

## HOUSE OF ASSEMBLY

Tuesday 29 June 2004

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

HEALTH AND COMMUNITY SERVICES  
COMPLAINTS BILL

The Hon. L. STEVENS (Minister for Health): 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 Hon. S.M. Kanck, the Hon. M. Lensink, the Hon. A.J. Redford, the Hon. N. Xenophon and the Hon. C. Zollo, and we there delivered the bill together with the resolution adopted by this house, 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 resolutions be agreed to:

*As to Amendment No. 25*

That the House of Assembly no longer insist on its Amendment to the Amendment made by the Legislative Council.

*As to Amendment No. 2*

That the House of Assembly no longer insist on its disagreement to the Amendment.

*As to Amendment No. 4*

That the House of Assembly no longer insist on its disagreement to the Amendment.

*As to Amendment No. 5*

That the House of Assembly no longer insist on its disagreement to the Amendment.

*As to Amendments Nos 9 and 13*

That the Legislative Council no longer insist on these Amendments but make in lieu thereof the following amendments to the Bill:

*Clause 9, page 12, after line 27—*

(4) The Commissioner must, in acting under this Act, give particular attention to the position of volunteers and to their value in providing health and community services within the community and should not unnecessarily involve them in any proceedings under this Act.

*Clause 24, page 19, line 15—after ‘(as the case may be)’ insert:*

and the volunteer cannot be required to participate in any proceedings under this Act and in particular cannot be the subject of the exercise of any power under Part 6 Division 2.

and that the House of Assembly agree thereto.

*As to Amendment Nos 14, 15 and 16*

That the House of Assembly no longer insist on its disagreement to these Amendments.

*As to Amendment No. 18*

That the House of Assembly no longer insist on its disagreement to the Amendment.

*As to Amendments Nos 19 and 20*

That the Legislative Council no longer insist on these Amendments but makes in lieu thereof the following amendment to the Bill:

*Clause 12, page 13, line 6—after ‘, at the direction of the Minister,’ insert—*

in relation to a matter or matters of public safety, interest or importance,

and that the House of Assembly agree thereto.

*As to Amendment No. 21*

That the House of Assembly no longer insist on its disagreement to this Amendment.

*As to Amendment No. 23*

That the House of Assembly no longer insist on its disagreement to this Amendment.

*As to Amendment No. 26*

That the Legislative Council no longer insist on this Amendment.

*As to Amendment No. 27*

That the House of Assembly no longer insist on its disagreement to this Amendment.

*As to Amendment No. 28*

That the House of Assembly no longer insist on its disagreement to this Amendment.

*As to Amendments Nos 29 and 30*

That the House of Assembly no longer insist on its disagreement to these Amendments.

*As to Amendments Nos 31, 32, 33, and 34*

That the House of Assembly no longer insist on its disagreement to these Amendments.

*As to Amendment No. 35*

That the Legislative Council no longer insist on this Amendment but makes in lieu thereof the following amendments to the Bill:

*Clause 75, page 44, line 5—delete ‘specified classes of complaints’ and substitute:*

prescribed classes of complaints relating to matters of public safety, interest or importance

*Clause 75, page 44, lines 14 and 15—delete subclause (3)*

*Clause 75, page 44, lines 23 to 25—leave out all words in these lines and substitute:*

‘designated health or community service provider’ means a health or community service provider, or a health or community service provider of a class, designated by the regulations for the purposes of this section.

and that the House of Assembly agree thereto.

*As to Amendments Nos 37 and 38*

That the House of Assembly no longer insist on its disagreement to these Amendments.

*As to Amendment No. 39*

That the Legislative Council no longer insist on this Amendment but makes in lieu thereof the following amendment to the Bill:

*Clause 82, page 46, after line 35—*

(2) The Commissioner must, in making a decision on a complaint under this Act, take into account the level of resources reasonably available to the health or community service provider.

and that the House of Assembly agree thereto.

*As to Amendment No. 40*

That the Legislative Council amend its Amendment by inserting after ‘within the meaning of that Act’ in proposed new clause 82B (c) the following:

but may not make a determination or recommendation concerning the substance of the original complaint to the extent that that matter did not involve an administrative act of an agency to which that Act applies except to set aside (if the State Ombudsman thinks fit) a determination or recommendation of the Commissioner at the first instance

and that the House of Assembly agree thereto.

*As to Amendments 41 and 42*

That the Legislative Council no longer insist on these Amendments.

## UNDERDALE SPORTS CENTRE

A petition signed by 1 594 residents of South Australia, requesting the house to urge the government to do all within its power, including the compulsory acquisition of the site, to ensure that the sports and physical recreation facilities at Underdale Sports Centre are retained for public usage, was presented by the Hon. S.W. Key.

Petition received.

## SMOKING

In reply to Hon. DEAN BROWN (31 May).

The Hon. L. STEVENS: The government does not plan to provide direct financial assistance to compensate charitable groups like Novita (formerly Crippled Children’s Association) for having to comply with smoking bans applying to unlicensed premises. This is consistent with the approach applied when the previous government introduced smokefree dining and did not compensate businesses and charitable groups that provided meals.

However, Novita will be able to use the services of the proposed business consultancy service that has been planned to assist businesses having financial difficulties in complying with the new legislative requirements. The service will work with businesses and advise them on new opportunities to encourage families to enjoy a non-smoking environment.

There is increasing public awareness about the damage caused by smoking to the health of smokers and those who inhale second-hand smoke. The Department of Human Services has also received a number of complaints over the years from non-smokers who play bingo in smoking environments. They were concerned about having

to play bingo in an environment where they were exposed to secondhand smoke (SHS) also known as environmental tobacco smoke (ETS). As less than a quarter of the population are smokers, there is a potential for a greater number of non-smokers to be attracted to bingo sessions.

All operators of venues that provide a smoking environment should be aware of the trend for courts to compensate patrons and employees who litigate against employers and hospitality venues for exposing them to SHS and ETS in workplaces or public places. Due to this potential litigation it may be prudent for Novita to offer patrons who smoke regular breaks between games to enable them to smoke outside.

### PAPERS TABLED

The following papers were laid on the table:

By the Minister for the Arts (Hon. M.D. Rann)—

Regulations under the following Act—  
South Australian Museum—General and Vehicular Controls

By the Treasurer (Hon. K.O. Foley)—

Regulations under the following Acts—  
Emergency Services Funding—  
Land Remissions  
Motor Vehicles and Vessels  
Southern State Superannuation—Enterprise Agreements

By the Attorney-General (Hon. M.J. Atkinson)—

Regulations under the following Acts—  
Legal Practitioners—Practising Certificate Fees  
Rules—  
Legal Practitioners—Legal Practitioners Education and Admission Council

By the Minister for Consumer Affairs (Hon. M.J. Atkinson)—

Regulations under the following Acts—  
Liquor Licensing—  
Long Term Dry Areas—Port Pirie  
Mount Gambier

By the Minister for Health (Hon. L. Stevens)—

Intellectual Disability Services Council—Report 2002-03  
Regulations under the following Acts—  
Consent to Treatment and Palliative Care—Forms  
Physiotherapists—Qualifications

By the Minister for Transport (Hon. P.L. White)—

Third Party Premiums Committee Determination  
Regulations under the following Acts—  
Passenger Transport—Maximum Taxi Fares  
Road Traffic—Compulsory Blood Testing

By the Minister for Urban Development and Planning (Hon. P.L. White)—

Development Act—Development Plans Amendment Reports—  
City of Charles Sturt—Underdale Campus Master Plan—Design  
City of West Torrens—Underdale Campus  
Regulations under the following Act—  
Development—Commercial Forestry

By the Minister for Environment and Conservation (Hon. J.D. Hill)—

Aboriginal Lands Trust—Report 2002-03  
Animal and Plant Control Commission South Australia—  
Report 2003  
Native Vegetation Council—Report 2002-03  
Regulations under the following Acts—  
Dog and Cat Management—Identification of Dogs  
National Parks and Wildlife—Protected Animals  
Water Resources—Lower South East—Commercial Forestry  
Water Resources—Variations

By the Minister for Industrial Relations (Hon. M.J. Wright)—

Regulations under the following Acts—  
Workers Rehabilitation and Compensation—Schedule A & B Charges

By the Minister for Education and Children's Services (Hon. J.D. Lomax-Smith)—

Regulations under the following Act—  
Education—Exemptions

By the Minister for Agriculture, Food and Fisheries (Hon. R.J. McEwen)—

Regulations under the following Acts—  
Fisheries—Fees

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

Rules—  
Local Government—Local Government Superannuation Scheme—Change to Salarylink Insured Benefit.

**Mr BRINDAL:** I rise on a point of order, Mr Speaker. Has it not been the normal practice in this house that when a minister seeks to introduce a bill to add to an already existing bill such as the Criminal Law Consolidation Act some notice of the nature of the amendments is normally given in the title?

**The SPEAKER:** I think it is. My understanding, for as long as I have been here, is that the minister always gives the long title of the bill. In this instance, I have checked, and that is exactly what the house has been given.

## QUESTION TIME

### INFANT HOMICIDE

**The Hon. R.G. KERIN (Leader of the Opposition):** My question is to the minister representing the Minister for Police. Why has SAPOL initiated new inquiries into the claims of an infant homicide at the Adelaide Orphanage in the 1960s? Detective Superintendent Paul Schramm, who was described earlier this month by retiring WA Police Commissioner, Barry Matthews, as 'one of the most experienced homicide investigators in Australia', yesterday interviewed a man whose claims previously had been dismissed 'as a recurring dream'. Further, the minister's media release of today's date confirms that Detective Superintendent Schramm is conducting what the Commissioner has described as 'another review'.

**The Hon. P.F. CONLON (Minister for Infrastructure):** The Leader of the Opposition would well know that this matter has been the subject of considerable debate and discussion. I am advised that the advice from the Police Commissioner today is that it remains as it was, and given to this parliament before by the Deputy Premier—

*Members interjecting:*

**The Hon. P.F. CONLON:** If you took it seriously, you would listen, wouldn't you? I can confirm the advice of the Police Commissioner that the inquiry into the matter found that there was no evidence on which to form a reasonable suspicion of the matter alleged. That remains the advice of the Police Commissioner but, because of ongoing public comment, it is true that he has again asked Detective Superintendent Schramm to review the matter. That is, as I understand it, entirely because of ongoing comment and debate on it. Many people in this chamber would know

Detective Superintendent Schramm and have great confidence in him. I hope that the work done by him puts the matter to rest, and I understand that it will be brought back to the parliament as soon as he concludes that work.

### **SOUTH EAST REGIONAL COMMUNITY HEALTH SERVICE**

**Mr CAICA (Colton):** My question is to the Minister for Health. Has the South East Regional Community Health Service been reviewed by the Australian Quality Improvement Council and, if so, what were the results?

**The Hon. L. STEVENS (Minister for Health):** I thank the member for Colton for this question. I congratulate the South East Regional Community Health Service on receiving full accreditation after a review by the Australian Quality Improvement Council. The South East Regional Community Health Service is a regionalised service operated by the South East Regional Board and delivers primary health care services including home and community care for the aged, mental health services, speech pathology, podiatry, Aboriginal health services, home support and early childhood intervention.

The review by the Quality Improvement Council involved the board, consumers and staff at sites across the region, and found that the South East Regional Community Health Service is exemplary in the way that it involves its consumers, stakeholders and the community in the conduct of its services. As a result, the quality improvement council awarded a full three years accreditation to the service along with five commendations for excellence. These commendations were to the board for the delivery of primary health care and to the service for work force planning, staff supervision, staff value and support, and program development. I congratulate the South East Regional Board, chaired by Mr Bill DeGaris, and the Director of Community Health Services, Ms Sharon Kelly, and her staff on this excellent outcome for health services in the South-East.

### **CHILD ABUSE**

**The Hon. R.G. KERIN (Leader of the Opposition):** My question is to the minister representing the minister for police. Does the government still stand by the police minister's ministerial statement on 24 June in which he stated, 'All avenues of inquiry were quickly exhausted, concluding that the allegations had no substance.'? The complainant said publicly last night that he gave the police names and contact points for other former orphanage inmates who could provide supporting evidence. He says those people have never been contacted by the police.

**The Hon. P.F. CONLON (Minister for Infrastructure):** I can confirm the advice today from the Police Commissioner, which I think in substance is the same. Again I use the words that I believe the commissioner used—although it was not directly to me—that there was no evidence that could amount to reasonable suspicion that a homicide had been committed. The investigating officer had acted well within the investigative processes expected in this situation. I would have thought that that is confirmation that what should have been done has been done.

At present, the Commissioner, in whom I have great faith, has—I think very wisely—appointed former police superintendent Schramm, in whom I have great faith. I am absolutely certain that, if that advice is not correct, it will be corrected by the Commissioner. Today, as I stand here, the advice

remains that there was no evidence that could amount to a reasonable suspicion and the officer concerned had acted well within the investigative processes. As a government, we had no reason to be other than satisfied with that advice and satisfied that the Commissioner has asked superintendent Schramm to once again review this matter. As I have said, we will advise the member of the outcome of that review.

