has been able to do in his 3½ years of campaigning in this place and outside.

I must say that he has done a very good job promoting both the causes he passionately believes in and himself. He is an articulate person: he is a good communicator who uses the media well; but he has not been able to persuade a majority of people in this chamber or in the other chamber to his views. The problem for the Hon. Nick Xenophon is that he has an entrenched position, which makes it difficult for him to communicate with other people who have different positions.

He is an absolutist and, as history shows us, absolutists do not often win the argument. What was needed was compromise. It needed people of goodwill on both sides of the debate to get together to try to sort this out. That is what has happened with the people from the church groups, from the AHA and from the licensed clubs.

The question is: does this bill in fact minimise harm? I would like to go through some of the provisions. The provision of an industry gambling authority is a good idea, as it brings together all the gambling codes under the one authority and allows some consistent rules to apply. Obviously, that is very sensible. Having a minister of gambling who is not the Treasurer is also sensible because, as we know in other areas (for example, in water issues), it is sensible to have the deliverer of services separated from the policymaker or, in this case, the taxer of the services separated from the policymaker or regulator.

So, I think that is sensible and, as a result, we will have what had been voluntary practices in the past (that is, clocks in venues, a ban on the cashing of cheques in venues and a ban on gambling while drunk) now made mandatory. Obviously, those things will help reduce problem gambling, and that is good. In addition, the ministry and the gambling commissioner will be responsible for research into problem gambling which, obviously, is a good thing, and all of us will welcome that.

It will be interesting to see those reports over time and to see what further recommendations are made, because it is important to say that this is a first step in harm minimisation, not the be all and end all, and dialogue between the various parties should continue. Hopefully, over time, they will come up with more sophisticated ways of dealing with problem gambling, dealing with some of the issues, and minimising harm.

It is true to say that most of the operators in the hotels industry know that their industry is not sustainable on the basis of problem gambling. They do not want the social consequences on their shoulders, and they know that their pubs and venues will not continue to succeed if they have to rely on those poor unfortunate people.

This bill has some specific measures to counter problem gambling. Autoplay is banned, as we know; note accepters will be banned; and individuals can ban themselves. I find this a curious provision, and it will be interesting to see how it operates in practice. Under the provisions, as I understand them, an individual can have himself or herself banned from

attending gambling venues. If in future they break their self-imposed ban, they can be subject to a fine of up to $2 500. I am not sure that that would be much of an incentive to individuals who were thinking about banning themselves. They may, in fact, be hesitant to do it because of the size of that fine. If the fine is imposed on hotel operators, it might produce a different outcome. I will support the measure, but I am not sure that it will be terribly effective. I think this matter should be looked at again.

The issue of ATM machines has been canvassed by a number of members, so I will not go into it in detail. There are obviously problems, particularly in country and tourist areas where a whole range of people might want to access ATM machines but not necessarily to gamble. That may cause inconvenience and problems, but I imagine that these problems can be sorted out over time. I understand that the commissioner has a discretion to overturn this provision where necessary, but that makes me wonder whether it will be very effective.

The issue of increasing the amount of return to players from 85 to 87.5 I think is tokenistic. It will just mean that, if someone goes into a pub and is prepared to lose $20 or $50, it will take them two-and-a-half per cent longer in time to achieve that goal. So, the state might get a little more taxation, because there is a bit more throughput. I suppose that is a reasonable thing. I do not think that it will help problem gambling, but it is obvious that it will not hurt.

The big issue involves capping. We have considered this matter a number of times in this House. This is the only issue in this piece of legislation which amounts to a conscience issue for members on this side of the House. I am not sure what the government members are doing. I indicate that I do not support the cap. I have not supported it on the other occasions that the cap has been brought before us. I think the arguments have been well explained to the House by other members and me on previous occasions.

The facts are that a cap will not help anyone in my electorate, because every hotel in my electorate has a full complement of poker machines. There will not be any problems.

