HOUSE OF ASSEMBLY

Wednesday 16 July 2003

The SPEAKER (Hon. I.P. Lewis) took the chair at 2 p.m. and read prayers.

HOSPITALS, MODBURY

A petition signed by 87 residents of South Australia, requesting the house to call on the government to categorically declare that Modbury Public Hospital will not be closed, amalgamated or any current services withdrawn (including the new maternity wing), was presented by the Hon. D.C. Kotz.

Petition received.

ADULT AND COMMUNITY EDUCATION FUNDING SCHEME

A petition signed by 57 residents of South Australia, requesting the House to review cuts made to the Adult and Community Education Funding Scheme with a view to urging the Government to reinstate these important social inclusion programs, was presented by the Hon. D.C. Kotz.

Petition received.

VOLUNTARY EUTHANASIA

A petition signed by 20 residents of South Australia, requesting to reject Voluntary Euthanasia legislation and uphold the present law of homicide while maintaining the right of patients to refuse treatment and support palliative care procedures, was presented by the Hon. D.C. Kotz.

Petition received.

TAFE

In reply to **Mr BRINDAL** (3 April).

The Hon. J.D. LOMAX-SMITH: The following table shows the operating results for calendar year 2002 for each TAFE Institute and the accumulated cash balances as at 31 December 2002.

	Operating result 2002[(1)] ($m.)	Cash balance at 31 December 2002[(1)] ($m.)
Adelaide	1.6	6.6
Alliance	-3.7	-7.9
Spencer	-0.7	-2.4
Torrens Valley	-0.7	0.0
Murray	-0.5	-0.2
Douglas Mawson	-0.9	-0.2
Regency	-3.4	-13.2
TAFE Biz	-0.1	0.3
Total	-8.4[(2)]	-16.9[(2)]

Notes:

(1) + denotes surplus / —denotes deficit

(2) Numbers may not sum exactly to the totals due to rounding

The figures show a deterioration in the overall operating position. This is consistent with the position detailed in the Report of TAFE governance in South Australia—December 2002 (The Kirby Report) which indicated that TAFE Institutes face significant underlying operating deficits, the resolution of which will necessarily involve strategies spanning 2-3 years.

DFEEST has commenced a comprehensive range of measures, including restructuring within 3 of the TAFE Institutes. Significant savings are anticipated in 2003 calendar year although limited impact is realisable in 2002-03.

In the 2003-04 budget additional funding was provided in 2002-03 to meet the operating deficits of individual Institutes and to prevent any further deterioration of the cash position at 30 June 2003. Cabinet also approved the expenditure reflected in the forecast operating deficits for 2002-03.

Additional recurrent and capital funding for 2003-04 was also provided in the budget to assist the TAFE system in securing stability in its finances.

PAPERS TABLED

The following papers were laid on the table:

By the Minister for Local Government (Hon. R.J. McEwen)—

Regulations under the following Act—
- Local Government—Superannuation Board—Insurance Policy

Local Council By-Laws—
- District Council of Mount Barker—
  - No. 1—Permits and Penalties
  - No. 2—Moveable Signs
  - No. 3—Roads
  - No. 4—Local Government Land
  - No. 5—Dogs.

The SPEAKER: Order! All members should note that, wherever they are in the chamber when the chair rises to his feet, they should stand or sit, and remain so until the chair has concluded whatever the chair is doing.

CONSTITUTIONAL CONVENTION

The SPEAKER: I inform the chamber that, following the curiosity expressed by the member for Morialta at the end of question time yesterday about the Constitutional Convention, I have had a discussion with her which resulted in the suggestion from her which I now take up in order to provide the house with more information about the Constitutional Convention such as I am aware of it.

Members know that the Constitutional Convention will be comprised of 300 or so randomly selected South Australians. This is a scientifically valid sample size which will be representative of the whole of South Australia's population and provide us as a society, as well as us as members of this parliament which is a part of that society, with a set of views that will be representative of the whole number of more than 1.1 million citizens on the electoral roll; that is, if we could take the time to sit down and inform ourselves as South Australians collectively of the issues involved and the background information relevant to each of them, as the 300 will, and be accommodated in a venue big enough for all of us to fit into it and set about instructing ourselves in the same manner as the 300, we would come to a conclusion about our systems of governance and the structure of our constitution as that 300 or so will on the weekend of 8, 9 and 10 August.

Moreover, that 300 or so representative sample of the people of South Australia can be collected from wherever they live and/or are accommodated in the metropolitan area—if they live from outside it; be fitted into the space available at Parliament House; be fed and watered in an appropriate and frugal fashion; be organised into workshops which can operate in the available space; be properly surveyed by trained sociologists who are professionally skilled at facilitating the deliberations but avoid injecting their own bias into those discussions; and, ultimately, formulate opinions and recommendations expressed by the workshop groups which can then be reported to the plenary session for resolution.

The process is called deliberative polling. It is being provided for us by the principal contractor, Issues Deliberation Australia, the head of which is an internationally

respected sociologist, Dr Pamela Ryan. The services of Dr Ryan and her staff are provided to the state at no cost. The costs involved in getting help and transport provided to anyone and everyone, regardless of their age, mobility and vocation, will be met from the contracted price, as will the nutritious, appropriately frugal meals and more especially the subcontracted cost of using News Poll for the initial survey of about 1 200 South Australians to establish the baseline data about levels of knowledge and understanding of the matters to be contemplated.

There have been 26 such deliberative polls in various places in the western world that I am aware of. None of them have ever had the uptake rate of people anything like as high as this poll. I am told that it was over 90 per cent, which confounds the critics and sceptics who were long-winded and bellicose in their remarks and questions, both within the steering committee and in the press, as well as more recently in the other place.

PAEDOPHILE TASK FORCE

The Hon. K.O. FOLEY (Deputy Premier): I seek leave to make a ministerial statement.

Leave granted.

The Hon. K.O. FOLEY: I rise to inform the house of the activities of the paedophile task force which has been established within the South Australian Police. As honourable members may be aware, on 30 May this year, the Police Commissioner announced the formation of the task force in response to a request from the Anglican Church in South Australia. The church wanted police to investigate allegations that suggested the existence of a complex and endemic network of child sexual abuse throughout the Anglican diocese in South Australia.

A helpline was set up by the diocese and managed by the Yarrow Place rape and sexual assault service. The paedophile task force was also given the responsibility of determining the impact and resource implications resulting from the recent passage of legislation removing the 1982 limitation of time for the investigation of alleged sex offences. This required the task force to investigate the extent of action required by the police to address allegations of offences committed prior to 1982 and to provide advice on the approaches to be taken.

The Commissioner of Police has advised me that the current status of the investigation related to allegations arising from the Anglican Church hotline is as follows:

- 143 matters have been referred to police; 82 victims have been identified, and some of the unidentified victims may be included in this number.
- 48 persons of interest have been recorded; 42 have been identified and a further six are unidentified at this time; six of the total number are deceased.
- Six of the total number of victims allege abuse by more than one person of interest.
- 15 of the total number of persons of interest are alleged to have abused more than one victim.

The hotline information has identified possible links between some of those persons of interest and other groups. I am advised that the removal of immunity from prosecution for sex offences that occurred before December 1982 may require a response from the police in relation to the following:

- Offences previously reported but not investigated due to the offence date.
- Matters investigated but charges not laid due to the limitation of time.
- Incidents identified during other investigations, with no action taken due to the offence date.
- Newly reported matters alleging offences occurring prior to 1982.

At this early stage, the paedophile task force has identified 74 pre-1982 actions that will require further investigation. Some of these matters have been reported through Crime-stoppers, the South Australian Police Force's sexual assault unit, and direct contact by victims with SAPOL's child exploitation investigation section. These 74 actions are separate from the Anglican Church hotline records. Other cases are likely to be identified through Operation Paradox records, which was a national child abuse phone-in conducted over several years in the early 1990s; Operation Torpedo (a SAPOL operation running from 1995 until 1998) case management files; sexual assault unit files; and criminal investigation branches at local service area level.

The preliminary investigation phase is due to commence on 24 July and continue for up to three months. During this time, all victims and witnesses related to the Anglican Church inquiry will be contacted by the paedophile task force. A preliminary consultation will be completed to determine the extent of information held by the subject in relation to other victims and persons of interest. The 74 pre-1982 offences currently identified will also be followed up during the preliminary investigations.

A review will be conducted of current police investigation holdings to identify victims, offenders and/or intelligence links. This will be a substantial undertaking as it involves assessing matters, recorded electronically or in hard copy and either on file or archived. The results of the review will then be assessed. At this stage, it is not possible to predict more accurately numbers of matters requiring action and to provide estimates of the likely impact, but I am advised that the impact could be in the hundreds.

The paedophile task force is currently staffed and equipped from within police resources. From 24 July, it will be increased to 11 staff supported by a range of logistical equipment. The Commissioner of Police has advised me that the resource requirements for an ongoing full investigation will be assessed towards the end of the preliminary investigation phase. Let me assure the house and the public of South Australia that this government will provide the necessary resources to allow the police to carry out these inquiries into child sex abuse. Last month, the government changed the law so that—

Mr Brindal interjecting:

The Hon. K.O. FOLEY: I would ask the member for Unley not to interject during this important statement. I am happy to discuss the matter after—

The SPEAKER: Order! Leave has been granted for the minister to make a statement.

The Hon. K.O. FOLEY: Last month, the government changed the law so that prosecutions could be brought against people who committed sex offences before 1982, and we encouraged victims to come forward. Now that they have done so, we will assist them in their quest for justice and healing. The government will continue its work to deter and prevent child sex offences through the introduction of a paedophile register, implementing the results of the review of the parole laws, with the injection of an additional $42 million into child protection and other initiatives from recommendations contained in the Layton report.

HOSPITALS, QUEEN ELIZABETH

The Hon. L. STEVENS (Minister for Health): I seek leave to make a ministerial statement.

Leave granted.

The Hon. L. STEVENS: The report by the Auditor-General into the process of procurement of a magnetic resonance imaging machine by the North Western Adelaide Health Service found that the transaction was conducted unlawfully, in the sense that it was entered into by a public employee, Dr Roger Davies, who was acting contrary to his duties as a public employee. The report also found that conduct by the former chief executive of the Queen Elizabeth Hospital, Mr Peter Campos, raised issues concerning matters of propriety and regularity in public administrative matters. The report also found that arrangements to establish two sub-boards of the North Western Adelaide Health Service, implemented by the former minister, to run the Queen Elizabeth and Lyell McEwin Hospitals had resulted in accountability for the financial position of the North Western Adelaide Health Service being blurred with a loss of transparency.

The government will act on all recommendations of the Auditor-General, including those dealing with governance and the need to ensure that health units understand the policies and principles of the State Supply Board. I will refer the report to the board of the North Western Adelaide Health Service for consideration, as the employer of the public employees involved in this matter, and I will seek legal advice to ensure that all action required of me as minister is undertaken. The report finds that the 1.5 tesla MRI was purchased without the approval of the minister, the State Supply Board, or cabinet. I want to assure the house that unlawful and unauthorised behaviour cannot and will not be tolerated. South Australians have a right to expect that precious taxpayers' dollars are spent wisely and in the public interest.

FAMILY AND YOUTH SERVICES

The Hon. S.W. KEY (Minister for Social Justice): I seek leave to make a ministerial statement.

Leave granted.

The Hon. S.W. KEY: I wish to advise the house about progress with regard to the current Family and Youth Services industrial dispute. Conciliation negotiations with the Public Service Association are proceeding under the auspices of the Industrial Commission. Members will appreciate that my statement today is made with due regard for the integrity of that conciliation process. Since a voluntary conference before Deputy President Hampton last Thursday, the Department of Human Services has maintained its dialogue with the PSA to establish a mutually acceptable outcome to the dispute. Importantly, the government has made an offer of a further $1.5 million to fund additional professional and operational staff in the child welfare area. This offer has been made as an interim measure while a comprehensive workload analysis of FAYS is undertaken.

I emphasise that a proper workload analysis is needed to allow all parties to understand what immediate and longer-term staffing needs are. The PSA has been invited to participate in the workload analysis task force group that has been established, and I believe that their input can only contribute to its success. The $1.5 million offer is made in good faith to seek a resolution of the current dispute. It comes on top of an allocation of $2 million recurrent to children with complex needs and to support additional placements. A further $2 million recurrent has been approved to meet the costs of children's payments, and $3 million has gone as new funding to early intervention and prevention programs. New security measures for FAYS staff have also been funded.

I also take this opportunity to reiterate the point I made yesterday in reply to a question from the Deputy Leader of the Opposition. Part of the problem the government has faced in developing a comprehensive response to FAYS' resourcing needs is that there is simply an appalling history of decision making by the previous government in relation to its budget and resource levels. My intention is to get to the bottom of this sorry situation through an in-train financial audit exercise and to ensure that the future of FAYS is not undermined by this legacy of poor financial decision making.

In conclusion, I express my sincere hope that FAYS workers, through the PSA, will respond positively to the government's offer. It is time to move on to the bigger agenda, to undertake adequate assessment of ongoing work load mix and level of requirements and, most importantly, to ensure that the pressing needs of children at risk are met. The government, along with our FAYS workers and the broader community, wants to get on with the job of developing the best child protection system in Australia.

LEGISLATIVE REVIEW COMMITTEE

Mr HANNA (Mitchell): I bring up the 30th report of the committee.

Report received.

QUESTION TIME

PUBLIC PARK BILL

The Hon. I.F. EVANS (Davenport): My question is to the Minister for Environment and Conservation. Why did the minister tell the house that 'never before has the commonwealth acquired land against the wishes of a state,' when the commonwealth acquired land against the wishes of the New South Wales government in 1968?

Members interjecting:

The Hon. I.F. EVANS: It goes to the truth. In a ministerial statement to this house on 6 June 2003, the minister stated:

> Never before—

The Hon. M.D. Rann: This is pathetic!

The Hon. I.F. EVANS: Well, the Premier says it is pathetic. Getting the truth is not pathetic. The minister stated in a ministerial statement to the house:

> Never before has the commonwealth acquired land against the wishes of a state.

In 1968, the commonwealth government compulsorily acquired land in Holsworthy, New South Wales. The purpose of the acquisition was to retain the property for army training purposes and to provide a buffer zone of one mile radius around the Atomic Energy Commission's reactor at Lucas Heights. In February 1967, the New South Wales government made the land a public park in an attempt to stop the commonwealth government acquiring the land. The commonwealth then acquired the land against the wishes of the New South Wales government.

Members interjecting:

The SPEAKER: Order, the member for West Torrens

and the deputy leader!

The Hon. J.D. HILL (Minister for Environment and Conservation): I am delighted to answer this question, because it gives me another opportunity to make a distinction between the position of the government and that of the opposition. The government is clear in its position: we do not want South Australia to become the home of the nation's radioactive waste. However, the Liberal Party obviously does and, day after day, it finds arguments and excuses to try to explain away its position in relation to this dump.

I made the statement that I made to the house because I was acting on advice. I will look at the claims made by the member for Davenport in some detail. However, it does not matter, because the point is that the commonwealth—

Members interjecting:

The Hon. J.D. HILL: The opposition, and the member for Davenport in particular, are very good at verballing people, and this is another attempt by him to verbal. He is an expert in verballing members of this house.

Members interjecting:

The SPEAKER: Order! It might be necessary for the minister to read standing order 98 also. However, I invite him to address the substance of the question.

The Hon. J.D. HILL: Thank you very much, Mr Speaker. As I said, I will check the statements made by the member for Davenport, and I am happy to do so. However, when I answered the question, I was taking advice.

HOSPITALS, QUEEN ELIZABETH

Ms RANKINE (Wright): Following the release of the report by the Auditor-General into the purchase of an MRI machine at the Queen Elizabeth Hospital, what action will the Minister for Health take to address the recommendation that governance structures at the North Western Adelaide Health Service be regularised to comply with the South Australian Health Commission Act?

The Hon. DEAN BROWN: I rise on a point of order. I thought that we had a ministerial statement on that very subject today.

The SPEAKER: I was referring to that myself, and I think the question is out of order.

PUBLIC PARK BILL

The Hon. I.F. EVANS (Davenport): Will the Minister for Environment and Conservation advise the house of the government's estimate of the cost of establishing a public park at Arcoona Station?

The Hon. P.F. Conlon interjecting:

The SPEAKER: Order, the Minister for Infrastructure!

The Hon. I.F. EVANS: Today, the Pobke family issued a statement to the parliament indicating that they intend to sue the state government if the Public Park Bill is successful. The statement says:

> It is the intention of the Pobkes to institute a legal challenge in the Supreme Court of South Australia to the validity of—

The Hon. J.D. HILL: I rise on a point of order. Whilst I am happy to answer the question, this matter is before the parliament at the moment.

An honourable member: It is not!

The Hon. J.D. HILL: It is, in fact, before this place. This matter is before the parliament at the moment, and I ask you, sir, to rule as to whether it is proper for me to answer a question in relation to the public park legislation.

The SPEAKER: That is a reasonable inquiry made by the minister, but the matter about which the member is seeking information is not before this chamber.

The Hon. I.F. EVANS: The statement reads:

> It is the intention of the Pobkes to institute a legal challenge in the Supreme Court of South Australia to the validity of any legislation in terms of the parks bill, in the event the same is passed. . . In addition, and in the event any parks law survives, the Pobkes will fully explore their entitlements to compensation (no compensation having been offered or suggested to date by the state government), and the Pobkes will take all available steps to ensure that proper expenditure is incurred by the state in the establishment and maintenance of any park (including, in particular, the expenditure of what will necessarily be many hundreds of thousands of dollars in improving the access road to a passable and safe condition).

The Hon. J.D. HILL (Minister for Environment and Conservation): I am happy to answer that question. I have received a copy of the statement presented to the parliament by Andrew and Leanne Pobke at some stage today. Since I have had a copy of this letter, I have had preliminary advice from crown law in relation to the claim that may be made by Mr and Mrs Pobke. Although I have not had advice in writing at this stage, the informal advice I have is that they have no case; no compensation would be payable to Mr and Mrs Pobke.

Members interjecting:

The Hon. J.D. HILL: Of course it is up to the court, but one gets advice from a lawyer. Crown law advises me that no compensation would be payable, and I was about to explain why they make that claim. The question is what the Pobkes are being deprived of; what would they be compensated for? To start, all they have over that land is a lease. The land is crown land; it is land owned by the state. In addition—

Members interjecting:

The Hon. J.D. HILL: They ask questions, but they are not interested in the answers. The dump lovers on the other side are not interested in the answer; they ask the question but they do not listen to the answer.

Members interjecting:

The Hon. K.O. FOLEY: I rise on a point of order, sir. The member for Bright just accused the Premier of lying. I ask the member for Bright to withdraw that remark; it is unparliamentary.

The SPEAKER: Did the member for Bright accuse the Premier of lying?

The Hon. W.A. MATTHEW: Mr Speaker, I was taking issue with the Premier over his calling the proposed waste dump a nuclear dump, which, sir, it is not. I said that if he insists on doing so then he is lying.

The SPEAKER: Did the member for Bright accuse the Premier of lying?

The Hon. W.A. MATTHEW: In the interests of moving the house forward I withdraw my accusation; but yes, I did, sir.

The Hon. J.D. HILL: As I was saying, the land in question is in fact public land over which a lease is held by Mr and Mrs Pobke. I understand they took over that lease from the Kidmans in the last year or so. So, it is public land. The question arises—

Members interjecting:

The Hon. J.D. HILL: They paid for the lease; I am not saying they did not pay for it. I did not say that. The question arises over what matter compensation would be paid. The public park that is being proposed by the government through legislation would mean that the land in question would be

called a public park, and the public would have a right to access that land in the same way as they can now, with the permission of the minister. What we would be doing is codifying through legislation a set of rights of access and capacities to enjoy that land. There would not be an exclusion of the Pobkes from that land, so they would still be able to use that land for pastoral purposes. You would have to ask what would be the matter for which they would be compensated, because there would still be pastoral use of that land. As it happens, at the moment I as minister on request can grant the public rights to access that land now, so there would be no real difference.

Members interjecting:

The Hon. J.D. HILL: The advice I have is that I can give rights.

Members interjecting:

The Hon. J.D. HILL: There are so many experts on the other side. The advice I have is that I can grant permission to members of the public to access that land under certain circumstances. Nonetheless, whether or not that is the case is not the relevant matter to this question. The relevant matter in the question is whether or not the Pobkes are deprived of access to that land. The answer is that they are not; they would still have use of that land for pastoral purposes and would still be able to graze on that land. What would they be deprived of? The answer is: nothing. In fact, the thing they are most likely to be deprived of and which they are probably most upset about is compensation from the commonwealth for taking over that land for use as a radioactive dump.

Members interjecting:

The Hon. J.D. HILL: That is interesting.

Members interjecting:

The SPEAKER: Order!

The Hon. R.G. Kerin interjecting:

The Hon. J.D. HILL: The Leader of the Opposition says, 'Talk to them.' I left a telephone message on their answering machine inviting them to return my call, but I have yet to hear from them. I have also had officers ring them, but they prefer to deal through their lawyers, unfortunately.

The land in question, if it is used for the purpose of a radioactive waste dump, would, of course, deprive the Pobkes of using that land for pastoral purposes. So, there would be a loss associated with the commonwealth in respect of that land, and I assume that the commonwealth would then offer them compensation for that deprivation. That loss would be greater than any loss associated with turning the land into a public park. So, the matter on which they might suffer a loss would be the compensation they would get from the commonwealth if we were not successful with our goal to turn it into a public park.

However, even if we set up a public park and put a fence around it and deprived the Pobkes of access to it for pastoral purposes, I am advised that the compensation that would be payable if we deprived them of all use of that land would be relatively small, certainly less—

An honourable member: How much?

The Hon. J.D. HILL: I'm just about to tell you. From memory, perhaps $20 000 or so would be the total value of that land, if they were deprived of its use for pastoral purposes. Of course, the public park is not intending—

Mrs Maywald interjecting:

The Hon. J.D. HILL: We are only talking about a relatively small parcel of their land. The public park is only a small parcel of the whole property, and we are not talking about depriving them of its use for pastoral purposes.

Mr BRINDAL: Mr Speaker, I rise on a point of order. Sir, you may need to report back to the house on this. I refer to standing orders 125, 126 and 127. In my 14 years in this place, it has always been held by the Speaker that a member who objects to something that has been said about him has the right to object but that that right does not extend to a third party. I ask you to consider that matter, because the Deputy Premier made allegations directed towards another member, and I would ask you, sir, to rule whether your ruling on that matter will change in the light of the ruling that you just made.

The SPEAKER: Order! For the benefit of all members, I point out that, whereas the standing orders to which the member for Unley has drawn attention relate to remarks that are made to which a member takes offence, the use of the word 'lie' is simply unparliamentary when used to describe the remarks made by any other member. As I was otherwise distracted, the question I put to the member for Bright was to discover whether he used that word in describing the Premier.

In the fullness of the debate, the member for Bright withdrew the word, regardless of whether it had been used in an unparliamentary context. In almost every circumstance when that word is used it will be unparliamentary. It has nothing to do with whether or not a member has felt offended and personally drawn attention to the offence. It has everything to do with the standing order relevant to the use of unparliamentary language. It was for that reason that I proceeded in the manner in which I did, and I will continue to do so.

Mr BRINDAL: Thank you, sir. I therefore ask you to examine the proceedings of this house last night and, in particular, the committee stage of the waterworks bill and the comments directed towards one of my colleagues by the Deputy Premier and consider what action you might take in respect of that matter.

The SPEAKER: No. The Chairman of Committees—or whoever was deputising for him at the time—would have heard such an allegation (had it been audible) and required it to be withdrawn. Given that it was not audible to the chair at the time, it is not appropriate or desirable, even in any sense, for a retrospective withdrawal to be required. Exception to the use of unparliamentary language needs to be taken by any member who hears it at the time that it is used, not otherwise. Therefore, it extends to all members to object to unparliamentary language by chance that the honourable member in the chair may not hear it; otherwise, where offence is taken against remarks made that are not necessarily unparliamentary, it is the particular member's responsibility to draw the chair's attention to the offence.

HOSPITALS, QUEEN ELIZABETH

Ms RANKINE (Wright): My question is directed to the Minister for Health. Following release of the report by the Auditor-General into the purchase of an MRI at the Queen Elizabeth Hospital, what explicit action will the minister take to address the recommendation that the governance structures at the North Western Adelaide Health Service be regularised to comply with the South Australian Health Commission Act?

The Hon. L. STEVENS (Minister for Health): This question relates to the criticism made by the Auditor-General of decisions made by the former minister. It is ironic that, after all the accusations made by the member for Finniss over the past year, he is the only politician criticised in this report. The Auditor-General found that arrangements to establish

two sub-boards of the North Western Adelaide Health Service to run the Queen Elizabeth and Lyell McEwin Hospitals were 'an unsound administrative arrangement' and 'not consistent with the South Australian Health Commission Act'. This is a strong criticism of the arrangements put in place by the former minister in 2001. This recommendation will be addressed by the new governance arrangements announced as part of the government's response to the Generational Health Review, and they are the most far-reaching governance arrangements in the health system in this state for 30 years. The sub-boards of the North Western Adelaide Health Service will be replaced by a new central northern regional authority as part of those changes.

The Hon. DEAN BROWN (Deputy Leader of the Opposition): Will the Minister for Health confirm—listen to this—that Mr Campos received a lump sum payment on leaving his employment at the Queen Elizabeth Hospital? Why did he receive a lump sum payment if he left for his own reasons, and what was the amount of the settlement paid to him? Yesterday, the Auditor-General tabled a report on the purchase of the MRI at the Queen Elizabeth Hospital which was extremely critical of Mr Campos. This morning, the Minister for Health said:

> Roger Davies and Peter Campos left the Queen Elizabeth Hospital for their own reasons.

My informant has indicated that Mr Campos received a significant lump sum payment over and above any leave entitlements upon leaving the hospital.

The Hon. L. STEVENS: The former minister continues to defend the indefensible. In relation to Peter Campos, I want to say straight away that my statements yesterday in relation to both those individuals was that they had resigned for their own reasons. As the house would know—and perhaps you might like to listen to the answer—the employment of both those individuals was a contractual obligation with the board of the North Western Adelaide Health Service. I will get the information—

An honourable member interjecting:

The Hon. L. STEVENS: No, I will come back to the house and clarify the information. It has nothing to do with me as Minister for Health: it is a matter for the board. I ask all members of the house to just hold judgment and wait until I return with the information.

TASTING AUSTRALIA

Ms CICCARELLO (Norwood): My question is to the Minister for Tourism. What is included in the program for this year's Tasting Australia event in Adelaide?

The Hon. J.D. LOMAX-SMITH (Minister for Tourism): I thank the member for Norwood, who represents the area of Adelaide that has the most enthusiasm for this event, and I wish her constituents well. The event will take place between 3 and 12 October and promises to be even more exciting than previous years. This year, the theme will be 'Taste the Magic', which is to make it clear that there is something truly special about our food, wine and hospitality industries in this state. Of course, that reflects not only the production of high quality materials and food, the stellar nature of our wines, the spectacular quality of our hospitality and catering education courses, but also the way it is pulled together in the natural context that fits so well in South Australia.

It is expected that 30 000 food enthusiasts will come to the event. This year, more than 40 events will be free public events—not just for the afficionados and experts—that will involve all South Australians in our food and wine culture. We will be bringing over 150 international food and wine writers to South Australia.

It is of particular interest that this year there will be the Young Gourmet Discover Good Taste tours, which will enable children to journey into kitchens, factories, farms and gardens to visit food practitioners in order to understand the science and technology of food and wine production. As a result of interest in the production and technology involved in everything from cold chain logistics to food testing, we have a program of science in food production and, in line with a suggestion from the member for Fisher, this year, for the first time it will involve beer technology and beer tasting. This year, the Hahn Premium Beer, Food and Wine Writers Festival will allow the classic Writers Week format, but, in addition, focus around the technology, tastes and spectacular beer products in our state.

Part of the top level and high level marketing of food and wine in this state is done through the badging of our competitions. Apart from public events, such as Feast for the Senses on the banks of the River Torrens, there will be the LifeStyle Channel Australian Regional Culinary Awards, which will showcase the best practitioners in our state, and, on top of that, the 2003 Jacobs Creek World Food Media Awards. This is not just a 10-day extravaganza showcasing what is very good about South Australia. We are also leveraging travel packages, because there is little point in having an event such as this—as was the wont of the previous government to fund spectacular events—and to neglect the idea that they are for tourism. We will be marketing travel packages this year.

I am delighted with this international event. I thank Ian Parmenter, and I look forward to seeing all members when we taste the magic.

RAFFLES

Mr BROKENSHIRE (Mawson): Will the Premier assure the house that he is confident that no members of his government, or senior government advisers, have been involved in bogus raffles as fundraisers in contravention of state gaming laws and state and federal electoral laws?

The Hon. M.D. RANN (Premier): If the honourable member has any information about any Liberal member, or any other member, who has broken the law, whether or not it is at a fundraiser, he must immediately go to the police. I am happy to give him the police phone number.

The SPEAKER: The member for Napier.

The Hon. P.F. Conlon interjecting:

The SPEAKER: The member for Napier, not the Minister for Infrastructure, has the call. The Minister for Infrastructure is out of order. The member for Napier.