**The Hon. DEAN BROWN:** I rise on a point of order, Mr Speaker. I think the minister, representing the Minister for Police, has quoted from an extract out of advice given to the minister and quoted in a press release this morning. I ask that the full advice from the Police Commissioner, as presented to the minister originally, be tabled in this parliament.

**The Hon. P.F. CONLON:** I am happy to give the member what I am quoting from, which is a press release. I do not have anything else.

*Members interjecting:*

**The SPEAKER:** Order! Will the minister advise whether the press release contains explicit quotes from advice from the Police Commissioner to the minister?

**The Hon. P.F. CONLON:** As I have said, I am not the police minister. I am happy to get that advice and bring it to the house. I have no difficulty at all with doing that, but I just do not have it.

**The SPEAKER:** It is a quote from advice to which the house is entitled.

### **CRISIS ACCOMMODATION**

**Ms BEDFORD (Florey):** Can the Minister for Families and Communities describe how the state government is addressing the need for more accommodation for women and children escaping domestic violence and for homeless families?

**The Hon. J.W. WEATHERILL (Minister for Families and Communities):** I thank the honourable member for her question. She has demonstrated a real interest in the issue of domestic violence and the way in which that breaks up families and, importantly, jeopardises the welfare of children. An alarming report was released nationally last week which documented the large number of women who flee domestic violence, a number of those who take with them young children, pushing them into homelessness, which is a major cause of concerns about the welfare of those children.

The state government has committed an additional \$3.3 million to purchase 10 additional properties. The importance of these properties is that they will be distributed around the state in a way which will ensure that they will be located near areas where there is greatest need. Whilst we can provide some short-term accommodation for people who are fleeing domestic violence, it is crucial that that accommodation be in a place that is not only safe, confidential and secure but also one that does not necessarily disrupt or take that family out of their community, because it may be necessary that schooling and other social networks are maintained. There is definitely a lack of accommodation options, and these 10 new houses will play a crucial role in plugging the gap that presently exists.

*Members interjecting:*

**The Hon. J.W. WEATHERILL:** Ten more houses than those opposite managed to come up with when they were in government, and contrasted with the federal government, while there is some value in its advertising campaign. This is about putting real services on the ground to ensure that real families have places to go to ensure that they cease to

homeless. That is what makes a difference to people's lives. We know the harm that this causes—

*Members interjecting:*

**The Hon. J.W. WEATHERILL:** Members opposite bleat on about Housing Trust stock. They ripped 10 000 houses out of the system in the past 10 years, and they talk about Housing Trust stock. The homelessness issue we face in this state is a serious indictment on the previous government. This government is applying additional resources into this issue; this is our latest effort in grappling with the harm caused by homelessness.

### CHILD ABUSE

**Mr BRINDAL (Unley):** Is the Minister for Families and Communities aware of allegations that girls domiciled in the Goodwood Orphanage were regularly placed with carers who sexually abused them and that, despite complaining to those in authority of the abuse, they were placed with the same family repeatedly and, further, that some girls were severely physically punished for making the allegations; and will he investigate?

**The Hon. J.W. WEATHERILL (Minister for Families and Communities):** I thank the honourable member for his question about this important subject. I am aware that these events are said to have occurred some 40 years ago. Goodwood Orphanage has not been open for some considerable period of time.

**Mr Brindal:** It is in my electorate.

**The SPEAKER:** Order! The minister has the call.

**The Hon. J.W. WEATHERILL:** I would like to provide some background on the way this government is grappling with these questions. It is no mistake that we are presently experiencing a heightened sense of awareness about matters concerning the survivors of child sexual abuse. We live in an environment where, because of the way this debate has recently been elevated, there will be more and more people who will seek to relive the appalling experiences that have occurred to them, and there will be natural demands for justice around that. That is the present age that we live in and, indeed, this government would have contributed to that heightened sense of awareness about these child protection issues because it has very firmly put child protection front and centre on the public policy agenda.

Over the past 12 months, through the Layton inquiry, we have had the most extensive inquiry into child protection ever undertaken in this state. As we apply resources (\$58.6 million in the past budget and \$148 million over four years in this most recent budget), not unnaturally the survivors of past abuse say, 'What about the injustices that have occurred to us?' We are sensitive—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. J.W. WEATHERILL:** We get the sensible interjection that we cannot move forward without dealing with the past, and I accept that that is an important proposition. But we also chose, as a matter of priority, to try to prevent further abuse occurring to our present crop of children. That is the priority that this government chose. Instead of allowing the queue of those who have been abused to continue to grow, we sought to put our efforts into preventing the further abuse of children. Naturally, we now turn our attention to the adult survivors of abuse—and they have not been ignored. They have been addressed in the budget through the allocation of additional counselling

resources for adult survivors of abuse, and we have most recently announced the establishment of a help line.

For those who do not understand the help line, I will explain exactly what it is so that they can understand the nature of this response. Those who suffer from the effects of sexual abuse in their past may choose a number of ways in which they seek justice. They may seek to promote a prosecution through the courts. That is a difficult course, both emotionally and in terms of getting an outcome, but we understand that and we are committed to supporting those people through that process. We established the paedophile task force, but we know that many were blocked out because of the pre-1982 restriction on pursuing these child abuse allegations. We cleared that roadblock. That is the first contribution we made.

We seek to support those who wish to take the matter before the criminal courts and, in that way, to seek their justice in that process. For many that will not yield a result, either because they choose not to participate in that process or because of the difficulties of criminal proof. The helpline will help people through those processes. Secondly, some may seek reparation through the payment of money, which is a completely legitimate way in which they may seek justice. They may seek the payment of money to them from a wrongdoer—it may be a church or, indeed, the state. However, each of those cases will be considered.

**Mr BRINDAL:** I rise on a point of order. I am fascinated by the answer and I have listened for some time, but my question bore on whether the minister would investigate some serious allegations when he, in fact, had the duty of care because they were wards of state. The answer is very interesting but I would like to know the answer to my point.

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

**The Hon. J.W. WEATHERILL:** This is an important matter of which the house should be aware: how the government is seeking to deal with the adult survivors of child sexual abuse. It might be tedious. It might be tempting for those opposite to grab the cheap headline, but this is the long version, because it is a complicated issue. They are going to have to endure it.

**An honourable member:** They want action.

**The Hon. J.W. WEATHERILL:** They received no action over the last eight years. Those who seek financial reparation will be assisted through the provision of appropriate legal assistance, if that is what they seek, and we remain ready to accept our responsibilities as we have in the past. Finally, there may be those who simply seek therapeutic services; they may seek counselling. We have set up an independent organisation which is at arm's length from the state government, so there can be no suggestion that there is any inappropriate action in the provision of those services. So, if they do seek counselling services, those services will be available. That, of course, leaves those who seek to agitate a broader notion, that is, an inquiry; some sort of public sense in which they can tell their stories and have those stories told in a public way. Our consistent position on that has been that we resist a royal commission.

**Honourable members:** Why?

**The Hon. J.W. WEATHERILL:** Would you like to listen to the answer? I have their attention at least. They are now listening. The first thing is that we have had advice from the Commissioner of Police who says that a royal commission would jeopardise those criminal prosecutions that are capable of being pursued. We see, of course, a parade of people coming before the courts at the moment, and that is

a good thing. A range of people are being brought to justice in the system that the state has for dealing with people who commit crimes.

**An honourable member:** Why haven't they been brought to justice?

**The Hon. J.W. WEATHERILL:** They are going before the courts and one can only hope that they will receive justice before those courts, and that our society will mete out that justice. The second point that gives us pause is the cost of a royal commission. It is an important consideration, especially in circumstances where nobody has adequately defined what on earth it is that we are inquiring into. We have the broadest notions of what may pass for an inquiry emanating from those opposite, but no clear view what they seek to inquire into.

Finally, another matter that has caused us to pause is to reflect upon the fact that an inquiry is currently before the Senate entitled 'An inquiry into children in institutional care' and comprises a range of political parties, including the Liberal Party. Indeed, the inquiry's terms of reference are important, because they almost completely eclipse all those issues sought to be raised by members opposite. It states that it will report:

- (a) in relation to any government or non-government institutions, and fostering practices, established or licensed under relevant legislation to provide care and/or education for children;
  - (i) whether any unsafe, improper or unlawful care or treatment of children occurred in these institutions or places,
  - (ii) whether any serious breach of any relevant statutory obligation occurred at any time when children were in care or under protection, and
  - (iii) an estimate of the scale of any unsafe, improper or unlawful care or treatment of children in such institutions or places. . .

Those are the broad references, but the inquiry has eight or nine others. We know that it will report on 30 July. The member for Unley has made submissions to this inquiry, and those providing information to the Leader of the Opposition have also done so, and they seek to press us about this point. We seek to reflect on this inquiry as, indeed, we seek to reflect on the outcome of the process we have set up through the helpline. We have never at any stage ruled out the possibility of a further limited inquiry, if it proves to be necessary. That has always been the consistent position of this government—consistent from day one. But we will be motivated by the welfare of children and the adult survivors of abuse and not by some cheap headline or some sensationalist media circus.

#### TRANSPORT, PUBLIC

**Ms THOMPSON (Reynell):** My question is to the Minister for Transport. How is the government working with bus passengers to help shape the future of commuting?

**The Hon. P.L. WHITE (Minister for Transport):** I thank the honourable member for her important and considered question. As a strong advocate for public transport services in the southern suburbs, she might be interested to know that, earlier today, I launched a new bus to be used in the southern suburbs: a Zone Cruiser. It is an Australian first in terms of its interior design. It is a prototype—

*The Hon. M.D. Rann interjecting:*

**The Hon. P.L. WHITE:** Something like that, Premier. The bus will be put into operation this afternoon in the southern suburbs. We will be trialing a lot of new design features and will be asking for customer feedback. The bus

has a new type of superior comfort, high-back seating. There is also a very good video surveillance system right through the bus, so it also has an extra element of safety. It is a very modern design, and it also has on-board entertainment, with video screens showing our customers a series of comedy, drama and lifestyle programs.

Over the next 12 months, we will collect customer feedback on what they think of many of these design features I mentioned. It will be collected via written survey forms placed in the—

*Mr Brokenshire interjecting:*

**The Hon. P.L. WHITE:** Our government has set a very ambitious target in terms of increasing public patronage on our public buses and trains. One of the least cost items of the bus is the interior design—the fit-out. So, we are looking at those sorts of design features which people want, which will encourage people to get on our buses and which will improve the safety and convenience of the buses. Depending on what that feedback is, we are looking at incorporating some of these new features into our future bus purchases. Passenger comfort is particularly important for those commuters travelling longer distances, and that is why we are trialing this bus on the southern suburb routes, which are the longer routes in Adelaide. That is why they have been chosen for this service. We will be testing out the new livery, the new feel, the new materials, the new seating arrangements, the new entertainment arrangements and the new safety provisions, and there are also messages on the backs of seats, for example, drawing passengers' attention to—

*The Hon. R.G. Kerin interjecting:*

**The Hon. P.L. WHITE:** No, not political advertising. It will draw passengers' attention to reporting of graffiti, so that we can clean up anything as soon as it has occurred. A lot of innovative thinking has gone into this. There is an Australia first, with some of the technology on the bus. I think it is very exciting: it looks and feels great, and I think it will encourage people—if they have gone away from public transport—to come back and give the buses another try. That is what we are aiming for, because we have an ambitious target to increase our patronage, and we are going to be listening to what the customers want and trying to deliver it.

#### POLICE FILES

**Ms CHAPMAN (Bragg):** My question is to the Premier. Does the Premier agree with the proposition that he has the right to inspect police files? On Radio 5AA on 7 June 2004 the Attorney-General told Bob Francis and his listeners:

The thing is Dunstan, as an elected Premier, had the right to say to Harold Salisbury, 'I want to see the files.'

**The Hon. M.J. ATKINSON (Attorney-General):** As a matter of fact, I read Acting Justice White's report on the special branch files, and I read the subsequent royal commission report. I can tell you that you are misrepresenting the position. The point is that on the special branch, premier Dunstan was absolutely right to say that the Police Commissioner of the day was responsible to the elected government. A royal commission so found.

**Ms CHAPMAN:** I have a supplementary question. Given that the Attorney made the statement on 5AA, do you say that your Premier has the power to inspect police files?

**The Hon. M.D. RANN (Premier):** I have no such power.

## EDUCATION, BOYS

**Ms CICCARELLO (Norwood):** My question is directed to the Minister for Education and Children's Services. What is the government doing to improve educational outcome for boys and in particular what role is the Open Access College, located at Marden, in my electorate, playing?

**The Hon. J.D. LOMAX-SMITH (Minister for Education and Children's Services):** I thank the member for Norwood for her question. I know she has been a keen supporter of the Open Access College at Marden in her electorate. It is a very important issue at the moment. There is a recognition that increasingly boys are not achieving the same outcomes as girls within our education system at primary, secondary and tertiary levels. A focus has been put on this issue at both a state and federal level. In particular, the state government is pleased that we have a higher proportion of male teachers than the rest of Australia. We currently have 23.8 per cent male primary school teachers compared with 20.9 per cent in the Australian average, and 50.6 per cent of secondary school teachers compared with 45 per cent. So, we have more male role models, but we still recognise lower outcomes and less high achievement in boys at all levels.