An honourable member interjecting:

Mr HILL: It is true that the clubs do not. The bigger clubs in my electorate do, but I do not think that the smaller clubs have any intention of installing poker machines, as that is what they have told me over time. So, I do not think that capping poker machines will help anyone in my electorate, and I doubt whether it will help many people in South Australia. It will create inconveniences in areas where there is growth and proposals for new venues.

Other members have mentioned that about 1 900 extra poker machines are about to be put into venues as a result of the suggestion that there would be a cap. All of the potential demand has been brought forward, so the fact that this has been capped to May 2003 will not really make any difference because most of the machines that could be anticipated in the period between now and then have already been approved.

That raises the question of what do we do in 2003. We have a cap until then, but what then will be the process? Do we take the cap off and allow another couple of thousand machines to come through in the six month gap between this cap and a future cap? I do not know. I do not think that this part of the legislation has been thought through. It is aimed at headlines and propaganda. It is not a sensible measure. It will make those who own poker machines even wealthier. I guess that they will not mind that, but I think it is a pretty silly measure.

With the exception of that provision, I indicate that I support the bill. I think that, on balance, it moves towards harm minimisation. As I said before, I hope that the parties that have been responsible for bringing this legislation together—the hotels and licensed clubs on one side and the churches and welfare organisations on the other—continue to work together, monitor what has been done, and look at ways of improving the situation and continuing to minimise harm.

The Hon. J.W. OLSEN (Premier): I thank members for their contributions to this measure. There is no doubt that this is a step in the right direction. It is a matter of finding a balance between the interests of those who want further action to be taken and those who want no further legislation or restrictions put in place. This measure is the result of detailed negotiations which the member for Bragg as chair of the committee undertook on my behalf. I have acknowledged that before, and I do so again. I appreciate the amount of work and effort that was put in with the various interest groups within the community to come to an understanding regarding the measures that would be generally agreed to and implemented.

Several contributions referred to the fact that this measure has been a long time coming, that I had previously commented about this but that I had failed to act. I point out to the House that, on previous occasions, I have proposed in this place initiatives relating to the proliferation of poker machines. I remind the House that on a previous occasion it was, in fact, the upper house, because of the retrospective nature of the measure, which rejected that. I regret that it did so. However, I wish to correct the record as to there being no actions between 'Enough is enough!' and the legislation currently before the House. That simply is not the case.

Secondly, in relation to the question of this being window dressing, apart from the political rhetoric of the member for Kaurna in relation to that, at least he was prepared to acknowledge, in the latter part of his speech, that this is a step towards harm minimisation and, therefore, he was prepared to endorse and support the measures. So, I acknowledge and say to the House and those members who are prepared to support generally the raft of measures before the House that I appreciate that. I do believe that this is a measure and a step in the right direction. It is a vexed question, where all parties will never be satisfied, because there are parties on the extremes, if you like, of the policy decision. However, in looking at issues that have arisen from time to time, what we have attempted to do in the legislation is to address those issues.

There have been a number of amendments put on file by the member for Hammond. Whilst in the committee stage I will be able to respond in more detail to them, as I have said to the member for Hammond, I have a deal of sympathy for one measure in particular. I would, however, want to ascertain the implications of the measure and the 'unintended flow-on consequences' of that measure if we were to insert it today. I have indicated that I would appreciate some time to reflect upon that and consult with the group that worked co-operatively with the member for Bragg as chair of the committee, and also to have the opportunity to discuss the issue with my parliamentary colleagues. I would suggest that in that instance, whilst I personally have some sympathy for one of the measures—and I refer to the measure related to

smoking—and believe that that has a degree of merit in the suggestion from the member for Hammond, I would like to look at it more closely and give further consideration to it. I will make further comments as we move through the committee stage of the bill.