Members interjecting:

The SPEAKER: Order! The member for Bright is out of order and the Minister for Infrastructure will join him on that skateboard.

HEALTH, MINISTER'S CONSULTATION

Mr O'BRIEN (Napier): My question is to the Minister for Health. Is it important for the Minister for Health to consult widely on important issues relating to our health system, including advice from doctors?

The Hon. L. STEVENS (Minister for Health): Yesterday, the member for Finniss made the amazing claim that the Minister for Health should not consult with doctors. The Deputy Leader of the Opposition said:

> Why the minister would meet with Dr Davies, who is a doctor at the Queen Elizabeth Hospital, is beyond my comprehension. Normally, ministers deal with the CEO of the department, or the CEO of the hospital, or the board of the hospital.

The shadow minister is not consistent, because only two weeks ago he was in Mount Gambier holding talks with the doctors after challenging me to do the same. He has no credibility at all. As Minister for Health, I consult widely, as evidenced by the Generational Health Review. I make a point of consulting widely with clinicians, doctors, nurses and other health workers, because their input into policy formulation is critical.

Just a few weeks ago, the government announced the formation of a clinical senate chaired by Dr Michael Rice, a former president of the AMA, to provide direct advice from clinicians to the Chief Executive Officer of the Department of Human Services. In stark contrast, clinicians tell me that the former minister failed to consult with them in any meaningful way at all. The member for Finniss has no policies and he will say anything to get on the radio or in the media. He has no credibility whatsoever.

PUBLIC PARK BILL

The Hon. I.F. EVANS (Davenport): My question is again to the Minister for Environment and Conservation. When the minister was briefed on the option of making part of Arcoona Station a public park to frustrate the commonwealth's acquisition of that part of the land, was he or his officers advised that the strategy of making land a public park to avoid commonwealth acquisition had been used before?

The Hon. J.D. HILL (Minister for Environment and Conservation): My recollection is no, I cannot recall that having been raised in any of the conversations that we had about this issue, but, if it has been used before, good luck to those who used it. It would be interesting to see which government had the good sense to use it in the 1960s: I am not sure. Was it the Renshaw government or the Cahill government (a New South Wales government)? I cannot recall, but the answer is no.

CHILD ABUSE

Mr KOUTSANTONIS (West Torrens): My question is to the Minister for Police. What are the details—

Mr Brindal interjecting:

The SPEAKER: Order! The member for Unley does not represent the people in West Torrens.

Mr KOUTSANTONIS: Hear, hear, sir! Thank goodness for that!

The Hon. I.F. Evans interjecting:

Mr KOUTSANTONIS: You can run against me any time you want, Iain.

The SPEAKER: Order! The member for West Torrens.

Mr KOUTSANTONIS: What are the details of the proposed child sex offenders registry?

The Hon. K.O. FOLEY (Minister for Police): Yesterday the member for Unley put in a bid for police resources for the member for Morphett's electorate. At the police ministers council meeting in Melbourne recently, on behalf of the government of South Australia, I endorsed, in principle, a report by the Interjurisdictional Working Party on Child Protection Offender Registration and Policing. The main recommendation of this report was the establishment of a national register for those people convicted of offences related to child protection. The commonwealth will maintain this registry, as it does with the CrimTrac database. Those required to register include those convicted of any offence involving intercourse with a child or an act of indecency involving a child, child pornography offence, or a murder of a child.

Offenders must supply their addresses; names and ages of any children they reside with or have regular unsupervised contact with; employment details (including any volunteer work); the details of any associations they are involved with that have child members; their vehicle details (including regularly borrowed vehicles); and if they intend travelling interstate or overseas. All changes to registered information must be submitted within 14 days. A first offender will be required to register for no less than eight years following their release, and repeat offenders will be required to register for life. States also agreed to examine the establishment of child protection orders similar to those in use in the United Kingdom, which allow police to prevent certain behaviour upon release such as not to be near schools. This is intended to be permanent and in addition to any bail or parole conditions. It is important to note that the South Australian government has only agreed in principle to the report and that further consultation with stakeholders will take place before any legislation is introduced into this parliament.

ROADS, OUTBACK

The Hon. M.R. BUCKBY (Light): My question is to the Minister for Transport. Will the minister now provide the correct information regarding the level of funding cuts to outback roads since the government took office? Yesterday, the minister claimed in a press release that outback road funding was reduced by $1 million in the 2002-03 budget. He went on to say:

> Maintenance activity such as grading, hazard repairs and patching across the Outback were not affected.

However, a summary provided by Mr Tim O'Loughlin, Chief Executive of the Department of Transport and Urban Planning, shows that total funding for the Far North roads actually reduced from $15.894 million to $12.529 million, a drop in excess of $3.5 million.

The Hon. M.J. WRIGHT (Minister for Transport): I thank the member for Light for his question. I am certainly happy to check that detail.

Members interjecting:

The Hon. M.J. WRIGHT: I think I do know. To the best of my memory, I do recall the member for Light asking me a question during estimates about outback roads and using the figure of a cut of $1 million. I will check that, but I think that was raised during estimates. Of course, that is the figure that is correct. The outback roads budget reductions of $3.2 million, which has been referred to, include a reduction of $2.2 million resulting from the completion of the Flinders Ranges tourist roads upgrade program, and that needs to be taken account of. So, I stand by those figures. I am happy to check the detail, but I believe the figures that have been used are correct. As I said, to the best of my memory, I believe that the member for Light, during estimates, used that same figure, of a cut of $1 million to outback roads.

TEACHERS, GRADUATE

Ms BREUER (Giles): My question is to the Minister for Education and Children's Services. How does the government ensure that our graduating teachers are given the best possible start to their careers?

The Hon. P.L. WHITE (Minister for Education and Children's Services): I am pleased to respond to this important question. Indeed, there are several things that are being done to give our young graduating teachers the best start in their careers. I am pleased to inform the house that South Australia has the enviable record of currently offering the highest salary for our four-year graduate teachers across Australia. This is a little bit in contrast to information that was implied in a recent article in the press last Thursday where it was reported that new teacher graduates in South Australia were the second-worst paid compared to other states. That is not true. In fact, newly qualified South Australian teachers currently receive starting salaries that are the best in the nation.

In the article to which I have just referred, there was reference to a South Australian teacher claiming to receive a salary that equates to our step 2 salary on the teacher salary scale. I checked with my department and, as at June 2003, no teachers were employed in South Australia at step 2. All four-year South Australian teaching degree graduates enter the profession in state schools on step 5 of the 12-step pay scale in the award under which they work, and that carries a salary of $41 753, which is the highest graduate salary in the nation.

In addition, state schoolteachers who enter various country schools around South Australia also attract a cash incentive, which can range up to $29 000, during the first five years of their appointment at a school. For example, a teacher at Coober Pedy Area School qualifies for an extra—

An honourable member interjecting:

The Hon. P.L. WHITE: The member opposite comments about the role of the Liberal Party. I alert him to the fact that it is the most recent teachers' enterprise agreement, struck between the current government, the CPSU, the PSA, and the AEU unions, that has delivered increased cash incentives to our country teachers around the state.

As I indicated, a teacher placed at Coober Pedy Area School qualifies for an extra $3 100 annually, on top of their salary, during the first year of appointment, and this rises to $4 000 in year 5. This month, the state government provided South Australian government schoolteachers with a 4 per cent pay increase, which takes the salary of the majority of classroom teachers in South Australia to $56 758.

Clearly, this government recognises our teachers and other educational staff, takes their needs very seriously and appreciates very much the valuable contribution that these individuals make to the lives of young South Australians and, thereby, to the future of our state's economy and social future.

PUBLIC PARK BILL

The Hon. I.F. EVANS (Davenport): Prior to saying to the house, 'Never before has the commonwealth acquired land against the wishes of a state,' did the Minister for Environment and Conservation, his officers, or departmental officers, check whether the option of a state making land a public park as a way of preventing the commonwealth acquiring land had been used before?

The Hon. J.D. HILL (Minister for Environment and Conservation): The member asked me this question before. I said that I would check the details that he provided, and I will do so.

CAMPOS, Mr P.

Ms RANKINE (Wright): Will the Minister for Health now provide details of the payment made to Mr Campos on his resignation as CEO of the Queen Elizabeth Hospital?

The Hon. L. STEVENS (Minister for Health): I am very pleased to advise the house that I have been advised by the Acting CEO of the Queen Elizabeth Hospital, Mr David Swan, that Mr Campos was paid two weeks' salary owing, plus 72 hours' accrued leave, to a total of $13 006, after his resignation for his own reasons.

Once again, it appears that either the member for Finniss has it wrong again, or he has been misinformed. Perhaps he would like to provide me with the information he received in order for him to make such a statement in this house.

ATTORNEY-GENERAL

The Hon. R.G. KERIN (Leader of the Opposition): Will the Premier ask the Commissioner of Police to refer the Anti-Corruption Branch report into the issues involving the former attorney-general to an independent interstate prosecutor to determine the need for further action? The South Australian Director of Public Prosecutions, Paul Rofe QC, has a direct working relationship with the Attorney-General and was recently reprimanded by the former attorney-general.

Members interjecting:

The Hon. R.G. KERIN: Yes. You have an Attorney-General now; there is a new Attorney-General. I will start that again. The South Australian Director of Public Prosecutions, Paul Rofe QC, has a direct working relationship with whoever is attorney-general and was recently reprimanded by the former attorney-general. To ensure fairness to the former attorney-general and the transparency of the process, an independent interstate prosecutor could be used to review the results of the Anti-Corruption Board inquiry—and that is reasonable.

The Hon. M.D. RANN (Premier): This is simply extraordinary. Here we have a situation where—

Members interjecting:

The Hon. M.D. RANN: Do you want to listen to the answer or not? Just calm down. This is absolutely extraordinary. First of all, it appears that I am being asked to direct the Commissioner of Police, which would be grossly improper to do.

The Hon. R.G. KERIN: I rise on a point of order, sir.

The Hon. M.D. RANN: No; I am going to answer the question, not you.

The Hon. R.J. McEwen interjecting:

The SPEAKER: Order, the member for MacKillop! The skateboard is getting crowded.

The Hon. R.G. KERIN: I rise on a point of order, sir. The Premier said I asked him to direct the Commissioner of Police. That is not what I said: I asked whether he would ask the Commissioner of Police to raise the issue.

The Hon. M.D. RANN: This is extraordinary. When I asked and indeed instructed the head of the Premier's Department to conduct a preliminary inquiry into the matters referred to and he sought independent advice interstate, for instance, the former crown solicitor of Victoria, I was

criticised for doing so. Now, I am being asked to ask the Commissioner of Police. It would be grossly improper for me to ask the Commissioner of Police to do anything in relation to this inquiry. I have great confidence in the South Australia Police, even if the Liberal Party does not. You will not sully the police's reputation in this state. Also, if members opposite do not realise it, the Director of Public Prosecutions is an independent statutory officer.

Mr BROKENSHIRE: I rise on a point of order, sir. I ask for your ruling on a request for the Premier to withdraw the comments he made about the Liberal Party with respect to the South Australia Police, because we have great respect for the South Australia Police.

The SPEAKER: There is no point of order.

OLIVES

Mr SNELLING (Playford): My question is for the Minister for Environment and Conservation. What are the problems associated with feral olives in the Mount Lofty Ranges, and what action is the government taking to eradicate this weed?

The Hon. J.D. HILL (Minister for Environment and Conservation): It is regrettable that members opposite, and I must say some on my side of the house, find this so humorous because, as you well know, Mr Speaker, this is a very serious issue facing our state. As everybody would know, olives are not indigenous to this state; they have been imported from Portugal, Spain, France and northern Italy and have been grown commonly since the start of European settlement in 1836.

Members interjecting:

The Hon. J.D. HILL: Greece too; I would hate to leave out the Greek olive. South Australia's climate is perfectly suited to the cultivation of olives, which is now a successful commercial industry. However, the growth of that farming sector has led to a problem with feral olives, which are becoming weeds that can fuel bushfires. Major olive infestations are common in the drier parts of the Adelaide Hills and on land previously used to graze sheep. Serious roadside infestations are now developing in the northern Mount Lofty Ranges, the Lower North and southern Flinders Ranges. Olives were proclaimed as a community pest plant for three animal and plant control board areas in the Adelaide Hills in 1980 and later for other boards under the Animal and Plant Control Act. This applies only to trees not planted for domestic or commercial use.

Feral olives cause three major problems. First, the weed threatens biodiversity by displacing native vegetation. According to recent research, feral olives can reduce biodiversity by as much as 50 per cent in some circumstances; secondly, the dense growth of feral olive infestations can harbour pests and diseases; and, thirdly, feral olives become a woody weed that acts to fuel bushfires. The government is committed to the management of national parks and the state's natural resources to minimise the threat of weeds. In 2001-02, approximately $788 000 was spent by the Department for Environment and Heritage on weed control in the Adelaide region alone. Those funds were targeted to the Mount Lofty-Barossa district, Cleland, the Sturt district and the Fleurieu district.

The government's commitment to weed reduction is part of our commitment to sustainability and reducing the risk of bushfire. A key outcome from the bushfire summit held by the Premier earlier this year was a recommendation that more work should be done to remove woody weeds. The government has responded with an extra $10 million over the next four years to boost fire management in our national parks and reserves. That extra money will help to reduce the risk of bushfire by partly removing woody weeds such as olive infestations.

A new executive level task force has been set up to deal with the problem of woody weeds. This task force includes representatives from the Department of Water, Land and Biodiversity Conservation; the Department of Environment and Heritage; PIRSA; Planning SA; and the Mount Lofty Ranges Animal and Plant Control Board. At its first meeting earlier this month, the task force identified four key areas for immediate investigation. They were, first, to make olive plantations a specific land use as distinct from horticulture under the Development Act; secondly, to use the power of direction under the Development Act to require planning authorities such as local councils to refer olive developments to the Departure of Water, Land and Biodiversity Conservation and the Animal and Plant Control Commission for risk assessment; thirdly, to review the commission's current policy for abandoned olive plantings—this process could lead to new regulations under the Animal and Plant Control Act; and, fourthly, to update the olive risk assessment process.

Mr HAMILTON-SMITH: I rise on a point of order, Mr Speaker. The minister is reading a prepared address which more appropriately should be a ministerial statement, not a reply to a question without notice.

The SPEAKER: Order! The member makes a valid point. Whether the minister came into the house with copious notes in anticipation of the curiosity of other members is beyond me to say. However, generally it is not a good practice for ministers to read prepared statements; rather, to be familiar with the substance of their portfolios. I am not an adjudicator on such matters to which the member for Waite draws attention in a particular detail other than that it detracts from what question time is meant to be.

I was reminded recently by the table officers of a speaker before me who made the Freudian slip when calling on question time of saying 'questions without answers'. Equally, it is an oxymoron to say that some questions are questions without notice. I therefore invite the minister to wind up whatever it is he has for the house.

The Hon. J.D. HILL: Mr Speaker, I hope you are not reflecting on the quality of my answer, which is full of very important detail which I think this house should note. A number of members opposite are interested in feral olives because they cause problems for their constituents, so I will finish on this point. The task force to which I refer will complete its investigations and report to the Natural Resources, Environment and Energy Committee of cabinet by the end of October this year.

PASTORAL LANDS

The Hon. I.F. EVANS (Davenport): My question is directed to the Minister for Environment and Conservation. Why did the minister advise the house in a previous answer that he could vary the conditions of a pastoral lease to allow public access now when the Pastoral Land Management and Conservation Act provides that in any change to land management conditions a notice to the lessee is given at least four months before the variation will take effect, and the lease conditions can only be varied by the board if they are accepted by the lessee?

The Hon. J.D. HILL (Minister for Environment and Conservation): I was not referring to the lease at all. I said that there are certain rights that individuals enjoy under the Pastoral Land Act as well as pastoralists and that there are certain things that can be put to me of which I can approve. I think the member for Stuart recalled early last year that somebody wanted to have a camel trek across some pastoral lands. That matter eventually came to me for a decision. I agreed that particular person could have—

An honourable member interjecting:

The Hon. J.D. HILL: He disagreed with my decision, but at least he agreed that I had the power to do that—and I did.

WORKCOVER

The Hon. R.G. KERIN (Leader of the Opposition): My question is to the Minister for Industrial Relations. Has the blow-out in the level of unfunded liability of the WorkCover Corporation continued, and what is the latest unfunded liability figure of which the minister is aware?

The Hon. M.J. WRIGHT (Minister for Industrial Relations): To the best of my knowledge, that figure is the one that I have used in the house before, but I will obtain further information for the honourable member. If I am advised of an updated figure, I will bring that back for him.

SCHOOLS, BOOLEROO CENTRE

The Hon. G.M. GUNN (Stuart): My question is directed to the Minister for Education and Children's Services. When will the government sign off on the ecologically sustainable development project at the Booleroo Centre school for which a grant of $60 000 was approved 2½ years ago? This project would allow the Booleroo Centre school to acquire a large dam west of the school whilst at the same time use the existing infrastructure to meet the school grounds' watering requirements.

In a time of water restrictions, this has the potential to save up to $20 000 per year in watering costs as well as contribute to the environmentally sustainable use of scarce water resources. It will also ensure that students develop an understanding of water as a valuable resource and allow access to horticultural and aquacultural activities at the school.

The Hon. P.L. WHITE (Minister for Education and Children's Services): I do not have all the details in front of me, but what I understand of this school's interest in this project is that, several years ago (as the member rightly stated), the former government indicated that it would grant an amount of $60 000 to this school under the Ecologically Sustainable Development Program. I think it is correct that the purpose of this grant was for the school to buy a dam on a piece of property not owned by the school and to use water from that facility for the school grounds and other purposes.

This proposal has been investigated. There were negotiations between my department and the local council, and the suggestion that was put on the table at that point, I believe, was that the department would acquire the dam, purchase the property, and hand it over to the council to help maintain it because, as I understand it, this parcel of land is slap bang in the middle of the township. Also relevant to this project is some costings which were done on other equipment necessary for what the school proposes.

My understanding, from memory, is that over $130 000 worth of piping was to be purchased and installed. That cost was not anticipated by the school at the time the proposal was put forward. That is the information as I understand it. There was some investigation of the proposal. As to the current status, I will have to quiz my department on that and bring back further information.

CHIPPENDALE RETIREMENT VILLAGE

Ms BEDFORD (Florey): My question is directed to the Minister for Social Justice in her capacity as minister responsible for community services and the ageing. Will the minister advise of the current situation with regard to the Chippendale Retirement Village located within the seat of Florey and indicate whether or not residents will lose their homes?

The Hon. S.W. KEY (Minister for Social Justice): I would like to acknowledge the question from the member for Florey, as I know she has been a fearless advocate for both the residents and the tenants at the Chippendale Retirement Village. I am advised that there was a hearing early in July, at which the lawyers for the mortgagees, Hunt and Hunt, advised the Supreme Court that their clients would be seeking to foreclose on the mortgage for the Chippendale Retirement Village, and there would be a subsequent eviction of residents and tenants. The residents and tenants have engaged a Ms Berzins as their lawyer, and Ms Berzins advised the Department of Human Services, the Aged and Community Care Office, that the judge would not allow this to occur as the other party—the residents—had been notified otherwise.

As I understand it, the matter was set down again for 16 July this year. The Crown Solicitor's Office and also the Department of Human Services, Ageing and Community Care, planned to be at the hearing. However, the matter was relisted to be heard in the judge's chambers this morning, so only the parties involved were able to attend. Earlier this morning, Ms Berzins advised the Department of Human Services and also the Crown Solicitor's Office that since early July this year further discussions have been held and that this morning's hearing would just be a formality, and she believed that the matter would be withdrawn. Ms Berzins also advised that, contrary to the reports in the *Advertiser* today, the residents were not issued with a further eviction notice as the first eviction notice was still in place.

For the benefit of members here, I have also been told that Hunt and Hunt were granted their possession order. So, the mortgagee has the authority to seek vacant possession of the retirement units. Hunt and Hunt have acknowledged that the residents have a right to occupy their homes in the retirement village, and this is under the Retirement Villages Act, section 7(1)(e), under which their right to be in the retirement village is protected. There has been an offer to buy the property which is subject to some conditions. An 84-day stay has been placed on the possession order to allow for the sale to be finalised.

I am advised that settlement for the sale is scheduled for the end of September. If the sale proceeds, the mortgagee will be paid out, and we hope the issue will be resolved. If the sale does not go ahead, the mortgagee will take possession with a view to selling the property on its own behalf. The mortgagees have offered to meet the legal costs incurred by residents in this matter. I am also advised that Ms Berzins did not oppose the court order. I hope that this information will be helpful to the member for Florey, and also the tenants and residents at the Chippendale Retirement Village.

PARTNERSHIPS 21

The Hon. P.L. WHITE (Minister for Education and Children's Services): I seek leave to make a ministerial statement.

Leave granted.

The Hon. P.L. WHITE: I table the government's response to the Cox review into Partnerships 21. Since the year 2000, South Australia has operated a combination of both local and central management systems in support of the public education system. For families, schools and the bureaucracy, it has been a confusing and expensive replication of services, systems, laws, rules and regulations. One of the Labor government's first actions was to restore equity and funding to sites that had not decided to join the former government's version of local management, Partnerships 21. As a result, all public schools have been provided with equal access to environmentally sustainable grants, School Card top-up funds and maintenance funding via back-to-school grants.

All preschools now have equal access to laptop computers and a per capita finance and administration grant. Having restored equity to the situation, the Labor government also pledged to review Partnerships 21 and engaged retired Assoc. Prof. Ian Cox to conduct the review. Assoc. Prof. Cox's report provided a number of key themes in reviewing the apartheid-like two-tiered strategy of local and central management systems. Following cabinet's endorsement 2½ weeks ago, I released the government's response which endorses the Cox report's overarching recommendation that there be one system of school management in South Australia and that it be local management.

In responding to the Cox report, the government was presented with a challenge in determining a formal response. Assoc. Prof. Cox was honest when he said that he could not present a clear and decisive report or a 'road map for peace'. In his foreword he wrote:

> It is not a consensus report as a divergence of views on particular matters cannot be summarised into a statement that suits all. Throughout all of the discussions and work of the review there has been a strong commitment to decisions being made as a result of maximum participation and always with students' needs as the central consideration.

However, this has not deterred the government from providing a clear and concise response to Assoc. Prof. Cox's report with a vision for uniting a system the previous government had divided.

In broad terms, the government's response endorses through important recommendations played by Assoc. Prof. Ian Cox: firstly, support for a single system; secondly, improvements to financial management systems; and, thirdly, the creation of a new district office structure. In all, the government has responded formally to Assoc. Prof. Cox's 17 overarching recommendations. The major actions from these recommendations are that:

- in addition to support for a single system, an expert finance group will develop an improved funding model aimed at delivering equitable funding to all through improved financial systems. This will ensure principals and parent councils are able to focus on students and their performance rather than fighting their way through an uncertain, inequitable and unreliable financial mire;
- a strengthened district office structure, as proposed, will strengthen improvements to local management by locating the support provided to schools closer to sites. Consultation about these proposed changes has already begun; and
- a local management implementation group chaired by the department's Chief Executive, Mr Steve Marshall, has been formed to undertake appropriate consultation with education stakeholders in working towards implementing the government's policy decision.

Continuing the Labor government's agenda on educational reform, education districts will play a greater role in improving South Australia's school retention, attendance and student literacy and numeracy achievement as part of a major reform proposal. Approximately 60 specialist staff will be relocated from state office to district offices under the proposal to provide more direct services to schools and preschools. A target of 10 per cent increase in service delivery to students with learning difficulties has been set as part of the government's aims for better coordinated and more effective services. The number of existing districts will be reduced from 24 to 18 and headed by new district directors to work with schools to achieve improvements in student outcomes. The plan does not involve closure of any district offices.

As part of the new proposal, all schools will be expected to prepare agreements, in conjunction with their governing councils and the agency, setting targets for student achievement with the aim of giving parents greater say in students' day-to-day learning. The proposal forms part of the government's new single and uniquely South Australian student-centered system of local management, which furthers the move away from the former government's inequitable two-tiered system, Partnerships 21. All schools will come under the unified system and operate with a new and improved funding model. Following a consultation phase with unions and other education stakeholders, it is expected that the transition will begin in readiness for the 2004 school year. However, arising out of this consultation phase there may be aspects for which a longer lead time is desirable. Professor Cox has recognised that 90 per cent of schools have taken up local management and recommended we move to one system. The government supports this.

We will also put in place improved financial systems and practices next year, so that principals and governing councils can spend less time on finances and more time on student-centered decision making. One of the major criticisms of P21 was that the core business of helping students was overtaken by the need for financial accountability at the local level. The new system of local management will aim to provide greater levels of service to schools and preschools than they have ever had before in order to focus specifically on improving student performance in all areas. This is an exciting opportunity for South Australian schools. It will give districts greater independence and flexibility in being able to determine local priorities within statewide guidelines. One of the key themes raised by Professor Cox was the need to improve community building, organisational structures and the centre's support to schools. As part of our drive for better coordinated services, it is proposed that professionals working in district offices will share a single student database to cut out the bureaucratic hurdles presented by the dozens of separate databases in use currently.

I also expect the education department to deliver improvements to families seeking speech pathology, behaviour management and other support services. Under the proposed new district model, a team of specialist officers will work under the direction of a district director in each district. In addition to student services staff, each district will have a

school improvement coordinator to coordinate performance improvement across district schools; two curriculum officers to support teachers in statewide curriculum initiatives; a student support service and disability coordinator to lead, manage and coordinate student services across the district; a student inclusion and wellbeing coordinator to develop joined-up solutions to local problems; a Futures Connect project coordinator; and an information and communications technology coordinator.

The devolution of additional responsibility, accountability and authority will also allow for further interagency work where schools seek services from other government and non-government agencies. This policy change is consistent with international research and was supported by feedback from school and preschool staff, principals and parents during the Cox report consultation phase. I look forward to keeping the house abreast of the government's plans, as we work towards uniting the school system for 2004.

LEGISLATIVE REVIEW COMMITTEE

Mr HANNA (Mitchell): In accordance with the 30th report of the Legislative Review Committee, I advise that I no longer wish to proceed with Private Members' Business: Bills/Committees/Regulations: Notices of Motion Nos 6, 8 to 10, 12 and 20.

GRIEVANCE DEBATE

MINISTER FOR TRANSPORT

The Hon. R.G. KERIN (Leader of the Opposition): Today, I speak on a matter of a fair bit of interest and concern to members on this side of the house, that is, the performance of the Minister for Transport. Before I get to the first issue, I went to the ministerial code of conduct to find out how certain actions of his yesterday rated. The code of conduct states that the minister must provide information to the parliament when requested to do so. I do not think the minister has fulfilled exactly that one. He admitted today that he has not had an update on WorkCover for about the last three months, during which time we could have lost the best part of $100 million. The code of conduct states that ministers are obliged to give parliament full, accurate and timely accounts of all public money over which parliament has given them authority. So, I think those two are big failures.

In discharging his or her public duties, 'a minister shall not dishonestly or wantonly and recklessly attack the reputation of any other person'. Late yesterday, the Minister for Transport put out a press release about outback roads. The opposition was very careful to not raise the issue of the fatal accident north of Oodnadatta when it asked about outback roads. The minister himself associated those two issues in this house yesterday. Late yesterday, he put out a press statement, which stated:

> I am disappointed by today's attempts by Liberal leader, Rob Kerin, and his transport spokesman, Malcolm Buckby, to make political mileage out of the recent tragic road crash near Oodnadatta.

This minister has played politics with every issue with which he has had to deal. He has not been doing his job. He has had some very serious issues to deal with and he has dealt with none of them. Yesterday, he stated that there had been no cuts to the outback roads; rather, extra money had been given. That is different from what he said today and from what the facts reveal. Earlier today we referred to paperwork which was put forward by his own CEO, Tim O'Loughlin, on the fate of outback roads and which shows that over $3 million was cut out. We have received letters and phone calls from the north about the state of those roads. It is something he ignores. While that minister sits in here and denies there have been cuts, the amenity, business, tourism and the safety of those people of the outback areas of South Australia—those good people of the outback areas—are put at risk.

It is about time that this minister did something about it. Hopefully, over the next couple of weeks we might see him get off his hands and do something with that. At present, this minister is ignoring a whole range of issues. In relation to the bus strikes, we have a situation in Adelaide where a lot of commuters cannot get to work; and children will not be able to get to school, if it gets worse. A range of people are being put out. This minister has sat on his hands. Yesterday, the fact that the union said that they had not spoken to him about the bus issue, and they could not remember the last time they spoke to him, is an absolute indictment of this minister not doing his job.

We are threatened with a car strike at the moment. He refuses to lift one finger to do anything about the car strike. He claims to have links with the union, but he does nothing about it. In relation to WorkCover, we have heard evidence in this house of his interfering in certain areas, ignoring other areas; running his own agenda rather than looking at the interests of the employers and employees. Today, he had no idea of the unfunded liability of WorkCover. He said, 'I gave a figure to the house before.' We brought that figure to the house—and that was the end of March figure. The way in which it was blowing out at that stage and the way in which the cash flow was going, then, at the end of June, if it had not improved—and he is the one who can tell us whether we are $50 million or $100 million further down the drain—this minister takes no account of what he is responsible for.