We have put a particular focus on boys' educational outcomes over the next financial year with a program called Keeping Boys Connected. This strategy will cost \$220 000 and will involve giving teachers professional development opportunities and providing release time so that they can be trained in particular strategies to enhance the enthusiasm and engagement of boys in our schools. The Keeping Boys Connected program should also improve social and academic outcomes for boys, and will help by involving local initiatives such as businesses and activities; and it will also involve some work with the commonwealth.

In April this year, four schools in our state system and one Catholic school won funding from the federal government in what is called the Boys' Education Lighthouse Schools program. In particular, that program will involve some funding going to the Open Access College, which also supports children who have been suspended or excluded from school for various reasons or who might be part of the juvenile justice system, by ensuring that whatever else happens in their life they still retain engagement with the education system. The additional schools in the public system that were incorporated in this scheme were Salisbury High School, Mount Barker High School and the youth education centre at Magill. Their involvement reflects the high esteem with which the teachers in these public schools are held nationally in that they were chosen to be part of this program.

The lighthouse school clusters program will affect only a few schools, but our program will fill the gaps and link from the commonwealth program into other preschools and schools that have a strong commitment to boys' education. We want students to be engaged in this program and have a voice, and we have a program called A Student Voice, which will allow collection of their views and ideas about the teaching which they receive and the curriculum in which they are involved.

In addition, we will be sponsoring a two-day expo later in the year when we will have experts from around the country showcasing preschool and school research and practices, plus discussing community and interagency support programs and interdepartmental projects and programs. This is a major focus for our community, and it has to be one for our school system as well.

## HEPATITIS C

**The Hon. DEAN BROWN (Deputy Leader of the Opposition):** What action is the Minister for Health taking to deal with the explosion of hepatitis C infection that is occurring within our community, with the Drug Advisory Council of Australia reporting that 91 per cent of new hepatitis infections occur from drug users' sharing both syringes and needles?

**The Hon. L. STEVENS (Minister for Health):** The government takes very seriously the whole issue of hepatitis C infection and its control. There is a range of programs in which the government is involved and I will get a full brief for the deputy leader.

## INDUSTRY TRAINING ADVISORY BOARDS

**Mr SCALZI (Hartley):** Will the Minister for Employment, Training and Further Education advise whether all private registered training organisations in South Australia have been included in consultation on the 2005 ANTA funding report for South Australia? I understand that a document, entitled '2005 Annual ANTA Vocational Education and Training Plan Discussion Paper', has been circulated and that the deadline for submissions is 2 July 2004. There are in South Australia 247 registered private providers which provide training for some 20 per cent of VET courses in South Australia, and these bodies are unaware of the discussion paper. I am advised that the main representative body for the RTOs did not receive the discussion paper.

**The Hon. S.W. KEY (Minister for Employment, Training and Further Education):** I will need to follow up the question the honourable member has asked because there is not a logical connection between some of the organisations he has mentioned and the Australian National Training Agreement, which is the responsibility of the commonwealth. On the one hand, we have the registered training organisations, and I think there are more than 200-odd in South Australia. My understanding is that, depending on how you count them, there are something like 680 different organisations. That is the first point. I am not aware of what consultation the commonwealth has done with that document.

As the honourable member would probably know, through the ANTA ministerial council meeting held recently in Adelaide we are still discussing with the commonwealth different aspects of the proposed agreement. A negotiation stage is definitely being looked at, but the commonwealth could probably better answer those questions. Because I know the interest of the member for Hartley in this area, I am happy to brief him on this issue when I have more information.

## DISABILITY EDUCATION

**Ms RANKINE (Wright):** My question is to the Minister for Employment, Training and Further Education. What training skills and programs are being introduced to support people with disabilities?

**The Hon. S.W. KEY (Minister for Employment, Training and Further Education):** I thank the member for Wright for her question. One of the important announcements we have been making through SA Works is a commitment to ensure that people with disabilities have access to education and training programs. The Access Education Unit, which is part of the Adelaide institute of TAFE, has been following

through with programs and services for people who are hearing impaired in our community. A number of initiatives have been supported, one being to assist students with some disability, not necessarily hearing impairment, to gain skills through an introduction into the hospitality training program.

Work has also been done for hearing impaired students with literacy and preparatory education needs so that they also have access to vocational training and employment. There has been training of clients with Australian sign language (Auslan), which enhances communication skills or assists their role as parents of hearing impaired children or carers who work with members in that community, as well as the different people involved with the hearing impaired and deaf communities.

Funding for this program comes through the South Australian Works strategy, and our main emphasis is to provide skills and employment opportunities to those in greatest need. We have particular programs which I have mentioned in this house and of which members are aware, generally in the areas of disability, youth at risk and mature aged people.

I will give a couple of examples in regard to the Access Education Unit. One has been actors from the Australian Theatre of the Deaf in Sydney conducting a two hour workshop with about 50 of the Auslan and deaf students. This workshop was presented in open and public space in the institute in Light Square so other students could be involved. It represented a mime to use different ways of self communicating. I am told that this was received very well by the audience, and one of the things that was particularly pleasing for staff and students in that institute was watching how people who had communication disabilities progressed through this session and improved their confidence and input into other courses.

The other examples, which are important to mention, include Natalie Sandon from the Deaflympics giving a presentation at the Deaf Olympic Games, which will be running in Melbourne in January 2005. Natalie sought to give a presentation, Auslan/Language, Literacy and Numeracy Program graduation ceremony. I put on record my appreciation of this initiative. These types of presentations ensure that people with a disability can be included and also educate the rest of us about ways in which we can communicate. Just because someone has a communication disability does not mean they should be left out of training, employment and other important things in life.

#### INDUSTRY TRAINING ADVISORY BOARDS

**Mr SCALZI (Hartley):** Again, my question is to the Minister for Employment, Training and Further Education. Can the minister advise whether ITABs (Industry Training Advisory Boards), including the Interim ITAB Chairs Forum, have been included in the consultation on the ANTA funding report? I understand that a document titled '2005 Annual ANTA Vocational Education and Training Plan Discussion Paper' has been circulated and that the deadline for submissions is 2 July. I am advised that these bodies are unaware of the discussion paper. Why have these stakeholders not been invited to comment?

**The SPEAKER:** I point out to the member for Hartley that it is not necessary to restate his question.

**The Hon. S.W. KEY (Minister for Employment, Training and Further Education):** I thank the member for Hartley for his question. As I said earlier, I am more than

happy to find out the intention of the commonwealth government with regard to consultation, because this is largely its responsibility. As far as ITABs are concerned, it is interesting that the honourable member would ask such a question in view of the fact that they were largely destroyed by the previous government in conjunction with the commonwealth. I am very pleased that there is a new-found interest on the other side with regard to industry training advisory boards. I remember a number of them biting the dust with the assistance of the previous government, and I think the member for Light in particular will remember the famous biting of the dust of the state Public Sector Industry Advisory Training Board. I do not think he was responsible, but certainly his colleague the member for Unley (who was the minister) was involved in that debacle.

I believe the industry training advisory boards are very important, and at the moment the government is looking at how to re-establish them and ensure that we have a connection between all the people in particular industries so that they can come up with sensible education and training. For those reasons I am more than happy to follow up on the member for Hartley's important question about ensuring that those industry stakeholders are included in big decisions in the area. As I said earlier, this is largely a commonwealth responsibility, but I am more than happy to follow that up for the honourable member.

#### STATE ELECTORAL OFFICE

**Mr KOUTSANTONIS (West Torrens):** Does the Attorney-General accept that there will be resource implications for the State Electoral Office during 2006 with both the next state election and local council elections due to occur within a few months of each other?

**The Hon. M.J. ATKINSON (Attorney-General):** As the member for West Torrens quite rightly observes, the next local government elections are due to be held on 16 May 2006.

**The Hon. I.F. Evans:** You would already be busy, though!

**The Hon. M.J. ATKINSON:** Yes, it is a difficult life for people such as me. Without legislative change, there will be a clash with the state election, the date of which has been set for 18 March 2006.

**Mr Brokenshire:** Do you support the CEO of Port Adelaide and Enfield?

**The Hon. M.J. ATKINSON:** Splendid chap!

**The SPEAKER:** Order! The Attorney-General will ignore interjections.

**The Hon. M.J. ATKINSON:** He is a splendid chap, Harry Wierda. He is one of my favourite chief executives. Subsequent state elections have been set to take place at fixed four-year intervals. The State Electoral Office has advised me that the local government elections could be moved to October 2006. If no changes are made there will be an overlap of state and local government election responsibilities—quite apart from those of us who are campaigning. The closure of the roll for local government elections will take place in February 2006, while nominations will open in March 2006. The current timetable obviously presents a direct clash with the timetable for the roll closure and polling day for the state election.

*Ms Chapman interjecting:*

**The SPEAKER:** Order! The Attorney-General will answer the question and ignore interjections.

**The Hon. M.J. ATKINSON:** The member for Bragg is incoherent.

**The SPEAKER:** I know, and the house does not need to be apprised of it.

**The Hon. M.J. ATKINSON:** I think she had too much lemonade and the gas must have affected her.

**The SPEAKER:** Order!

**The Hon. M.J. ATKINSON:** The current timetable would also affect the elector representation reviews that must be completed five months before local government elections. The reviews, of course, lead to the redistribution of ward boundaries, if necessary, to capture any demographic changes. As the redistribution of electors would occur during the state election period, there would be a shortage of experienced staff for both state and local government election responsibilities. A similar situation occurred—

*Mr Brindal interjecting:*

**The Hon. M.J. ATKINSON:** That's a good point, but I am referring on this occasion to State Electoral Office staff. I hope the member for Unley is clear about that.

**The SPEAKER:** Order! A similar situation occurred in New South Wales where the state and local government elections clashed. Legislation was passed to defer local government elections from the original schedule of September 2003 to March 2004. I understand that in the wake of these recent elections the New South Wales government is already discussing postponing the next local government elections by six months to September 2008 while the state election retains its legislated timing of March 2007. Councils have given support to the proposal to reschedule the local government elections, saying that it will give newly elected members enough time to familiarise themselves with council matters before dealing with council budgets.

#### CHILD ABUSE

**The Hon. P.F. CONLON (Minister for Infrastructure):** Mr Speaker, in response to your earlier request to provide the minute, I have one copy, and with your permission I will read it into *Hansard* and then table it.

*Members interjecting:*

**The Hon. P.F. CONLON:** Now they don't want to hear it.

**The SPEAKER:** Order! The minister does not need to read it; he can simply table it.

**The Hon. P.F. CONLON:** If it is the wish of members on the other side, I am happy to give them the full information on the spot.

*Members interjecting:*

**The Hon. P.F. CONLON:** Now they don't want to hear it, do they? I will table it.

#### BARLEY MARKETING

**Mr WILLIAMS (MacKillop):** Will the Minister for Agriculture, Food and Fisheries table all submissions made by the South Australian government to the National Competition Council with regard to the barley marketing regime currently existing in South Australia and any responses from the National Competition Council?

**The Hon. R.J. McEWEN (Minister for Agriculture, Food and Fisheries):** As you know, Mr Speaker, because I believe you and I were both in the house yesterday when the member for Schubert committed two mortal sins, the first of which was to say—

*Members interjecting:*

**The Hon. R.J. McEWEN:** I am going to answer the question. He said, first, that he had not read the Round review, and then he suggested that it had not been made public. The Round review is available, and I am happy to give a copy to anyone who desires one. It has been available for some time, so the member for Schubert was totally wrong on that point. If the member for MacKillop also wishes to receive a copy of the review, I am happy to furnish him with one. I will also take advice in relation to all other documents that he has requested and indicate to you or the honourable member what is available.

#### SUPPORTED ACCOMMODATION, PORT LINCOLN

**Mrs PENFOLD (Flinders):** Will the Minister for Disability confirm to the house that there are to be two supported accommodation facilities for the disabled in Port Lincoln? A temporary facility for four young disabled people has been operating for approximately 12 months under the management of Alabricare, and a new house called ADAM House is to be opened soon for those young people. Last week, I was delighted when the minister announced that another much-needed supported accommodation facility for young homeless people with a disability was to be established in partnership with the Catholic welfare agency Centacare, and that a construction had started at Port Lincoln. The minister stated, 'and the facility will have four two-bedroom units for individual young people and two, two-bedroom units for young people with a child.'

**The Hon. J.W. WEATHERILL (Minister for Disability):** I do not quite know from what the honourable member is quoting, but this new facility was to be opened in Elizabeth North. Certainly, the announcement that I made last week was for a new facility for respite care in partnership with Centacare. It is actually in Elizabeth North, which is not as far north as Port Lincoln—

*The Hon. R.J. McEwen interjecting:*

**The Hon. J.W. WEATHERILL:** North-west—south-west. In any event, I am sorry to disappoint the honourable member. We did establish the ADAM project, and that was a welcomed project. I know that the proponent of that project has made it very clear in the local media and, indeed, in communications with us that there is demand for additional respite accommodation for children with disabilities. I will try to get to the bottom of what the member for Flinders is quoting from to see whether there has been some inadvertent communication.