In summary, I thank all members for their contributions. I acknowledge that there are different points of view held by people, and passionately held, on this issue, but I think this is a genuine and positive step forward towards reducing the impact in terms of problem gambling within the community, not to impact against those recreational gamblers, but, importantly, to attempt to assist problem gamblers. Once someone becomes a problem gambler, it not only affects them as an individual but, more importantly, it rolls out and directly affects their family members. In that respect, the side effects of this industry are in some instances quite debilitating and, from a legislative point of view, deserve some response and action. That is what we seek to do in a constructive but compromised step forward in the legislation before the House today.

Bill read second time.

Mr LEWIS (Hammond): I move:

That standing orders be so far suspended as to enable me to move an instruction without notice.

The DEPUTY SPEAKER: As there is not an absolute majority of the whole number of members of the House present, ring the bells.

An absolute majority of the whole number of members being present:

Mr LEWIS: The purpose of the motion for suspension is to enable me to put before the committee a proposition to consider new clauses that are to be found in the Electoral Act.

Motion carried.

Mr LEWIS: I move:

That it be an instruction to the Committee of the Whole House on the bill that it have power to consider new clauses relating to an amendment to the Electoral Act 1985.

Motion carried.

In committee.

Clauses 1 to 6 passed.

New clause 6A.

Mr LEWIS: I move:

After clause 6—Insert new clause as follows:

6A. The following section is inserted after section 42 of the principal act:

Prohibition of interactive betting operations

42A.(1) It is a condition of the major betting operations licence or an oncourse totalisator betting licence that the licensee must not conduct interactive betting operations under the licence involving the acceptance of bets from persons within South Australia.

(2) In this section—

'betting facility' means an office, branch or agency established by a person lawfully conducting betting operations at which the public may attend to make bets with that person;

'interactive betting operations' means operations involving betting by persons not present at a betting facility where the betting is by means of internet communications.

The proposition seeks to do what the federal coalition government—the Liberal Party in Canberra—has done, and that is to make it a condition of a major betting licence or an oncourse totalisator betting licence that the licensee must not conduct interactive betting operations under the licence involving the acceptance of bets from persons within South Australia.

In this instance, it prevents any licensed agency to which the South Australian law gives the licence from providing gambling services on the internet to people living in South Australia. It does not preclude the proposition that anyone living anywhere else in the world can bet on services provided on the net by those licensed agencies in South Australia. It merely prevents South Australians from doing so—they have plenty of opportunity to bet now. God knows that is so. If we provide such ready access to betting within people's homes, not only will adults get involved but there is no way that a computer terminal can tell the age of the person operating it. Elsewhere in our legislation we have said that it is not appropriate for minors to be involved, and I do not think that we should open the door here.

As a second reason for encouraging members of the government at least to support this proposition, and members of the Labor Party also, I point out that the current law nationally sets out to prevent betting on the internet for Australians. That is entirely appropriate. We have enough opportunities to bet any way, any where. So many different places, so many different forms. This proposed new section spells out what a betting facility is, and that is pretty clear to anyone, and it defines the meaning of the term 'interactive betting operations', which means operations involving betting by persons not present at a betting facility where the betting is by means of internet communications. You can still do your phone betting and so on, but you cannot do it on the net.

I commend the proposition to members and trust that they will give it swift passage. In doing so, I remind members of the Liberal Party that this is federal policy.

Mr FOLEY: Like all members, opposition members have only recently received these amendments. We would like to give these amendments due consideration but, as the member for Bragg has advised me, a select committee in another place is looking into the issue of interactive gambling and is yet to report, and I would have thought it important that, as a house of this parliament, we should be in receipt of advice from a body as important as a select committee of another place that is clearly diligently working through these issues. It would be very useful for us to be made aware of the findings of that select committee, given the high level of expertise that is employed upon that committee to look at this very issue. We must bear that in mind.

We will oppose these amendments tonight, but we will give the member for Hammond due courtesy in terms of considering these issues over the course of the weeks between now and when this matter is debated in another place. We will take a definitive position when and if these amendments arrive in another place.