He is the minister for outstanding correspondence, the minister for no consultation, the minister for sitting on his hands and the minister for saying, 'That's not my problem. That's the federal government. That's privatisation. That's the Libs.' On a whole range of issues, nothing seems to be his problem. This morning's *Advertiser* editorial was correct. If he is not going to do the job, they should put the $70 000 back in and create a couple of roads at Oodnadatta, rather than have a minister sitting there, not signing letters, not providing answers and not earning his keep. As minister for both transport and industrial relations, it is disgraceful that he has done nothing about the bus strike.

Time expired.

SALISBURY CAMPUS CHILDCARE CENTRE

Ms RANKINE (Wright): Certainly it is timely to have the Leader of the Opposition in the chamber talking about performance and the performance of ministers, because the topic I want to address today is the performance of his government and one of his ministers, a performance that has resulted in the Salisbury campus childcare centre facing a very difficult and uncertain future. His government allowed the sale of the university campus site to go through without any protection being put in place for this community childcare centre. So much for supporting children and families.

The former government had a phenomenal ability to muck up just about everything they touched, and I think their performances will probably go down in history as being

without equal. Last night, for example, we revisited the horrors of the wine centre. That was an issue that resonated throughout the state. The circumstances were outrageous and appalling, but they do not even have any shame: they fail to show any shame about this.

The issue in relation to the Salisbury campus childcare centre is another example of their monumental muck-ups, one which is impacting quite significantly on my electorate and which could put further pressure on childcare places in the northern suburbs, an area that is already under strain. It appears that the Liberal government allowed this sale to go ahead without any protection for this childcare centre after its current lease runs out in 2006. Parents have been trying unsuccessfully for some time to discuss their future with the developer—Lifestyle SA, Land SA, or Fairmont Homes; they are all one and the same.

They would like to talk to the developers about their tenure and other problems that they are experiencing on the site. They came to me in frustration because they could not get a response to their approaches. I understand originally they were led to believe that their centre would be relocated at the developer's cost. The developer has now backed away from that situation and indicated that the centre will be bulldozed as part of the plans for the development. However, since these discussions in February (and that was the last time parents of the centre had the opportunity to speak directly with the developers), the centre has reappeared on the plans for the site which have recently been released for public consultation. However, the catch is that it would seem they can stay put as long as they pay market rent, and a figure of $80 000 a year was mentioned to parents.

This is a community childcare centre, a non-profit community childcare centre. If it has to pay rent of $80 000 a year, the centre may as well close its doors and invite the bulldozers in. This is a situation that was caused by your government—

Ms Chapman interjecting:

Ms RANKINE: Your government allowed that sale to go ahead with no protection whatsoever, and you know it. You need to look at the history because you know nothing about that. There is no way that this community childcare centre can meet such a cost. They told me that they were told that the centre did not fit in with the style of the proposed development and, if that is the case, if that is the way the developer wants to go—and I certainly hope it is not—I along with my community will be very disappointed and have a great deal to say during the community consultation process. This issue needs to be canvassed and needs to be discussed.

The centre cost over $400 000 to establish and refurbish. More than 50 children attend the centre, many of whom have disabilities; and 24 staff are employed at this specialist centre, which faces extreme difficulties because the former Liberal government allowed this situation to occur. There are major issues in relation to safety and insurance matters which the parents have not been able to discuss with the developer. A 28-week pregnant woman fell in the dark in the car park because they could not get the developer to install lights. The developer, following an approach from me, has finally agreed to meet with parents at the centre next week. I am hoping that there will be some goodwill on the part of the developer: there is certainly goodwill on the part of the parents. We will now perhaps be looking to the federal government for some money to assist these parents—

Mr Brokenshire interjecting:

Ms RANKINE: Because provision of facilities—and the honourable member would not know this—for childcare centres is a federal government responsibility. You are the ones who mucked it up, and your federal counterparts will have to fix it.

Time expired.

BIOBIN TECHNOLOGIES PTY LTD

Mr BROKENSHIRE (Mawson): Today, I stand in this house to pay compliments to constituents in my electorate. I am privileged to have the most enterprising and innovative group of people living in the electorate of Mawson, people who are providing enormous job opportunities throughout our region, and for that I thank them most genuinely.

Members interjecting:

The SPEAKER: The member for Bragg and the member for Wright might like to take their discussion into the lobby, the purpose for which it was provided.

Mr BROKENSHIRE: Thank you, Mr Speaker, for your protection. I want to congratulate Peter Wadewitz, his family and all the staff of what is known as Biobin Technologies, more commonly known as the owners of Peats Soils at Willunga. I particularly want to speak about their innovative project Biobin Technologies. I was delighted to have handed to me a menu from a Mexican restaurant chain in Japan and, in the centre of that menu, it talks about the story of closing the loop. Closing the loop is about all the waste product from this restaurant in Japan going into this biobin, an innovation which was developed at Willunga—that is, in my electorate—by the Wadewitz family. Manufactured in South Australia, this innovation is now being exported to countries such as Japan.

The menu tells the story of closing the loop, and the focus in closing the loop is that, through the technology of that biobin, the waste product is totally recycled and used in the market gardening areas of Japan. It helps to grow very good quality vegetables and fruit products, which are sold to restaurants throughout Japan. These people have done this with very little assistance from any government agency, which is disappointing to me.

Recycling is something that both the previous government and this government believe to be very important. A range of initiatives were put into reducing landfill when we were in government. However, we are yet to see any true dollar commitment to assist in recycling, other than some very glossy brochures that I have seen the environment and heritage department putting round.

We do have a problem with recycling in South Australia. We have people such as the Wadewitzs who are prepared to come up with ideas such as this which are in the best interest of a sustainable environment and which assist our economy. They are now looking to do a project, Mr Speaker, in your electorate between Murray Bridge and Langhorne Creek. I hope that this government will do the right thing and, when my constituents seek some assistance from the local council to upgrade roads in that area, will put some money forward to assist them. These people have a product which fully value adds. They are selling to nurseries and also to the viticulturists in my area.

The mulch product is put back into the soil and it helps to conserve water. It is helping to stop imported organic fertilisers. It also builds up that very important organic matter in the top soil. Yet so far my constituents are having a great deal of trouble in getting support from the government. I call

on this government to put their money where their mouth is and, instead of printing these expensive glossy brochures, assist small businesses such as the one I have just highlighted when they apply for funding in the future to reduce the amount of landfill which is so important to the whole of the South Australian community.

I commend in every way Peter Wadewitz and his family for their commitment and for the jobs that they are creating. I wish him all the best with his company, Biobin Technologies Pty Ltd. Peter is now exporting his product overseas, and I believe that we will see further growth in export opportunities as more nations around the world see the benefits of this technology in reducing landfill across the globe. This company is committed to the environment. It turns a waste product into a valuable product which creates real export dollars for South Australia. This company and members of my community inspire me to represent them in the parliament as the local member for Mawson.

TRANSPORT, BUS DRIVERS' DISPUTE

Mr HANNA (Mitchell): I speak today about the industrial dispute concerning bus drivers. In common with many electorates, many people in my electorate rely on public transport. My electorate has a large older population and also many students who rely on bus services. So, as much as in any other electorate, public transport (particularly buses) is an integral part of people's lives, and it is important that we have a bus transport system which operates efficiently and provides a decent service.

However, it is also important that the service is run equitably. It is my belief that the bus drivers—especially those operating out of the Morphettville and Lonsdale depots—have not had a fair deal over the last few years. It has been a longstanding concern of mine. Less than two months after I was elected in 1997, I met with management and workers at the Morphettville bus depot to investigate some of the concerns I had and, since then, I have stayed in touch with a number of bus drivers who are my constituents. The problem was, of course, exacerbated by privatisation, and the previous Liberal government ensured that drivers' conditions would be worsened through the privatisation process. The very point of privatisation was to cut labour costs so that there was less overall expenditure to government. But, in my view, the appropriate way to cut government expenditure is not to look at workers providing public services and attack them; there are better means of creating efficiency in terms of delivering public goods and services.

It is a situation in which the state government needs to intervene, at least to the extent of encouraging an appropriate and equitable outcome as between the bus companies and the bus drivers. I do not believe it is good enough for the state government to stand back and say, 'All this is happening in the industrial arena and it has nothing to do with us.' Because bus services are public transport—and essential public transport—for the people in my area and because it is such a widespread dispute, in my view the responsible thing would be to intervene and try to encourage in any possible way a fair and equitable settlement. In conclusion, in relation to this matter, I will read a resolution of the party which I represent:

The Australian Greens (South Australia) support the bus drivers and their union in their campaign for better working hours, conditions and pay. The Greens believe that cheap, accessible public transport is essential and that public transport workers are entitled to reasonable pay and safe work. Over the last five or six years of gradual privatisation, the working conditions of drivers have deteriorated markedly, with serious consequences for the health and safety of the drivers and significant implications for public safety. The Greens believe that the government must intervene to protect the public interest and the rights and safety of workers.

In my remaining time I turn to a different matter. I wish to say something about the Ashbourne affair. This refers to the allegations that a public servant within the Premier's office had offered a board position to a former member of this house in return for some benefit. Investigations are currently being undertaken by police, and I will not speculate on them or their outcome. But I wish to place something on the record for two reasons: first, the government has said there will be a further inquiry initiated by the government, whatever the police inquiry comes up with; and, secondly, senior members of the government have already expressed a very strong and definite view that the former attorney-general will be completely exonerated. In my view, those public comments taint ensuing inquiries to the extent of those prejudicial remarks.

I want to place on record that the opposition and cross-benchers must be consulted and listened to in respect of the scope and powers of any inquiry called by the government after the police have concluded their investigations.

Time expired.

ROADS, OUTBACK

Mr VENNING (Schubert): The government recently lowered the speed limit on a number of rural roads to 100 km/h, the reason given being that the roads are becoming unsafe. The fact is that they are deteriorating and not enough money is being spent on their maintenance. Our country roads are rapidly falling into disrepair across the length and breadth of our state. I applaud any attempt to lower our road toll but I believe that, to make our roads safer, the government must spend more money on our roads. Since the Rann government came into office, country roads and country people have been made progressively worse off. The Rann government cut the budget last year by $10 million for rural roads and did not add a single cent this year. More importantly, it disposed of two outback road gangs last budget and, as a consequence, many outback roads have fallen into disrepair and become a danger to those who travel on them.

The danger of our outback roads and their deplorable state has been brought home over the last week. First, tourist operators highlighted the fact that they were losing custom due to the poor state of the roads during what would be their busiest time of year; also, the industry has implemented a policy that no two-wheel drive motor cars will be driven off bitumen roads. Even the Australian Workers Union tried to warn the government of the consequences of removing the road gangs—and the union should have a strong voice among its mates. Yes, this penny-pinching government now has to face the consequences.

I also highlight the deplorable condition of one of our icon roads, the Birdsville Track. Not only is this a major tourism trail, but it is also an important supply route for many of our most remote pastoralists. With the road gangs being cut and the maintenance budget decimated, this road has fallen into a terrible state of disrepair. Along much of this road, shale and rocks as well as sand pose a great danger. One of my constituents is a general carrier to this region, providing the stations in the area with valuable supplies. He travels up and back along the track every fortnight, and in a two-month period, because of the deplorable state of the road, spent over $6 000 extra on tyres. As things continue to get worse, in an

attempt to keep their costs at an acceptable level, people have to slow down to a ridiculously low speed. Much of the track is travelled at as low as 40 km/h, adding up to five hours to the travelling time. Not only does time mean money, but it also keeps my constituent on the road longer than he should be, keeping him away from his other business and his young family—and what value does one put on that?

My electorate of Schubert has a number of roads affected by the speed restriction change, yet it is not these roads on which the majority of fatal accidents occur. These roads are not the major roads and, as such, are travelled almost exclusively by locals. These people know the poor state of these roads or hazards along the road and know that they may need to slow down. The implementation of 100 km/h on many of our Mid North roads has caused much angst in country areas, particularly among my constituents. There was no consultation with local government in the area.

Some roads certainly are bad, but others are not bad—for instance, the road between Kapunda and Marrabel, which is a road that I use a lot. I agree that the speed limit should be 100 km/h for the first 5 or 6 kilometres because of the bends and the narrow road, but from Hamilton the road is dead straight: there is not a bend in it. To sit on 100 km/h on that road is what I call 'doze zone': you would go to sleep. I believe that to have whole roads rezoned to 100 km/h is quite wrong, and I think it is a slack approach by a government to a problem that I think has been vastly overreacted to. I will be joining the ranks of those being picked up for speeding, because I sat on 100 km/h for about five minutes and I thought, 'This is ridiculous.' I felt like getting out and walking.

I ask the government to revisit the speed limit on some of these roads, particularly where a section of the road is quite safe. Why penalise motorists for the entire length of the road when, say, only a third of it should have these restrictions? I hope that these moneys are going to fix up the roads that the government has highlighted with these 100 km/h speed limits. Certainly, I hope that is the case, because a lot of motorists (including me) are pretty cross about the imposition of these limits, as all they do is make us a target for the speed cameras. This, together with other confusing road issues in the city, is ridiculous.

GOFERS

Mr RAU (Enfield): I rise today to talk about a matter which has come to my attention by virtue of correspondence sent to me by the South East Community Legal Service, which I understand to be a body based in Mount Gambier. This issue reminds me of an old expression, but I do not know the author. However, somebody once said, 'From the tiny acorn, the mighty oak tree grows.' That certainly appears to be what has happened with this important issue of gofers.

Many months ago, I raised this tiny acorn (as it was then) of gofers with the parliament, and I raised the concern that some people were not doing things as they should. I am delighted to advise the parliament that somebody from the South East Community Legal Service has now written to every member of parliament on this important subject.

An honourable member: It is rolling on!

Mr RAU: It is rolling on! This issue is getting bigger and bigger, and we now find that some very complex legal arguments surround the activities of gofers and their drivers. Mr Acting Speaker, do you realise that there is some argument at law as to whether the rider of a gofer is, in fact, a pedestrian, as defined under the provisions of the Australian Road Rules, or a person riding in a motor vehicle? Whilst you might ask, 'What does it matter whether they are riding in a motor vehicle, or whether they are a pedestrian?', the answer is that it matters quite a bit.

The road rules provide for certain exemptions for people who are pedestrians. As I understand the opinion that has been provided by the learned legal minds of the South East Community Legal Service, 'pedestrian' includes a wheelchair, and the definition of 'wheelchair' is broad enough to encompass a gofer, so it would seem. However, we come back to the problem that some gofers exceed 10 km/h. This means that they run into problems again with the road rules. Section 288 of the Australian Road Rules provides:

> A driver may drive a motorised wheelchair on a footpath if:
>
> (a) the unladen mass of the wheelchair is not over 110 kilograms; and
>
> (b) the wheelchair is not travelling over 10 km/h; and
>
> (c) because of the driver's physical condition, the driver has a reasonable need to use the wheelchair.

The shocking news is that, according to the manufacturer, some of these vehicles do exceed 10 km/h, and some reach 15 km/h. Obviously, I am not an expert on the unladen mass of these vehicles, but we do not have to explore that issue because they have already failed on the speed test. So, that means that these vehicles may not be wheelchairs for the purposes of the act.

I could go through this very detailed opinion (which I am sure all members have read) at some length. However, the point is that we should consider some very complex questions that arise, and they are posed in the correspondence as follows:

- Should gofers be driven on roads or footpaths—

That is a fair enough question—

- What are gofers classed as—pedestrians or motor vehicles?

Ms Bedford: When is a gofer not a gofer?

Mr RAU: When is a gofer not a gofer—indeed! I am grateful to the honourable member. The letter continues:

- Is there a need for education in relation to the use of gofers?
- Should all gofer users undergo testing to ensure they are aware of the road rules if, indeed, they have to travel on the road?
- Is there a need for gofer drivers to be licensed?
- Is there a need for them to be registered?
- Should they wear helmets?
- Should they be insured?

I do not raise all these questions because I am trying to agitate the issue and make life more difficult for gofer drivers, because I believe that gofers play a very important role. However, these people may well be in a precarious legal situation, and I am very grateful to the authors of this learned opinion from the South East Community Legal Service who draw to the attention of this parliament and all its members that, even today as we speak, our constituents are out there on their gofers and may be in uncertain legal territory and may be at risk. They do not know whether they are in a motor vehicle or in a wheelchair, or whether they are pedestrians.

TOBACCO PRODUCTS REGULATION (OFFENCES BY CHILDREN) AMENDMENT BILL

The Hon. R.B. SUCH (Fisher) obtained leave and introduced a bill for an act to amend the Tobacco Products Regulation Act 1997. Read a first time.

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

That this bill be now read a second time.

When I announced some weeks ago that I intended to introduce this bill, there was quite an interest from the media. Indeed, Channel 9 took this issue up Australia-wide. Certainly, in Western Australia it received a lot of coverage on radio and through other outlets as well.

My concern is always with the welfare of people, particularly minors. When children take up smoking, and we know the consequences, I believe that we have a responsibility to try to do something about it. I am not suggesting that this measure is the complete answer, because I am not that naive. However, I believe that it is worth pursuing, and I do so, not in the spirit of being punitive, but from the perspective of bringing about an awareness in those young people of the risks involved with smoking.

To put this issue in context, I will detail some of the statistics in relation to smoking in this country. In South Australia, about four people die each day from tobacco-related illnesses, and in Australia, it is about 50 each day. One in two lifetime smokers will die prematurely from the habit of smoking. Eight out of 10 new smokers are children or adolescents, and approximately 70 000 young people start smoking each year in Australia. In a 1999 survey, from the statistics released by Quit SA, 269 000 students aged 12 to 17 were smokers.

Statistics tell us something, but they do not tell of the suffering, the pain and the anguish that are associated with them. My youngest brother is the Chief Dietitian at St Vincent's Hospital in Sydney (one of the largest hospitals in the nation), and he reminds me constantly of the people with whom he has to deal who have suffered, or are suffering, from the consequences of smoking—people have lost part of their tongue, their throat and so on.

I do not think it is satisfactory for us to sit back and say, 'Young people are smoking. Let's accept that some of the current strategies are adequate.' I appreciate that the current government, via the health minister, is serious about this matter and is trying to do something by cracking down on retail outlets. I think it is fair to say that the current Minister for Health has reservations about my proposal. That is fine. She gave me the courtesy of having my proposal considered by people in her department, and I appreciated that. I think it is accurate to say that their view is that they would like to focus more on the people who sell the products rather than on the children who may get them and smoke them, so they are trying to tackle this by cutting off the supply. That strategy has been in place for a long time under the previous government and governments before that, and I would argue that it has had only limited success. Where you get the contradiction is that young people are not supposed to purchase tobacco, but can stand in front of any retail outlet and smoke it without a penalty. To me that seems illogical and lacking in consistency. Under the Tobacco Products Regulation Act 1997 a retailer can be fined up to $5 000 for supplying tobacco to a minor. For a minor failing to comply or giving a false statement, the maximum penalty is $200 or an expiation fee of $75.

The current law says that young people should not purchase, but they are free to smoke in front of the very supermarket or shop where they are not allowed to purchase. My proposal is not meant to be punitive. It contains an expiation penalty of $25 or a maximum penalty through the court of $100. If you are a young person that is probably a reasonable amount of money although, seeing what some young people have today, they might consider it a very small amount. But the point is not the financial penalty: the key part of my proposal is that, when someone is issued with an expiation notice or if they choose to go to court on the matter, the important element is that they are followed up in being provided with information about strategies for, and support services relating to, quitting smoking. So, the objective is not to whack them in the wallet: the objective is to get them to realise the dangers of smoking at an early age and to help them give up at an early age.

I am reminded of an article in the *Advertiser* back on 31 May of this year highlighting the situation of a 19-year old lad, Sebastian Garwel. He says:

I was just sitting at home and all of a sudden I couldn't breathe—it was pretty scary.

He has been smoking since he was 14 and has now quit after suffering a severe asthma attack recently. Seemingly, he has seen the light and is prepared to give up—and one would hope so, after being taken to hospital in an emergency. He says he has been smoking since the age of 14, obviously on a fairly regular basis, and, according to him, it has been a packet a day, which is quite a lot. I do not want to see more situations similar to the one involving this young person from Croydon Park. I want to see young people live a healthy, long and satisfying life.

Some people thought my proposal meant that undercover police would be travelling around looking for people smoking behind the wood shed. That would not be the reality; there would not be enough police for that anyhow. At the moment, if children are smoking, for example, in Rundle Mall or a big shopping centre, the police cannot do anything about it unless it is a specific fire risk or no-smoking situation. I want the police to use their commonsense which is likely to be a warning but, if they issued the expiation fee of $25, the important point is then to have the details for following up in terms of information and strategies to give up smoking.

Some people have asked why the provision does not relate only to public places. It is for the very commonsense reason that if you had someone smoking, say in a shopping centre, you could do something about it under my proposition but, if it was limited to public places only, the young person could step into someone's front yard next to the shopping centre and you would not be able to do anything about it. I am not envisaging or encouraging or promoting a situation where the police would be carrying out SAS-type raids on houses looking for kids smoking. The reality is that my bill would give a mechanism for police to take action in shopping centres and places like Rundle Mall.

As I said at the start, I do not believe this is the total answer. I am happy for members to put forward amendments to try to improve it. I am not saying the government should not be continuing with its current strategies: I am just saying that this is an additional strategy to deal with a serious problem. Just to focus primarily on the retailer and blame the retailer I do not think is fair or reasonable. They have a responsibility, but too often we take responsibility and accountability away from young people. Minors around the

age of 15 and so on are not silly. They should have put on them responsibility and accountability. I think that, to put it largely or totally on the retailer and say we will fine the retailer without regard for the accountability or responsibility of the minor, is unfair and one-sided. I think it has to be a double-barrelled approach.

So, I commend this bill to members. I am quite happy for it to undergo an evolutionary process. Irrespective of the outcome, I think it has already had a positive effect, because it has got a lot of young people and their parents thinking. If it has discouraged one person from continuing smoking it has been worth while. If this measure saved one life it would be worth while. I put it to the good judgment of members in this place and in another place to add to this proposal to try to come up with a mechanism additional to what currently exists to try to tackle what is a costly and painful situation in terms of trauma and suffering for too many Australians. If we can stop young people taking up smoking or continuing with their habit, then that is something that we should all be keen to do. With those words I commend the bill to the house.

Mr MEIER secured the adjournment of the debate.

CRIMINAL LAW (SENTENCING) (SENTENCING GUIDELINES) AMENDMENT BILL

The Legislative Council agreed to grant a conference as requested by the House of Assembly. The Legislative Council named the hour of 5.45 p.m. this day to receive the managers on behalf of the House of Assembly at the Plaza Room on the first floor of the Legislative Council.

The House of Assembly agreed to the time and place appointed by the Legislative Council for holding the conference.

The Hon. M.J. WRIGHT (Minister for Transport): I move:

That standing orders be so far suspended as to enable the sitting of the house to be continued during the conference with the Legislative Council on the bill.

Motion carried.

CHILD BIRTH

Ms BEDFORD (Florey): I move:

That this house calls on the Social Development Committee to investigate and report upon the impact of childbirth experiences in South Australian hospitals and postnatal depression (PND) on South Australian individuals, families and the community, and in particular:

(a) the recent trends in the occurrence of PND in South Australia;
(b) the relationship between birthing experiences and PND;
(c) interventive and preventative services to minimise the occurrence and harm of PND;
(d) health implications of PND and the long-term cost to the South Australian economy;
(e) alternatives for antenatal and postnatal care and support;
(f) the role of midwifery services in South Australian hospitals; and
(g) any other related matter.

In speaking to this motion, I advise the house that some people would tell you that, apart from dirty nappies and sleepless nights, having a baby is about feeling complete and being gentle and loving. Unfortunately for many new mothers, the truth is a far (and very loud) cry from this. More than a quarter of a million babies are born every year in Australia. I think childbirth is the single most important reason for hospitalisation, and it accounts for the highest number of occupied bed days.

Childbirth is now very safe in Australia. Maternal and infant mortality rates are the lowest they have ever been and compare favourably with those of other first world countries, even when you factor in the unacceptable and unsatisfactory indigenous statistics in this specific area. There are about 5.3 maternal deaths per 100 000 births and approximately 5.9 infant deaths per 1 000 live births. In the non-indigenous population, these mortality outcomes are consistent across states, regions, ethnic groups and hospitals; and, unfortunately, they are consistently bad. They are not significantly affected by the insurance status of the mother. However, for indigenous Australians the picture is far worse. Despite some improvements, the maternal death rate for indigenous Australians is double that of the non-indigenous population, and infant death rates are three times as high. So, you can imagine how much our figures would improve if an impact for the better could be achieved.

Birth is a normal, healthy life-giving event and will occur naturally in the vast majority of women, just as ovulation, menstruation, conception and pregnancy generally occur without medical management. Unfortunately, in South Australia our caesarean rates are high by world standards, and this extends to other forms of intervention. One in four women are now having caesarean births in Australia. This is an all-time high. Of particular concern is the high rate of elective caesareans for which, the evidence suggests, there is no medical justification. It is very important that this trend be examined.

Even more startling is that one in five children may have a depressed mother in the first year of the newborn's life and, given the critical nature of the early attachment period, this has major public health implications. The near epidemic proportions of postnatal depression that we are seeing today signal more of a social than a medical pathology. Current social arrangements make mothering more demanding and often lonelier and more stressful than it need be.

I can only imagine how it must feel to look down on a newborn child's face and not to feel anything, not to get that promised flush of emotion. It is hard to believe that in this day and age there are mothers in our community who, as we sit here today, are coping with postnatal depression, pacing up and down hoping their baby will not start crying, or—worse still—will stop crying, coping with sleep deprivation and praying for five minutes of uninterrupted sleep, or those who are crouched in the corner of their loungeroom crying uncontrollably. We cannot imagine the grief these mothers feel living with postnatal depression: the sadness, the guilt and the desperation.

I remember feeling this way for a little while when I had my first baby. Thankfully, it passed with time. I did not know what was wrong as I had never heard of postnatal depression, and when I found out a bit more about it I remember thinking that there must be some other or better way to help new mums and prevent them feeling so helpless, alone and unsure. I am glad now that I am in a position to help. I continue to feel that more needs to be done following the close exposure to the system of childbirth that I had in 2000, and I remain more convinced than ever that, whilst a great deal of good work has been done, a better understanding of the process of childbirth is urgently required. Now, as a person happily anticipating grandmotherhood, I want to make sure that all new babies have the happiest and best start possible.

Recently in my electorate we had a tragedy when a young woman sadly took her own life. This mother of two who suffered from postnatal depression unfortunately is not alone in her suffering. It is for these mothers and their babies and families that we must hold this inquiry, because the health and well-being of the new mother (the person most usually the principal care giver of precious new lives) impacts on the baby and the extended family (the husbands or partners and other children). It can be a difficult and frightening time for all of them, and the cost (aside from the extended hospital stays, visits to the doctor, medication and, in some cases, loss of working days) does not take into account the high personal cost and developmental consequences that it can have for the baby and its siblings.

This inquiry will give health professionals an opportunity to present evidence, and it will give mothers (the consumers of our state's maternity services) an opportunity to speak out about the challenges and traumas they faced. It is imperative for the healthy future of babies whose mothers are suffering. We will learn where improvements can be made and investigate innovations in postnatal and antenatal care that will change the world for some mothers and, obviously, their babies.

Current funding arrangements for antenatal birthing and postnatal care can be examined to increase the streamlining of service provision, ensuring a seamless episode of care extending from the beginning of pregnancy through birth and into the postnatal period, with the continuity of a particular carer, where practicable.

Since proposing this inquiry, I have received many phone calls from doctors, psychologists, maternity groups, nurses, midwives, obstetricians and mothers from this state and other states and territories. Mothers want to tell their story and explore ways to avoid suffering and make sure that the birth and care of babies is a happy and an joyful experience. I urge the house to support the referral of this inquiry to the Social Development Committee.

Mrs REDMOND (Heysen): It is my pleasure to support the member for Florey's motion. As we are both mothers, I guess we might know more than some of the male gender in this house about the question of childbirth and its effects. While listening to the member for Florey I recalled some of the fun experiences that I had giving birth to my children.

An honourable member: Don't be too graphic.

Mrs REDMOND: No, I went get any more graphic than that, except to say that babies can come as a surprise. I was at work until 10 past five on the day of the birth of my second son, and he was born at 7.37 p.m. So, that was a very productive day.

In supporting this motion, I think it is appropriate that we look at this very serious issue. Although I started out a bit flippantly, I know that postnatal depression is an extremely serious issue. Members will recall in the last few years the terrible deaths of children caused by mothers with postnatal depression (sometimes diagnosed and sometimes undiagnosed). I recall that in America—I think last year or it might have been the year before—a mother killed her five children. It emerged that she was suffering from postnatal depression. A couple of years before that, there was another case in America where a mother alleged that a black man had hijacked her car with her two children in it, but later it turned out that she had driven the car into a lake to drown her children.

Some absolutely horrific events happen because of people not being aware of the danger for children of postnatal depression. So, I applaud the member for Florey for bringing this motion before the house. I think the process of childbirth has been over-medicalised in our community when it should be a natural experience. Twenty years ago when I was having children, it was the done thing to have a homebirth. Indeed, my GP offered to deliver my second baby at home. I declined that very kind offer, but GPs do not even deliver babies in suburban Adelaide any more—and I think that is sad.