#### DOMESTIC VIOLENCE

**Mr VENNING (Schubert):** Will the Minister for Families and Communities explain the 16-month delay in providing money for the Lower North and Barossa Domestic Violence Services, and why Lower North and Barossa Domestic Services violence action group members were not notified of the minister's final approval for funding, which was initially announced in February 2003? Will the minister advise the house whether funding will include a safe house in the Clare area?

**The Hon. J.W. WEATHERILL (Minister for Families and Communities):** I will come back with a more detailed answer, but I think the nature of the delay has been caused by some disagreement between the two organisations being able



to work together to reach a settled view about how that service will run. I think there was some dispute around the scope of the service. The ambition of the government was to ensure that that service was provided to a broader area than those organisations initially were prepared to agree. As I understand my last advice, a safe house will be established within the Clare region, but I will provide a more detailed answer. The essence of the delay was that the two organisations could not agree on the preferred arrangements that the state government had put in place. We had sought that they collaborate in a way which they were not prepared to do and that caused some delay, but as I understand it we are now moving forward in relation to that program.

**Mr VENNING:** I have a supplementary question. Will the minister explain why the private provider which was engaged to provide this service was totally unaware of its appointment after the announcement?

**The Hon. J.W. WEATHERILL:** I do not know the answer to that question. I presume that they tendered. I presume that it would not have been too much of a surprise when they won the tender. I will try to find out, if there has been some miscommunication, why that happened.

#### GAMBLING, LICENSED CLUBS

**Mr BROKENSHERE (Mawson):** Will the Minister for Gambling advise the house whether the government has provided up to \$100 000, which it committed for an inquiry into the operation and viability of licensed clubs; and, if it not, why not?

**The Hon. P.F. CONLON (Minister for Infrastructure):** On behalf of the Minister for Gambling, I will take that question on notice and bring back an answer.

#### GAWLER HEALTH SERVICE HELIPAD

**The Hon. M.R. BUCKBY (Light):** Can the Minister for Health advise the house whether tenders have been released for the redevelopment of the Gawler Health Service helipad and whether appropriate aviation authorities have been consulted as to the viability of the redevelopment? The Gawler Health Service has now been without its helipad for more than 12 months, and members of the community are concerned that action is not occurring with respect to this matter.

**The Hon. L. STEVENS (Minister for Health):** I thank the member for the question, and I will bring back a report to the house.

#### EDS

**Mr HAMILTON-SMITH (Waite):** My question is to the Premier, as Minister for Economic Development—since he is not here, I am happy for anyone to answer it. Has the government received any specific advice to suggest that EDS jobs may be relocating from South Australia to Malaysia as part of the company's 'best shore policy', and how much has the government invested in a specific strategy designed to ensure that South Australia remains competitive for large IT companies such as EDS?

**The Hon. P.F. CONLON (Minister for Infrastructure):** I will have to take that question on notice also, and I will bring back an answer.

**The SPEAKER:** The member for Schubert knows that, if he wants the call, he jumps.

#### BAROSSA HEAVY VEHICLE ROAD STRATEGY

**Mr VENNING (Schubert):** Thank you, sir. It is time. Will the Minister for Transport update the house with respect to progress with the Barossa heavy vehicle road strategy to bypass the major towns, and will she undertake as a matter of priority to assist with funds?

**The Hon. P.L. WHITE (Minister for Transport):** I will investigate progress on that and related matters and inform the local member. I am very keen that the state government pays close attention to the needs of the freight industry here in South Australia. That is why this government is doing all the work that we intend to do at Port Adelaide to harness the potential investment in our state's road and rail infrastructure to help our freight industry here in South Australia. That work includes the road and rail bridges at Port Adelaide, the rail infrastructure through Port Adelaide and leading into the port and the Outer Harbor upgrade—the deepening of the channel and related works. There is also the works that we have committed in this most recent budget with respect to South Road to help the north-south corridor in upgrading—

**The SPEAKER:** Order! The question was about the Barossa. I direct the minister back to the subject of the question.

**The Hon. P.L. WHITE:** There is so much to talk about and I do get passionate about it, which is why I—

**The SPEAKER:** No, the question was specifically about the heavy vehicle bypass of Barossa towns.

**The Hon. P.L. WHITE:** Indeed, sir. As I indicated, I will provide the member with an in-depth response regarding the work that has been done. Obviously, government understands the requirements of the industry and will do what it can to facilitate the transport network in that region.

#### INDUSTRY TRAINING ADVISORY BOARDS

**The Hon. S.W. KEY (Minister for Employment, Training and Further Education):** I seek leave to make a ministerial statement.

Leave granted.

**The Hon. S.W. KEY:** During question time the member for Hartley asked me a question about consultation and, I think, ANTA. I have asked the department to provide an immediate answer for the member for Hartley. The document to which the honourable member may be referring is the annual VET plan (South Australian policy), which has been circulated to a number of stakeholders under the employment and skills formation area.

My understanding is that two sets of consultation are being looked at. Primary interests were consulted between 17 June and 2 July. After collecting that information, the intention is to consult further until mid-August, particularly looking at the newly formed ACPET, which is one of the peak bodies, as well as Business SA. Also, a consultation process is occurring with the interim ITABs and some of the ITABs that are still around, albeit waiting to be reformed. A document has been circulated in an attempt to get feedback with regard to national priorities or strategies that South Australia may be putting forward. I hope that will help the member for Hartley. This sounds like the document to which

he may have been referring in the two questions that he asked me.

### HOUSING TRUST

**The Hon. J.W. WEATHERILL (Minister for Families and Communities):** I seek leave to make a personal explanation.

Leave granted.

**The Hon. J.W. WEATHERILL:** In response to a question asked in estimates committees on Tuesday 22 June, I told the house that the Housing Trust was putting in rainwater tanks when conducting renovations. I have since been advised that the trust does not in fact install rainwater tanks when upgrading properties. However, several measures and practices are adopted by the trust in relation to existing properties that encourage tenants to conserve water. They include:

- the installation of dual flush toilet cisterns, low flow shower heads and suds-saver laundry troughs when renovating older homes or replacing broken fittings;
- treating water leaks, including leaking tap washers, as high priority maintenance items for repair within 24 hours of being reported;
- working to reduce water consumption through the redesign of landscaping at trust properties with common garden areas; and
- encouraging water conservation principles by including a separate award for dry gardens in trusts in the trust's biennial garden competition.

### SENATE INQUIRY

**Mr BRINDAL (Unley):** I seek leave to make a personal explanation.

Leave granted.

**Mr BRINDAL:** In answering a question today, the Minister for Families and Communities said that I attended before the Senate inquiry into abuse of children in institutional care. I wish to make quite clear to the house that this is a matter of fact and that I actually appeared before the inquiry. I said that I was ashamed to do so as I was a member of a sovereign parliament. However, I appeared in the capacity of doubting this executive government's capacity, or its intention, to deal with the matter. So, the reason—

**The SPEAKER:** Does the honourable member claim to have been misrepresented?

**Mr BRINDAL:** Yes, sir. I do not want this house to be under the misapprehension that I appeared before the committee other than because I feared that this house would not do its job. That is the reason I appeared before the committee.

**The SPEAKER:** Order! The honourable member has no explanation to make whatever. He did not appear before that committee as a member of this house. He appeared before that committee in his own right as a citizen, as is quite properly his right.

### POLICE FILES

**The Hon. M.J. ATKINSON (Attorney-General):** I seek leave to make a personal explanation.

Leave granted.

**The Hon. M.J. ATKINSON:** The member for Bragg misrepresented me in question time by not completing the

sentence of the quote from Bob Francis's program on Radio 5AA. The entire quote states:

The thing is, Dunstan, as an elected premier, had the right to say to Harold Salisbury, 'I want to see the files. . . want someone to go through them.'

It is well known that premier Dunstan ordered Acting Justice Michael White to do just that, and to this day I support it.

**The SPEAKER:** I note that the Attorney does have access to verbatim transcripts from the media, as do all government ministers, but not all members of this chamber or the other place.

**The Hon. M.J. ATKINSON:** The member for Bragg had access to this, and deliberately misquoted.

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. DEAN BROWN:** I rise on a point of order, Mr Speaker. I would like to see the transcript which we have access to and which the Attorney-General waved around.

**The Hon. M.J. ATKINSON:** It is all yours.

**The Hon. DEAN BROWN:** This is not a detailed transcript from what I can see. Is it word perfect?

*Members interjecting:*

**The SPEAKER:** Order! The minister has chosen to give the honourable member satisfaction in his inquiry, and it is an entirely private matter between him and the minister. I was probably out of order myself for commenting on the crazy position that obtains with respect to the media monitoring unit. Are there any other honourable member's wanting to fuss up on anything?

**The Hon. DEAN BROWN:** For clarification, I do not believe the transcript that I have been given is a full transcript, but it is a summary of a transcript.

*An honourable member interjecting:*

**The SPEAKER:** Order! The Deputy Leader of the Opposition and the Attorney-General may chose to sit down and settle the matter between themselves in pleasant fashion.

### GRIEVANCE DEBATE

#### MOUNT THEBARTON ICE ARENA

**Mr SCALZI (Hartley):** Today I also wish to talk about the Mount Thebarton Ice Arena. In doing so, I acknowledge the comments of the member for Morialta in regard to the Police and Fire Games in 2007, and the contractual agreement the government has in order to provide facilities for ice sports. I believe that we have to think very carefully, and I trust that the Deputy Premier takes note of his son's comments. Only today, *The Advertiser's* front page reports that the Prime Minister 'launches attack on obese children'. I wanted to say that *The Advertiser* should not just make a headline like that. The whole question is about the health problems we are facing, and the lack of opportunities for young people to exercise. The article states:

Junior football, cricket and netball programs will be expanded under a multimillion-dollar scheme aimed at curbing rising rates of childhood obesity.

Prime Minister John Howard today will announce plans for at least 150 000 children to join after-school sport sessions run by schools, sporting bodies and community groups.

Community groups linked to schools—particularly parents and friends groups—will be given money to promote healthy eating.

Mr Howard also will outline a separate campaign designed to give families practical information on how to encourage children to eat a healthy diet.

The article goes on to refer to primary schools, and so on. The member for Florey, who, like me, is a member of the Social Development Committee, and the member for Playford would know that on 4 May that committee handed in its 19th report, which was on an inquiry into obesity.

I believe that the Ice Arena is a very good opportunity to implement the recommendations of that committee and, indeed, what has been publicised in our community—the need to get more facilities for young people to be involved in sport and to exercise, so that we do not face the problems outlined in that report. The looming closure of the ice arena next months spells disaster for the future of ice sports in South Australia, and for an activity-based venue that gets 300 000 visitations per year, second only to the zoo. I commend the organisers of that plea on Sunday to make sure that we get support for maintaining the ice arena. Apart from the Police and Fire Games, I believe that it is an important venue.

When I was a teacher at Marden High School, we used to take students to the ice arena and for wider studies at the Payneham ice centre. I remember when we had the centre in Hindley Street. We were the first state to have an ice rink but, if this venue closes, we will be the first to close it, and not have one. It is ironic that yesterday there was talk in the paper about freezing the lake, and at the same time we will see the closure of an excellent facility which gives thousands of young people the opportunity to get involved in an activity which is healthy, and which is good for them, instead of being involved in passive recreation and watching sport. I hope that the government takes note.

Time expired.

#### BACON, Mr J.

**Ms BEDFORD (Florey):** Last night ABC TV's *Australian Story* was a moving chronicle on Jim Bacon, the late, former premier of Tasmania, and his wife Honey Bacon, and insights into their fight with Jim's lung cancer during the last months of his life. He was, sadly, a smoker for many years and his message, even at that dark time, was advice to smokers learnt through his own bitter and hard experience. That message was, 'Don't start if you aren't smoking and, if you are a smoker, stop.' Honey Bacon announced that Jim's memorabilia will be sold to start a foundation in his memory. Although we have passed a condolence motion here already, the program gave me a greater insight into Jim's activities and passions, particularly his work on asbestos in Tasmania, which I was unaware of. It is impossible to estimate the number of lives Jim's actions must have saved by his stance on the prohibition on the use of asbestos on work sites. This action was no doubt prompted by knowledge obtained through his long association with the BLF.

I was able to attend the WorkSafe dinner last Friday where occupational health, safety and welfare innovations and practices were recognised by award presentations, and I would like to congratulate minister Wright, and Michele Patterson, from Workplace Services, for their work in recognising excellence in this area. The National Occupational Health and Safety Strategy 2002-2012 was launched in May this year, and it strives to implement and sustain substantial and important innovations in the nation's health and safety performance over the next decade, and I am sure that everyone here commends that work. In conversation with comrades at the dinner, in particular Martin O'Malley from the CFMEU, Jim's outstanding career and contributions were

remembered. The scourge of asbestos has been spoken about many times here in this house and, like smoking, its eradication can reduce preventable health problems and death.