The Hon. J.W. OLSEN: In relation to the new clause 42A amendment proposed by the member for Hammond, as the member for Hart has said, there is a select committee of the upper house reporting on this matter and I, likewise, believe that it would be appropriate for the upper house to report to parliament on the matter. It will then give the opportunity for parliament to take into account the evidence that has been presented and the recommendations of that select committee. That would be the preferred choice of the government.

Mr LEWIS: Well, I guess they are the facts of life, but I tell members that this will not make it any easier for them—putting off making a decision. The community of South Australia looks to this parliament to make its laws. It looks to each of us in this place to represent the 22 000-odd electors, on average, in our electorates and if we cannot accept the responsibility for that delegated authority, we

should not have sought election to this place. Either we have the balls and the brains to make up our minds to know what is in the public interest and accept and support it or accept, equally, the ignominious disdain with which we will be treated, individual member by individual member. Either we believe that it is not proper and that it is inappropriate, for all the reasons that have been canvassed through debate in the press, on radio and on television over the last several years that have influenced public opinion in the majority to support the idea, or we do not. We tell the public, 'We know better than you and it is okay to further increase the types of gambling that will be available to you.' More important than that and more significant than that, we say, 'It is okay for children to be able to get on the internet'—and they are taught how to do that at school—'and begin gambling,' where elsewhere in our law we say that is out. We either accept the responsibility of having a consistent position across the board for minors, knowing that previously it was not possible for minors to lawfully lay a bet and get involved in gambling, or we do not.

I guess the worst part is that the parents will not know until it is too late. Many children will be tempted to look and try and they will run up enormous bills by stealing the credit cards or whatever else it is that will be provided as the means by which they can authenticate their wager, and on the internet there is no way by which the business offering the service can determine whether they are adults or minors.

For the life of me, I cannot see why every one of us in this place cannot make up our minds here and now. Trust me when I say that I will do whatever I can to let the public know, those of you—Mr Deputy Chairman and other members—who cannot make up your minds and who do not have the guts to do it. It is not as if you are ill-informed. It is not as if you are without information. It is there.

Mr CLARKE: I have a question of the member for Hammond. I do not pretend to have a great deal of knowledge with respect to the internet, but the legislation provides that you cannot—

An honourable member interjecting:

Mr CLARKE: Eat cheese.

The CHAIRMAN: Order!

Mr CLARKE: The honourable member's legislation provides that you cannot accept bets from persons within South Australia. How does it stop people from overseas or other states? I am just trying to get an understanding of it. Under the honourable member's legislation, a ban on interactive gaming simply stops it with respect to any site operating in South Australia. Minors could go to Broken Hill, Nhill, or anywhere in Australia or overseas, and still place bets, whether it be on the Melbourne Cup, the Adelaide Cup, or any other race or device. Would the honourable member's legislation stop a betting agency operating only within the jurisdiction of South Australia?

Mr LEWIS: I know what the standing orders say and, I guess, I am now caught in that respect. This is my third remark on this clause but I will make my point clearly. Presently the law, which can be repealed by a subsequent amending bill in the federal parliament, prevents that from happening, but we cannot place our faith and trust in what the federal parliament may do from time to time. If we believe that this is a good measure here, now, we ought to support it for South Australia. I doubt that many minors living at Stirling or, for that matter, Hindmarsh would cycle to Nhill to get on the internet to lay a bet, or go to Nhill by whatever other means are available to them, or to Murrayville or Mildura.

It is simply removing the temptation from them at home by placing the onus and responsibility, in no small measure, on the agency to which we in this parliament give a licence through the law that we pass, and the government agency then gives the licence. Those people, firms, businesses and agencies that have the licence are forbidden in law, if we pass this proposition, from conducting interactive betting on the internet with adults and children who live in South Australia, and I think that is entirely proper. If they choose to lay bets outside South Australia at the present time, under the federal law, that is not permitted, but if that law is repealed they will be able to.

I sincerely believe that we ought to send the right signal to the wider community and not prevaricate. There has been plenty of debate of the matter. All of us, as politicians, have responsibility to pay attention to the direction that debate is taking. It is not something that has been peripheral to our responsibilities: it is central and germane to them in this domain of political ideas. I therefore, again, implore all members, for the sake of their own personal standing in the eyes of the electorate, to do the responsible thing and vote in favour of it tonight, now.