I have been the deputy chairman of the Stirling local community hospital for a number of years, and it saddens me profoundly that we have so medicalised childbirth that, after 75 years of providing the ability to have babies at that hospital, our maternity service had to close last year because of a combination of insurance issues (which affected so many hospitals in the middle of last year) and the lack of specialist anaesthetists, because specialist anaesthetists will not go out to deliver a baby in the dead of night. It is the obstetricians who deliver the baby, but they cannot do so without a specialist anaesthetists present, and they will not come out.

So, as a result of a combination of those factors, after 75 years we have had to close the maternity wing of this hospital, in spite of having a beautiful birthing unit and a number of obstetricians and gynaecologists in the area, GPs and anaesthetists available and willing, mothers who want to have their babies there, and trained midwives. In spite of all these factors our system is forcing mothers to trek down the hill, which I think can create some difficulties. I am therefore pleased that the wording of the motion looks at investigating and reporting the impact of child birth experiences in South Australian hospitals and postnatal depression. I am glad that it is worded widely enough for that to encompass that whole issue. We need to turn the trend around so that we take child birth back to a much more natural experience.

It is great these days that we have lots of tests available so that, for the most part, people can be fairly aware and secure in the knowledge that, if they do need medical intervention, it will be available promptly. However, to make every birthing experience a medical event instead of a natural event seems to be a retrograde step and one that adds to our medical costs. As the member for Florey pointed out, we have a high number of bed occupied days because of the way we deliver babies in hospitals. Most other cultures do not even hospitalise for child birth. I welcome the member's motion. I am happy to support it. As I said, it is a really significant issue.

The whole issue of postnatal depression is unrecognised in our community, underdiagnosed and undertreated. We should be taking far more notice of it, because it leads to absolutely traumatic events, often for children. It can go on for years and years if left untreated. It is a terrible thing to see a woman's life wasted and often the whole family being impacted so severely and adversely by postnatal depression. So, I support the recommendation wholeheartedly.

The Hon. R.B. SUCH (Fisher): I will be very brief. I commend the member for Florey for bringing this measure to the house, and I fully support it. It is a very big issue. I know of a relative who suffered from postnatal depression 20 or so years ago. At that time, the person was subjected to electric shock treatment as a way of getting over the symptoms of postnatal depression. I know of at least two women who, in my humble judgment, I do not believe have ever got over the consequences of the birth of a child.

In the street where I grew up, to the shock of all the people who lived in that area, a well respected and well liked woman suddenly snapped one day and killed her 18-month old son when she was hanging out the washing. She just snapped and killed him on the spot. That devastated that family. I do not believe they have got over it or indeed ever will do so. They have always carried that awful memory—apart from the fact that they lost a family member and their mother suffered as a consequence.

It is important that this motion deals with the impact on families. We know the biggest impact is obviously on the mother. Recent studies have suggested that there is an enormous impact on other family members as well, such as fathers, and so on, and that is important. I commend this motion and, once again, appreciate the efforts of the member for Florey in bringing it to the house.

The Hon. L. STEVENS (Minister for Health): I will be very brief. I, too, wish to put on the record my congratulations to the member for Florey for bringing this motion, all parts of which are very important, before the house. I concur with the comments made by the member for Heysen in terms of birthing and the need for birthing to be as natural as possible. I am also aware of the very traumatic effects of postnatal depression. We need to look into it to the greatest extent possible so that we can do our very best to alleviate this, to reduce its occurrence and certainly to put into practice policies and procedures that will mitigate against it. I commend the motion to the house.

Motion carried.

PARLIAMENTARY REMUNERATION (POWERS OF REMUNERATION TRIBUNAL) AMENDMENT BILL

The Hon. R.B. SUCH (Fisher) obtained leave and introduced a bill for an act to amend the Parliamentary Remuneration Act 1990 and to make related amendments to the Parliamentary Superannuation Act 1974. Read a first time.

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

That this bill be now read a second time.

I point out to members that, whilst the title and the introduction refers to the Parliamentary Superannuation Act, this has nothing to do with changing entitlements to superannuation. Parliamentary counsel advised that, because of the way the act is drafted, it is necessary to make that reference, but it has nothing whatsoever to do with changing superannuation entitlements for members of parliament.

The reason that I have brought this bill before the house has its genesis in my appearance before the independent parliamentary remuneration tribunal earlier this year, when I said that this ongoing vexatious issue of vehicles and equipment for members of parliament had existed for many years. I said that there was a mishmash of arrangements, and that, as the independent body, it should look at the issue and make a determination. Likewise, in any issue of salary sacrifice, it should be the body to look at it. It said that it would take legal advice. I understand that it took advice from the Crown Solicitor. It indicated that it did not have the authority to make a determination in respect of vehicles, equipment or anything like that, nor in relation to salary sacrifice. I decided then that this power should be in the hands of the independent tribunal.

As we know, parliament itself could make a determination, as could the government of the day, but that is not appropriate. We should not be doing that or be seen to be making determinations, whether it be in respect of vehicles or any other item of equipment. So I had this bill drawn up after looking at the other jurisdictions. After considering what exists in all other jurisdictions, I believe that what is here is a sound and sensible proposition.

The issue focuses on non-monetary benefits. So this has nothing to do with MPs' salaries or, as I said earlier, with superannuation. It is for the tribunal to have a power that it currently does not have to look at the provision of any article, motor vehicle, equipment or service to members and to specify the terms and conditions that are to apply to the provision and use of such articles, motor vehicles, equipment or services, and provide for the calculation and imposition of any contribution which the member is required to make towards the cost of providing the article, motor vehicle, equipment or service, and make any other provisions necessary to give effect to the determination.

It also gives the tribunal the authority to determine the contribution payable by a member of parliament towards the cost of providing an article, motor vehicle, equipment or service, and it can be done in a range of ways such as salary sacrifice, reducing the allowances or expenses that would otherwise be payable to the member or by direct cash payment by the member to the Treasurer, or a combination of those three options. This is a very straightforward measure, and it is the way to go.

Since this matter was raised and reported in the *Advertiser* in some detail a few weeks ago, I have not had one person complain to me. In fact, people have said to me, 'This is the way to go'. Someone wrote to the *Advertiser* because they thought I was going to give everyone a chauffeur. Well, that was never part of this bill and it does not come within the scope of this bill. I do not know how we classify a driver as a 'non-monetary benefit'. I think they might take offence being classified as such. This has nothing to do with providing chauffeurs. It is a totally separate issue. I corrected that by a letter to the editor. Someone who misunderstood what it was about wrote to the local Messenger and I clarified that matter. But, not one person has come to my office or contacted me (and a lot of people from all over the state raise issues with me) and raised any concern, other than to say, 'This is what we believe should happen. MPs themselves should not make these decisions. It should be done by an independent tribunal.' That is exactly what I am doing. Members of the tribunal said to me, when I was before them, that, because they did not have the power, the parliament or government could do it. That is not what we want, and I do not think the public wants that, either.

This provision is innovative in the sense that it allows for some flexibility. For example, if the tribunal decides that a vehicle is the way to go, then a member could have a small vehicle, if they so choose. They will have to pay extra for anything over and above the basic vehicle. Indeed, some members might choose one of the new hybrid electric vehicles but, if it is over and above what is called the standard vehicle (which is the Commodore or Magna), obviously they would have to pay the difference for that, as well as the basic contribution that is determined by the tribunal. I think this is a sensible provision. I think it is the appropriate way to go, and I believe that the public will support it. It is not being done by the government of the day, so it avoids that issue. I am happy as an Independent to be putting it forward, and I

am happy to respond to any issues raised by the public or anyone else. It is not mandatory, and members of parliament who wish to continue in the current arrangement can do so. Some members have indicated to me that is what they will do—and that is fine. The bill is fairly straightforward. I believe the tribunal will welcome the power to do what they cannot currently do. I commend the bill to the house, and I move:

That standing orders be so far suspended as to enable the bill to pass through its remaining stages without delay.

The ACTING SPEAKER (Mr Scalzi): I have counted the house and, as an absolute majority of the whole number of the members of the house is not present, ring the bells.

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

Motion carried.

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

PUBLIC WORKS COMMITTEE: BOOKPURNONG AND LOXTON SALT INTERCEPTION SCHEMES

Mr CAICA (Colton): I move:

That the 189th report of the Public Works Committee, on the Bookpurnong and Loxton salt interception schemes, be noted.

The Public Works Committee has examined the proposal to apply $10.55 million of taxpayers' funds to the Bookpurnong and Loxton salt interception schemes. The committee was told that significant salt loads, in the order of 175 tonnes per day, are entering the Bookpurnong to Loxton reach of the River Murray. In this reach of the river, each four tonnes of salt inflow results in a 1 EC increase at Morgan, according to the Murray-Darling Basin Commission salinity models. This salt inflow is the result of natural saline groundwater seepage into the river, significantly augmented by irrigation and land clearance practices. The South Australian government and the MDBC have adopted a River Murray salinity target level at Morgan of less than 800 EC for 95 per cent of the time. An MDBC ministerial council adopted a joint program of works to reduce salinity by 61 EC units by 2008. The Bookpurnong and Loxton schemes will produce a combined benefit of 33 EC, which is more than half the MDBC 2008 target.

The saline ground water flows collected from the Bookpurnong and Loxton areas will be pumped to the existing Noora gravity main, with a connection to the main near the Bookpurnong Road-Fielke Road intersection. From this point, water will gravitate to the Noora basin, a large natural depression approximately 20 kilometres east of Loxton. Both the disposal basin and the existing pipeline to Noora (which was built in 1982 by the state government to drain excess water from the Berri and Renmark irrigation schemes) have the capacity to accommodate the anticipated volume of ground water generated by the scheme. The schemes will require approximately 73 production bores, 61 bores to drain ground water from the Loxton sands aquifer to the Murray group limestone aquifer—that is, to drain the ground water mound to the pumping aquifer—and 75 monitoring bores. Approximately 10 per cent of the bores required to operate, maintain and monitor the scheme have been constructed during the investigation phase of the project. The schemes also require approximately 60 kilometres of pipeline, air vents and flow control structures, and 73 submersible pumps of various capacities.

The projects have been developed in consultation with local groups. The Bookpurnong Lock 4 Environmental Association has a high degree of ownership of the project. The proposal has received strong endorsement from the individuals and groups consulted, and no significant concerns have been raised. The project will deliver a 17 EC benefit to the river, and 16 EC to the states to meet post 1988 salinity impacts by collecting ground water flow derived from the impact of mallee clearance and irrigation development before 1988.

Further, the project is important for the state to meet salinity obligations for post 1988 irrigation development. Additional benefits include:

- providing for flood plain regeneration;
- dewatering the irrigation-induced ground water mound below the irrigation areas and reduce drainage hazards; and
- providing the state with additional credits to offset salinity obligations of post 1998 irrigation development incurring in areas where salt interception schemes are not technically or economically feasible at present, thus contributing to regional development in South Australia.

The total capital cost of the projects is $31.1 million, with both schemes being funded by a combination of joint works and state action funds. The total South Australian contribution to the scheme is $10.55 million. Recurrent costs for the joint works component of both schemes, which totals approximately $1.2 million, will be funded through existing MDBC arrangements, to which South Australia contributes a third. Recurrent costs for the state action component (approximately $470 000 per annum) will be recovered from irrigators in accordance with their obligations under the water allocation plan for the River Murray prescribed watercourse using provisions under proposed amendments to the Water Resources Act 1997.

The proposal is expected to deliver an average annual River Murray salinity benefit for the coming 30 years, as measured at Morgan, of approximately 48.8 EC for a total capitalised investment, including operations, maintenance and renewals, of approximately $55 million. The cost benefit of the combined infrastructure project is 9.0, excluding the non-market environmental values associated with the schemes and based upon a 30-year horizon and 7 per cent discount rate. The Bookpurnong project is to be completed and commissioned by August 2004, with the Loxton scheme to be completed and commissioned by January 2006.

The committee supports the objectives of the project and recognises the role of the local community in initially proposing a scheme of this order and then providing significant financial, logistical and moral support throughout its subsequent development. The committee notes the distribution of project related expenses and, whilst recognising the technical and environmental complexity of the project, retains some concerns about both the level and extent of consultants' fees and the 15 per cent contingency allowance on the project.

In attempting to mitigate the effects of salinity on the River Murray system, the committee is of the opinion that the participating agencies should remain alert to all current and evolving value-adding opportunities afforded by the project. Examples of such opportunities include the utilisation of recovered salt for commercial reuse, the possible desalinisation and on-selling of intercepted ground water, and the use of saline ponds in power generation.

It is a very good project and, as I said in my presentation, the impetus provided by the local community is immeasurable, and the support it has received from the local community has been outstanding. It is clear that there is a commitment from both sides of the house in respect of the future of the River Murray and what needs done. It is vital not only to the people who live in the communities along the river but to all South Australians, and indeed all Australians. We know that, and I do not need to go into that in any great detail.

However, earlier today my attention was drawn to an article in the *Australian* headed 'Murray salinity tipped to rise'. The article talks about the fact that, whilst the average EC level in the River Murray is at its lowest since 1982, the MDBC is expressing some concern that that good work might be undone over the next five years by virtue of the fact that a combination of conditions, including drought, irrigation drains drying and ground water (which transports salt into the river) may add to the continuing salt problem.

I raise that point only from the perspective that, whilst we need this salt interception scheme and other measures to be put in place to ensure that we return the River Murray to what it should be, we also need to be extremely vigilant in ensuring that all measures that are undertaken are fully integrated. I raise that issue only in the context of the report because, whilst this scheme is an excellent scheme (and we need more schemes to help return the River Murray to its previous healthy state), we need to be mindful of other factors that will impact on the health of the River Murray.

As I mentioned earlier, a great contribution was made by the local community, and that is reflected in the various communities along the River Murray. Those communities often provide the impetus for action to be taken at higher levels of government, and their commitment needs to be recognised. I also inform the house of the fine contribution made by the local member for Chaffey. Throughout our travels to Loxton and discussions with the local community, her commitment to the River Murray and her local community does not need to be again restated at this point in time because it is well known. Pursuant to section 12C of the Parliamentary Committees Act 1991, the Public Works Committee recommends the proposed public work.

Mrs MAYWALD (Chaffey): I support the work of this committee and the report that is currently before us. The Bookpurnong and Loxton salt interception schemes are a very important part of managing our salinity obligations into the future. It needs to be understood that this scheme is not just a state government scheme but a Murray-Darling Basin Commission scheme that is being funded through the Murray-Darling Basin agreement. It is a very important scheme because, when the two stages are delivered by 2004 and 2006, it will result in a 48 EC benefit to the river, meaning that the salinity level at Morgan will be reduced by 48 EC as a result of these two schemes. Of that 48 EC, under the current arrangements with the Murray-Darling Basin Commission, for South Australia it means that we will achieve a 5.3 EC credit in respect of our development in South Australia.

This may seem like a small number (and it is a small number in respect of the 48 ECs that the project will produce), but that was the subject of agreements and arrangements that have been made by previous governments and the Murray-Darling Basin Ministerial Council and, unfortunately, South Australia does not have a salinity credit market, which means that we are unable fully to reap the benefits of these two projects. The Bookpurnong community has been instrumental in providing a basis on which this project was able to go forward. They are an incredibly innovative group of growers.

I have the greatest admiration for David Ingerson, who has led the charge with this group. They are very environmentally conscious but also very smart and clever business people, and they have the support of a very talented young project officer by the name of Julie Sippo. Their team has been able to establish the merits of this proposal prior to the taking over of the project by the Murray-Darling Basin Commission and the department. They also looked at many and varied innovative ways of investing in the project themselves but, unfortunately, under the current Murray-Darling agreement, were unable to proceed.

The Loxton and Bookpurnong communities will benefit greatly from these projects, and also from the work undertaken by the Bookpurnong environment group and the irrigators headed by David Ingerson, who have undertaken some significant works in improving efficiencies within their irrigator community. In fact, they are a model community in respect of their commitment to ensuring that they are sustainable into the future.

I commend everyone involved in this particular project. It will produce significant benefits not only for the local community but also for the state and basin as a whole. I commend all those who have committed to the funding of this project and look forward to the completion and commissioning of the project in 2004 and 2006.

Mr VENNING (Schubert): As a member of the Public Works Committee, I support its Chairman in moving this motion in relation to this very important salt interception scheme. I certainly welcome community involvement in this project because, without doubt, this scheme (and others like it) works, and plays a vital role not only in communities in the Riverland but also for those who use water in all the regional cities in South Australia and the capital city itself. The fact that this removes 48 parts per million EC units of salt from the water greatly benefits us all. As I said, the scheme does work, and is working very well. The scheme, as we know, involves the Murray-Darling Basin scheme, the community and, of course, the South Australian state government.

As I said, the benefit is extremely widespread, not only reaching the cities that I have just mentioned, but also people irrigating from the Murray. There are benefits, also, for schemes such as the Barossa Infrastructure Limited (BIL) scheme and also the new Clare scheme, which will come on board shortly. We know the difficulties of water shortage because of the drought and the consequent water restrictions, but the water we have should be of the best quality, and schemes such as this enhance that quality.

I would never miss the opportunity to say how much the people in the Barossa appreciate schemes such as the BIL scheme because it enables irrigators (particularly people in vineyards) to mix water of various salinities. We do not talk about it too often, but some of the bores in the Barossa are saltier than we want to admit or recognise, and the water coming through the BIL scheme and per kind favour of schemes such as this enable our vignerons to put water on vineyards of a lot better quality and less salinity than would be the case if they took water from below their properties. In some areas (and I will not mention the figure), that is above the acceptable levels.

Finally, I again commend the Public Works Committee and its Chairman and officers. I enjoy my work as a member of that committee. You, Mr Speaker, were the previous chairman, and you said good things about it: I have to say that I agree with you. It is a very good change for me, as the previous chair of the ERD committee, to serve on the Public Works Committee. It has expanded my expertise in relation to the parliamentary process and I am pleased to be a member of it. I enjoy working with my colleagues, as elected members, and also the two officers who are lucky enough to work with us, Mr Keith Barrie and Dr Paul Lobban (certainly, they are very good at their job).

I believe that the Public Works Committee process is essential to the workings of this parliament. It looks at projects on which we are spending public money, and I will oppose any attempt to change the system in relation to any project that costs $4 million or more. I will oppose any attempt to make that figure greater—whether it be $10 million, or whatever figure may be suggested. I believe that the Public Works Committee, if it chooses, should look at any project—even a small project costing, say, $1 million—and be able to make a decision. So, I oppose that idea and believe that whoever is putting it up should give it away, because I believe that the Public Works Committee is working well.

Again, I commend the local community for its dedication to making the scheme work, and for putting together a very good presentation to the Public Works Committee. I commend it for its dedication to supplying world-class irrigation and producing world-class product. Also, again, I support the Chairman's motion and look forward to noting many more reports in the future.

Motion carried.

PUBLIC WORKS COMMITTEE: WOMEN'S AND CHILDREN'S HOSPITAL EMERGENCY DEPARTMENT REDEVELOPMENT

Mr CAICA (Colton): I move:

That the 190th report of the committee, on the Women's and Children's Hospital Emergency Department, be noted.

The Public Works Committee has examined the proposal to apply $4.1 million of taxpayers' funds to the Women's and Children's Emergency Department redevelopment. The Women's and Children's Hospital is the major tertiary referral centre for women's and children's health services in South Australia. The paediatric emergency department was built in the 1970s and has major deficiencies and difficulties in meeting current models of emergency care. A comprehensive review of the functional and facility development requirements at WCH was undertaken in 2002, culminating in an endorsed development master planning strategy for the site. The master plan concluded:

- redevelopment of the paediatric emergency department and integration of the women's assessment service was the highest priority initiative;
- retain the present location of the emergency department; and
- relocate the adjacent medical records department to provide more space for an appropriate emergency department upgrade.

The current redevelopment will address issues of functionality of short stay and triage areas, improved resuscitation areas, patient privacy and confidentiality, and patient and staff security; and will provide improved patient waiting and staff work areas. The department will occupy the same position it currently occupies and will be constructed in five sequential stages. The proposal includes:

- the relocation of the existing patient information service from level 2 (ground floor) adjacent to the existing paediatric emergency department to level 1 (basement) (approximately 620 square metres);
- the construction of a triangular infill between the Queen Victoria building and the Rogerson building (approximately 145 square metres), which provides for a more functional relationship between paediatric emergency and women's assessment services;
- provision of a centralised triage, reception and admissions area with good vision over the paediatric waiting area and direct access into the primary treatment zone;
- provision of three private consultation-examination rooms, a psychiatric observation-treatment room and two multi-use treatment rooms;
- a 12-bed short-stay ward located next to the paediatric treatment zone, with its own support facilities for patients and parents;
- provision of administrative areas and support facilities for paediatric emergency staff;
- a separated waiting area and women's primary assessment area, with line of sight from central clerical admissions area; and
- a 10-bed assessment unit comprising six single rooms and two two-bed rooms with direct observation from a central staff base.

The primary objectives of the emergency department-women's assessment service redevelopment include:

- the integration, where clinically and operationally appropriate, of paediatric emergency and women's assessment services;
- the provision of a functional outcome that meets all clinical and operational needs of a modern emergency and women's assessment service and optimises recurrent efficiencies;
- the provision of a 'public' traffic route between the respective hospital entrances without penetrating the department;
- the minimisation of distances, where possible, to existing vertical transportation systems; and
- the meeting of the requirements of the metropolitan clinical services planning study emergency services review.

In meeting the aims and objectives of the planning process, the outcomes of the implementation of the proposed development are:

- reduced waiting times;
- improved patient privacy;
- increased resuscitation facilities;
- improved capacity to deal with multiple trauma situations;
- improved functionality within the departmental administrative areas;
- overall improvement in patient care; and
- improved clinical functionality.

The total capital cost of the project is $8.2 million. Through the DHS, the government will provide $4.1 million, with the remaining $4.1 million being provided by the Women's and Children's Hospital with funds raised through a campaign conducted with the assistance of the Savings and Loans Credit Union. The recurrent costs of the project are cost neutral.

The project will be ready for tenders for the patient information services in October 2003, with the final comple-

tion of the emergency department in October 2005. The committee notes the underlying demographic, medical and technological changes that require the proposed redevelopment and supports the project's objectives. The committee further notes the assurances of the agency that the redevelopment will provide the flexibility to adapt to future changes in clinical practice or technology.

The committee notes the efforts of the Women's and Children's Hospital engaging with the private sector to raise funds that will significantly contribute to the scope of the project. The committee accepts the necessity of moving the patient information services to the proposed location in the current car park basement area because of the extra capacity the vacated space will provide for the redeveloped emergency department.

The committee is concerned about the conditions that will be faced by employees in the new section, given its position within the hospital structure and lack of access to natural light and notes the agency's assurances regarding this amenity. Pursuant to section 12C of the Parliamentary Committees Act 1991, the Public Works Committee recommends the proposed public work.

Mr VENNING (Schubert): I rise to support the Presiding Member of the Public Works Committee. Certainly, I support the 190th report, on the Women's and Children's Hospital emergency department redevelopment. The Women's and Children's Hospital has a wonderful reputation in South Australia. In preparing this report, all I can say is that my thoughts on the matter have solidified more, because we have seen the activity of this hospital from the outside, as a parent and as a citizen of South Australia, and we have observed it as our premier women's and children's hospital—and my thoughts have certainly been cemented from that angle.

The hospital has a fine record, particularly when you realise that over half of this $8.2 million project has been found by the hospital. How many other organisations in South Australia of this magnitude could boast that? I congratulate their fundraisers, how ever they did it. First, I want to commend them and, secondly, others ought to emulate them, because there is nothing better than a self-help program. If you are spending your own money, or half your own money, you will be a lot more careful with what you do with it. In this instance, I believe that the whole project was extremely well resourced and thought out and that the hospital is getting a very good deal for the $8.2 million.

When I first looked at this project I wondered whether the hospital really needed it. However, when you are shown around, certainly the facilities need to be updated, as times have changed and the requirements of the modern community have changed with them. Without doubt, when you walk into the hospital, you wonder why certain areas were designed in the way they were, particularly in relation to external accesses and privacy issues. Some acute beds are in full view of the general admission area, and you wonder why the hospital was built that way. Luckily, this building is new enough to be able to undergo major renovation without changing the whole structure, as it is built on a raft-type structure. It will be more like a refit than a rebuild, which is certainly commendable, as buildings of this age are a lot cheaper and more convenient to modify.

Of course, the problem is that the hospital will have to go through major upheaval when this upgrade begins, because it will have to happen in a working hospital. In the acute area, which is extremely busy, with ambulances just a few metres away, management will certainly have to be pretty sharp and very slick to maintain patient comfort and convenience. However, I am confident that this will happen.

I was also pleased to see that space will be created in this vital area of the hospital by relocating the records. A huge area is taken up by racks and racks of records, and I was amazed to see them in this computer age. A very large area contains all the patient records, since most of the older records are all still on paper. However, we know that, as time goes by, they will become electronic records and, in a few years' time, this space will not be needed. It was encouraging that somebody thought to move these records, claim this space for more vital and acute processes and put these records in the car park.

We inspected that area, which is amongst the plumbing and the sewerage but, as long as people who work there have a reasonable amenity and place in which to work (and we are assured that will be the case), I think it is a very good idea. Eventually, I believe that the process will be that paper records will be phased out and replaced by a very small electronic chip.

I fully support this project. I think that everybody is getting good value for their money—particularly the government, because it is paying for only half of the project. I commend the committee for their efforts. Again, I commend the committee staff because, as you know, sir, every time we do a report, our staff have to write a full report, and it is not a matter of just copying down the proposals that are put to the committee. They have to be assessed, and the report has to include that assessment and critical assumptions, and our committee does that very well.

Because public works projects are not coming to the committee, the committee members are spending the time upgrading their skills as parliamentarians in assessing these projects. Even though the committee has a wide-ranging membership, it has taken on extra areas of expertise. As I said earlier, I enjoy this committee, and I think it is a very vital part of government and of parliament. Certainly, I support the 190th report.

Motion carried.

The SPEAKER: I would like to make comments about this matter in particular, and the Public Works Committee, since the Presiding Member and the member for Schubert have both made some remarks that I think are relevant to endorse. The committee is to be commended for the manner in which it still continues to speak to its reports for the benefit of the understanding of what has been done by the committee in examining public works. Secondly, it acknowledges the role that it plays in making sure that the public interest is best served by examining how those funds are to be applied.

I wonder why the committee has chosen to overlook reporting to the chamber, in the course of the remarks made, what the present value benefit is of the project when all costs are taken into consideration with future savings and any income streams that might be generated are brought to account as well, thereby enabling a dollar figure to be put on the benefits which the public work, whatever it may be, brings to the South Australian economy as a consequence of that investment—and, if it is a negative value, to simply say so. That is not by way of criticism but curiosity on my part. I commend all the members of the committee and the Presiding Member for the work that he does. The report seems to me to be as comprehensive as ever, since all members would know that the reports have to be signed off

finally by the Speaker before they are presented to the parliament and approval given, especially when parliament is not in session.

CRIMINAL LAW (FORENSIC PROCEDURES) ACT REGULATIONS

Mr HANNA (Mitchell): I move:

That the regulations under the Criminal Law (Forensic Procedures) Act 1998, entitled Qualified Persons Fees, made on 8 May 2003 and laid on the table of this house on 13 May 2003, be disallowed.

The committee recommends the disallowance of these regulations so that it can consider them in the next session of parliament, should the government choose to introduce these regulations.

Motion carried.

LISTENING AND SURVEILLANCE DEVICES ACT REGULATIONS

Mr HANNA (Mitchell): I move:

That the regulations under the Listening and Surveillance Devices Act 1972, entitled Records and Warrants, made on 12 December 2002 and laid on the table of this house on 18 February 2003, be disallowed.

The committee recommends the disallowance of these regulation so that it can consider them during the next session of parliament. This will enable it to consider additional information that will be provided by the Attorney-General in relation to their effect and operation.

Motion carried.

CRIMINAL INJURIES COMPENSATION ACT REGULATIONS

Mr HANNA (Mitchell): I move:

That the regulations under the Criminal Injuries Compensation Act 1978, entitled Scale of Costs, made on 12 December 2002 and laid on the table of this house on 18 February 2003, be disallowed.

The committee noted that these regulations do not ensure that victims of crime who apply for compensation are given adequate assistance in obtaining a medical assessment in relation to their claim.

Motion carried.

VICTIMS OF CRIME ACT REGULATIONS

Mr HANNA (Mitchell): I move:

That the regulations under the Victims of Crime Act 2001, entitled Application Costs and Levy, made on 19 December 2002 and laid on the table of this house on 18 February 2003, be disallowed.

Similarly, the committee noted that these regulations do not ensure that victims of crime who apply for compensation are given adequate assistance in obtaining a medical assessment in relation to their claim.

Motion carried.

FREEDOM OF INFORMATION ACT REGULATIONS

Mr HANNA (Mitchell): I move:

That the regulations under the Freedom of Information Act 1991, entitled Essential Devices Commission, made on 31 October 2002 and laid on the table of this house on 18 November 2002, be disallowed.

The committee recommends the disallowance of these regulations so that it can consider them in the next session of parliament, should the government see fit to reintroduce them.