Jim Bacon, through Honey and his family, will continue to reinforce this important message. I was reminded of this message again on the weekend when I was a guest at the handover dinner for a Lions Club in the north-eastern suburbs. Unfortunately the venue chosen had a downstairs smoking area that completely choked all the diners in the upstairs area. It was impossible to evade or escape the smoke during the 2½ hour dinner. The gentleman beside me who, unfortunately, was an asthma sufferer, was forced to resort to his medication on more than one occasion. I know that the Minister for Health is mindful of the problem of passive smoking in workplaces and entertainment venues, and how smokers might be affected by a ban in such venues. I look forward to working with her to ensure the safety of all who attend such public venues and in finding positive ways in which to encourage smokers to kick the habit.

I am not certain how motivational it was for Jim Bacon's work colleagues who are smokers to see the fierce and swift impact of his smoking once his cancer was diagnosed, or how we might best use his example. As I move around the community, people seem stunned at what happened to Jim but fixed in their mistaken belief that it will not happen to them. So much tragedy can be avoided and scarce medical resources saved and redirected if we can prevent smoking-related illnesses. I know that Jim's passing has had a great impact on me, even though I have never smoked myself. My father was a smoker and, although he died of cancer, it was a brain tumour and not necessarily smoking related. So many people around me now, in my circle of acquaintances, are fighting a battle with cancer. One in particular is Ron Gray, who is a noted peace activist. At the moment he is in hospital fighting cancer, having just discovered he has the illness. We all wish him well.

Whilst he and many others are not smokers, there are many who are. Our support for these people and their families in these stressful times who are dealing with an insidious illness is so very important. I commend the work of the Cancer Council in assisting people diagnosed with cancer and, of course, the medical professionals who care for these people and work with them through their illness and who, hopefully, help send the message to people, through their association with people with cancer or other illnesses, that the way we look after our bodies and the responsibility we take for our own health is an important first step in ensuring that preventable diseases remain just that: prevented.

#### YOUTH OPPORTUNITIES PROGRAM

**The Hon. M.R. BUCKBY (Light):** I rise today to congratulate the Youth Opportunities program which was put in place when I was minister in the previous government and which aims to assist young people in danger of dropping out of school. A couple of days ago I attended the launch of the partnership between the Youth Opportunities program and the *Sunday Mail*. It is planned that a feature will appear in the *Sunday Mail* every fortnight which will give the community some knowledge of those young people who are benefiting from the Youth Opportunities program. This program picks up the very people this government is saying it is trying to retain in school until year 12. It picks up those very young people, recognising that, in many cases, the problem is not

that they are uninterested in their studies but that they have low self-esteem and other problems in their lives.

Youth Opportunities is now operating in 10 high schools across the metropolitan area. I was pleased to see that the former minister for education has woken up and has paid for the program to be introduced into Craigmore High School, given the problems associated with that school earlier this year and late last year. I am told that the program is having a remarkable effect on both students and staff at that school.

In addition, Peter Marshman, who instigated the Youth Opportunities program, came to me part way through our last term of government and put to me the idea of this program. He has now taken this one step further. At that time he was asked: 'If you, as the prime leader of this program, or some of your trainers, are not able to cover the full field, something happens to you or you withdraw from the program, how can you ensure that this program will continue?' Peter has spent the last 18 months devising and producing an animated training package, and those who were at the launch of the *Sunday Mail* partnership were able to see the results.

I congratulate Peter on the production of this excellent training program for young people and for teachers and the brilliant way in which he has presented it. He has presented it in an animated form which will capture the age-group we are targeting: years 8, 9 and 10 students. He has also done it in a way which uses young people's language of today, and the characters are dressed in a way that will be appealing to young people. I think it is a production which Peter should be very proud of and one which will be available to schools and teachers throughout South Australia, and I expect this to go nationally, as well.

It is for these reasons that I cannot understand why this government is spending some \$24 million on a program aimed at retaining students in schools when around 98 per cent of the students who complete the Youth Opportunities program stay on until year 12—and these are students who were just about walking out the door of their high schools. Spending \$24.7 million on a program aimed at doing things within the curriculum and holding people's hands to make sure they go through does not recognise that the problem is not there.

The problem is with the self-esteem and other associated problems that exist with these young people. The fact is that Youth Opportunities is a program which can solve many of those problems and lift the self-esteem of these young people to ensure that they then go on and complete year 12. I ask the minister to look at this program and ask why it is not being put into every high school in South Australia, because I can assure the minister that it will change retention rates. I am sure that now that Peter has produced this animated training package it will be acceptable to all schools.

### HOSPITALS, WESTERN

**Mr CAICA (Colton):** Today I wish to speak about the Western Hospital, and I know that I have spoken about that hospital on a few occasions—indeed, there is probably only one other hospital I have spoken more about and that is the QEH. But today I will focus on the Western Hospital. I do not need to go into any great detail about its history—I have done that before—but I would like to reinforce the fact that it was a hospital that opened in the early seventies and was established by the community for the community, with some state government contribution at that stage. It was a hospital that serviced the private health needs and acute care needs of the

community—indeed, my son was born there and I know that one of the member for Enfield's children was born at that hospital as well. It met the needs of the community very well.

It joined with ACHA (I have gone through that before), and in its infinite wisdom the Adelaide Community Healthcare Alliance decided that the hospital was not performing very well and, as such, would be sold. In fact, ACHA could then realise one of its assets and remedy the cash flow problems that it had at the time. It closed on 23 July and was decommissioned that day. It was sold to Elderly Citizens Homes (ECH) and closed as a primary health care facility. Eighteen days later it was recommissioned, and it was recommissioned because of the efforts of Dr Richard Noble and a consortium he headed up, and opened again as an acute care hospital. From that time until now it was, in a sense, on trial: that is, would the consortium be able to transform that hospital into a going concern and would it get the community support required to enable it to stay open. It was a high risk strategy that was undertaken by Dr Richard Noble and his consortium, but he knew there was an enormous amount of community support for the continuation of that hospital to service the needs of the western suburbs.

Twelve months later I was invited to a press conference that was held on 7 June at the Western Hospital, with the media alert issued under the heading, 'Miracle Cure'. Indeed, it was a miracle cure. At that stage it was announced by Dr Noble that the hospital was going to be purchased by the consortium: that is, they had met the requirements that had been agreed to between the consortium and ECH. They had transformed that hospital (if you listened to ACHA) from one that was underperforming and not being utilised by people and that was, in fact, a drain on the services of the Adelaide Community Healthcare Alliance to a hospital that had a bed occupancy rate of 97 per cent, where all wards were fully operational, and where 90 per cent of the theatre lists were fully booked. So, in that period of time, there was a magnificent transformation.

I congratulate Dr Richard Noble and his consortium. They took a high risk, but they were able to transform the fortunes of that hospital; and, indeed, a miracle cure was seemingly achieved by those people. Of course, he did not do it by himself. I know that Dr Noble and his fellow partners would want to acknowledge a few people. I know that I will leave some out, but thanks go to the community that joined ACHA and tried to fight the decision to sell that hospital and, subsequently, formed the Friends of the Western Hospital. He would like to thank (and I know that he did) the current and former staff and, indeed, the entire community. I would like to name a few people: Anne West and Chris Daulby, former directors of nursing in that hospital; and Angelo Piovesan and Mr Gordon Billows for their particular and specific efforts. Whilst this hospital will no longer be in the truest and strictest sense a community hospital, it will be there to service the needs of the community and will keep the community's best interests at the forefront of its decision-making.

I would like to finish by having another parting shot at ACHA, and I will come back to the house and report further on this. I believe that ACHA was less than truthful with respect to the representations that it made to the western community in regard to that particular hospital. They overcapitalised through the various mergers that occurred under the auspices of ACHA and the purchase of Medibank Private. They needed to realise an asset and they were willing to sacrifice the Western Hospital to be able to achieve that aim. It was a commercial decision more than anything else,

but they were not up front with the people of the west and, for that, they will forever be remembered very poorly.

In conclusion, Elderly Care Homes did an outstanding job with the arrangements they entered into with Dr Richard Noble. However, I issue a word of caution: there is a question mark over the future of the 30-bed acute care facility in that area.

### FIRE BLIGHT

**Mr GOLDSWORTHY (Kavel):** I would like to inform the house of a serious matter that has the potential to severely affect our horticultural industry, not only here in South Australia but throughout our great nation, in particular, the apple and pear industry. Mr Speaker, you are a learned scholar in matters relating to horticulture, and I know that you have had a keen interest in the apple and pear industry over a significant part of your life.

I refer to the threat of an insidious disease called fire blight. For members' interest, fire blight is a disease that has symptoms showing brown or black blight and sunken cankers, which infect and kill blossoms on apple and pear trees, as well as the flower stems, fruit, leaves, branches and the whole tree. The disease causes long-term reduction in the bearing capacity of trees by killing fruits and spurs and destroying the wood that bears fruit the following season.

Fire blight cannot be cured. Once it is established, it is in a region or nation forever. However, it usually remains dormant over the winter months and flares up in the spring, coinciding with the main growing season. Fire blight is not found in Australia. However, it is endemic in more than 40 countries around the world, including New Zealand, the United States, South America, the UK, Europe, the Middle East and Japan.

The issue that faces not only South Australia's apple and pear industry but also the nation's pome fruit industry is the potential importation of apples from New Zealand. This is not necessarily a new issue—this has been on the agenda for years. New Zealand has been trying to export their apples and pears to Australia for a long time, as I said. The industry knows that this is not a trade-based debate: it is purely debated and argued on the potential risk of the introduction of fire blight.

Recently, I attended a meeting at the Lenswood Horticultural Centre, where many apple and pear growers attended, together with officers from a federally administered organisation, Biosecurity Australia, who oversee and undertake risk analysis on the importing of a whole range of goods from overseas. Biosecurity Australia prepared a voluminous draft document that basically recommends that three protocols be put in place to reduce to an acceptable level the risk of the introduction of fire blight into Australia as a result of importing New Zealand apples. The industry strongly argues against these three protocols and, for the interest of members, I will explain them. The first protocol is that the fruit not be sourced from an affected orchard in New Zealand—and that seems pretty obvious to me. The second step in the process is that the fruit be dipped in a chlorinated bath and, thirdly, after it is packaged, that it be held in cold storage for a period of time.

**The SPEAKER:** Hydrofluoric acid, I hope.

**Mr GOLDSWORTHY:** That might be the case, sir. However, the Australian industry has undertaken its own scientific analysis on this issue and is adamant that those protocols are totally inadequate for the importation of New Zealand apples where an acceptable level of risk would result.

A statement issued by Apple and Pear Australia Limited, which is the overarching industry body in the country, stated:

Fire Blight has the potential to effectively destroy the Australian apple and pear industries. Research has shown it would cost the industry \$1 billion over six years and would threaten around 250 000 jobs.

Not only does it have the potential of causing significant economic damage to the regional economy in the Adelaide Hills, where the apple and pear industry is dominant, but it also has the potential of causing future damage to the Australian economy. The information I received from APAL also states that Australian growers reject the draft risk analysis proposed by Biosecurity Australia, saying that the protocols are among the weakest in the world and would inevitably lead to the introduction of fire blight.

### FURNISHING INDUSTRY

**Ms THOMPSON (Reynell):** I am sure that you, sir, together with other members of this chamber, have from time to time read of the deaths of young children and babies in cots and bunk beds. These occur through entrapment, hanging and falls. While these deaths are not frequent, they occur from time to time, and every such death is a tragedy and generally unnecessary. Recently, other members and I were approached by the Furnishing Industry Association of Australia asking for our support of its industry. The national association is located in Lonsdale, so I ensured that I met with Martin Videon, the national Vice President of the FIAA, and obtained a more comprehensive understanding of the issues for this industry.

The focus of the material sent to us is on jobs and, in discussion with Mr Videon, I learned about this important matter of safety, which involves two issues. Australian manufactured products comply with safety standards relating to fire and design; imported products do not, and then they must be chased down at times of tragic incidents. In terms of fire safety, Australian manufactured products have to be both fire resistant and ensure that they do not release deadly chemicals in the event of a fire. In terms of the design standards, they have to guard against entrapment, falls and hanging. Imported products do not.

As well as protecting the safety of our children through supporting the FIAA's case, we are supporting Australian jobs. The furniture industry provides jobs for more than 94 000 Australians, who produce more than \$8 billion of product annually. They face a number of difficulties. Over the last 10 years their work force has halved. This means that we are putting at risk Australia's investment in skills such as cabinet making, wood machinists and polishing. The furnishing industry is quite varied and comprises kitchen fittings, domestic manufacture, commercial fittings, curtains, carpets, etc., and just about everything we can think of to do with homes and commercial environments.

Yet at the moment, they are seeing Australian timber, particularly from our South-East being exported, where in places such as Malaysia and Vietnam, it is treated and seasoned then manufactured into product which is returned to Australia. This often appears as 'Made in Australia' and that is because the Australian component is 50 per cent or greater, largely through the initial investment of the growing of the wood and the fact that imported product is assembled in Australia. This gives a false impression of the Australian investment in this product, so the FIAA is seeking a different labelling of 'Product of Australia', so we are able to make a

valid choice about our purchase of furniture, so we know whether it really is something from Australia or whether it has a large component of imported manufacture in it.