Ms WHITE: I am not quite sure that I understand this clause completely. How would a licensee know whether a bet was placed by someone within South Australia? With bets being placed by persons using laptop computers, which can be accessed from inside or outside the state, how on earth would the licensee be able to determine whether a person resides in South Australia? Just how would one police something like this?

Mr LEWIS: The standing orders prevent me from answering.

The CHAIRMAN: The member for Hammond is responsible for this amendment and can speak, I hesitate to say, as often as he likes.

Mr LEWIS: I was distracted because of my belief that I was not permitted to speak on more than three occasions. Can I ask the member for Taylor to restate her inquiry in one sentence?

Ms WHITE: How would the licensee know whether a bet was placed from someone within or outside the state? Even if they knew the person to usually reside within or outside the state, how on earth could they tell where the bet was coming from?

Mr LEWIS: I guess the member knows that it is now possible, on your telephone at home, to identify the caller who is making a call to you.

An honourable member interjecting:

Mr LEWIS: Regardless of whether it is a mobile or anything else. Mobiles are, indeed, identified by their prefixes—the first six digits—as to the home address. All the licensed agency has to do is to simply put a filter on all the telephone calls which originate in South Australia through the net.

Mr HILL: I think the questions being asked demonstrate the difficulties with having a proposition such as this dropped on you in the heat of debate, because there is no real way of understanding what the issues are or of consulting with people who might know more than, indeed, the member for Hammond—whose knowledge in this area is, no doubt, encyclopaedic. My understanding of this is as follows. What the member is proposing is that it would be illegal for a TAB—or, I guess, any other licensed operator on a racing

track—to take bets from South Australians via internet means, yet it would be legal for them to take the same bets from the same people using the same telephone line if they spoke on it. That seems to me to be an absurdity and a discrimination against a particular form of communication.

The other absurdity would be, of course, if I had a mobile phone which was registered in New South Wales and I used that in South Australia: according to the answer that the honourable member gave the member for Taylor, I would be acting lawfully, because the registered address would be in another state. And if I took my mobile phone from Adelaide to Sydney and tried to make a bet via the internet I would be acting illegally, even though I was out of the state.

It seems to me that the great sin is where overseas companies target South Australians and South Australians bet with overseas internet providers and our money then is lost overseas. It seems to be much more sensible, if we are to have any internet gambling (and I do have concerns about internet gambling), that the best form of it would be where South Australians gamble with other South Australians, and the money stays in this state, so there is some benefit to the state. But to ban that one aspect and to allow all others seems to me to be the height of absurdity.

Mr LEWIS: I thank the member for Kaurna for his inquiry, because it enables me to explain quite simply that, if you want to make your bets by telephone, you have to make the prior arrangement with the licensed agency, such as the TAB, and establish your credit facility to do so, whereas on the internet you simply key in the number of the credit card (as you do if you are buying another commodity), and that credit card could belong to any other adult person, if you are a minor—either your parent, or whomever it was you obtained the card from, by whatever means, whether lawful or unlawful. The fact remains that the temptation is then provided to minors to bet without their parents knowing that they are doing it and to get hooked and to run up a large bill, whether on their parents' credit card or on one that they have obtained from someone else one way or another.

Secondly, as I explained, I guess, by inference, at the outset, if you make a bet by telephone with the TAB now, you can do so only if you have arranged the credit facility beforehand. You cannot just ring up and say that you want to put so much on race four, number so and so, and name the horse. You have to have your arrangement consciously in place and a credit balance in your account before you can do any telephone betting. That is the difference between telephone betting and internet betting.

Mr HILL: I thank the member for that explanation, but surely if the problem the member refers to is what he is trying to address, then rather than banning all internet gambling he should have an amendment to say that, if you wish to gamble via the internet, you need to be a registered gambler in the same way that one would be registered to use the telephone.