Motion carried.

CONTROLLED SUBSTANCES ACT REGULATIONS

Mr HANNA (Mitchell): I move:

That the regulations under the Controlled Substances Act 1984, entitled Simple Cannabis Expiation Fees, made on 29 August 2002 and laid on the table of this house on 15 October 2002, be disallowed.

This is slightly unusual, in that I have this motion before the house, but the Legislative Review Committee has not yet finalised a report on the issue. I am inclined to move the motion in my name, on the basis that I am well aware that the majority of members will oppose the disallowance. The fact is that the Legislative Review Committee heard evidence in relation to the issue. There was argument about whether or not the reduction to one of the number of plants which could be grown by a person without falling foul of the criminal law—that is, beyond a simple cannabis expiation notice—would destroy the intent of the cannabis expiation scheme.

The SPEAKER: Is the motion seconded? The proposition lapses for want of a seconder.

STATUTES AMENDMENT (WORKCOVER GOVERNANCE REFORM) BILL

Mr CAICA (Colton): I move:

That the third report of the committee, entitled Referral of the Statutes Amendment (Workcover Governance Reform) Bill to the Occupational Safety, Rehabilitation and Compensation Committee, be noted.

Whilst we have made our 190th report of the Public Works Committee and this committee is about to put forward somewhat fewer than 10 reports, it is no less important than the Public Works Committee. I particularly commend the outstanding contributions made by each and every one of the members on that committee. With respect to this report, as is normally the case with committees, it has arisen at the instigation of one of the committee members to have referred to that committee the Statutes Amendment (WorkCover Governance Reform) Bill, and it makes a great deal of commonsense that this bill be under the scrutiny of our committee. Over the last few days there have been ongoing discussions amongst the committee members with respect to how we will progress this matter and how we will deal with the governance reform bill.

I think it is important for the house to be aware that in essence this is a very important bill. Whilst in the initial stages it might have been construed by some that this was a way by which the bill might be delayed somewhat, the fact is that the committee has a commitment to reviewing this bill and will utilise the recess to work diligently to ensure that we are in a position to provide a proper inquiry into the bill so that, subsequent to the house resuming for its next session, there ought not be any delay with respect to the progression of the bill when it returns to the house in the next session.

That commitment has been made by the members of the committee and, as I said, we will meet as soon as this

Monday to develop the terms of reference for the review that will be undertaken. I have nothing more to add. As is the case with the various committees that operate under the auspices of this parliament, this is an important committee and, as such, it plays a significant role in scrutinising the decision-making process of the executive arm of government.

The Hon. M.J. WRIGHT (Minister for Transport): I wish to speak briefly. I endorse the honourable member's comments. This is an important committee, and it serves the parliament well. I support the motion, and I inform the house that I will support the reference of the Statutes Amendment (WorkCover Governance Reform) Bill 2003 to the Parliamentary Occupational Safety, Rehabilitation and Compensation Committee. I also advise the house that I intend to have the Occupational Health, Safety and Welfare (Safe Work SA) Bill 2003 also referred to the committee for its consideration. I wish the committee well, I am sure it will do some good work, and I look forward to its reporting back to us at the earliest opportunity, hopefully no later than when we come back for the new session.

Motion carried.

PARLIAMENTARY COMMITTEE ON OCCUPATIONAL SAFETY, REHABILITATION AND COMPENSATION

Mr CAICA (Colton): I move:

That the fourth report of the committee, entitled 'Annual Report 2002-03', be noted.

Motion carried.

ECONOMIC AND FINANCE COMMITTEE: EMERGENCY SERVICES LEVY 2003-04—INTERIM REPORT

Ms THOMPSON (Reynell): I move:

That the 43rd report of the committee, on the emergency services levy 2003-04—interim report, be noted.

I am pleased to present to the house the 43rd report of the Economic and Finance Committee entitled '2003-04 Emergency Services Levy—Interim Report'. Section 10(5) of the Emergency Services Funding Act 1998 requires that the minister must refer to the Economic and Finance Committee a written statement setting out the determinations that the minister proposes to make in respect of the emergency services levy for the relevant financial year. The committee is required under section 10(5)(a) to inquire into and report on those determinations within 21 days of their receipt.

As you would understand, sir, it sometimes presents quite a challenge for the committee to meet that timetable, as the committee may already have a reference set down for a meeting date and then, because of non-sitting time, we can be quite squeezed to meet that obligation within 21 days of receipt. That occurred both last year and this year.

On 29 May, the committee received a copy of determinations from the Treasurer which formed the basis for a recommendation to the Governor in respect of declaring the emergency services levy for 2003-04. On 11 June 2003, representatives of the Department of Treasury and Finance, the Department of Justice and senior emergency services staff appeared before the committee to brief members and answer questions in relation to the 2003-04 emergency services levy.

The purpose of this interim report is to comply with the legislative requirement to report within 21 days and to indicate the committee's satisfaction with the overall levy proposal. I think we had to sign off on the committee report on the same day on which we heard evidence, so we were only able to satisfy ourselves of very basic matters and we then had to give further consideration to whether other issues required consideration.

It may be recalled that last year there was a range of issues relating to the concessions and the costs of collection which the committee considered in much greater depth after the initial report. The committee presented a final report to the parliament on those matters at a later date. In terms of the formula for the 2003-04 levy, the effective rates will remain unchanged. In other words, the formula used to calculate levy bills last year is the same as that used this year. However, fixed property owners may note a small increase in their levy bill as a result of increased property values. For example, for a residential property in metropolitan Adelaide with no concessions and a current capital value of $150 000, the total levy will be $65.60. That is the same as it would have been last year, but the difference is that the capital value of the property was probably not $150 000 last year.

The levy payable on mobile property will remain unchanged. The value of remissions in 2003-04—that is, the amount of money contributed to the emergency services fund from consolidated revenue—is proposed to be $72.163 million. This represents an important increase of $5.163 million over the remissions paid from consolidated revenue in 2002-03. The total levy proposed to be raised directly from taxpayers for 2003-04 is $81 million. The increase in the payment of remissions by the government demonstrates that, in a very tight budgetary period, the government has committed to this extra expenditure for emergency services rather than put up the rate of the levy and impose a higher cost on households.

In accordance with the committee's recommendations in the Emergency Services Levy 2002-03 Final Report, additional information regarding amortisation and administration costs was also provided to the committee to assist with the consideration of the 2003-04 emergency services levy. These are two areas which the committee had questioned in the past. The matter of administration costs has been raised by this committee and the previous committee year after year. Both committees have expressed concern that the cost of collecting the emergency services levy is extremely high. When the current committee investigated this matter last year to see why promised savings had not been achieved, it was evident to us (as we reported to parliament) that there was little room for further savings given the structure of the collection of the levy. The agencies concerned feel that the collection costs for the emergency services levy are very high. I think that one of the agencies suggested that they were somewhat embarrassed by the costs involved in the collection of the emergency services levy. The previous committee and this committee have sought to see whether we might identify savings but have not been able to do so.

I was pleased to see that the agencies readily provided us with the additional information that we requested, and we requested it in the hope that this might help us better understand some of the issues to do with the high costs of collection and perhaps identify ways of making savings. However, the committee has not made any recommendations in the interim report, as it intended to withhold all recommendations until its final report. The committee has been able to consider the matter further since presenting the interim report. Unfortunately, we have not been able to identify further

savings, and we will not be presenting a separate final report. Instead, we will be covering this issue in the committee's annual report.

I have referred to the fact that the administration costs are extremely high and that this is a problem for the South Australian community. It does no-one any good to be wasting money on the collection of taxes. The most effective way to collect a tax is the cheap way. We all know that it is necessary to collect taxes. In this case, we are collecting money in order to provide an extremely important service to the community, that is, the fighting of bushfires and being attended to in our suburban homes when we are faced with a fire, as well as the many other calamitous circumstances that we in a modern community expect to receive services to help us overcome.

It is really important that the people who provide these services—whether they be paid officials or volunteers—are properly resourced. This is a bipartisan approach to providing decent services to our emergency service workers. However, it is very costly, and the fact that 11¢ in every dollar collected from the community for the fixed property component of the levy spent in collection costs is really depriving our emergency services workers of facilities that rightly should come to them.

My investigations of this situation have revealed that the reason for this is that, when the emergency services levy was introduced, it was done without consultation with the groups of people who had to collect the levy. It was done on a political basis and to buy the fewest fights possible with some of the stakeholders in the then government, now opposition. Concessions were introduced that had never been introduced before.

It may well be that landholders have been charged in an inappropriate manner in terms of rates and charges in the past and that some things such as charging only once for contiguous properties is an appropriate way to go. However, if we are making these concessions, we should not be doing so at the expense of collection costs which, as I have said, deprive emergency services workers of facilities that they deserve.

There have been many suggestions that perhaps this levy could have been collected by local government. Indeed, I heard some discussion not long ago that this levy could be collected by local government, and that has come up again and again, particularly in the context of the proposed natural resource management levy. We do not know what will happen with that levy, but councils have been looking at whether they are the appropriate body to collect it and whether they can do it cheaply and effectively—although, I noticed during discussions that councils were most determined to make sure that ratepayers knew that this levy was going to the state government and not to them. In general there have been discussions at which many councils seem to believe that they were the most effective body to collect additional levies, particularly those that were related in some way to the capital value of a property.

When we explored this issue last year with some of the excellent public servants who have been given responsibility in relation to this matter, we were advised that one of the problems with having local government collect the emergency services levy is that the definitions used in the emergency services levy act (and I am not sure of the correct title but we all know what I am talking about) are different from those used in local government. Indeed, local government is able to determine concessions to some extent itself. This means that there is no uniformity of approach in local government to some of the issues such as contiguous land and some of the concessions that have been given, particularly in relation to rural properties.

This issue of rural properties and the very difficult circumstances under which they operate regarding some of these levies has come up again in relation to the River Murray levy, where there is the issue regarding the number of water meters on some properties. That is one of the reasons why we could not collect this levy more cheaply through local government.

One of the other issues regarding collection costs is the definition of regions that are involved in the emergency services levy. The state has been divided into four different regions, and different levies are struck in relation to each region. It was very difficult to find evidence from the previous reports of committees as to why these regions were determined and why the different levy rates were struck in relation to those regions. I have knowledge of that only through informal discussions with people who were members of the original select committee. I understand that that is trying to take into account the fact that different regions have different risks in relation to fires, for instance, and the need to call upon emergency services, and that also different regions make different contributions to emergency services. That concludes my remarks. I appreciate the report being noted.

Mr WILLIAMS (MacKillop): I will speak briefly on this matter. I remind the house of the importance of the emergency services to the state of South Australia. Having been a long-time member of the CFS at my home in the South-East of the state, I will point out some of the changes that have occurred in my area with regard to emergency services and how important it is that they be fully supported, particularly in the rural areas of South Australia. In probably the last two or three decades, I have seen a steady decline in the number of people living in rural settings. In some instances I have seen an increase in the risk—and I am talking particularly with regard to fire—because of the mechanisation that occurred in recent times, as well as the plethora of powerlines crisscrossing rural areas.

In addition, a smaller number of people are now vigilant with regard to the outbreak of fire, and fewer people are available to fight fires when they break out. I note that in my own area a number of brigades have been amalgamated for this very reason, that is, there are not enough people left in some areas to provide crews on fire trucks. Consequently, brigades have been amalgamated, and there are fewer trucks and brigades available for fire fighting. The burden on individuals and individual fire units is consequently greater. This increased burden puts extra pressure on those people involved in providing emergency cover, in the case of fire, and this decreases the wont and willingness of people to be involved in emergency services. It is very important for us to support our emergency services as much as we possibly can. It is fair to say, particularly in rural areas, that the same thing applies to teams of the SES and SA Ambulance who, by and large, provide emergency cover for our roadways.

Having had previous experience in local government, many years before coming to this place, I am aware that local government, for at least 20 years prior to the introduction of the emergency services levy, lamented the funding arrangements, which provided funds for the CFS in rural areas. Under the previous funding arrangements, local government was required to pay at least 50 per cent of the cost of running

the CFS, including the capital costs of providing equipment such as fire trucks and radio networks. Many of the support services were provided by local government through the council staff, the council outdoor work force and the works managers. This was a considerable burden on councils and, in many cases in recent years, they had difficulty getting the state to provide its 50 per cent. An arrangement was made in latter years, before the introduction of the emergency services levy, whereby many councils were paying much more than 50 per cent towards the provision of an emergency fire service in their area.

There was a scheme of arrangement, which tried to set a standard of fire cover across the state. In those areas where it was considered that the amount of equipment and number of brigades, and so on, provided in any particular district fell below that standard of cover, the state provided those councils with their 50 per cent—in some cases I understand even more. In cases where the standard of the fire cover was met or exceeded by the local community, through its local council, they were getting considerably less than the 50 per cent subsidy on equipment. This meant that there was a large burden on the councils, and no wonder local government was getting sick and tired of the funding arrangements. I bring this to the attention of the house, because it is important to understand the context in which the government found itself when it changed the funding arrangements.

Formerly, funding for the CFS was provided through the fire service levy on insurance premiums, and the inequity of that was that a lot of people and companies insured offshore—certainly outside South Australia,. Consequently, they did not pay their fair share towards the running of the emergency services in South Australia. This was a great inequity. Indeed, it could be seen that those who could most afford to pay their share were generally those who had the ability to buy insurance outside South Australia. Consequently, that funding source was severely tilted against the benefit of the whole community.

It was in that context that the previous government introduced the emergency services levy in order to bring surety to the funding of emergency services; to bring adequate funding to our emergency services, so that those people who volunteer and give up their free time to provide emergency services, whether it be through CFS, SA Ambulance or SES, could provide that emergency service with the full knowledge that they would be using the best equipment available and have background support and the best radio communications available in order to work efficiently.

That is the background behind the establishment of the emergency services levy. Indeed, it has given a great fillip to emergency services in this state. This state could not afford to pay people to do the work that is done on a voluntary basis, but we can afford to encourage those people by ensuring they have available the best equipment and support. I also note the report of the Economic and Finance Committee.

The Hon. I.F. EVANS (Davenport): I support the motion before the house. As a member of the Economic and Finance Committee, I endorse the views expressed by both the member for MacKillop and the member for Reynell.

Motion carried.

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

Mr SNELLING: Mr Speaker, I draw your attention to the state of the house.

A quorum having been formed:

CRIMINAL LAW (SENTENCING) (SENTENCING GUIDELINES) AMENDMENT BILL

The Hon. P.F. CONLON (Minister for Infrastructure): I have to report that the managers have been at the conference on the bill, which was managed on the part of the Legislative Council by the Hons P. Holloway, R.D. Lawson, D.W. Ridgway, R.K. Sneath and T.J. Stephens. We there delivered the bill and thereupon the managers for the two houses conferred together and it was agreed that we should recommend to our respective houses that the following resolution which is being circulated be agreed to:

As to Amendments Nos 1 to 4:

That the Legislative Council do not further insist on these amendments.

CHICKEN MEAT INDUSTRY BILL

Second reading.

The Hon. J.D. LOMAX-SMITH (Minister for Tourism): 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 repeals the *Poultry Meat Industry Act 1969* and replaces it with a modern, more pro-competitive, regulatory scheme that will enable owner-farmers in the chicken meat industry to engage in collective negotiations with chicken meat processors supported by compulsory mediation and arbitration at the request of either party. The Bill will also provide efficient farmers with a greater degree of security than under the present de-regulated environment and, further, provides an exemption for the collectively negotiated agreements from the operation of the restrictive trade practices rules in Part IV of the Commonwealth's *Trade Practices Act 1974* and in the Competition Code that applies in South Australia by authority of the *Competition Policy Reform (South Australia) Act 1996*.

Before describing the scheme proposed by the Bill, addressing the structural adjustment issues facing the chicken meat industry, and the political issues arising from the introduction of the Bill, I will first traverse the history of legislation in this industry.

Beginning in 1969 with the *Poultry Meat Industry Act*, there has been a long history of legislative intervention in the chicken meat industry. The basis of this intervention has been concern at the significant imbalance in bargaining power between growers and processors and, consequently, the power imbalance in the contractual and other on-going relationships between those two sectors of the industry.

This imbalance in bargaining power exists because processors are able to obtain significant market power at the processor/grower functional level of the market through the strength they obtain through vertical integration and because there is no auction market for meat chickens. On the other hand, the growing sector of the industry is characterised both by a requirement for significant infrastructure investment and by sunk costs.

The nature of the industry is that growers are essentially "tied" to a particular processor; that is, because of structural factors, biosecurity concerns and commercial factors in this industry, growers have traditionally had an exclusive relationship with the one processor. A grower does not own any birds but simply agists the birds owned by the processor. A grower must be geographically located no further than 2 hours drive from the processing works, or else the bird-loss factor becomes significant. Further, growers cannot use their sheds for any other types of animal husbandry, and the last 5 year period has seen a significant decline in the sale price and demand for chicken farms, making it very difficult for growers to sell their farms and exit the industry.

There have been several attempts by various governments to provide an appropriate response to this imbalance in bargaining power and the related issues in this industry, with significant amendments to the 1969 Act in 1976 and, a decade later, in 1986.

The 1969 Act (together with its amendments) was essentially a model law that was in force in all Australian States that had a chicken processing industry. This model forms the basis for the legislation still in force in New South Wales and in Western Australia. Victoria has a similar Act, but has stayed its operation for a period of at least 3 years. Queensland has a more recent scheme; one that formed the starting point for the proposed South Australian Bill.

In 1987, following a dispute concerning entry into the South Australian industry by a new grower, the then Minister for Agriculture requested a review of the 1969 Act. Green and White Papers were released for comment in 1991 and 1994 respectively. The outcome of this process was a decision by the then South Australian Government to repeal that Act in 1996. However, the government of the day did not proceed with the repeal when, reacting to grower concerns at their exposure to the bargaining power of the processors, the Labor Party in opposition and independent MLCs signalled their intention to oppose the Bill. In July 1997, the then Minister convened a meeting of industry and parliamentary representatives, thus commencing a process to address growers' concerns that culminated in the Bill before the House today.

Since the mid-1990s, there have also been competition law and policy issues that have had an impact on the 1969 Act. The Poultry Meat Industry Committee ceased to function from about 1996 and, since then, the 1969 Act has essentially been moribund.

The main reason why the Committee ceased to function was that, since the Competition Code commenced to apply to its members as individuals who were also industry participants and competitors, those members would have been at risk of contravening the restrictive trade practices rules in the Competition Code. Those rules are to the same effect as the restrictive trade practices rules in Part IV of the Commonwealth's *Trade Practices Act 1974*, except that the *Trade Practices Act* itself is essentially restricted to trading and financial corporations.

Further, the South Australian Government is obliged to conduct a Legislation Review of the 1969 Act under clause 5 of the *Competition Principles Agreement*, which is one of the National Competition Policy inter-governmental agreements. There are several elements in the 1969 Act not considered capable of passing the scrutiny of the National Competition Council which assesses the States' compliance for the purpose of obtaining competition payments. Those elements are the function of the Committee to "approve" new farms and growing contracts, and the requirement that no new grower entrants will be allowed if there is spare capacity amongst existing growers.

Since 1997, the major processors have engaged in collective negotiations with growers under an authorisation from the Australian Competition and Consumer Commission (ACCC) pursuant to Part VII of the *Trade Practices Act*. Steggles Enterprises Limited (now Bartter Enterprises Pty Ltd) has now ceased processing in South Australia, but Inghams Enterprises Pty Ltd has sought an extension of that authorisation for a further 5 years.

As part of the development of the scheme proposed by the Bill, the Department of Primary Industries and Resources has undertaken a broad program of consultation with all industry parties. A Consultation Paper and Consultation Draft of the Bill were made available for some 11 weeks. Ministerial meetings took place with both grower and processor industry leaders on several occasions, and departmental officers also had several meetings with them. There has been a continual flow of correspondence and submissions from both processors and growers, even after the formal consultation period ended (and that correspondence continues).

Those consultations were part of the National Competition Policy Legislation Review that was completed prior to the introduction of this Bill into Parliament. The Review concluded that there was a net public benefit from the Bill. The Review considered that there was little opportunity for either growers or processors to pass costs on to end-consumers—

- because of competition between processors; and
- because of competition in South Australia from chilled and frozen product imported from other States; and
- because chicken products compete with other white and red meat products and with fish at the retail level.

Given that growers and processors are mutually dependent, both have a vital interest in maintaining the efficiency and price competitiveness of the industry.

This Bill was introduced in another place prior to the end of 2002 but consultation continued to be undertaken and, as a result of the consultation process, was amended to take account of concerns raised. The Bill as introduced today incorporates those amendments.

Growers that fall within the ACCC authorisation have indicated that, while they are able to engage in collective negotiations with Inghams, in reality, they have little leverage. They describe the collective nature of the negotiations as of benefit only to Inghams and not to its growers. Growers use the expression "take-it-or-leave-it" when describing the negotiations for a new contract. In real terms, the base growing fee has declined over the past 5 years, despite some current small price variations. However, growers' concerns go beyond the issue of price and extend to a number of non-price matters, including the nature of their relationship with the major processor.

For their part, processors consider that the scheme proposed by this Bill is unnecessary and, that if it comes into operation, it will increase costs in the industry, resulting in a decline in processing in South Australia and, thus, also in the growing sector. Processors claim that compulsory arbitration of unresolved disputes will result in less than "best practice" outcomes, slower adoption of new technology, lowering of bird husbandry levels and delays while matters are progressed through arbitration. Processors object to compulsory arbitration and claim that it will force them to deal with growers with whom they no longer wish to deal. Processors described this as losing "their ultimate right to determine the strict conditions that they need in place to protect their interests and to keep driving down costs" (see the processor submission dated November 2002). The Government disagrees.

In fact, the very reason for introducing this Bill is to enable both sides of the industry, not just processors, to have a fair opportunity to negotiate appropriate growing contracts supported by the discipline provided by the prospect of compulsory mediation and arbitration. The Bill is silent as to the content of growing contracts and does not require that any particular terms be adopted, although, in the interests of transparency, the contracts must be in writing. It leaves the terms of the contract to the parties and for matters that are unresolved or in dispute to be determined by a mutually agreed mediator or by an independent arbitrator.

Rather than address the processors' concerns in detail, I will outline how the scheme proposed by the Bill will operate in practice, which, in the Government's view, will provide a complete answer to the processors. However, it is appropriate, first, to refer to some of the difficulties facing this industry; difficulties that need to be managed through the processes established by the Bill.

One of South Australia's major processors, Bartter Enterprises Pty Ltd (previously Steggles), decided in the late 1990s that, rather than invest in new processing facilities in South Australia, it would expand its facilities at Geelong in Victoria. That meant that, by early 2002, a considerable number of ex Bartter growers were without a contract. Anticipating that Bartter would lose retail market share in South Australia, other South Australian processors offered growing contracts of various duration to ex Bartter growers. Bartter and Biaida Poultry both import into the South Australian market. Early in 2003, Adelaide Poultry purchased Joe's Poultry after it fell into administration. Gourmet Poultry are in the process of replacing their purchase of birds from Inghams with direct supply of batch to batch growing service contracts with a cluster of growers south of Adelaide. Clearly the industry is dynamic and competitive, with South Australia a growth State, exporting about a third of processed chicken meat to the eastern States and Western Australia. Thus, processors in South Australia are sensitive to grower efficiency issues and price as well as to transport economics. It should be noted that in 2003 Inghams have replaced two older processing works in Queensland with a new $50 million facility near Brisbane.

Other structural adjustment issues concern the type of technology that should be adopted for growers' shedding and how the investment risk should be shared. Traditionally, South Australian growers have had small farms of between 2 and 3 sheds. Now, the preferred size is between 4 to 10 sheds, with sheds being up to some 2,900 square metres and costing about $280,000 with appropriate tunnel ventilation. Farms should be located on suitable land; in particular, not high-value land or metropolitan land but land that can include an appropriate buffer zone and fencing for biosecurity reasons, access to appropriate water supply and 3 phase power, and that allows compliance with zoning regulations.

The long term health of the chicken meat industry in South Australia requires that these structural adjustment issues be addressed, together with the exit from the industry of the least efficient farms and the least competent growers until the supply of growing

services is in equilibrium with the demand for those services by processors.

The long term health of the industry, however, also requires that efficient growers be given the security of contracts in writing for a reasonable term of years and a knowledge that if they continue to perform and fit within their processor's required level of growing services, there will be a continued relationship with that processor to support the grower's investment.

On the part of the processor, there should be no impediment to the establishment of "home farms" if they consider that to be efficient. There should be no impediment to encouraging and contracting with new entrants, even at the expense of the least efficient of the growers with whom they were previously contracted. However, there can be no arbitrary and unreasonable refusal to deal with an efficient grower when there is a need for a level of growing services than can accommodate that grower. It is the least efficient grower, objectively assessed, who should most be at risk.

The Bill establishes a scheme that achieves these outcomes. Arbitration under Parts 5, 7 and 8 of the Bill "take into account the need to promote best practice standards and fair and equitable conditions in the chicken meat industry and the need for the industry to be dynamic and commercially viable" (*see* clause 5(2)*(b)*). Clause 30(3) sets out additional factors that arbitration must take into account in relation to arbitrating certain disputes between a processor and grower. These requirements are expressly aimed at achieving these outcomes previously mentioned.

The Government does not accept the processors' prediction that the scheme proposed by the Bill will cause costs to increase. If the decision to process in South Australia remains, simply, a commercial decision, the Bill should have no adverse consequences for the industry in this State. The Government does accept, however, that there will be structural adjustment, whether or not the Bill comes into operation. The industry in this State is in the midst of significant structural change, as indicated previously. The Bill does not stand in the way of change in this industry. The Government considers that if the industry in South Australian is to remain healthy for the long term, it must be dynamic and growers, as much as processors, must be subject to competitive pressures, including the pressures provided by new entrants and requirements to adopt new technology and improved standards.

As stated previously, the Bill does not set out any of the requirements that parties should include in their growing contracts, nor does it "approve" contracts; it leaves that entirely to the parties. Instead, the Bill establishes a structure within which the parties can negotiate on a more equal basis than at present, and within which an arbitrator is able to impose reasonable and commercially sound awards if the parties cannot resolve their own disputes. In that regard, all parties in this industry acknowledge that they are mutually dependent. There is no incentive for the grower community to seek more than the industry can reasonably bear. The Bill also supports growers by enabling them to seek advice from consultants and experts when engaging in collective negotiations with their processor.

I shall now outline the structure of the scheme proposed by the Bill.

The critical factor on which the scheme depends is the requirement that each processor has a "tied" or "exclusive" relationship with particular growers for the term of their contract. Even if the contract does not specify an exclusive relationship, the nature of all but the most *ad hoc* of processor/grower arrangements will have that effect. A "tied" agreement includes the concept of "switching" whereby a contracted grower is "loaned" to another processor in order to balance capacity requirements between them. That should be regarded as an efficient outcome for all concerned. Exclusivity allows processors to manage their requirements for growing services over the longer term, ensures that the biosecurity (*eg* cross-infection) of a processor's birds are not adversely affected, and ensures that the processor can adequately control the micro-management issues that arise during the growing cycle (such as shed maintenance, infrastructure standards, and the supply of services such as medicines, feed, etc).

If the processor requires or will, in fact, achieve a tied relationship, the processor must give the grower a statutory notice inviting the grower to commence negotiations for a contract. The grower then has the option—

- of agreeing to negotiate on an individual basis with the processor; or
- of joining a collective negotiating group of all the other growers contracted, or chosen by the processor to be contracted, to that processor.

If the grower chooses to negotiate individually, that grower is essentially unregulated (except for the transparency requirement that all growing agreements must be in writing). There is a penalty included in the scheme for the purpose of requiring a processor to comply with the process of giving the statutory notice. That then allows the grower to choose whether to negotiate collectively or individually.

Part 6 of the Bill provides for an exemption under section 51 of the *Trade Practices Act* and under the Competition Code of South Australia for the giving by processors of the statutory notice, and for certain specified activities concerned with the collective negotiations, and the making of, and the giving effect to, growing agreements. The exemption relates to activities between each individual processor and those growers who are recorded on the register as members of that processor's collective negotiating group.

The activities include—

- the processor requiring the "tied" relationship with the grower; and
- market sharing by growers of their available growing capacity; exclusive dealing arrangements imposed by the processor on growers relating to feed, medications and vaccines, sanitation chemicals, veterinary services, shed maintenance, harvesting and transport services, etc; and
- pricing arrangements, including price reviews.

In place of the previous Poultry Meat Industry Committee, the proposed scheme simply has a Registrar, appointed by the Minister, whose task is to maintain the register and undertake certain functions in relation to the number and election of growers representatives, the calling of meetings of the negotiating group to vote on a contract, and in relation to referring a dispute to mediation or arbitration. In this way, it is intended to keep the administrative costs of the scheme to a minimum. Those costs may be recovered by a fee levied on industry participants.

The Registrar also has the function of collecting and publishing pricing information in order to provide relevant information to the industry participants, but not to actually "post" a price that must be followed. This information will assist the parties in collective negotiations to formulate objective negotiating positions, which may assist them to reach agreement. In the event that there is still a dispute, the matter will go to the arbitrator, who is required to take into account the information published by the Registrar, and may request the Registrar to provide information in the Registrar's possession specific to the relevant dispute. The arbitrator is required to have regard to the information published by the Registrar on growing costs and pricing and is not required to re-open and question the information provided by the Registrar.