I think most of us are well aware of the firm Sellick's of Unley. It has been around South Australia for many years providing an excellent product which is manufactured in Lonsdale. Unfortunately, Sellick's will be closing at Christmas, with the loss of approximately 18 manufacturing jobs as well as sales jobs. Sellick's, an excellent firm, is no longer able to compete with the imported product. When it initially announced that it was closing down, there was such a reaction from the community and from customers that they have extended the time that they are available in order to fill the rash of orders that the announcement of the departure caused. It is sad that we are losing Sellick's and it is sad that we are losing our furnishing industry.

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### AUSTRALIAN ENERGY MARKET COMMISSION ESTABLISHMENT BILL

Adjourned debate on second reading.  
(Continued from 2 June. Page 2413.)

**The Hon. W.A. MATTHEW (Bright):** I rise as the opposition's lead speaker to address this bill before the house. There is a lot of history to this bill and I am mindful of the fact that there have been a lot of meetings behind closed doors. I am sure that the minister will, at the time he exits parliament, reflect on some of these meetings with genuine fondness. I can well imagine that the dealings with the other states were an interesting spectacle, as they often are. Having served on ministerial councils myself, I know full well the dilemma in negotiating agreements with other states.

The history of this bill goes back to 8 June 2001 when the Council of Australian Governments charged the Ministerial Council on Energy with the task of addressing a series of things in order to establish an open and competitive national energy market which contributes to the economic and environmental performance and delivers benefits to energy users, including those in regional areas. At the same time, COAG agreed to an Independent Review of Energy Market Directions, which was ultimately chaired by the Hon. Warwick Parer, to identify the strategic issues for Australian energy markets and the policies required from each jurisdiction. COAG requested that the Ministerial Council on Energy oversee the Parer review, and it reported back on 20 December 2002. That then followed with a comprehensive response to the Parer review by the Ministerial Council on Energy and, effectively, that went to COAG on 11 December 2003.

The Parer report recommended a package of reforms, which, effectively, covered six key areas; that is, governance in institutions, economic regulation, electricity transmission, user participation, gas market development and greenhouse emissions. The intent of putting together this review in the first place was a recognition that the energy sector in Australia is a \$100 billion industry. Therefore, understandably, it is a particularly high priority of not only the commonwealth government but also all governments around Australia. The market reform process that has occurred until now has been very much supply-side focused.

Around Australia we have seen disaggregation and commercialisation of government-owned business; we have seen the establishment of a wholesale market; and we have seen a change in consumer choice in the way in which energy services have been delivered. I think it is fair to say that through that process there is undoubtedly room for significant improvement. That is something on which all people, regardless of political persuasion, would agree. Importantly, in relation to the Australian energy sector, it is estimated that an investment of \$37 billion will be required over the next decade to meet Australia's energy needs. If as a nation we are going to have a climate that will encourage that expenditure and ensure that investment is attracted and well placed, clearly we have to have reforms in the way in which the market operates.

This report and the numerous ministerial meetings thereafter became an important process to work through in order to undertake the task of ensuring Australia's energy opportunities for the future. South Australia has an important role in this process in that this legislation is a bill on behalf of all states because South Australia is the lead legislator for the ministerial council on this matter. This bill undertakes some important changes. Essentially, it establishes a new commission with responsibility for rule making and market development across the entire Australian energy sector. South Australia, of course, has been participating in the whole reform process that has followed the Parer review, and South Australian staff have been working on the ensuing changes that we have now in the resultant bill before us today after national endorsement.

The Ministerial Council on Energy agreed that the existing legislative framework for the national electricity market and the network access regimes for electricity and gas needed to be simplified. Certainly, the opposition has no disagreement in relation to that. Indeed, it does need to be simplified and clearly amended to establish a Ministerial Council on Energy role for national energy market decisions and policy.

As I understand it, this bill ensures that the ministerial council on energy assumes a national policy oversight role for the total Australian energy market, inclusive of gas and electricity, and will supersede the existing NEM (national electricity market) ministers' forum in which South Australia is a participant. Two new regulatory bodies are to be created: the Australian energy regulator (AER) and the Australian Energy Market Commission (AEMC). The ministerial council on energy will oversee the policy framework under which the new regulatory bodies will operate, but it will not be engaged directly in the day-to-day operation of the market nor the conduct of the two agencies.

The premiers and chief ministers have signed the Australian energy market agreement, under which the Australian energy regulator will be established as the national electricity market regulator for both electricity and gas, and the Australian energy regulator will become responsible for the regulation, distribution and retailing, other than retail pricing, during 2006. Essentially, that means for South Australia that, upon the passage of this bill, many of the tasks undertaken by the Essential Services Commission, Lew Owens and now the other three commissioners who have joined him in his task, will be transferred to this new body but will retain the price fixing role within the Essential Services Commission. If this sounds a little convoluted in process as I am working through it, I make no apology for that as the process is not one of my making but one of national agreement.

As I start to detail this process, I remind members that the reason for this new regime is to simplify the process and have less bureaucracy, resulting in a more straightforward process. I have my doubts that that is what we will achieve, but I do not decry the fact that change is very much needed. So, it places us in somewhat of a difficult position. It is the best way forward, recognising that it is but a compromise between all states in order to get an agreement so we can at least change something, or are we better off to keep the broken system we have? That is the dilemma facing the parliament at this time.

We also have a situation where, even though South Australia is the lead legislator with respect to the Australian Energy Management Commission, as such the new commission to be established by this bill will be physically located in Sydney. This commission will have the powers through the amended national electricity law and gas pipeline access law, which will in turn be applied by the amended application acts of the states and territories. In this way the bill before us will give rise to new national rule making and market development agencies which, over the next year, will have jurisdiction right across Australia. Some members will be aware that we have in South Australia the National Electricity Code Administrator (NECA), and its staff are presently headquartered in Adelaide but will be made redundant by this bill. I am disappointed that we will lose staff from South Australia and, while there is not a large number of staff, certainly it would have been the opposition's preference that they be retained in South Australia.

**The Hon. P.F. Conlon:** Mine too.

**The Hon. W.A. MATTHEW:** The minister indicates that it would have been his preference that they stay here also. Such is the dilemma in dealing with other states. There were interesting antics involving the states of New South Wales and Victoria, which the minister may or may not wish to share with the house later. Those states were determined that they would have part of the so-called action within their jurisdictions so that we now have part of the staffing to be located in Sydney and a lesser part located in Melbourne. The Australian Energy Market Commission will be located in Sydney.

It is of concern that decisions presently made here in South Australia will in fact be made on the eastern seaboard—in Sydney and Melbourne—about important things like our energy market. This bill facilitates that, but the opposition is mindful, despite our concerns, that this bill is an agreement between the states and the commonwealth. We understand and acknowledge that. As I said, having served on ministerial councils myself, I understand the difficulties getting all states to agree. It is not an easy process and, indeed, it can be a very frustrating process to have to work through.

As we now have a national energy market, we have no choice but to negotiate with the other states to try to make what has become an unwieldy beast work to the advantage of the people we serve—and, in this state, that is the South Australian community. People wish to buy their electricity and gas at a cost-effective price and know they are not being ripped off; and they wish to be able to switch on electric lights in their homes, to have efficient power and, likewise, to turn on gas appliances and have a continuous and reliable gas supply.

We are told that this process will deliver us a more efficient regime that has been agreed to by all states. I have had extensive discussions with my federal colleagues in

relation to this bill. I have had a number of private discussions with the federal minister (Hon. Ian Macfarlane) and also his staff, at length, about the merits that they see in respect of this bill and where they believe compromises might be made to accommodate states.

I could probably detail at length to the house concerns about aspects of this bill but, frankly, I see little point labouring for an extended period on it. It may even be that the minister shares similar concerns about the guarantees that have been given. In the end, the opposition is reluctant to say we support it, but we simply accept that it is a matter of negotiation with other states. We are dubious that it will deliver the benefits that have been claimed, but we recognise that the present system cannot continue. The system is limping along and, certainly, all Australians deserve a better system than the system they have. We can but hope that this agreement—this compromise after negotiation with all states—delivers that better system, but we are very sceptical about that.

**The Hon. P.F. CONLON (Minister for Infrastructure):**

I thank the opposition for its support for this bill. In replying to some of the comments of the member for Bright, there is no doubt that this is not what I would describe as the perfect outcome. If I had been free to have designed it entirely, it might well have been somewhat different. It needs to be measured against the situation in which we are at present and the situation that is created by this and matching legislation that went through the federal parliament last week—last Friday, I am told.

At present, we have a very inadequate set of regulatory structures for the national electricity market. This market is of enormous importance to the people of Australia. It is a market of enormous investment and infrastructure and, therefore, a very important market to get right. It is a developing market (it is developing because it is relatively new in Australia), and we have a code-making or code-changing process which is virtually dysfunctional. It requires endless conversation between the National Electricity Code Authority and the ACCC to approve code changes.

The best example we can give is that concerning the code under which the original SNI interconnector failed the regulatory test. At the time it failed the regulatory test, some six years ago, it was recognised that it was not the interconnector that was wrong but the regulatory test. It then took more than two years of toing and froing, when everyone agreed that the regulatory test was wrong, to change it to a better test. That is a dysfunctional system.

What we also see in the current structure is an overlapping of roles in a very unfortunate and unhelpful manner. The fact that the regulator for certain parts of the national market (particularly transmission and those sorts of regulatory tests) is the ACCC and the fact that, in my view, the ACCC has a broader policy agenda of its own and is required to approve code changes creates a position where we have what should be a regulator engaging itself in considerations of policy. Once those roles become blurred, you start to get the very poor outcomes that we have seen in the national electricity market.

The third thing that is absolutely manifest in the market at present—as all policy commentators have said—is the absence of policy direction. I agree that this is not perfect. If I were free to draw it up myself, it would be different, but the new system will provide that missing policy through the role of the Ministerial Council on Energy and its role in the

Australian Energy Market Commission. It will have a rule-making body, which will have a much clearer brief and policy direction from the ministers so that the market can develop and respond to the needs of participants, and it will have a regulator that is truly a regulator. It will involve a role for the ACCC, but it will also involve two other regulators being appointed by the states with a clear brief to be regulators and not policymakers—not to fill policy vacuums.

All those things are significant steps forward. It is extraordinary when you look at the size of the bill that so many years and so much talking could be reduced to half a dozen pieces of paper, but you will find, sir, that I will be back in this place in, I think, about September with substantial changes to the national electricity law and the various bills dealing with electricity and gas, and I assure the house that those bills will be considerably larger—about telephone book size, I am told at present.

What we have here is the ability to commence the commission, to set it up and to have it in place. It is very much at the moment, if you like, an empty box to be filled by changes to the substantial law. With this bill we can get it up and running, and I am grateful for the cooperation of the opposition. If members of the other place do what they say they will, I hope we will have it up and running before 1 July, which will be a remarkable achievement given some of the hold-ups that we have had this year. However, I recognise that we could not do that without the support of the opposition.

It has the support of all governments (state, territory and federal) involved in the national electricity market. I want to put on the record that the shifting of distribution and retail regulation to the national regulator was at the insistence of the commonwealth. We would have been unable to reach agreement without that. It is an agreement in principle. It has an ambitious timetable, which I do not think can be met, but we will keep our word. As a pre-condition for any retail and distribution going to the commonwealth, we will insist that it will continue to be done locally.

In my view, the simplest process would be for our own regulatory structure to become a branch of the AER. An office of the AER will be set up in Adelaide. Whilst the National Electricity Code Authority in the future will be abolished as a result of these changes and the Australian Energy Market Commission will be established in New South Wales, I indicate that the money for the initial operations of it will be paid until those costs are recovered from industry. Whilst that will occur, what we have negotiated with the other states and the commonwealth in what has been a difficult process is that a branch of the Australian Energy Regulator will be established in Adelaide. It will carry on the market enforcement functions that currently reside with the National Electricity Code Authority.

So, those parts of NECA that go to creating the market codes will go to the market commission, but those market monitoring and enforcement roles will continue to be played in Adelaide through a branch of the Australian Energy Regulator, which will give us a toe in the door if we can reach agreement on the transfer of distribution and retail (other than in principle) and give it to an organisation already with a presence in Adelaide. Again I stress: for the protection of South Australians, it will not occur unless there is an agreement that locals regulating what needs to be regulated locally will continue to do that within the AER based in Adelaide. I cannot speak for future governments but, from my perspective, that is a non-negotiable condition. The

distribution, in particular, must be regulated locally: it is simply a nonsense to attempt to do it any other way. I indicate that there are very few people who have the necessary expertise, and you would not want to have to reinvent them. I thank the opposition for its support. I have one small amendment to clause 14, but otherwise I simply urge this house and the other place to assist in passing this to meet the commencement of the financial year.

Bill read a second time.

In committee.

Clauses 1 to 3 passed.

Clause 4.

**Mr HAMILTON-SMITH:** My question is a general question about the application of bill, but it does relate to the extent to which the Crown is bound. Does the minister envisage that these new arrangements to govern the national market might impact differently in South Australia, where the assets to be governed by these arrangements are largely in private hands from, say, in a state such as Queensland where the bulk of the assets remain in the hands of the Crown through a corporatised arrangement? In those circumstances, how will the functioning of these new arrangements differ in South Australia from, say, a state where they are in the hands of the Crown or corporatised?