Mr LEWIS: If the member for Kaurna remembers the first point I made in explanation of this clause was that we saw it as undesirable to provide additional opportunities to bet. There are plenty of opportunities now. It is not necessary to open up internet betting by providing, as the law would at the moment, for it to happen. Indeed, we argue that given the number of other opportunities there are, this additional opportunity represents a further incremental increase in the risk to which people expose themselves of becoming compulsive gamblers. We saw also and more importantly that if you open this up you cannot tell the age of the person operating the keyboard and keying in the credit card number, so for the sake of saying that you do not need an additional mechanism for gambling as there are plenty there now, and if we were to provide this, then we are being silly because we expose ourselves to the risk of encouraging or allowing minors to go through that doorway that we cannot check.

In all instances in the past where there were these kinds of jurisdictional problems, we started out by saying within the states, where the constitutional responsibility lies, that it is unlawful to murder somebody in Victoria but, just because they murdered the person standing on the bloody southern bank of the river in the water, they are in New South Wales and that is how someone got off being found guilty of murder. They were charged with the offence in Victoria yet they said they were standing in the water when they murdered the person, or whatever the evidence was—that is the balance of it. Jurisdictionally, we are trying to say that in the main it is a bad idea to provide the community of South Australia with internet betting facilities; there are already enough opportunities to bet. This one is particularly dangerous because it enables minors to get involved, and that is bad.

Mr HILL: I reject the argument that the member made. The analogy of standing in water on the riverside in New South Wales or Victoria was absurd: wherever you commit murder in this country it is murder and any jurisdiction—

Mr Lewis interjecting:

Mr HILL: That is an irrelevancy. The honourable member is concentrating in this amendment on the possibility that minors will be attracted to gambling on horse racing as a result of being able to use the internet. I am very dubious about that as I would have thought that most kids would use the internet for a whole range of other perhaps even more unsavoury activities than gambling, particularly gambling on horse racing. Very few people participate in that: I understand that we are selling the TAB because that industry is in decline. What evidence does the member have of under age gambling on the internet or in other forms involving horse racing?

Mr LEWIS: That is a ridiculous question because the member for Kaurna knows that 50 years ago in 1950 not many children had that much pocket money that they could afford to buy cigarettes. He is saying that the law ought not to have excluded minors from buying cigarettes, because they would need to buy them for dad and could go down to the shop to do so, because there was no evidence that they would begin smoking until they were adults. In fact, as the Hon. Member for Kaurna knows, if the opportunity is there, some will take it up. We say that is bad. It is not a good idea to provide the opportunity for minors to begin gambling as such at that time. This is easily the most risky kind of arrangement we could have to involve minors in doing so. If it is there and it is possible some will try it, just as they did with cigarette smoking.

Mrs MAYWALD: My question relates to how the Authorised Betting Operations Act applies to the amendment. The member for Hammond has said that his amendments are specific to preventing the extension of credit to underage people using the internet in South Australia. However, the Authorised Betting Operations Act already covers the two issues raised by the member. I will read to the committee the provisions that are already established in law in South Australia for the prevention of betting by children. Section 43 of the Authorised Betting Operations Act provides:

It is a condition of the major betting operations licence or an on-course totalisator betting licence—

(a) that the licensee must not accept or offer to accept a bet from a child; and

(b) that the licensee must have systems and procedures approved by the commissioner designed to prevent bets from being made by children in the course of the licensee's betting operations; and

(c) that the licensee must ensure that the operations under the licence conform with the systems and procedures approved under this section.

To me that indicates that anyone who is licensed to accept a bet in South Australia must comply with section 43 of the Authorised Betting Operations Act. That would mean that, without this amendment being proposed, it would already be an offence for any licensed operator in South Australia to accept a bet, whether by phone, the internet or in person.