The Registrar is required to preserve the confidentiality of information gained in the course of the performance of the Registrar's functions under the Bill, but not the disclosure of information between persons engaged in the administration of the Bill or between the Registrar and the arbitrator in relation to a dispute.

As previously indicated, the terms of any growing agreements are left to be negotiated by the relevant parties—the processor and the growers. Compulsory arbitration at the election of either the processor or the growers is available if any dispute cannot be resolved. At any time, a grower may elect to leave a collective negotiating group and deal individually with a processor.

Mediation and arbitration is available, at the election of either processor or grower, during the term of a contract if there is a dispute as to the obligations of either of them under a collectively negotiated growing agreement. This would include a dispute on the terms to be agreed on a variation of any contract under a previously agreed variation clause.

Part 8 of the Bill provides a mechanism to ensure that a grower is not arbitrarily and unreasonably excluded from a future contract. As described above, there are factors that an arbitrator is required to take into account that preserve the commercial interests of the processor, while protecting the efficient grower at the expense of the less efficient grower. In particular, a grower cannot be excluded simply because that grower has a profile as a grower negotiator, or more generally, as a grower representative.

The Bill contains the usual administrative provisions relating to the conduct of arbitration, provision for the appointment of a Registrar and consequent delegations, a requirement for an annual report and provision for an annual fee to recover the cost of the

Registrar's operations. There is also a requirement for the Minister to review the operation of the Act, and to lay a copy of the report before Parliament, within 5 years of the commencement of the Act. This will allow a period that reflects the traditional 5 year contract, and the negotiation of the next round of contracts.

The Bill contains a scheme for transitional arrangements that deems all existing growing agreements, whether oral or written, as being arrived at through the collective negotiating process and, hence, includes all growers initially in collective negotiating groups. While these existing contracts will continue to operate according to their terms, disputes arising as to their operation, and disputes as to the exclusion of any of the growers from further contracts, are subject to the mediation and arbitration provisions of the scheme. Without the deeming transitional provision, many growers would not come within the scheme for up to 5 years. Once a grower is a member of a negotiating group, the grower may at any time elect to leave and thus become unregulated.

The transition arrangements do, however, allow the Registrar, on application from either processor or grower, to exclude growers with "probationary" contracts from each processor's negotiating groups. These are contracts that operate from batch to batch and do not follow on from a fixed term contract between the grower and the same processor. A batch to batch contract may specify a single batch, or a small number of batches, such that it is not, in effect, a contract for a fixed term.

Finally, it should be reiterated that there has been a considerable consultation program to support the development of this Bill. While significant changes have been made to the scheme, the Government considers that compulsory mediation and arbitration (the latter strongly opposed by the processors) is central to ensuring that the collective negotiations are genuine negotiations and not the present style of "take-it-or-leave-it" negotiations under the ACCC authorisation. That is not, of course, the fault of the ACCC; it is simply the fact that there is such an imbalance in bargaining power between processors and growers that collective negotiations *per se* do not provide growers with any significant counterweight to the processors. Without that right to mediation and arbitration, there would be, essentially, no difference between the effect of the Bill and the effect of the ACCC authorisation and no justification for the Bill.

I commend the Bill to the House.

Explanation of Clauses

Part 1: Preliminary

Clause 1: Short title

Clause 2: Commencement

These clauses are formal.

Clause 3: Interpretation

This clause contains definitions of words and phrases necessary for the interpretation of the legislative scheme proposed in this measure.

In particular, meat chicken means a chicken (a bird of the species *Gallus gallus* that is not more than 16 weeks old) grown under intensive housing conditions specifically for human consumption as meat after processing. A growing agreement is an agreement between a grower (*ie* a person who grows meat chickens under a growing agreement) and a person who carries on a business of processing meat chickens (a processor) that provides for the growing in SA by the grower of boiler chickens owned by the processor and the return of the chickens to the processor for processing in SA.

Clause 4: Exemptions

The Governor may exempt a person or a class of persons from the operation of the whole or particular provisions of the measure.

Part 2: Intention of Act

Clause 5: Intention of Act

This measure is in response to—

- the structural arrangements in the chicken meat industry;
- growers' sunk investments in their chicken farms;
- the contractual practices, bio-security and other farm management issues and the commercial factors that restrict growers to exclusive dealings with processors (at least for the terms of growing agreements);
- the general imbalance in bargaining power between processors and growers.

It is the intention of this measure—

- that equity between processors and growers be promoted by allowing for collective negotiations and arbitration of disputes and by the appointment of a Registrar with functions including the facilitation of collective negotiations between processors and growers; and
- that arbitration under Parts 5, 7 and 8 of this measure take into account the need to promote best practice standards and fair and equitable conditions in the chicken meat industry and the need for the industry to be dynamic and commercially viable.

Part 3: Registrar

Clause 6: Appointment of Registrar

A Public Service employee will be appointed by the Minister to be the Registrar for the purposes of this measure.

Clause 7: Registrar's functions

This clause sets out the Registrar's functions.

Clause 8: Registrar's power to require information

A person must, if required to do so by the Registrar give the Registrar information in the person's possession that the Registrar reasonably requires for the performance of the Registrar's functions and verify the information by statutory declaration.

Clause 9: Registrar's obligation to preserve confidentiality

The Registrar must preserve the confidentiality of information gained in the course of the performance of the Registrar's functions that could affect the competitive position of a processor, grower or some other person or is commercially sensitive for some other reason. That proviso does not apply to the disclosure of information between persons engaged in the administration of this measure or the Registrar and an arbitrator arbitrating a dispute under this measure.

Clause 10: Delegation

The Registrar may delegate powers or functions under this measure.

Clause 11: Fee for Registrar's operations

Each processor and grower must pay the fee (to be prescribed and which may be differential) to the Registrar each financial year.

Clause 12: Annual report

The Registrar must, on or before 30 September in every year, forward to the Minister for tabling in the Parliament a report on his or her work and operations for the preceding financial year.

Part 4: Registration

Clause 13: Interpretation

This clause provides for interpretation mechanisms for Part 4.

Clause 14: Registration

The Registrar must maintain a register containing certain information about processors and growers to allow for the legislative scheme proposed to be administered.

Clause 15: Notification of information required for register

A processor must provide the Registrar with certain up-to-date information about growing agreements and the growers with whom the processor has a growing agreement.

Part 5: Growing Agreements

Division 1—Growing agreements to be in writing

Clause 16: Growing agreements to be in writing

A growing agreement made after the commencement of this clause is of no effect except to the extent that it is recorded in writing.

Division 2—Commencing negotiations for growing agreements

Clause 17: Commencing negotiations for growing agreements

A processor must not commence to negotiate a growing agreement with a grower unless the processor has, within the preceding 3 months, given the grower a written notice, in the prescribed form—

- stating that the processor proposes to commence negotiations with the grower for a growing agreement; and
- inviting the grower to indicate, within 4 weeks, by written notice—
- if the grower is not a member of a negotiating group with the processor, whether the grower wishes to be a member of a negotiating group with the processor; or
- if the grower is a member of a negotiating group with the processor, whether the grower no longer wishes to be a member of a negotiating group with the processor.

(Maximum penalty: $100 000.)

Division 3—Collectively negotiating growing agreements

Clause 18: Negotiating group's role

A negotiating group may collectively negotiate (personally or through agents, advisers or other consultants) and agree with the processor a growing agreement, or a variation of a growing agreement, between the members of the negotiating group and the processor.

Clause 19: Grower negotiators for negotiating groups

The Registrar must appoint grower negotiators (not exceeding 4 in number) for a negotiating group to conduct collective negotiations on behalf of the group for a growing agreement with the processor. When determining the number of grower negotiators, the Registrar must take into account the size of the negotiating group, the varying interests of the members of the negotiating group and any other relevant factor.

A person appointed as a grower negotiator must be a member of the negotiating group determined in accordance with nomination and election processes approved by the Registrar.

Clause 20: Decision making by negotiating groups

This clause sets out how agreements are reached by negotiating groups.

Clause 21: Arbitration

If a negotiating group fails to agree a growing agreement with the processor within a time fixed by the Registrar, the matter in dispute must be referred to arbitration if the processor or a majority of the members of the negotiating group vote in favour of the matter being referred to arbitration. A dispute referred to arbitration in accordance with this clause will be taken to have been so referred with the agreement of the processor and all members of the negotiating group. Schedule 2 applies in relation to the reference of the dispute to arbitration and the arbitration of the dispute. The arbitrator must, in arbitrating the dispute, have regard to the information published by the Registrar relating to growing costs and pricing in the chicken meat industry.

Division 4—Operation of growing agreements

Clause 22: Operation of growing agreements

A growing agreement collectively negotiated between the members of a negotiating group and the processor under Part 5 expires on the day specified in the growing agreement. However, a growing agreement collectively negotiated thus will continue to bind the processor and a grower for a further specified period if the processor and the grower so agree before the expiry of the growing agreement. A provision of a growing agreement collectively negotiated under Part 5 prevails over any other agreement between the processor and a member of the negotiating group to the extent of any inconsistency.

Division 5—Exclusion notices

Clause 23:Exclusion notices

A processor party to a growing agreement with a grower who intends to exclude the grower from negotiations for a further growing agreement with the processor must, at least 6 months before the expiry of the growing agreement, give the grower an exclusion notice (*see* clause 3).

Part 6: Trade Practices authorisation

Clause 24: Trade practices authorisation

The following are authorised for the purposes of section 51 of the *Trade Practices Act 1974* of the Commonwealth, as in force from time to time, and the *Competition Code of South Australia*:

- giving notices to growers of a proposal to commence negotiations for a growing agreement under Part 5;
- engaging in collective negotiations for a growing agreement under Part 5;
- making a growing agreement collectively negotiated under Part 5;
- giving effect to a growing agreement collectively negotiated under Part 5.

The authorisation applies in relation to a growing agreement only insofar as the agreement—

- has the effect of restricting the freedom of a grower to grow meat chickens for processing by a person other than the processor; or
- has the effect of restricting the freedom of a grower to obtain feed, medication, vaccines, sanitation chemicals, etc., from a person other than the processor or a person nominated by the processor; or
- provides for the sharing among growers of the right to provide their services as growers; or
- provides for a common pricing scheme, including a discount, allowance, rebate or credit, for the provision by growers of their services as growers.

Part 7: Disputes arising from processor or grower obligations

Clause 25: Interpretation and application

Part 7 applies to a dispute between a processor and a grower or former grower if the dispute relates to the obligations of either or both under a growing agreement collectively negotiated under Part 5. It does not apply to a grower if the grower indicates, by written notice to the processor, that the grower no longer wishes to be a member of a negotiating group with the processor.

Clause 26: Mediation

The Registrar must, if asked by the processor or grower, and subject to a number of considerations by the Registrar, refer a dispute to mediation.

Clause 27: Arbitration

Subject to certain considerations, the Registrar must, if asked by the processor or grower, refer the dispute to arbitration if, in the case of a dispute that has been referred to mediation under Part 5, the mediation has been terminated without resolution or, in any other case, the Registrar considers that it is highly unlikely that the dispute would be resolved through mediation.

Schedule 2 applies in relation to the reference of the dispute to arbitration and the arbitration of the dispute.

Part 8: Disputes relating to exclusion of growers

Clause 28: Interpretation and application

Clause 29: Mediation

Clause 30: Arbitration

Part 8 is very similar to Part 7 except that the mediation and arbitration procedures apply to a dispute between a processor and a grower or former grower if—

- the grower is or was party to the growing agreement last collectively negotiated with the processor under Part 5; and
- the dispute relates to the grower's exclusion from the group of growers given notice by the processor of a proposal to commence negotiations for a further growing agreement under Part 5.

Part 9: Miscellaneous

Clause 31: General penalty

The general penalty for a person who fails to comply with a provision of this measure is a fine of $25 000.

Clause 32: Prosecutions

A prosecution for an offence against this measure cannot be commenced except by a person who has the consent of the Minister to do so.

Clause 33: Service

This clause provides for the service of any documents required to be served under this measure.

Clause 34: Regulations

The Governor may make regulations for the purposes of this measure.

Clause 35: Review of Act

The Minister must, within 5 years after the commencement of legislative scheme proposed by this measure, cause a report to be prepared on its operation and a copy of the report to be laid before each House of Parliament.

Clause 36: Expiry of Act

Subject to a proclamation under this clause, this measure will expire on the sixth anniversary of the commencement of this Act. The Governor may, by proclamation, postpone the expiry of this measure for a period not exceeding 2 years.

Schedule 1: Repeal and transitional provisions

The schedule contains the repeal of the *Poultry Meat Industry Act 1969* and a transitional provision.

Schedule 2: Arbitration

This schedule contains provisions setting out the arbitration procedures for the measure.

Mr GOLDSWORTHY secured the adjournment of the debate.

STATUTES AMENDMENT (HONESTY AND ACCOUNTABILITY IN GOVERNMENT) BILL

Consideration in committee of the Legislative Council's message—that it had agreed not to insist on its amendment No. 1, but insisted on its amendment No. 9 to which the House of Assembly had disagreed.

The Hon. P.F. CONLON: I move:

That the House of Assembly's disagreement to amendment No. 9 be not insisted on.

Motion carried.

SUMMARY PROCEDURE (CLASSIFICATION OF OFFENCES) AMENDMENT BILL (No. 2)

Adjourned debate on second reading.

(Continued from 15 July. Page 3648.)

Mrs REDMOND (Heysen): This matter comes before us to correct a technical problem that has arisen, and it indicates to me that legislation passed in a hurry (as this house often seems to do) is often legislation which is inappropriate. What

apparently happened in this particular case is that last year we managed to pass legislation through this house and the upper house—and even with the very able assistance of parliamentary counsel—which inadvertently had the effect of changing robbery from a major indictable offence to a minor indictable offence. That legislation came into operation, as I understand it, on 5 July this year.

The Hon. P.F. Conlon: You are agreeing, aren't you?

Mrs REDMOND: I am agreeing. I am just saying that we have slip-ups such as this—and, I admit, we do not seem to have many—because we do not have sufficient time to deal with legislation in this house to enable us really to consider appropriately the detail of what we are doing. As I said, the effect of the legislation and the problem that it created was that, as of 5 July, we suddenly had a situation where what is clearly a major offence, and has been a major offence for time immemorial, was inadvertently made a minor indictable offence. My understanding is that the purpose of the legislation that we are looking to pass now is simply to correct that anomaly so that we restore the status of robbery as a major indictable offence.

I gather that this occurred because of an error in the drafting of the Criminal Law Consolidation (Offences of Dishonesty) Act 2002 and no-one picked up the error—not departmental officers nor parliamentary counsel nor we who have the ultimate responsibility for it in the parliament. So, as I said, we support the amendment because, clearly, it was not the intention of this parliament to do that, and we certainly want to correct the error as quickly as possible.

I ask the minister (simply because I have not had a chance to check it) whether, for the period from 5 July to the date of the proclamation of this amendment, we have a situation where someone who is convicted for robbery could, indeed, claim that it has to be treated as a minor indictable offence if it occurred during that window of opportunity. It is just as well we did not let the cat out of the bag and tell the whole population that they had that opportunity. My understanding is that there is no transitional provision or retrospectivity about this bill to cover that anomaly, and we will simply take the chance that no-one is convicted of an offence during that time. But I would like the minister to clarify that point in closing the debate. The opposition is happy to support the amending bill.

The Hon. P.F. CONLON (Minister for Infrastructure): I thank the opposition for its support of this amendment. I think our hearts are in the same place. We are, as my learned friend would understand, ad idem on this. I can answer the member's question now if it saves us the agony of the committee stage. The proposition is correct. In fact, our first desire was to make this amendment retrospective, which was not agreed to by the shadow attorney in another place. We understand that is the attitude of many to such retrospective legislation, particularly where it deals with criminal matters, even if it is merely a matter of inadvertence by the legislature. But the member's understanding is correct, and I can add no more than that. I thank the opposition for its support.

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

CORONERS BILL

Consideration in committee of the Legislative Council's amendments.

Amendment No.1:

The Hon. P.F. CONLON: I move:

That the House of Assembly disagree with amendment No. 1 made by the Legislative Council and make the following alternative amendment:

Clause 25(4), page 16, lines 12 and 13—delete subclause (4) and substitute:

(4) The Court must, as soon as practicable after the completion of the inquest, forward a copy of its findings and any recommendations—

(a) to the Attorney-General; and

(b) in the case of an inquest into a death in custody—

(i) if the Court has added to its findings a recommendation directed to a Minister or other agency or instrumentality of the Crown—to each such Minister, agency or instrumentality of the Crown; and

(ii) to each person who appeared personally or by counsel at the inquest; and

(iii) to any other person who, in the opinion of the Court, has a sufficient interest in the matter.

(5) The Minister or the Minister responsible for the agency or other instrumentality of the Crown must, within 8 sitting days of the expiration of 6 months after receiving a copy of the findings and recommendations under subsection (4)*(b)*(i)—

(a) cause a report to be laid before each House of Parliament giving details of any action taken or proposed to be taken in consequence of those recommendations; and

(b) forward a copy of the report to the State Coroner.

Motion carried.

Amendment No.2:

The Hon. P.F. CONLON: I move:

That the Legislative Council's amendment No. 2 be agreed to.

Motion carried.

LAND ACQUISITION

The Hon. J.D. HILL (Minister for Environment and Conservation): I seek leave to make a ministerial statement.

Leave granted.

The Hon. J.D. HILL: Today in question time the member for Davenport asked a series of questions regarding the government's efforts to stop the establishment of a national radioactive waste dump in South Australia. His first question related to whether the commonwealth had ever before acquired land compulsorily against the wishes of a state. I undertook to bring back more information on this matter. On 2 June 2003, I informed the parliament that:

I had been advised that never before has the commonwealth acquired land against the wishes of a state.

The government was advised by senior officers in the Crown Solicitor's Office that they were not aware of any circumstance in which the commonwealth had acquired land against the wishes of a state.

Crown Law has now checked the case raised by the member for Davenport and provides the following advice. Prior to the enactment of the current Lands Acquisition Act 1989, the principal statute dealing with the acquisition of land was the Land Acquisition Act 1955. That act specifically prohibited the commonwealth from acquiring land that was dedicated as public park land under the laws of a state or territory. Importantly, public park land could not be acquired either by agreement or by compulsion, so the commonwealth could not acquire public park land even if that was the state government's wish.

It would seem that the then Liberal federal government wanted to acquire public park lands in New South Wales, including at Holsworthy. To do so, the commonwealth parliament passed a special statute to allow the common-

wealth to acquire public park lands for the purpose of naval and military defence of Australia or for any of the land specified in that act. That act applies only to land in New South Wales. I am not aware (and this is based on advice given to me) whether this acquisition took place with or without the support of the then state government.

If the Askin Liberal government, which was the government at the time in New South Wales, objected to the acquisition, I do not know whether it fought the commonwealth in the courts. The Crown Solicitor's office has been unable to find any reported case of such action. I can confirm that the then federal Liberal government acquired land by passing a law in the federal parliament. I strongly urge the current federal Liberal government to go through the same process and see whether the Senate will support the establishment of a national radioactive waste repository in our state.

CHICKEN MEAT INDUSTRY BILL

Adjourned debate on second reading (resumed on motion).

(Continued from page 3719.)

Mrs REDMOND (Heysen): Whilst I am not the lead speaker, I am happy to make a contribution at this stage until he is found. I say at the outset that I think it is simply unreasonable, the second reading speech having been inserted without the need to read it less than five minutes ago, for the minister, or the minister representing the appropriate minister, to be on the telephone and not even listening to my comments and to expect this matter to proceed without our having the opportunity to read the second reading speech so that a contribution can be made.

Notwithstanding that, I will make some comments, because I have been fairly closely involved in the debate on the chicken meat industry in this state. Of course, the fact is that in this state, although we have many chicken meat growers, we have only two processors, or producers, of chicken meat: Inghams, which deals with all the chicken meat growers in the Hills and the Murray Mallee area, and Adelaide Poultry, which deals with those growers to the north of the city.

In effect, we have a situation where there is no competition and where two poultry processors manage to have separate monopolies by dividing the state—in fact, they are run very much as a monopoly. Indeed, my position is that this legislation would not have been necessary at all (and my knowledge is in relation to Inghams) had those processors behaved in anything less than the reprehensible manner in which they have.

However, until some years ago, Inghams negotiated contracts with various growers and, being the only contractor with which they could contract, it then proceeded to use its market power in what I think is a completely unwarranted fashion. Indeed, I am aware of situations where, for example, chicken meat growers entered the industry with the blessing of Inghams and spent hundreds of thousands of dollars (which, of course, was borrowed money). So, they entered into quite complex banking arrangements on the basis that they were building sheds—

The DEPUTY SPEAKER: Order, the Government Whip and the members for Colton and Playford! It is impossible to hear the member for Heysen.

Mrs REDMOND: They were building sheds specifically at the request of Inghams and in accordance with Inghams' requirements in terms of the layout of the shed, the air vents, and so on, spending hundreds of thousands of dollars, only to be confronted at the end of a fairly brief period by Inghams, saying, 'We no longer want those sheds,' not because they were unproductive or not producing meat of the right quality, or anything else, but because some guru in the US, apparently, had decided that the nature of the sheds had to be changed.

Inghams said to these growers, 'Unless you are prepared to enter into further borrowings of another $250 000 (or some such amount) to produce more sheds that match what we now require (notwithstanding that they are different to those we required two or three years ago), we won't contract with you further.' So, the situation was that growers already had very significant debt, which they had entered into on the basis of their discussions and arrangements with Inghams, only to find later that Inghams decided to change the terms under which it would allow the growers to participate.

Inghams is always saying that it is trying to achieve some sort of better productivity, and one can understand that. Indeed, in Victoria, for example, I am aware that some chicken farms are very large properties of up to 600 or 900 acres, with huge numbers of sheds. Inghams' action would make some sort of sense had it been delivering huge batches of chickens and taking them away from the farm as a single batch. However, that does not happen.

Inghams delivers a full shed of 30 000 day-old chicks at a time. However, when the time comes to collect the chickens, it does not collect the whole batch but collects perhaps 5 000, or sometimes as few as 2 000, birds. Inghams then goes to another property and collects the next couple of thousand birds, and so on. It does not come onto one property and fill a load, even though the chicks are all the same age: it takes a couple of thousand chicks away and moves on to the next property. I am pleased to see that some chicken meat growers are very interested in this matter.

As I said, this legislation would not have been necessary had producers (and I refer particularly to Inghams because of its extraordinary behaviour in relation to chicken meat growers in this state and the area over which it holds the monopoly) behaved in anything less than a reprehensible manner. However, this measure is required, because the chicken meat processors were so thwarting any reasonable attempt by the chicken meat growers to conduct themselves in an appropriate way and grow the chickens.

In my experience, chicken meat growers are extremely productive. Indeed, I understand that, in terms of the mainland states, their rate of productivity is better than anywhere else, yet Inghams says that the growers have to improve their productivity and change the way they do things, telling the producers that they have to change their sheds, and so on, and that it will not give contracts unless these things are done.

It is for this reason that the legislation, which seeks to regulate the industry, has had to be introduced. Normally, I favour the idea of leaving things to market forces, but the only processor in the Hills and the Mallee district has been prepared to be so difficult. I have come across a situation where people entered into the purchase of a chicken meat farm for growing chickens. They entered into some $800 000 worth of debt and did so without a contract being in place, because none of the chicken meat growers in this state has had a contract, effectively, since June last year, although that period was extended for three months through to September last year.

However, the producers entered into this debt on the basis of a letter of comfort supplied to their bankers from Inghams stating that they would be given a contract. What do you know? Inghams turned around and did not give them a contract, so they were left with the debt. For the information of those who may not have been into a chicken shed, they are very expensive to construct and are quite specifically built for the purpose. They cannot really be used for or turned to any other purpose, so if you do not get a contract you have a huge investment in infrastructure that cannot be applied usefully to another purpose—even taking the shed down and removing it is an incredible expense. So, it becomes very difficult.

Mr Goldsworthy interjecting:

Mrs REDMOND: No; often they cannot use the land for anything else, as the member for Kavel says. As I said, Inghams claims that it wants to be more efficient and productive but, currently, it wants growers to move to tunnel sheds when, in fact, there is no evidence that tunnel sheds are more effective. In fact, the ratio used is how much feed per kilogram of chicken meat produced, and I understand that tunnel sheds average approximately 1.83 kilograms, whereas the sheds currently in use are all below that. So, the lower ratio means a better response for the producers and more meat for the amount of feed, yet processors are demanding that the chicken meat growers change to a different type of shed and pay the costs of doing so.

Inghams argue that they need to move to bigger sheds, because that can maximise their productivity and because they can deliver and collect all at once, but the reality is that they do not deliver and collect all at once. They do not even do that now with smaller sheds. They want to stagger delivery and collection and do so in lots of 5 000 birds, when a typical shed contains at least 30 000 birds which are all the same age and size. In my view there should have been far more action under the Trade Practices Act.

I believe there has been unfair bargaining by Inghams, and certainly the monopolies and franchising code of conduct and a whole range of other matters should have been looked into, but any attempt by the growers to get the ACCC or anyone like that involved has been completely without success, and unjustifiably so. It seems to me that the ACCC intervenes where it is least wanted and least needed in this state but then fails to intervene in situations where we have a monopoly and really bad practice by the producer.

South Australia is a cheap and efficient place for the processors to have the chicken meat grown. Obviously, in Adelaide it is also very close to the city compared to some other places. When you are in a city the size of Sydney, it is very hard to have chicken meat growers very close to the city. We have the benefit here that they can be close, and that increases their productivity and the investment. In fact, I think it unlikely that Inghams would carry out any threat they have may made—which I understand they have made—to leave the state, because the chicken meat growers here are very effective and produce at a very efficient rate, and it would simply not make sense for Inghams to want to go to another state.

However, as a result of the way Inghams have continually changed their requirements by moving from cross flow sheds to tunnel ventilation sheds, and so on, we have the difficulty that farmers who entered into contracts five years ago and who have incurred enormous expense in doing so by entering into huge amounts of financial arrangements with banks are then faced with Inghams saying to them, 'Either you change to our new specifications or we won't deal with you any more.' It is just untenable.

I have said to a number of the chicken meat growers that if I were to enter into an arrangement for the growing of chicken meat and, indeed, enter into that level of debt, I certainly would not have done so unless I had in place a contract which guaranteed me a sufficient number of years of growing and providing to Inghams to ensure that I would at least be able to pay out the debt as well as make a living from it through that time. Unfortunately, that did not happen, and one has to understand the history behind it.

For a number of years there were no real problems in the way in which the chicken meat industry was managed. There were very good relationships between the growers and producers, so there was no need for legislative intervention. But, because of the behaviour of Inghams in more recent times, it is now necessary for us to bring into this state the legislation we will deal with tonight.

I have not had the opportunity to read the second reading speech, and I will repeat for the benefit of the minister the comment I made earlier when she was on the phone at the beginning of my address. It is unreasonable to expect members of this house to have to debate a matter at the second reading stage five minutes after the explanation has not been read but simply inserted in *Hansard*. Members being asked to debate this issue have had no opportunity to read the second reading speech. That is simply unreasonable.

Earlier tonight I spoke on a matter where we had managed to pass through this parliament inadvertently a change to the law that we had never intended, and we had to correct it. That is what comes of rushing legislation. I am very happy that this legislation is being dealt with tonight. We have been trying to get this matter progressed for some time, and I am glad that it is being dealt with this week rather than its waiting until we come back in September. Hopefully, it will be of benefit to the chicken meat growers.

Since June last year, the chicken meat growers have been trying to finalise negotiations for contracts. I understand that some of them have now been offered contracts. All the way along the line, Inghams have been trying to thwart attempts to have any sort of group negotiating by the growers. Every step of the way they have tried to pick off individuals and basically confront them with the situation where they say, 'We will offer you this as an individual, but we do not want to know about any collective bargaining.' They have really done everything they could to delay the finalisation of contracts and make it difficult for chicken meat growers. Remember that these people can be under huge financial pressure. If you have gone from a situation of having no debt and then, relying on what Inghams have told you, you have gone into $800 000 or more of debt and then been told that if you do not sign up to their terms you will not have a contract at all, with no way to sell the property or make any other valid use of the property, what will you do?

Growers have tried to negotiate collectively, and every time they got a draft agreement the growers would take it to their solicitors and then back to Inghams with comments from the solicitors, and Inghams would say, 'That's no longer the draft; here's the new draft.' That occurred not once or twice but on several occasions.

I would have liked the opportunity to read the detail of the second reading speech as proposed by the Minister for Tourism. I have not had a chance to do that. I have looked at the bill previously, however, and I normally would not be

favouring the introduction into this state of a regulatory regime, but in this case, in order to protect the whole chicken meat industry in South Australia, my belief is that it is necessary to have a regulatory regime, because there is no other way to force the hand of the two producers in this state.

I cannot really comment on Adelaide Poultry; I have had no dealings with them, and none of the growers in my electorate can deal with them, because each of them has a monopoly. It seems to me that it is a sad state of affairs but, realistically, if we are to have a chicken meat industry in this state, we must do it on a basis that allows the chicken meat growers to have some bargaining capacity with Inghams. Without this legislation, the experience over the past 12 months has shown that they simply will not have any bargaining power with an organisation such as Inghams, which is quite ruthless and prepared to put people into bankruptcy or anything else it takes to serve its own ends.