**The Hon. P.F. CONLON:** It is a good question. It is probably more relevant to what will happen with the regulator in about a year's time. At present, we have a national electricity market where the substantial laws are a national electricity law and code. It applies in two jurisdictions which are privatised and in two jurisdictions which are government owned. The market rules apply equally, but the activities in which those jurisdictions are able to engage lawfully but outside the national electricity law vary.

In New South Wales, while you have the application of the national electricity market—a real-time pool price—under their state laws they have created a tariff equalisation scheme, which basically is rather a large hedge against the risks in the spot market. Different options are available to have the assets in public ownership, while the law is intended to apply uniformly. What we do not do is take away the sovereignty of states.

The member would be aware that Queensland, for example, made a very wise choice and steadfastly refused to introduce full retail competition until they can see a benefit for customers there. I am a bit of a lawyer, but I do not think I am good enough to explain all the arcane considerations of the cooperative legislative structures that we have created in Australia in the past two decades. However, the intention is that the law applies equally. The point I would stress is that there is an ability in those states that own their assets to take options that we do not have.

I wish to add something that I should have said during the second reading, and it was remiss of me. I place on the record the government's appreciation for the work of the Micro-economic Reform Unit in preparing this legislation. The timetable was under enormous pressure after significant delays outside our control were created. Members of the unit did this while they were also preparing for competition in the gas industry. There is not a lot of people in the unit and they all work very hard, and I think it is necessary that I place on the record our appreciation for what was done.

**Mr HAMILTON-SMITH:** It is. Is there any aspect to the proposed new arrangements in the bill that might lead to a conflict should at any future time the Crown in South Australia choose to get back into the electricity market—for



example, by purchasing a power station or by repurchasing some component of the electricity network? Is there any aspect to the arrangements and structures that this bill creates that might cause a conflict for the Crown in such a case?

**The Hon. P.F. CONLON:** No, that is not my advice—and I point out that the Queensland government has purchased assets in South Australia. It owns the wind farm and is in the process of developing another one. It also owns a proportion of one of the monopolies; it just escapes me now which one. There is no reason why governments cannot own assets. The things that prevent us from re-nationalising the electricity assets go far more to the terrible nature of the privatisation than they do to any prohibition of law.

**Mr HANNA:** Has the minister had any advice or approaches made to him suggesting that the reach of this legislation could be unconstitutional or that the national legislation—the Australian Energy Market Bill in the national parliament—is unconstitutional because it relies upon this state legislation?

**The Hon. P.F. CONLON:** No, that certainly has not been suggested. There have been arrangements in this process about the best way to achieve a uniform scheme. In fact, one of the reasons why we had delays this year is that one of the states decided that its legal advice would be that it would be better done under commonwealth legislation, which was not something with which our legal advice agreed. I do not think there is a question about the constitutionality of the entire system, but there may be legal argument about the reach on particular issues, that is, there may be legal argument that it cannot do all that it sets out to do. But it has not been put to me that there is a legal argument that the entire system is unconstitutional.

One of the reasons that we support doing it this way, in terms of the market commission being created by the states (with South Australia as the lead legislator), is our legal advice that we would have had to confer powers upon the commonwealth, and that is not something that we believe should be done very lightly at all. We see no argument for doing that. Our best legal advice is that this is absolutely sound constitutionally; and, I guess, there might be some arguments about the reach on every aspect. Of course, this will have to be seen with substantial changes to the national electricity law, as well as some of the legislation governing gas that we will be bringing back to the parliament in September.

**Mr HANNA:** I appreciate the minister's sentiment that it would not be desirable to give up the state's power to the commonwealth in respect of legislating on these matters. As an aside, I wish that the minister had had that view in respect of so-called anti-terrorist measures that went through this parliament just over 18 months ago. Before I ask my question, I would like to take the opportunity of complimenting parliamentary counsel in South Australia, because, when I look at legislation in other states, and, indeed, the commonwealth, the South Australian parliamentary counsel office measures up very well. So, perhaps we can be grateful that South Australia is the lead legislator, but, obviously, it is a cooperative effort. What work do these following words have to do, 'So far as the legislative power of the parliament permits'? In other words, why are those words included in the legislation?

**The Hon. P.F. CONLON:** As I understand it, we are recognising that there are limits to the reach of the plenary powers of this parliament. My understanding is that it merely expresses our desire—if a court is interpreting it—to extend

that reach to the full constitutional length that we have, and that, in fact, the legislation should be read that way. We are telling the courts, 'We want to do as much as we can, so do not think we have deliberately left anything out.'

**Mr HANNA:** I am glad that the minister is not stingy in seeking to extend his power. He has never had a reputation for being lacking in that department. However, there is a question about what happens if one of the other states takes a strongly-held position different to that which is in this legislation and wishes to legislate differently. This question probably comes up every time there is uniform legislation, but this is, I think, an appropriate clause to put that question to the minister. Is that something that would be negotiated through the ministerial council, or could there be some jeopardy to the scheme if one of the other states sought to go a different way?

**The Hon. P.F. CONLON:** My understanding of why we prefer doing things this way rather than surrender power to the commonwealth is because it does not involve a surrender of sovereignty. So, any state that wishes to can legislate differently, but, in doing that, in all likelihood it will disqualify itself from participation in the national electricity market, which would be a difficult thing given an interconnected transmission system. But, certainly, the reason why, when we came to government, we identified that there needed to be substantial improvement in the national electricity market—and we are more than two years in before we have a bill—is that everything had to be agreed.

The bill before us is the subject of an inter-governmental agreement signed by every state. It relies on the ongoing cooperation and willingness of the states to be in the market. My understanding of the constitutional position is that, in most sovereignties surrendered, if any parliament wants to exercise its constitutional power to change the laws that apply in each state it can do that.

Clause passed

Clause 5 passed.

Clause 6.

**The Hon. W.A. MATTHEW:** Clause 6 relates to the functions of the AEMC. As was detailed earlier, the Australian Energy Management Commission will take on some of the functions that are presently undertaken by the regulator and other bodies presently located in Adelaide. The minister indicated to the committee that it was also his preference that the National Electricity Code Administrator staff stays here; regrettably they will be going. The minister indicated that at least there will be an office of the Australian energy regulator in Adelaide, so I simply ask the minister how many staff are presently here with the National Electricity Code Administrator, and how many we expect will be here with the Australian energy regulator. I do not expect an exact number, just a ballpark figure.

**The Hon. P.F. CONLON:** Depending on who is still there, I think there are presently about 10 to 12 in NECA. We believe the functions we talked about (market enforcement and market monitoring) take up about five to six of those people; maybe half of the staff will become part of the regulator. We are still working on the Australian market commission. We basically have the framework of it. I believe we need to have substantial further consultation with the industry, for example, about the roles and functions of the AEMC over the period when we will be bringing back substantial changes to the national electricity law. In the meantime, NECA will be required to continue those functions necessary for the operation of the market. The most immedi-

ate ones are market enforcement and market monitoring. They are the ones who will stay in a branch of the AER in Adelaide.

**The Hon. W.A. MATTHEW:** In addition to the roles that are being transferred from the National Electricity Code Administrator, work is also presently being undertaken within South Australia's Essential Services Commission. Has the essential services Commissioner responsible for the staffing of that office, Lew Owens, yet determined and advised the minister whether any staffing changes will be necessary as a consequence of this? Does he need to reduce his staff or, with the other work he has on hand, will he need staff to absorb that regardless?

**The Hon. P.F. CONLON:** He certainly has not. I would be surprised if he did because nothing in this changes the present role of ESCOSA. The only change in the role of ESCOSA is the decision, in principle, to transfer distribution and retail. There are pre-conditions that I would set upon that. I think the question raised by the member for Waite will become very prominent in the minds of some eastern states people in the transfer of distribution and retail. For example, Queensland not having full retail competition will have a large hurdle to get over in working out how to get from in principle to in substance. I think New South Wales will very likely want to defend its ETEF scheme, which might equally have some difficulty under those sorts of conditions. While I think it is a sound agreement in principle, my own view is that I would not be going to Sports Bet and putting too much money on it getting up.

**The Hon. W.A. MATTHEW:** In view of the fact that we will have a sub-office of the Australian Energy Regulator here and that only a small number of National Electricity Code Administration staff will be displaced, will they have the opportunity of obtaining positions in the eastern states? We have an Australian Energy Regulator; we have the Australian Energy Market Commission; and we have all states probably retaining their regulator staff. Bear in mind that industry is drawn upon for levies to fund these administrative positions, and the minister would have received similar representations to the ones that I have received.

Industry does not like paying these levies. I do not have a problem with their having to pay them, so their complaints do not have lot of sympathy from me. However, if a larger bureaucracy builds they may have a case for saying that, if it is to be even bigger than it is now, they may have issues in the way in which they are levied. Does the minister believe that we are going to end up with fewer staff in this process, as was the intention initially, or does it look as though we are going to have more staff around Australia to administer the final process?

**The Hon. P.F. CONLON:** My view has been throughout this process that the staffing levels should not change much at all. I do not know at all what they do in the ACCC and, frankly, there are a lot of things I do not understand about the ACCC. The Murraylink decision is one that I am still shaking my head about. If I had written this, it might have looked different. My view was that not only should we keep the local regulators as they are but also the national regulator, logically, should be made up of the state regulators. If you want uniformity of regulatory approach, put them all in the same national regulator—but, of course, the commonwealth needs to feel that it has a strong role there as well. My view is that there are a limited number of people in Australia with the skills required to do this. Some of them are based in each state; they have a full workload, and they will continue to do

that. The best way to create the national regulator will be to make use of the people who exist in the state regulatory systems, and that is what I would support. This is simply the empty box, so to speak; we have got to spend a lot of time filling it.

Coming into the future there will be a substantial body of changes in September. I think that the middle of 2006 is the time forecast for the in-principle shift to distribution and retail. There is a lot to be done before then. It is quite possible that we will be able to give fuller answers to these issues when we debate the more substantive measures in September, but my own personal view is that there is not a need for a lot more staff, but there is probably not a great opportunity to reduce staff either. I do not think that the industry pays too much in the way of levies. I know that any levy is too much for some participants in the industry.

I do not think that we are over-regulated in Australia and, for all its shortcomings, we have probably got a better system of regulation in Australia than most other places in the world. The truth is that no one has this right anywhere. The people from the dismal science got their hands on the throats of the electricity systems around the world some time ago and have nearly choked the life out of them—but ours is not as bad as some. We have managed not to lose the transmission system as happened along the east coast of the United States—actually, it was North America, as it extended into Canada. So, our system is not too bad.

I have said throughout this process that, given the level of investment that there is—the level of investment required in infrastructure in electricity is very expensive stuff; very lumpy capital—while we need better systems, we need to give certainty that there is not a fundamental change in approach. We have been saying that over and over and, I think consistent with that, I do not foresee reductions in staff or increases in staff from the perspective of South Australia. What happens in the eastern states we do not necessarily control, from our perspective in South Australia. We have been beefing up the Essential Service Commission (as a result of the next bill of parliament we will be talking about), because it has a more substantial role, and it will have an even more substantial role with the transfer of gas into the future. I really do not see that changing a lot.

**Mr HANNA:** The minister may have answered this question in his previous answer. The minister has described this legislation as setting up the box or the framework, and we will put a whole lot of stuff in it later in the year. I take it, then, that, until the national energy legislation goes through, this body will not really be doing anything. I say that particularly in light of the fact that commissioners have no personal immunity, even if they are appointed on or soon after 1 July.

**The Hon. P.F. CONLON:** It is an interesting debate. There are some things that we would like to have in legal existence. We would like to be able to start thinking about a levy to fund the body, and we would like to start finding commissioners. What we do know very clearly is what its role is, that is, to make code changes. We know what sort of skills we will need in commissioners to make the place work, and we know what roles exist in the market at the moment—in NECA, NEMMCO and the various institutions. What we will decide is which ones are suitable and which should be performed by the market commission and which should be performed by the regulator in future. As I said, some of NECA's roles more logically fall within a regulatory body monitoring market enforcement. We have a very clear picture

of its overall purpose, and there are a lot of things we can get started on. We are particularly looking to appoint some commissioners. Employing people with the proper skills in this industry is not easy at all, and we would like to get out there and get a move on.

**Mr HANNA:** This is another question which might have to be addressed when the national energy legislation comes before this parliament. What about the issue of renewable energy sources, which is an issue not directly related to electricity production, although I suppose wind power is related to electricity production? Is it anticipated that the MRET targets will be the subject of advice by the AEMC? Is it anticipated that the AEMC will take an interest in solar energy and energy efficiency and the like? Can those answers be provided now or is that something that will be dealt with at the time we debate the national energy legislation?

**The Hon. P.F. CONLON:** I can give the member some indication, because it is particularly timely, especially after the emergency meeting of state ministers on Saturday to deal with some of these issues. One of the things this new structure achieves is to put policy direction back into the national electricity market, through the Ministerial Council on Energy, after years of not having it. As a result of the failure of the commonwealth on these issues in its recent white paper, the four ministers who met on Saturday have agreed on a number of things, some of which are existing workloads that will be accelerated. Last year South Australia, New South Wales and Victoria—and now the other states have joined in—agreed to get together to discuss whether we can create a state-based emissions trading system, which we think is very important. That work will now be accelerated with the failure of the commonwealth on this issue.