Secondly, section 44 of the Authorised Betting Operations Act also talks of the prohibition of lending or extension of credit. It provides:

It is a condition of the major betting operations licence or an on-course totalisator betting licence that the licensee must not—

(a) accept a bet unless the licensee has received the amount of the bet; or

(b) in connection with the making of a bet, lend money or anything that might be converted into money or extend any other form of credit.

So, the provisions that the member for Hammond is trying to introduce with his amendment are already well covered within the Authorised Betting Operations Act, which covers any person who has the ability to accept a bet within this state.

Mr LEWIS: I am pleased that the member for Chaffey raised that point, because in that act as it stands there is no means whatever by which it is possible for the agency that is licensed to determine the age of the person. So, it is a defence that they cannot have known that the person using the internet and making the bet was not an adult. More particularly, whilst it is an offence to do it, that is the defence to it: the child, the minor, the young person is not and cannot be scrutinised in the interaction on the internet, whereas an adult can be. It is our opinion that it is unwise to make it possible for such betting to be undertaken. I remind the member for Chaffey and the Liberal members of this parliament that it is federal government policy not to provide internet gambling facilities in Australia.

I do not believe that it is wise to make a law saying that you cannot do something unless you fulfil certain conditions—in other words be an adult—if there is no way of checking whether or not you are. This closes that loophole. I do not think South Australians need to be able to bet on the internet to get a bet on. There is already ample opportunity to do that and this will not significantly affect the business to which I know the member for Chaffey is strongly committed and attached as a mover of the proposition to establish an internet horseracing and gambling facility at Waikerie. I do not mind that. If that is the done, the bets can be taken from anyone elsewhere outside South Australia as far as our jurisdiction goes and as far as our law would say. That is an industry.

If that is what someone wants to put their money into in the belief they can make a profit it is up to them, but we in South Australia do not need another form of gambling, especially when it opens the way for people who are minors to bet, even though it is an offence for someone to allow them to bet but where that someone or that agency cannot determine that they are minors. That is why there will never be a prosecution. The other provision to which the member referred does not exclude the use of credit cards. It simply provides that—

Mrs Maywald interjecting:

Mr LEWIS: At present on the internet, to give the number is sufficient authorisation for the cost to be charged against the account by the supplier of the goods and services. Once the person seeking the goods and services provides the number in connection with the request they make, that is sufficient evidence, in the opinion of the law, that they wish to pay for it. They have the credit facility, not the agency. They are paying with the funds they have at their disposal. There is no way known the agency—the licence holder—can discover whether the balance in the credit card is positive or negative. So long as there is sufficient authorisation for the funds to be deducted from the amount that is available on that card that is not seen as a transaction made in credit because the payment is made in that instance by the person requesting the goods or service. In this case the service is to lay a bet.

Mrs MAYWALD: In light of that answer, can the member for Hammond please explain to me how an agency may differentiate between the information provided over the phoneline through the internet by typing in the answers or over the telephone? If a child aged 12 to 15 were to dial into a betting agency, having secured access to their parents' code for accessing the betting account, how would the agency determine whether or not the child was under age through the internet or through the telephone? How can this amendment actually differentiate between a child dialling through on the telephone and a child dialling through on the internet? How will the authorised betting agency respond to that?

Mr LEWIS: Again, that is pretty simple. If you are to become involved in telephone betting, the way in which the law presently requires that to be structured is as follows. You go to the agency, tell them your telephone number, give them the money and it is held by them in credit; and then wherever you are you can use a mobile or a landline and call the agency and lay your bet against the amount you have deposited in credit. No-one under the age of 18 is allowed to establish a credit betting facility that they can operate by telephone.

Mrs MAYWALD: Whilst I appreciate that that is the understanding that the member for Hammond has, the legislation under the authorised betting operations is pretty broad in that it does not say whether or not they have dialled through from the internet or dialled through from voice contact. I do not see the difference between the agency's having to determine whether it has come through the internet or whether it has come through a voice activated line. The point is that it has come through on the telephone line and that the information being provided to the authorised betting agency is either typewritten through the internet or it is voice given over the telephone line.