The SPEAKER: Before calling the member for Mitchell, by way of explanation to members who expressed doubts that further quorum calls could be made within 15 minutes of the bells having been rung for that purpose, I advise that they are confusing that matter with the restrictions applied to seeking leave to continue remarks or moving to adjourn the debate. The quorum is a quite different situation, as the standing orders obviously could not contemplate the house continuing to sit with less than a quorum present. That was a profound ruling that found its way to the chair.

Mr HANNA (Mitchell): I am pleased to support the Chicken Meat Industry Bill on behalf of the Australian Greens. Consistent with the philosophy of my party, we are concerned about market failure whenever it is manifested, and in this industry we see one of the most blatant examples of market exploitation and market failure that one can imagine. For many years the growers—to call them that—have been at a huge disadvantage in respect of those who buy from them.

The current situation is that Inghams, the buyer, has a monopoly. In economic terms it is called a monopsony, and that is the situation of very stark economic imbalance between the two links in the supply chain from chicken to consumer. The Greens are very happy to support means of regulation which address the imbalance between these parties, collectively speaking, and this bill does that appropriately.

I would advise the government against going against the track set down by the Legislative Council's amendments. I believe that the bill as it comes to this chamber from the Legislative Council contains appropriate arbitration mechanisms. So, without saying any more, I am pleased to support the bill. It provides appropriate regulation. Too often the Liberal Party and the Labor Party say, 'Let's just leave it to market forces; let the suppliers in the marketplace sort it out.' Both the Labor Party and the Liberal Party support the national competition policy. Well, I say that it is not always a good thing, and this is a clear example of why we need regulation in the face of it.

Mr GOLDSWORTHY (Kavel): As the lead speaker for the opposition on this legislation I have unlimited time to speak, but I will not necessarily go on ad nauseam. However, I have some important points to raise concerning this measure, and the member for Heysen also raised some important issues and concerns in her contribution. I was fortunate to be offered by one of the Minister for Agriculture's personal assistants a briefing on this legislation with Mr Glen Ronan of PIRSA and Mr Greg Cox of the Crown Solicitor's Office. We met last night for an hour, and I appreciated the opportunity to be briefed in more detail on this bill.

I now want to look at a bit of the history behind this measure. In about 1996 the Poultry Meat Industry Committee decided that the Poultry Meat Industry Act contravened the Trade Practices Act, and it ceased to function. An attempt in 1997 by the previous Liberal government to deregulate the industry failed in the Legislative Council, and the growers were promised new legislation. That was in 1997; so, six years down the track, here we are with this new piece of legislation. It has taken six or seven years to address the real imbalance that exists between the processors and the growers.

The ACCC (the Australian Competition and Consumer Commission) has approved several applications from national processing companies authorising growers to collectively negotiate with their processor on the basis of an imbalance in bargaining power. These applications were approved on the basis of an actual imbalance, not a perceived one, as Commissioner Allan Fels told one of the processing companies when he rebutted their proposal. The experience of the industry in South Australia is that the ACCC authorisation to collectively negotiate was insufficient to achieve two-way negotiations and an effective check on what is regarded as bullying behaviour. This bill follows the ACCC's justification for collective bargaining with extra disciplines put in place for compulsory mediation and arbitration: alternatives to expensive court litigation processes where parties with a mutual interest in growing and processing chickens are reluctant court protagonists. Anyone who engages the services of a solicitor and spends time in court knows that that is a very expensive road to go down.

I want to raise some important points. This bill is pro-negotiation. The principal aim of compulsory mediation and arbitration is not to have a preponderance of mediation and arbitration; rather, it is to discipline a better balanced bargaining system. This is a shift from what has been plaguing the industry (mutual mistrust and forced contract outcomes) towards mutual interests and greater cooperation and trust, which may obviate the need for mediation and arbitration.

Another important point that I want to highlight is the fact that the bill is also pro-competitive. For example, growers can opt out of the scheme if they want to, but the government has responded to the National Competition Council's concerns by amending certain areas of the bill in recent months. Later in my contribution I will refer to what has transpired in the other place. We sought to remove the exclusionary conduct exemption, the cap on the length of contracts and the proposed introduction of a sunset clause.

Another important aspect of this legislation is that it introduces a rules based system presenting growers with a choice where previously there has been little or no evidence of choice for the majority of growers. Accompanying action to the progress of this legislation is that processors have been restructuring their growing contract services in favour of larger growing farms. It is unfortunate, however, that the bill was unable to be acted upon prior to the expiry of most five-year written contracts in September last year. The member for Heysen referred to that also.

All growers will have the option of adopting the new scheme but may elect to undertake their own negotiations and

opt out of the scheme at any time, and that is important. They also have the option of collectively bargaining or going it alone and entering into contractual arrangements with the processors themselves: no-one has a problem with that. The bill also aims to maintain a dynamic and competitive industry in South Australia. On-farm economies of scale (that is, increasing shed space per farm from about 5 000 square metres towards achieving best practice of about 10 000 square metres and fee conversion efficiencies) underpin national competitiveness in South Australia. The bill facilitates adjustment. It provides a check on unreasonable behaviour, including the unreasonable exclusion of growers from the renewal of their contracts. The bill also joins the industry to commercial arbitration law. A registrar will manage a register, publish economic information and direct disputes to mediation and arbitration where negotiation fails.

I do not want to canvass again the points made by the member for Heysen, but a number of constituents in my electorate have contacted me personally about this issue. They are extremely concerned about the current state of the industry. Obviously, they had concerns similar to those described by the member for Heysen. I do not need to canvass those again. I believe that the industry could be described as being beyond the crossroads. This legislation is vital to ensure that the imbalance that currently exists is addressed and some balance is put back into the grower/processor relationship and the contractual arrangements.

As has been previously mentioned, processors have a monopoly on the industry, and the bill addresses this important issue. As the member for Heysen said, growers have bought land and invested significant amounts of money in placing infrastructure on their properties according to the specifications of the day—what the producers have asked for—only to be faced with the situation where, a number of years down the track (having invested a lot of money), they are told that the infrastructure they built and the technology they put in place are obsolete, and they have to borrow or find by any means available to them extra capital to upgrade their infrastructure. For the majority, that is beyond their means most of the time, unless they try to sell—and they are limited with what they can do with their land—and relocate, as some growers have done to the Murray Plains.

In conclusion, there has been a lengthy debate on this issue in the other place. I have a copy of the *Hansard* of those debates. The legislation was introduced last year, and a number of amendments have been moved to get to this position this evening. The opposition will not make any further amendments. Amendments were moved by the opposition in the other place, and they were lost. That is fine. We can live with that; be that as it may. We will not be moving any amendments. After speaking to the minister's officers, I understand that the government also will not be moving any amendments. So, I anticipate the smooth and fast progress of this bill through this chamber this evening. With those comments, I will resume my seat.

The Hon. R.B. SUCH (Fisher): I will make a brief contribution. It has become evident that it is time Australia moved towards something like anti trust legislation. The United States—which I guess is the centre of capitalism—has had anti trust legislation for a long time. Initially, it was introduced there in the late 1800s or the early 1900s. I have written to the Prime Minister on this matter of concentration of power amongst a few corporations. Notwithstanding the changes in shop trading hours—which I see as a related but not identical issue—the shopping arena involving Woolworths and Coles and their purchase of liquor outlets, and so on, needs to be addressed by the federal government as it has the full authority to address the concentration of power.

The member for Mitchell brought up a term I rarely have heard in recent times. In fact, the last time was probably in the days of economic studies. He mentioned monopsony, where you have exclusive power in terms of purchasing services or products. I do not know the exact details of the chicken meat industry, but it looks as though Inghams in particular has used its strong dominance—if you will pardon the phrase—to rule the roost. We are seeing it in a whole range of areas.

It is interesting to note that recently I think in the Dawson report (and it may have been followed up by the ACCC) they made a recommendation that vegetable growers and horticultural producers generally would not be in breach of competition principles if they got together to try to get a better deal from the main purchasers of their goods which in their case would be Coles Myer, Bi-Lo and Woolworths. That is a significant change from what used to happen. There is a recognition now that there has not been a level playing field, because the big boys tend to play one of the smaller boys or girls off against each other.

You do not have a level playing field. It is competition in name only. It is dominance by one or two major players. I do not believe that that is healthy. As I said before, we can see it happening in the grocery area. Woolworths and Myer now own over half of all liquor stores in Australia. You do not have to be a rocket scientist to realise that down the track the small wineries will be squeezed, and they will not be in a position to get shelf space. Coles and Woolworths will then decide that they will purchase from certain wineries, and that will be it. Consequently, customers will have very little choice.

It is time for this issue of concentration of power in the economic arena to be addressed. Rather than being anti-competitive, it is very supportive of competition principles, because what we have now is anything but genuine competition. People talk about markets, but very few genuine markets are operating in Australia. In fact, the market between Gouger and Grote would be about the closest you would have to a legitimate free market. The rest of it is based more on rhetoric than reality.

I wish to make a point about the chicken meat industry. As has happened in the United States and elsewhere, it has grown enormously and the consumption of chicken has increased enormously, and that is good. I say this without reflecting on that industry or on other meat producers—and I am certainly no vegetarian—but it seems to me a paradox that, in a country that has a lot of space, we are moving towards more intensive husbandry of animals—whether it be chickens, pigs or cattle—when we have a lot of space where we can free range. In Europe they are particularly keen on animals raised under free-range conditions. However, in Australia where we have plenty of room—and we see it in terms of pig meat—we are moving more towards having animals in sheds.

I know it makes for economic efficiency in one sense, and it is easy to manage diseases in another sense, but, ironically, in a few years, or maybe more but not too far from now, I think we will see a demand for more and more free range production. I make that point not to reflect on the chicken, pig or beef cattle industries, but that does seem to be a paradox,

and you do not have to venture out into the country very far to see that we are going towards intensive husbandry in big sheds. In Europe they would shake their heads in surprise at that practice.

There are people who take an extreme position in terms of animal welfare, and there are a lot of arguments about space for keeping chickens and any other creature. We have moved a long way. It is good that industries now recognise that it is very important that the welfare of animals be taken into account so that there is no cruelty and no perception of cruelty. I note that in America recently Kentucky Fried Chicken suffered badly when someone suggested that the chickens were not killed humanely. Industry needs to be aware that they can lose customers—maybe indefinitely—if they get themselves into that situation.

The argument was that the chickens being processed for KFC were scalded before they were dead. That caused an enormous outcry, although it has not been reported much in Australia. That did a lot of damage to that industry and that company. As a result, it had to change practices and make sure that its suppliers were killing chickens humanely. We know that there is a whole range of views about animal welfare, and some people's concern is reflected in the fact that they are vegetarians, so they do not want any animals slaughtered. It is important that the issue of animal welfare is not forgotten and that people can consume meat products knowing that there has been no unnecessary suffering inflicted on any of the creatures, whether they be chickens, pigs or whatever.

I commend this bill; it is a step forward. I know the topics I have raised have been slightly at a tangent but they are important. People have moved beyond the Thatcher/Reagan so-called economic free-for-all, because at the end of the day the so-called benefits from that have been illusory and not real. Therefore, I think if this bill gives the chicken meat producers a fair go against the big companies, such as Inghams and others, it is very important, and that principle should be extended to a lot of other industries. I trust the that the federal government will move on it, and that it will have the support of the minor parties, as well as the Labor Party. I commend this bill to the house.

Mr BROKENSHIRE (Mawson): As far as I am concerned, and on behalf the chicken meat growers in my electorate, the passing of this bill is a point of celebration here tonight. It has been a long time coming; it has been a lot of hard work; and it has caused frustration and anxiety and quite a lot of financial difficulty for a number of my constituents, as a result of the lead-in to this bill. I place on the record my personal appreciation for our leader, Rob Kerin, when he was the minister for primary industries. As a result of what happened in 1992, when the National Competition Council and the ACCC came into existence, things were going to change. It was always promised that things would change for the better, and I trust—and I declare my own personal interest as a dairy farmer—that eventually this will be for the better.

But, in the meantime, we have seen national legislation since 1992 that threatens what we have known for generations in this state, and in this respect I talk about rural and regional Australia, South Australia in particular, and its communities and families. At present, we are seeing an enormous eroding of families in rural and regional South Australia into corporate groups. Having had the privilege of being minister for emergency services for several years, I know that, at certain times, we cannot turn out CFS brigades in particular rural areas, because we do not have occurring in this state traditional family-based primary production as we used to have. That has happened as a result of the combination of a lot of factors, some of which are out of our control. I acknowledge that, and I will not waste time tonight talking about things which are out of our control. The globe does change; we are shrinking; and we are coming closer together when it comes to international economies.

Now and again parliaments have a role to play. Tonight we have a bipartisan role, because we do not have any member opposing this legislation, and I think that is something we as a parliament should celebrate. We have been through a lot of difficult circumstances in the past 10 years, since we saw the national competition policy and the ACCC come into existence. We have seen the pressures as a result of that, with the federal government saying, 'Unless you do certain things, you will not get your competition payments. You had therefore better go ahead with what we require as a federation.' I do not believe that was the intention of federation back in 1901—and we celebrated that in the year 2001. That was not the intention. The intention was to allow better opportunities for Australia as a whole. Tonight, as we pass this bill, we will see that with one sector of primary production.

I am passionate about the emblems, namely, the wheatsheaf and the wine grapes, on the carpet in this chamber. What does that symbolise? It symbolises the fact that this state's foundation, strength, growth and opportunities were built around value added primary production. It is a symbol of that and I am proud of it. We have lost a lot of the vision when it comes to that. It is fine to change when change is for the better. However, we must not change simply for the sake of change or because someone, whether it be a member of the government of the day or a person from the bureaucracy, says, 'We're going to change the rules.' That is the reason why we are debating this bill tonight.

The monopolies and multinationals, and those people who want to get rich at all costs, support what happened in 1992. In fairness to the Keating government, I think that some of what he was about was right, but, while the base was right, Mr Keating did not set the framework correctly, and we have seen a lot of anxiety as a result.

From memory, it has been six years since we first started to debate this matter and to get to this point. One constituent, in particular, in my electorate, whom I will not name obviously (because that would not be right), has said to me, 'You cost me an opportunity with my industry,' that is, the chicken meat growers. I do not believe I did. I tried my level best for them, but some people were disadvantaged along the way. Already, a few are no longer in the industry.

As my colleague the member for Kavel said as the lead speaker, there is an opportunity here for some of the biggest players for a short time, but, in the meantime, the bread and butter people, who have been in the industry and been part of rural and regional South Australia for generations, are jeopardised. I have seen a few of them go out of business, and I am not happy about that because they are the people whom I represent. But I am happy because we have a chance to set the parameters for at least the next five years.

When speaking to the Minister for Agriculture, Food and Fisheries yesterday, I said, 'I appreciate the bipartisanship of this.' Also, I acknowledge PIRSA's role in this. The staff of PIRSA do not always get thanked in this chamber. As a farmer, I do not thank them very often. However, they have tried their best to strike a balance in this matter. It is a

difficult balance, because we must remember that at the end of the day the processors, whether they are privately owned or on the stock market, must deliver a profit. It is about fairness and equity and delivering a good quality product to the consumer—a product which they will consume because they like it. Then everyone grows and makes a profit. This has to be global and holistic in its approach. I am not out there being silly, saying that everything has to be for the growers because they are my constituents. That would not be in their best interests. However, I am saying that, in the best interests of the growers, processors, wholesalers, distributors and the consumer, it must be balanced. It was not headed down a balanced path.

I do not want to spend too much time on having a whack at the processors, but I am disappointed with their attitude. This was an opportunity for a balanced outcome. PIRSA has had cuts in its budget and they are not the number one flavour of the month; they are not necessarily leading information technology, innovation, bioinnovation, or whatever, but they are a strong part of the foundation of this state. I trust and pray that they will continue to be.

Even though we have a problem with the dollar at present, in the longer term South Australia's growth primarily will still be around value added agriculture. Those processors were so focused on their bottom line that they forgot about how they would get there. They forgot about the partnership. I was happy to meet with the processors, but when I met them it was all one sided. But, in the interim period, when they knew a bill was before the parliament, they did a disservice to my constituents—and for that I condemn them. I also put on the public record that I will not forget that; nor will the constituents, not only those in the electorate of Mawson but also those in the broader electorate. They will not forget the fact that, when there should have been level heads, a bit of wisdom and a sense of balance, their actions were against the better interests of this bill. So, it took longer.

I trust that commonsense will now prevail and that fairness and equity will prevail. I know that a monopoly exists at present. I was disappointed when one of the major processors in this state was no longer to be a processor: they were taken over and, as a result, that finished as well and we were left more vulnerable; and there was another business in voluntary liquidation at the same time. As a member of parliament, I thought, 'I will watch this with interest.' Primarily, it involved one organisation, which I will not name, even under parliamentary privilege. If people from that organisation read this contribution—and I know they will, because they have media and government relations officers within the company—they will know about whom I am speaking.

Were they going to show some leadership? Were they going to show some fairness and balance when it came to a good outcome for all? They had that opportunity to show that and, most importantly, to show goodwill to the grower. Growers in the poultry meat industry are more vulnerable than their counterparts in probably any other industry in agriculture, because, whilst they own their land and sheds, they do not own the birds; they grow the birds. They are called growers. Therefore, they are more vulnerable. I acknowledge that we have lost a lot of value in our dairy cows since the deregulation of the dairy industry, but at least I own my cows. However, in this case, when it comes to the growers, they do not own the birds, and they are more vulnerable. There was an opportunity for that senior player in the processing industry in Australia to show a sense of fairness. I am very disappointed at what they did to some of my growers, and I will not forget it.

Unless they show some maturity, fairness and equity and provide some growth opportunity for all sectors of the chicken meat industry, we will bring this legislation back to the parliament and deal with it in a bipartisan way. I want to set that in concrete in *Hansard* now. Simply because it is five years (if it gets passed tonight) before there is a review, it does not mean that a member of either the government or opposition cannot bring this legislation back before parliament if there is unfair play. Most importantly, we need to ensure that the chicken meat industry in this country, and particularly in South Australia, is successful, irrespective of their trying to blackmail me by saying, 'If you go too far one way, we'll pull out of the industry in South Australia and you'll lose jobs and investment. As far as all the small growers are concerned—well, screw them!' (I do not like that word 'small'—I like the word 'family'; the family growers who have been here for a long period have been the backbone of this industry.) That is effectively what they said to me.

They said, 'We'll get some of the good corporates to come in. They will spend $10 million, and we'll just contract with them.' To hell with that sort of structure. That is not in the best interests of this state and it is not the sort of structure that we will support. I put them on serious notice: be sensible, show some direction and leadership, and look at what you can do for your industry, that is, grow it. Chicken meat, particularly when you consider cholesterol and other factors, provides an enormous opportunity. Look at the range of chicken products available in butcher shops today and how it is being marketed on television and advertised at places such as bus shelters. It is a wonderful product. Everyone could make more money out of it and create more jobs and more economic opportunity. Surely that is what we want—not to put the small growers under enormous pressure by telling them that you will leave the state.

South Australia is the best state in Australia in which to grow chicken meat. We have a Mediterranean climate, which is the best climate for growing chicken meat, and we also have access to wheat, barley and all the other value added products. Let us capitalise on that and let us make this an opportunity to grow the industry. I say to those key processors (and those concerned will know to whom I am referring): capitalise on this. Do not look at it as a negative. Do not look at it as though the growers have had a win over you and they have got you through the parliament, because that is not what it is about. It is about creating an opportunity. I believe that, in the long term, South Australia can become the major player in the growth of the chicken meat industry. We have the technology, the commitment and the research opportunities within PIRSA.

This bill is being passed in a bipartisan way. We have growers who are prepared to invest and go to the banks, and the banks will back them provided they know there is a long-term opportunity to make a profit and repay the loan. However, I can tell members that, at the moment—and I have seen it in my own industry, the dairy industry—banks are hesitant when you say, 'I would like to extend.' Banks do not want to hear you saying, 'I want to extend my overdraft to pay my bills.' They are happy to hear you say, 'I want to extend my overdraft to borrow some money because I want to grow. I want to go from 10 000 birds to 15 000 birds. I want to create three more jobs. I want to show you a better line on the balance sheet each year.' That is what they want

to hear and I am sure that, at the end of the day, that is what the processors want.

It has been a long haul. It has been tough and it has been tiring. Having spent a lot of time with those chicken meat growers, I feel for them. Now is their chance to really build a partnership. Their families have suffered. I know what it is like to be put under pressure as a politician, a family member and a farmer, and they have been under pressure for the last few years. The one saving grace has been that we have not railroaded through the national competition policy requirements of the ACCC. I cannot think of a better example—and maybe they have become frustrated—of where we have given an industry an opportunity. First, we said to the players, 'We will take a breath and you guys can work it out.' Sadly, they did not work it out, so it had to come before the parliament. The parliament, after consulting with all the players—which is what the Westminster system of democracy is all about—has worked it out and we have a good solution.

I look forward to some growth in the industry, some stability and some commonsense, and an opportunity for all the players to take this on board. I hope we do not have to use arbitrators: it should not be necessary if commonsense prevails. We should learn a lesson from this process but, if we do not, then we may have to go back to a system that is not in the best interests of the players. Hopefully, this will not only benefit the chicken meat growers but primary production generally—a passion which I and I am sure all members have in this place because it has been the foundation of this state. This is an opportunity to show that we can work within the new rules and guidelines of the ACCC and the National Competition Council.

I commend this bill to the house. I thank everyone who has made a contribution. I particularly want to congratulate my constituents who have enormous capital investments which they could not diversify. For instance, some can grow beef, some can run pork, but, without a lot of capital investment, you cannot even turn a chicken-growing shed into a turkey shed because it is different. Yet, in this case, these people have stuck at it. They could have pulled the pin, but they did not. There is an opportunity here for growth, and I look forward to seeing that growth occur. I commend this bill to all members.

Mr WILLIAMS (MacKillop): I represent an electorate which I do not think has any chicken growers in it, but it is an electorate which is made up predominantly of people involved in primary industries. I congratulate the government on reaching the position it has with this bill. What we are doing in this bill is what we have to do on a much broader level and right across this country. This is about correcting the imbalance which occurs when you have huge market power in any one industry or across industries. As I have mentioned before in this house, I believe that we should be encouraging our federal government to introduce anti-trust laws. I believe that the small business operator, whether he be a primary producer or a corner deli owner, is suffering at the hands of those large operators who have enormous market power.

All primary producers—not just the chicken growers—are at the mercy of the retailer and the retail industry in South Australia. It is not much better than a monopoly. You cannot factually describe it as a monopoly, but I believe that it operates in a fashion which is not much better than a monopoly and which gives the average producer at the ground level no more power than he would have if there were a monopoly. I wish to enlarge on that a little and talk about those factors as they relate to this bill, because this is why I am supporting it. I think it is heading in the right direction. Recently in South Australia, we have seen the deregulation of the dairy industry. The member for Mawson, as all members know, in his other life is a dairy farmer.

The dairy farmers are going through a particularly tough time at the moment, brought about by a number of factors, not the least of which is the downturn in world prices for dairy product combined with the rising Australian dollar. But, also, deregulation of the industry has shifted market power from the individual dairy farmer (the producer) to the processor. That has impacted greatly upon the dairy farmer.

Look at what happened in the egg industry. It is interesting to read in the press recently that the egg industry is in such dire straits at the moment that this state may literally run out of eggs. We are not producing enough eggs to supply the demand. Why is that? I argue that it is because the egg producers are not able to make a living (they are literally not able to make a profit producing eggs). Why is that? It is because of the market dominance of the retailers. They keep screwing down the price to the producers to the point where the producers cannot keep going. One by one they drop out of the industry and, at the end of the day, we are left with no industry.

I call myself a specialist prime lamb producer. Prime lamb is currently enjoying very good prices—prices such as we have not seen for probably generations.

Mr Brokenshire interjecting:

Mr WILLIAMS: Probably forever, as the member for Mawson points out. And that, again, is brought about by a number of factors, not the least of which is the demise of the Australian wool industry. I will not go into that, but the national sheep flock has dropped from over 170 million animals 12, 13 or 14 years ago to well under 100 million—that is the best estimate of the total flock number today. That has probably been the determining factor in what has happened in the prime lamb industry. It is not that we are producing fewer specialist prime lambs: there are a lot less lambs on the market (although a lot of lambs in past times were not what I would call prime lambs). That has put us in a situation that is completely different, but I well know that the cycle will turn full circle, because the prime lamb producers, only for a short period of time, find themselves in the enviable situation of being price setters rather than price takers.

By and large, the way the world has gone in recent years, particularly in a country such as Australia (and this is, I guess, synonymous with primary production around the world), most of the primary production seems to be carried out by what we (in this country, at least) refer to as family farmers—small family operators who do not employ outside labour unless they have to. They run at the lowest possible cost and they continue to be belted down in the prices they take. And, with the way the world has gone—with internationalisation and globalisation—bigger and bigger companies are taking over and the market power of those companies is able to drive down the price. There are no winners.

I was talking about egg producers a few moments ago. The facts are that, since the deregulation of the egg industry (which occurred some years ago), the consumer pays more and the producer receives less in real terms. What has happened? The market power of the middle man, which in that case is the retailer, has squeezed both ends of the market (the producer and the consumer), and they are both worse off.

That is what deregulation has done. I believe that is what deregulation is currently doing in the dairy industry. I believe, without this bill, that that is what would have occurred in the chicken meat industry.

I believe that, to some extent, this is what will very soon happen in the wine grape industry. The wine grape industry in Australia today is made up of five very big players and literally thousands of small players. The value commanded by the grower-producer is set by what the big players do. And the big players, I believe, will use their market power over the next short period to keep prices down in the wine industry, and at some stage it will get to the point where the small grower (the small producer) will become non-viable. At that point, those five big players will move in and take over all the small players. They will, in fact, buy very cheap vineyards.

Mr Brokenshire: Plus the two retailers.

Mr WILLIAMS: I am coming to that. They will buy very cheap vineyards and move literally thousands of wine grape growers out of the industry. As the member for Mawson said, I have ignored the two big retailers. I have only ignored them to this point because I think they are the real bogymen in this business. And we have seen in recent times that the two big supermarket chains have taken over the retail alcohol sector. They have not gone into buying out hotels, but certainly bottle shops are now the domain of the two big retail outlets in this state and right across Australia. They have seen the profitability there, but they have driven the prices down; they have driven the margins down. And I argue that the problems that have been experienced by a major player in the wine industry in Australia, Southcorp, have been partially brought about by the pressures that have been put on it in the retail sector by those two major players. So, I believe that governments throughout this country have to be well aware of this and must take the measures necessary to control market powers of individual players, or where we have one or two players in a major market.

I was interested in some comments, made recently at a function, by Glen Cooper, of that famous South Australian family business Coopers. Glen Cooper—with all due respect and apologies to what he said, but I will paraphrase it—made the exact point (as I heard him, at least) that I am making about the market power of these major retail chains driving down the margins available to the producer. He also made the point (and this is probably not relevant to the chicken meat industry but it is certainly relevant to the industries in which I operate as a prime lamb producer, a wool producer and a beef producer, and the industry of my colleagues in this place who are grain producers) that something like 80 per cent of our farm product in Australia is exported—that is, the producers rely on the world markets to get rid of what we produce. More often than not, that is the correct terminology—get rid of what we produce—because we have to take what the world will pay for it.

Glen Cooper made the point that, particularly in an industry such as the one in which he and his family are involved, it takes smart marketing to sell their product. They can do that only if they can achieve a level of profitability on the Australian domestic market that gives them the financial capacity to market their product on the international market. With a small population such as we have in this country, and relying so heavily on exports (and we know only too well in this state how important exports are), unless we can get out into the world markets with some cash reserves to do the marketing, we will never export. That is why governments have to be very aware of what is going on in the domestic market because, if you are not successful in your domestic market, there is no way that you can make a step into the world markets.

I thought Glen Cooper made a very good point: his company (which, currently, is a very big exporter out of South Australia) is finding it very difficult because the domestic market is squeezing their profitability. This is caused, as I said, by market power—the market power, obviously, of the two giant retailers which control a huge amount of our domestic market. It is interesting to note that the two retailers—and I do not mind naming them: Coles and Woolworths—

Mrs Redmond interjecting:

Mr WILLIAMS: The member for Heysen says that now they are moving into the retail petrol market.

Mrs Redmond interjecting:

Mr WILLIAMS: And I have talked about the liquor. Those two giant corporations will have so much power that they will be able to control every player in food and primary production across Australia. In the longer term, we have experienced a huge cycle. Our forebears in England moved out of the feudal system hundreds of years ago, but I believe that we have now turned almost full circle. If we allow the continuation of the unfettered power of market players such as these, we will return to a system where most of the community are working day in, day out, for the feudal landlords, such as Coles and Woolworths, of the modern world in which we live.

I commend this bill to the house. I know that a lot of work has been put in behind the scenes to get to this point. I hope that the state government does not take its eye off the ball and that it uses its good offices to encourage our colleagues in Canberra to look very seriously at the introduction of anti-trust laws in this country. The ACCC talks about competition policy, but I believe that it looks too much at the big picture. I think that if individual chicken meat growers put their case to Graeme Samuel they would be ignored, because I do not think that the ACCC is really interested in industry players at that level: it is interested in a much broader and bigger vision of competition in Australia.

We need anti-trust laws, and they need to be applied vertically and horizontally right across the primary production sector in particular (processing, wholesale and retail) to put real competition back so that family farmers and family business people (the mothers, fathers and children—the family units of this country) can get on with running their business in a fair and equitable manner. I commend this bill to the house.

The Hon. J.D. LOMAX-SMITH (Minister for Tourism): I rise to close the second reading debate and, in doing so, I mention an interest I have in chickens (and it does not relate to the Roosters, or my domestic bantams). I am patron of the Adelaide Poultry Club, which has no relationship with chicken meat production but is merely an association dedicated to the breeding of special breeds and showing those animals, rather than producing them for meat production.

I thank the many members who have spoken on this significant bill, and I particularly mention the members for Heysen, Kavel, Mawson, MacKillop, Fisher and Mitchell, all of whom have raised what are really the extraordinary circumstances of this measure. It is perhaps unusual for a government to interfere in the market to the degree that we attempt to do with this bill. It is an indication of the bipartisan nature of our views on this issue that we have come together

to do what is, in reality, extraordinary because, of course, the bill speaks about commonsense.

This measure is about fairness, equity, and our observation that decent, ordinary families are involved in an industry that has the potential to treat people unfairly over several years—and, indeed, has done so. I believe that this bill was first worked on with considerable energy by the previous government and, indeed, the previous premier, who understood this industry sufficiently to recognise that, albeit an intervention in the market and a measure that might be regarded as at odds with national competition policy in many respects, this measure sought not to involve itself with the legal and financial arrangements between the people involved in the industry but sought the establishment of rules and a rules-based system that would allow some regulation.

The bill is intended to be pro-competitive, not anti-competitive. Its main raison d'etre is to allow the industry to function; to allow small and large players to work properly and decently; and to have a regulatory system that will enable the industry to engage in collective negotiation to provide for a greater degree of security for both growers and processors. The bill aims to enable a dynamic and competitive industry, by allowing for a better balance of bargaining and an alternative dispute resolution process. It seeks to address the current imbalance in bargaining power by allowing both sides of the industry to have a fair opportunity to negotiate appropriate growing contracts. It establishes a structure within which the parties can negotiate on a more equal basis than at present, with mediation and arbitration available during the term of a contract, if there is a dispute, as to the obligations of either growers or processors.

There has been significant and lengthy consultation in the lead-up to the introduction of this bill in this house. The government commends the bill to the house and thanks the opposition for its endeavours and support in what is an unusual measure, in unusual circumstances, but one which pulls us together because, ultimately, it is about commonsense and the good of an industry which, otherwise, might not survive and which all parties recognise as essential for our community as well as for the wellbeing of those involved in the industry.

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

CRIMINAL LAW (SENTENCING) (SENTENCING GUIDELINES) AMENDMENT BILL

The Hon. J.D. LOMAX-SMITH (Minister for Tourism): I have to report that the managers for the two houses conferred together and it was agreed that we should recommend to our respective houses:

As to amendments Nos 1 to 4:

That the Legislative Council do not further insist on these amendments.

Consideration in committee of the recommendations of the conference.

The Hon. J.D. LOMAX-SMITH: I move:

That the recommendations of the conference be agreed to.

Motion carried.

UNIVERSITY OF ADELAIDE (MISCELLANEOUS) AMENDMENT BILL

In committee.

Clause 4.

Mr HANNA: I move:

Page 3, lines 21 and 22—Leave out all words in these lines.

The amendment seeks to delete the definition of 'graduates association'. This refers to the composition of the new governing body as set out in this bill. My submission is that the graduates association does not warrant a seat at the table, so to speak. In my submission it is a fiction to say that the graduates association warrants a role in the ongoing government of the university. The fact is that, once the vast majority of graduates leave, they go on to their career, their life and maybe even other universities and they leave that university behind. In reality the graduates association is a very small group of people. They can use that vehicle to achieve some sort of status on the governing body of the university, so it will not be used in the way that is intended by this legislation. It will be used as a vehicle for self advancement as much as it will be used for people who have a genuine, altruistic concern about the future of the university.

Just as an aside, I note my sadness at receiving as a graduate of the university begging letters from the university indicating the depths to which universities have sunk in this country after the Dawkins reforms and further attacks by the Liberal government on their welfare. As a graduate of the University of Adelaide I now get begging letters saying, 'We don't have enough money; please can you send some?' It is pathetic, and I resent the fact that, because I am on a mailing list as one of the alumni of the university, I get these letters. In any case, my amendment seeks to make the composition of the governing body of the university more relevant to its needs and more democratic, and that is why I believe there is no place for the graduate association upon it.

Ms CHAPMAN: I speak against this amendment to clause 4. The bill that is presented before us is one which will already terminate a 127-year tradition of the direct involvement of the graduate community via the abolition of the senate. I suggest that to completely remove the involvement of graduates by removing their representation on the council is contrary to the objectives of a university and its obligations to both the university community at large and the general community.

I am disappointed that the member for Mitchell sees his only role in respect of the university (of which I am also a graduate) as the recipient of letters seeking financial assistance from people claiming to be in an impecunious state. In the past, the graduate community has made a significant contribution to the university. In my view, their commitment has been similar to that of friends of the university, graduates, or those who have participated in other organisations, whether they be friends of hospitals, libraries, museums, or other public institutions, or old scholars of public or independent schools. This group historically has been committed to the university and made a valuable contribution.

I think it is a sad day that, with the passing of this act, we will see the abolition of the senate. I expressed my views on that during the second reading debate. I think this amendment, which would have the effect of removing representatives of the graduate association from the council, would create a serious impediment to the benefits that otherwise would have flowed to the university. I do not support the amendment.

The Hon. J.D. LOMAX-SMITH: If the member for Mitchell is offended by those begging letters, I am happy to approach the university and ask that he be taken off the mailing list. In reality, when more than $3 billion has been

removed from university funding during the term of the Howard government, it is inevitable that there will be funding shortfalls. As the member for Bragg correctly says, it is natural that the university's friends and support groups and the beneficiaries of a university education might well see this as their opportunity to repay the debt that they incurred for receiving a first class education.

The issue raised by the member for Bragg about the opportunity for graduates to play a role in university life is significant. With the removal of the voting opportunity to elect people on the senate, I think it is unthinkable that, in addition, we therefore remove the opportunity for graduates to nominate for and sit on the university council. Whilst there is no compulsion to vote for or join a graduate association, I am astonished that anyone would think that sitting on the university council might lead to self-advancement. Having sat on the University of Adelaide Council, I think it is an act of generosity and self-sacrifice rather than something that would lead to self-advancement, and I think we should recognise that graduates have a right and proper role (as do students) to play in setting the direction in which the University of Adelaide should go. So, I oppose this amendment, and I urge members to support the original version in the bill.

Amendment negatived; clause passed.

Clauses 5 to 11 passed.

Clause 12.

Ms CHAPMAN: I move:

Page 7, lines 5 to 19—Leave out this clause.

This amendment seeks to delete clause 12 altogether. As I detailed during my secondary contribution, it has the effect of leaving intact the current delegation powers that the council currently has. Without traversing the matters I raised during the secondary debate, I will quickly summarise my position. In circumstances where we are changing the composition of the council by, in this case, the significant omission of representatives of the senate, the question of delegateship and delegation power becomes quite significant.

The Liberal Party takes the view that, if we are effectively to protect against potential abuse of the new delegation powers, that would involve quite a drafting exercise. To do that, we would need to limit the specific area of responsibility to be delegated and the duration to ensure that the council would then have to reconsider after a fixed time the extension, variation or revocation of the matters delegated. As that would be a difficult exercise, we believe the safest option is to ensure that the delegation powers remain as they are. This is also significant as the council will be composed of unspecified appointees. That is the basis for a further amendment which we have foreshadowed. We are certainly concerned about extending the delegation of power.

The Hon. J.D. LOMAX-SMITH: The council currently has the power to delegate any of its powers under this act to any officer or employee of the university. The delegation of those powers under this section does not derogate from the power of the council itself to act in any manner. In fact, in (I think) the year 2000 under the existing act, the previous chancellor's committee was established. So, there is under the current act the ability to delegate powers. It would appear that the proposed provision may broaden those powers of delegation to include a committee of the council or the university, but this is almost identical to section 15 of the current act. There is no real difference other than that the wording has been tightened up and aggregated under one section. The powers are still very similar.

So, I think the fear about untoward actions and different outcomes under the new act are unfounded. In proposing that the existing clause remain in the bill, it should be noted that the University of South Australia has managed with the power that we propose for some 13 years, and there have been no unexpected or ill outcomes using almost exactly the same wording. Several checks and balances are provided in subsection (3), which provides that a delegation under this section must be by instrument in writing; it may be absolute or conditional; it does not derogate from the power of the delegator to act in any matter; and it is revocable at will by the delegator. So, there are checks and balances in place, and I do not believe that the fears expressed by the member for Bragg are justified.

Ms CHAPMAN: What is the purpose of granting the power of delegation to a committee when you claim that the delegation power is so similar?

The Hon. J.D. LOMAX-SMITH: The proposal permits that each of the variations and options for a delegation are spelt out precisely. One of the problems in the current act is that the whole delegation issue is spelt out in four lines. It talks just about delegation to an officer or employee to the university not about which people might be the beneficiaries of that delegation. From that point of view, in some respects it could have further opportunities for misuse than a more precisely worded amendment as we suggest.

Ms CHAPMAN: On what occasion, if any, can the minister identify any abuse of the delegation power as it stands?

The Hon. J.D. LOMAX-SMITH: I have not identified any abuse, although there was considerable controversy in the years 2000-01 involving the Chancellor's committee, as it was called. The occurrence during that period had no results that affected the standing, finances or running of the university as an educational body. However, there were concerns in the community and within the university about the running of that committee. It was properly constituted; it had legally delegated powers, and I saw no ill effects of its actions.

Ms CHAPMAN: If that was a concern, why did it not exercise the power it had to revoke that?

The Hon. J.D. LOMAX-SMITH: The committee was set up for special purposes, with delegations through the Chancellor to the committee, and it was revoked.

Clause passed.

Clause 13.

Mr HANNA: I move:

Page 7, before line 21—Insert new subclause as follows:

(a1) Section 11(1)—delete subsection (1) and substitute:

(1) A quorum of the council consists of one half of the total number of members of the council (ignoring any fraction resulting from the division) plus one, and no business may be transacted at a meeting of the council unless a quorum is present.

This amendment refers to the quorum of the council set up by this bill. By way of clarification in relation to the numbers on the committee, my amendment foreshadows discussion of clause 14 of the bill concerning the constitution of the council. On the face of it, it is difficult to piece together whether there is a maximum and minimum number of members of the council or whether it is a fixed number. Will the minister clarify the numbers for me?

The ACTING CHAIRMAN (Mr Koutsantonis): Order! Are you asking the minister to comment on your amendment or the clause as it stands?

Mr HANNA: Either way, Mr Acting Chairman.

The ACTING CHAIRMAN: We will allow a bit of latitude.

The Hon. J.D. LOMAX-SMITH: There are 20 members, and that is fixed, but there is power for one co-opted member as there is now. There are 20 plus one.

Mr HANNA: The reason for the amendment was that there was some potential for variation of numbers in the membership of the council. I thought it more appropriate to have a quorum that was essentially half the council at any one time, rounded up to the nearest whole number. That is the reason for the amendment.

The Hon. J.D. LOMAX-SMITH: There is some confusion, because one of your amendments would have reduced the numbers of people on council, and it would have therefore meant that your amendment in clause 13, which provided that a quorum was 11 members, would be more than 50 per cent plus one. However, as your amendment which would have reduced the numbers on council was not passed, the 11 member quorum is one to which I do not have any real objection. It seems a reasonable number.

Amendment carried; clause as amended passed.

Clause 14.

Ms CHAPMAN: I move:

Page 8, after line 4—Insert new subclause as follows:

(1a) Section 12(1)(b)—delete 'and six' and insert:

, a nominee of the Academic Board, a staff member (elected by the academic and general staff), two graduates (elected in the same manner as a member of the council elected under section 12(1)(h)) and two

The purpose of this is to provide definition to the appointed parties as members of the council. Again, this is consequential upon the abolition of the senate and, therefore, the increased responsibility and power of the council. I have highlighted that it is critical that the process of appointment of external persons should be both open and transparent, and that matter has been presented. It is also more consistent with the national guideline protocols as we now know them. I will not traverse what has been presented but ask that that be supported.

The Hon. J.D. LOMAX-SMITH: This is relatively prescriptive in terms of what the university might do in selecting a committee. It seems to be unnecessary interference. One of the issues one can never be sure about in terms of these sorts of prescriptive manoeuvres is whether one gets the gender balance right, and there may be an issue in doing that under these circumstances. Certainly, this amendment is opposed by the university and it has not, to my knowledge, been proposed or discussed in the consultations. I may be wrong. It may have been raised with you by the community, but it has not has been brought to my attention. We do not recall it, but I am prepared to check that. Therefore, we oppose this amendment, predominantly because of the unnecessary interference in the actions of the university.

Amendment negatived.

Mr HANNA: I move:

Page 8, lines 8 and 9—Leave out subclause (4) and insert:

(4) Section 12(1)(g)—delete 'one of whom must be an undergraduate student' and substitute:

two of whom must be undergraduate students.

The purpose of the amendment is to provide for direct election among the student body of the students to be on the council and to stipulate that one would be a postgraduate student and that two would be undergraduates. I sought for this to happen without reference to any particular association on campus, because those bodies may change from time to time and because of the democratic nature of direct election. I move the amendment on that basis.

The Hon. J.D. LOMAX-SMITH: I oppose the amendment. We believe that there should be that ex-officio representative on the council. We believe that the presiding member of the Students' Association, should be involved in the council. In order to get the broadest representation, this amendment should not be accepted.

Amendment negatived.

The Hon. J.D. LOMAX-SMITH: I move:

Page 8, after line 20—Insert new subclause as follows:

(10) Section 12—after subsection (11) insert:

(11a) A graduate elected by graduates to the council will be elected for a term of two years.

We did not have a time limit for the graduate elected on the council by the graduates.

Ms CHAPMAN: We support this amendment.

Amendment carried.

Ms CHAPMAN: I would like clarification as to the student representatives. Under this proposal, will there be no opportunity for an honours student to be a student representative?

The Hon. J.D. LOMAX-SMITH: We have representation from the postgraduate pool, as well. There has been considerable discussion about whether there should be postgraduates. Some of the undergraduates were deeply opposed to their representation, but they are an important body who have a long-term commitment to the university. Whether they are doing honours or a PhD by course or research, they often have very longstanding relationships, a deeper insight and longer association with the university. I think they are quite properly involved in this level of governance.

Clause as amended passed.

Clauses 15 and 16 passed.

Clause 17.

Ms CHAPMAN: I move:

Page 9—

Lines 1 to 6—Leave out subclauses (2) and (3).

Line 10—Leave out 'Maximum penalty: $20 000 or imprisonment for four years.'

Line 23—Leave out 'Maximum penalty: $20 000.'

Page 10—

Line 9—Leave out 'Maximum penalty: $20 000.'

Lines 12 to 13—Leave out 'an associate of the member' and insert:

the member's spouse.

Lines 19 to page 11, line 5—Leave out subclause (10) and insert:

(10) In this section—

'spouse' includes a putative spouse (whether or not a declaration of the relationship has been made under the Family Relationships Act 1975).

Page 11— Lines 10 to 17—Leave out subclause (1).

Lines 19 and 20—Leave out '(whether or not proceedings have been brought for the offence)'.

I have traversed this in some detail in the presentation, but the amendments have the effect of doing two things; first, removing the penalty clauses that are to apply for a breach of various acts, misconduct, dishonest behaviour, conflict of interest, and the like, and imprisonment penalties that have been imposed in respect of dishonesty. The second broad effect of these amendments is to redefine the persons who otherwise would be affected by this as an associate of the member. Rather than have the broad liability extend to a member of the council's spouse, issue, friends, associates, and so on, as detailed in the amendment, the purpose of this

amendment would have the effect of confining that obligation. It relates primarily to the disclosure that will be confined to the council member's spouse only.

I have traversed this previously at length in the presentation. We say that this imposition is unique in Australia. It operates in no other university. While it may be consistent with other legislation, which the government has seen fit to pass in relation to other persons' obligations, including those who are employees or subcontractors and who have associations with the government, this is a different situation for universities. I have outlined in detail the damaging effect this could have in relation to the way in which we are proposing to treat members of the council by imposing these unnecessary, unique and unsubstantiated in any way amendments, which will have such a draconian effect.

The Hon. J.D. LOMAX-SMITH: I oppose both those aggregated amendments. Firstly, penalties are incurred only if there is wrongdoing, and if you are going to have a series of codes of conduct or areas that are unconscionable or not supported, then anyone of good faith would not expect to fall foul of the law or incur those penalties. In fact, the intent of the clause is consistent with the Statutes Amendment (Honesty and Accountability in Government) Bill 2002, and ultimately will define penalties for abuse of office for both employees and members of governing boards and government institutions, and it includes a division 4 $24 000 fine in respect of conflict of interest and a duty of employees to act honestly. These penalties are comparable with those in the corporate sector. I understand that one of the main objections to this set of clauses is that these people on the council are unpaid and therefore should not be required to exercise the same duty of care and level of honesty as those who receive a benefit.

However, similar penalties exist in the Adelaide Festival Corporation Act, the Dried Fruits Act and the National Wine Centre Act and are consistent with the Criminal Law Consolidation Act. Given the changing climate and increasing commercialisation of universities, the inclusion of steeper penalties, though controversial, is simply a matter of consistency regarding the standards of behaviour expected from board members of large institutions. Two other higher education providers do provide penalties of this sort. These are incurred in the act controlling the Australian National University and the Australian Maritime College, and included in their acts are penalties in relation to dishonesty under the Commonwealth Authorities and Companies Act 1997. These penalties are commensurate with those proposed in the bill.

In relation to the conflict of interest concerning an associate of a council member and the definitions of 'beneficiaries', 'relatives', 'spouses' and 'associates', it is extraordinary that we would want to narrow the intent of these clauses because, indeed, if a relative or a close associated did benefit from a decision of a council member, it would truly be unthinkable and would surely justify significant fines and penalties. I do not believe that the community would have any sympathy for anything that would allow such practices to occur. I think that the suggestion is really out of step with the mood of the public and the need for open, transparent and accountable governments and bodies of such importance as the university.

Amendments negatived.

Ms CHAPMAN: What is serious misconduct?

The Hon. J.D. LOMAX-SMITH: The member for Bragg highlights the fact that the term 'serious misconduct' is one that has remained within the act and is there now without definition. The existing act describes something called 'serious misconduct', which one would take to be a pecuniary advancement and personal advancement, or corporate advancement, or shareholdings that produce pecuniary or personal advancement. However, the matter is no better defined in this act than it was in the last.

Ms CHAPMAN: What is the minister's definition of 'culpable, negligent and indirect pecuniary interest'?

The Hon. J.D. LOMAX-SMITH (Minister for Tourism): I move:

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

Motion carried.

The Hon. J.D. LOMAX-SMITH: It is a negative rather than a positive. It states:

It is not culpable negligence for the purposes of this subsection unless the court is satisfied that the member's conduct fell sufficiently short of the standards required of the member to warrant the imposition of a criminal sanction.

I think that relates to the beneficiaries. There is mention of beneficiaries in relation to relatives and spouses, and other persons such as body corporates, but the definition of 'pecuniary interest' is not, I think, in the act.

Ms CHAPMAN: I have a supplementary question. Clause 17(2) provides that 'a member of the council will not be taken to have a direct or indirect interest in the matter for the purposes', etc. Clause 17(6) states, 'If a member of the council has or acquires a personal or pecuniary interest', etc. So, is the minister saying that an indirect pecuniary interest is applicable only to relatives or extended parties?

The Hon. J.D. LOMAX-SMITH: This is the negative clause again. A member is not taken to have a direct or indirect interest, essentially, if they are a member of a class. That is the negative clause. Therefore, if they are not a member of a class and are just a spouse or an associate—they may have a direct or indirect interest but not be a member of a class—that will be regarded as a conflict of interest.

Ms CHAPMAN: I have a supplementary question in relation to the indirect pecuniary interest as applies to other parties. What does that mean?

The Hon. J.D. LOMAX-SMITH: Can I ask the member for Bragg which clause she is talking about? This is a very repetitive section. Is it subclause (6) of clause 17?

Ms CHAPMAN: I cannot identify it so I will move on, because I have the general gist of what the minister is saying in any event: it will be dealt with in the negative. It is difficult not having the definitions. Of course, prior to this bill, the only penalty, if we can describe it as that, applying to someone who acted in some improper or illegal way (apart from their being prosecuted if it was an illegality or subject to civil liability if they acted in a way detrimental to the university) was to be dismissed from the council. So, I suggest that it is important that we clearly identify what the penalties will be and that the council has a very clear understanding of what their obligations will be—and, of course, they need to be advised as to their vulnerability in terms of being exposed to imprisonment or financial penalty.

I ask a third question on this matter. Is the body which is to determine the guilt or innocence of a council member to be a court and, if so, which court, and what will be the standard of proof to be applied?

The Hon. J.D. LOMAX-SMITH: I think the matters that the member for Bragg raises strike at the heart of the changes in the university's powers and actions over recent years. When I talk about previous powers, there was never any intent that the university should run businesses, invest, float companies and be involved in significant financial transactions. Over the course of the last 15 years, perhaps, and increasing almost as we speak, there are opportunities for universities to be involved in commercialisation, shares, share ownership, floats and a whole range of commercial activities such as owning internet providers, selling those companies to major telcos, floating biotech companies and owning shares in companies, and the difficulty that has now arisen is that there are far more opportunities for, say, a member of council to own shares in a company that could benefit from a financial transaction that the university undertook. So, the potential for conflicts and indirect pecuniary benefits is much higher now than it has ever been.

I understand that if fines were involved it would be dealt with by the Magistrates Court, and my advice is that if there was a matter that could result in imprisonment, that matter would come before the District Court. I take advice on this matter, not being a lawyer. The penalty is four years' imprisonment.

Ms CHAPMAN: I will not traverse the argument about why we have these, and I think the minister is getting into that issue again. Clearly, she has indicated that is justified. I would say, of course, that universities have the control and effective management of very substantial assets. The fact that the nature of their operations may change is another issue, and we have not won that debate. But I want to be clear about how this will operate because it is, indeed, a very significant incursion into council members' liability. Currently, they can be prosecuted if they act illegally; and they can be sued by the university if they cause damage arising out of negligence—or, culpable negligence, in any event. But, leaving all those things aside, we will now impose very significant financial penalties and, potentially, imprisonment. So, whichever court may deal with these matters, can the minister answer the last part of the question, and that is what standard of proof will apply for the purposes of a finding that the council member has breached their duties under this act?

The Hon. J.D. LOMAX-SMITH: I am informed, and the member will appreciate that I am not legally trained, that it is beyond reasonable doubt.

Clause passed.

Clause 18.

Ms CHAPMAN: I move:

Page 11, line 2—after 'sections' insert:

and substitute:

Annual general meeting

18.(1) The Council must, within two months of the commencement of each financial year, convene and attend an annual general meeting of the University community.

(2) The Vice-Chancellor, or in the absence of the Vice-chancellor, a member of the Council chosen by the Council, must preside at a meeting convened under subsection (1).

(3) At least 28 days notice of a meeting under subsection (1) must be given in a manner determined by the Council.

(4) The business and procedures of a meeting under subsection (1) will be determined by the Council.

(5) In this section—

'University community' means the Council, members of the academic staff, members of the general staff, graduates and students.

This amendment is designed to cover the consequence of getting rid of the senate, and I had hoped it would be warmly embraced by the minister. This makes provision for the council to convene an annual general meeting to ensure that the broader university community has the opportunity to attend.

There is some obligation on behalf of the Vice Chancellor to preside over that meeting, and for appropriate notice to be given, and this will give an opportunity (of which it would otherwise be deprived) for the university community—other than graduate representatives and ex officio representatives who are on the council—to attend and ask questions in relation to the progress and general management by the council. If we use the commercial sphere as an example, it is not unlike any other corporation or company that has an obligation to its shareholders to enable them to come along and ask questions at an annual general meeting.

I think that this amendment not only serves the important purpose of the transparency in the operation of the council but also indicates some goodwill on the part of the government to recognise that the university community (which is to be defined under this amendment to include members of the academic staff, general staff, graduates, students and the council) to have that opportunity to attend. I understand that the minister will not agree to this amendment. I am disappointed to hear that, because it would have been one small but important opportunity to enable the goodwill of that broader community to be properly recognised in a circumstance where we are moving in a corporate direction for this university.

The CHAIRMAN: For the information of the committee, I understand there is a typographical error on the amendment that has been circulated: 129(3) should read 'clause 18, page 11, line 27'. Members should be aware of that error.

The Hon. J.D. LOMAX-SMITH: I thank the member for Bragg for her thoughtfulness on this matter. One of the differences between the university and a corporation, of course, is that when you know whom the shareholders are you know what constitutes the community of interest. One of the challenges with a university is that you might reasonably argue that its community of interest is far broader than is designated in the amendment. Indeed, it is true to say that the university conducts meetings between the council and the broader university community.

However, probably the most advantage that could be gained in the future would be by forming broader and deeper links in the business community. That is one of the areas that the Economic Development Board recommended in its report, pointing out there was a distance that should be bridged between universities and sectors of the community, particularly the business community.

The government opposes this amendment, not to be vexatious but because, again, it imposes an additional burden on the university. It is not necessary to prescribe such action, as there is already provision within the current statute for such action to take place, and we understand that the university is already involved in consultation and meetings with the broader university community. So, we oppose this amendment.

Amendment negatived; clause passed.

Clause 19 passed.

Clause 20.

The Hon. J.D. LOMAX-SMITH: I move:

Page 12, lines 19 to 22—Leave out subclause (7) and insert:

(7) Section 22—after subsection (1) insert:

(1a) The council has power to make statutes—

(a) establishing a tribunal to hear and determine proceedings against any student or staff member of the university in relation to any offence under the statutes, rules or by-laws of the university, and prescribing penalties that may be awarded by the tribunal upon proof of the commission of such an offence; and

(b) providing that an offence under a specified statute, rule or by-law of the university allegedly committed by a student or staff member be tried by a tribunal established under paragraph (a) of this subsection.

This amendment relates to how we might deal with offences against a by-law, statute, or rule of the university. The university is established under statute and has the power to try only offences allegedly committed by staff or students of the university. Therefore, these clauses allow a tribunal to hear matters relating to students or staff members of the university in relation to any offence under the statutes, rules, or by-laws, but that an offence under a specified statute, rule, or by-law of the university allegedly committed by a student or staff member can be tried by a tribunal established under paragraph (a) of this subsection. It is an administrative matter.

Amendment carried; clause as amended passed.

Clause 21 passed.

New clause 21A.

Ms CHAPMAN: I move to insert the following new section:

Insertion of section 21A

21A. After section 23 insert:

Promulgation of rules and by-laws

23A. The council must—

(a) cause the rules and by-laws to be published, in consolidated form, at least once in each calendar year; and

(b) ensure that a copy of the rules and by-laws, in consolidated form, may be inspected free of charge at a reasonable time and place by any person; and

(c) ensure that a copy of the rules and by-laws, in consolidated form, may be purchased at reasonable cost by any person.

I referred to this matter in the principal address, when we were talking about the rules and by-laws. This ensures that we have a manner by which the council ensures that the community are advised and have access to (at a reasonable financial cost) the rules and regulations, which are an important part of the legislative power of the council. They are quite extensive and have been used extensively, and this has been drafted according to the University of Tasmania Act which, of course, is the most contemporary in Australia. I ask that this be given favourable consideration.

The Hon. J.D. LOMAX-SMITH: I thank the member for Bragg for her comments. She is absolutely right that the rules and by-laws should be readily available. I am not entirely sure when the act was passed in Tasmania but, certainly, I think technology has moved rapidly—

An honourable member: 1991.

The Hon. J.D. LOMAX-SMITH: 1991—and now the rules and by-laws are published on the university's web site and are available in handbooks to both students and staff. They are freely available and open to public scrutiny, and I believe that there is no need to legislate for something that already happens. Clearly, in 1991, web sites and internet based information access was not common, even in Tasmania. Incidentally, there is an anecdote about Barry Jones which I could burden you with. He apparently walked along a street in Tasmania and an old man came up to him and took from his pocket a grubby newspaper clipping in which Barry Jones 20 years previously had said that in 20 years' time there would be more computers in Hobart than private cars, and the old man wanted to know if it had come true. Barry said that, yes, he thought it had. So, even Hobart has moved with the times and now has more computers than cars. Having said that, this is all on the web site. It is important to have this information available, but I believe it already is.

New clause negatived.

Remaining clauses (22 and 23), schedule and title passed.

Bill reported with amendments.

Bill read a third time and passed.

ADJOURNMENT

At 10.25 p.m. the house adjourned until Thursday 17 July at 10.30 a.m.