Under the Authorised Betting Operations Act, I understand that people who contact through the internet are unable to place a bet unless the bet has been placed with the licensee prior to the bet. That is exactly what it says in the prohibition of lending of extension of credit. It does not identify whether that comes through from a verbal commitment on the telephone or whether that comes through the telephone line on the internet. The prohibition of lending of extension of credit would apply to both forms of interactive action with the particular licensee.

Mr LEWIS: That is true.

The CHAIRMAN: Order! Members should take their seats.

Mr LEWIS: That is true, but the provision of credit is not at issue here. If you use a credit card, the agency is not extending credit, it is accepting payment there and then on the spot. You are taking that money from your own account—or someone else's if you are doing it nefariously. With telephone betting you must have a positive balance in the specific telephone betting account established with the TAB or whatever other agency it is. You have to have a positive credit balance, and when you wish to use your credit betting facility, then you ring the agency and by whatever means—I do not know whether it is using a PIN, dial code tone or a code word—you get access to the amount of money you have in that credit account, the cash that is there.

Mrs Geraghty interjecting:

Mr LEWIS: If they do. Yes, that is true, if the child finds out. What we are trying to do is to make the law to restrict as far as possible behaviour which we consider to be undesirable and, if the child finds out the PIN of the credit card and goes to the automatic teller machine, they can still steal from the person who owns the credit card. That is again not at issue here. What we are trying to do is prevent the risk of minors being able to bet on the internet with South Australian licensed agencies, and equally to do that we have to simply say, 'There is no need' and there ought not then to be anyone able to bet on the internet with South Australian licensed agencies on any event that they are providing betting on through their other services—through the betting shop or the TAB agency, in the pub, the shop, or wherever else they go to lay their bets.

Not to do it on the net is what the law, as I propose it should be, seeks to ensure. Just because you make the law does not mean some people will not try to break it. However, the law is the message you send to the wider community about what is and what is not appropriate behaviour and what is and what is not reasonable.

Ms WHITE: There is no mention in this clause of the penalty if the conditions set out are breached, and nor is there any indication of what would be a legal defence of a breach committed under this provision. Will the member for Hammond address those two issues? What would be the penalty for a breach and what would be a legal defence should a breach be committed? For example, for the licensee would it be a legal defence that they did not know or could not have been expected to know that the person making the bet was not from within South Australia?

Mr LEWIS: I am happy to respond to that. I suppose that I would say to the member for Taylor and other members who are raising these questions now: they ought to look at section 27 at it now stands because what this does is import those provisions of section 27 of the Racing (Proprietary Business Licensing) Act into this legislation. It is already in the law and this House has already passed it because it has sought to prevent this kind of activity from becoming established in the community.

I am sure that the member for Bragg could confirm that, and the member for Lee if he were here. They understand that act and its provisions. I am simply saying that it ought not only be in the Racing (Proprietary Business Licensing) Act but it should also be in the Authorised Betting Operations Act to stop internet gambling for the very same reasons. I have been over them and I do not want to belabour those points. The committee understands what I have said, I am sure.

The Hon. G.A. INGERSON: Is it not fair to say that a connection via the internet is, in essence, exactly the same as a mainline connection via a telephone?

Mr LEWIS: No, because of the nature of the information that can be transmitted via the internet as compared to what can be transmitted via the telephone. It is easier to engage in a deceit on the internet than it is via the telephone.

An honourable member interjecting:

Mr LEWIS: Sure, but it is easier to shoot someone at 20 feet than it is to stab them at that distance. I am saying that the law is not absolutely perfect but it does send a message to the wider community—and that is what we are trying to do here. Just because we say that it should not be done does not mean that people will not do it. The penalties, which the member for Taylor referred to earlier, are provided not in this clause but in the penalty provisions for a breach of all of these clauses in the Authorised Betting Operations Act.

Progress reported; committee to sit again.

ADJOURNMENT

At 11 p.m. the House adjourned until Wednesday 2 May at 2 p.m.