The member would no doubt be aware that the mandatory renewable energy target was the subject of lengthy discussion and uncertainty. The industry was at first buoyed by the findings of the Tamlin report, which were quite moderate but meant that it had a future. Unfortunately, as the member has said, the industry did not realise that the commonwealth would completely ignore those findings. One of the things the ministers are now examining is the feasibility of the states establishing mandatory renewable energy targets. If that were to be done—and of course we have a long way to go before we see how we could do that—the proper vehicle for electricity generation would be the national electricity market.

There is no doubt about the ability of the MCE to have policy direction over the market commission, which could be more responsive to the needs of the jurisdictions and participants, which gives us an opportunity to do that. We do not have a work plan for it at present, because I think all of us were a little surprised at just how bad the commonwealth's position was. The commonwealth's position is atrocious, and I put on record that they are savagely undermining our country's future. Global warming is real, but those in the federal government seem to be the only people in the world who do not accept that (or perhaps, George Bush).

*Mr Hanna interjecting:*

**The Hon. P.F. CONLON:** No. I have never seen an emissions package that has, at the heart of it, a cut in the diesel rebate. But enough has been said. The policy direction allows us that vehicle, and I have made no secret of the fact that we do need to loosen the death grip of the dismal profession on our approach to the market. My poor old bureaucrat up there, Vince, keeps shaking his head because he is an economist himself (he is a Port supporter as well, though, and that makes up for it). This is a vehicle for being

able to do some of those things but, again, it all has to be by agreement. That is why the commonwealth should be doing it, because having to do these things by agreement among the states is second best.

Clause passed.

Clauses 7 to 13 passed.

Clause 14.

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

Page 6, lines 17 to 20—

delete subclauses (2) and (3) and substitute:

- (2) A person appointed under subsection (1) has, while acting in the office of the Chairperson, all the functions and powers of the Chairperson.
- (3) The Minister may appoint a person nominated by the MCE (States and Territories) as an Acting Commissioner to act in the office of the Commissioner appointed, or to be appointed, on the nomination of the MCE (States and Territories) under section 12(b) during any period for which that Commissioner is unable to perform official functions or that office is vacant.
- (4) The Minister may appoint a person nominated by the Minister of the Commonwealth who is a member of the MCE as an Acting Commissioner to act in the office of the Commissioner appointed, or to be appointed, on the nomination of that Minister under section 12(c) during any period for which that Commissioner is unable to perform official functions or that office is vacant.
- (5) The Minister may appoint a person nominated by the MCE (States and Territories) as an Acting Commissioner to act in the office of a Commissioner during any period for which that Commissioner is acting in the office of the Chairperson.
- (6) A person appointed under subsection (3), (4) or (5) has, while acting in the office of a Commissioner, all the functions and powers of a Commissioner.
- (7) The conditions of appointment of an Acting Chairperson or Acting Commissioner will be as determined by the Minister in accordance with a resolution of the MCE.
- (8) An act or proceeding of the AEMC is not invalid by reason only of a defect in appointment under this section or the fact that a person appointed under this section acts in the office concerned when the circumstances for so acting have not yet arisen or have ceased to exist.

This amendment is self-explanatory. We did work under severe time limitations in getting the bill to parliament. This was something that would have been useful to be in the bill in the first place, and it is in there now—or it will be, with the concurrence of the parliament.

Amendment carried; clause as amended passed.

Remaining clauses (15 to 28), schedules and title passed.

Bill reported with an amendment.

Bill read a third time and passed.

#### **STATUTES AMENDMENT (ELECTRICITY AND GAS) BILL**

Adjourned debate on second reading.

(Continued from 2 June. Page 2415.)

**The Hon. W.A. MATTHEW (Bright):** I stand as lead speaker for the opposition to support this bill. This bill follows the period of time that has elapsed since the introduction of full retail competition in South Australia for the electricity market, which commenced on 1 January 2003. We saw parliament establish a new legislative and regulatory framework to enable that market to operate, and as part of that regime the Essential Service Commission was established. It has been almost two years since that facilitating

legislation was passed by this parliament and, during that time, South Australia has made the transition to a contestable market where households now have a choice of electricity retailers and a new gas retailer with the commencement of the gas market, which will take place from 28 July this year.

It is fair to say that there has been a public backlash to the electricity pricing regime that has followed, and that backlash has been justifiable. We have seen, from 1 January 2003, an average increase of 23.7 per cent occur in domestic electricity prices. We have seen households subjected to that price through a 32 per cent hike in the peak three months of the year, followed by a 21 per cent hike in the other nine months of the year. My colleagues and I have continued to advocate in this place that that price rise was not justified and, as I have highlighted in this place before, AGL, as the sole retailer, could not believe its good fortune that it received the price rise that it asked for.

Of course, AGL was mindful of the way that it encountered the transition to the contestable market in Victoria, where it asked for a 15 per cent increase, on which the Bracks government took action to ensure that that did not occur. At the end of the day, AGL was confronted with an increase in the vicinity of 4.7 per cent in that state. Understandably, AGL protested very loudly at the time and a series of claims was made that it would find it difficult to be profitable in Victoria. Not only was AGL profitable in Victoria but, when it came time for the next price review, the average increase was only in the vicinity of 2 per cent in Victoria. Clearly, AGL did not encounter financial difficulty in Victoria: it made a profit with the 4.7 per cent increase, even though it did not get the 15 per cent it asked for.

Here, in South Australia, it put in the good old ambit claim, and got it. AGL probably thought all its Christmases had come at once. One of the problems with the legislation as it exists is that there is an onus on the retailer, and let us look at the example of AGL in this case, to go to the Essential Services Commission and ask for a price review. I was pretty confident that we would not see a situation where AGL would want a price review. I would have been very surprised if AGL had asked for a price review. So, I was not at all surprised when there was not an application from AGL for any such review, because I suspect that it knew full well that, if it had gone back to the Essential Services Commission with a request for a further price increase from 1 January 2004, not only would it have received more than its fair share of public anger but, at the same time, there is a very real chance that the price may have been reviewed downwards. AGL elected to continue with the price that had been so generously handed to it from 1 January 2003.

This bill puts in place a new price-setting regime; so, in doing that, I am assuming that the minister has realised the ridiculous situation with which we were confronted and has put forward a series of amendments to require the retailer to submit a proposed price path for the upcoming three-year period, together with the justification of those prices, to compel the commission to undertake an inquiry into those prices, and to mandate that the process extends to at least six months in order to provide adequate opportunity for public and industry input. The opposition has no problem with that and, in fact, it strongly supports it. I believe that, regardless of the wisdom of the parliament at the time, to date the process has not worked in an ideal way. This has the potential to hold retailers to greater account through the process.

I particularly applaud the six-month inquiry process, because nobody can then argue that they have not had time

to put forward their point of view. It gives market commentators, industry experts (whether actual or self-professed) and, indeed, importantly, average members of the South Australian community—the people who have to pay these prices—an opportunity to put forward their viewpoint. That is essential if this market is to work not only effectively but fairly. It has been an important change.

I think it is also important to reflect on part of the lead-up to this because, when a price proposal had not been made by AGL, the Essential Services Commission initiated a review process. Because of the magnitude of the price increases to which South Australians had been subjected, that review process attracted significant public interest, as would be expected. There were numerous submissions, including one I noted with interest from the Energy Consumers Council, which was very sharply critical of the analysis undertaken by the commission. In particular, it highlighted reductions that had occurred in the wholesale price and pointed to them as being a valid reason for the price of electricity to South Australian households to reduce—and 10 per cent was the quantum it was advocating at the time.

Indeed, the Chair of the Energy Consumers Council, Professor Dick Blandy, was heard on many of the airwaves throughout the state. The Essential Services Commissioner, Lew Owens, was feeling the heat at the time, and there was all sorts of media speculation that he could be for the chop in view of what occurred. Clearly, the government was faced with a dilemma and, in part, I found intriguing the government's solution, namely, to bring Professor Dick Blandy into the process as one of the commissioners and to have my former colleague the Hon. Stephen Baker (a man for whom I have extremely high regard) effectively in the adjudicating role—in fact, I would call him almost the boxing ring master.

**The Hon. P.F. Conlon:** They will be interesting meetings.

**The Hon. W.A. MATTHEW:** As the minister interjects, I can well imagine that they will be very interesting meetings, with Essential Services Commissioner Lew Owens in one corner, Essential Services Commissioner Dick Blandy in another and Stephen Baker as another Essential Services Commissioner—not only keeping them apart but ensuring the best result for South Australians. Therefore, I was not greatly surprised that a fourth commissioner was appointed by the minister, and I would be surprised if there were any more, unless resignations occur. I imagine that four commissioners—

**The Hon. P.F. Conlon:** Business want me to put an industry rep on, but I'm not sure about that.

**The Hon. W.A. MATTHEW:** I imagine that we have an interesting situation, but one capable of balance. The way the process works in the future, with not one but four commissioners, will be one that I am sure will be closely observed by South Australians. Importantly, before the minister made the move to increase the number of commissioners, there was clearly a problem. At that stage, the Premier was copping a bit of the heat with his interviews as well, so a report was commissioned by the Chairman of the Independent Pricing and Regulatory Tribunal of New South Wales, which examined the methodology used by the Essential Services Commission to consider the standing contract prices.

That report was an interesting document, and there was a lot of speculation before it was issued, but some of the media speculation certainly did not come into play. As I understand it, the report endorsed the methodology used, but it recommended a number of improvements. Amongst those improvements were recommendations that the clarity and transparen-

cy of determining what is a justifiable standing contract price had to be improved, and the government certainly reviewed its regulatory regime as a consequence. We then saw those extra three commissioners that I mentioned appointed and we have seen this bill drafted. As I indicated, I believe that the changes that are before us are sensible.

I put on record that the opposition has been approached by industry in relation to an essential services commissioner who comes from industry. It is not every day that I agree with the minister, but on this occasion I certainly do. I would have difficulty with having an industry representative in that position. I believe it is important that we have people who are separate from industry and its processes to make impartial decisions. Industry has indicated to the opposition that it is concerned about the level of expertise amongst at least some if not all of the commissioners. Of course, the Essential Services Commission has the ability to draw upon that expertise. The four individuals appointed as commissioners are thinking individuals. I would argue that, in my experience in dealing with three of them on a regular basis, they are individuals who are not easily hoodwinked and are capable of being discerning in the way they interpret information that is obtained for the commission.

Industry has its opportunity to have its say by putting its viewpoint to the commission, just as consumers can have their viewpoint put before the commission. I very much see this as a process where it is necessary to champion the needs of the consumers, for it is South Australians who have been subjected to the impost that is before us. In my experience from dealing with businesses over the years, regardless of the nature of the business, there are not too many big businesses that are not capable of holding their own in a boxing ring. I think they are quite capable of getting in there and having their few rounds with the Essential Services Commission without having one of their numbers in the ring as a commissioner as well. So, I am pleased to support the process that is now being put forward by this bill. Whether it is capable of delivering the government's promise is another matter. As all members of this chamber would recall, the government made a very clear commitment on the first day of the last state election campaign. That very clear commitment was that a Labor government would deliver cheaper electricity prices.

*Ms Breuer interjecting:*

**The Hon. W.A. MATTHEW:** The honourable member might seek to interject, but nothing changes the fact that on the first day of the last state election campaign, with full knowledge of all processes that occurred before, the Labor Party of South Australia promised South Australians that they would receive cheaper electricity—

*Ms Breuer interjecting:*

**The DEPUTY SPEAKER:** Order! I think we need to get back to the substance of the bill.

**The Hon. W.A. MATTHEW:** They were promised cheaper electricity prices if a Labor government was elected. We have before this chamber a bill that is very much related to electricity pricing, a bill that will determine the way in which electricity prices are determined in the future. Therefore, it is a bill that will provide the opportunity to deliver Labor's promise, if they were genuine and if it is deliverable. It does not matter how you look at it, an across-the-board 23.7 per cent increase in electricity prices since the Labor government came into power is not a reduction.

It does not matter how you add on CPI, after two years in government no consumer price index is going to give us a result that equates a 23.7 per cent increase in electricity

prices, on average, with a reduction in electricity price. While the opposition supports this bill for the reasons I have detailed, the result will still, I believe, fall a long way short of Labor's promise. There is no doubt that there is the scope to bring down electricity prices in this state, and that is through competition. I am encouraged that some of the players are now offering dual-fuel opportunities and I look forward to the commencement of competition in gas from 28 July this year.

This bill also flags changes that will in part occur in relation to that. I look forward to seeing prices come down through that dual fuel competition. How much they come down remains to be seen, but there is a long way for Labor to go to be able to claim that it has honoured its election commitment, and that is something that the member for Giles and her colleagues will have to face in March 2006.

**Mr HANNA (Mitchell):** The issue I want to address in relation to this bill is the opportunity for customers to band together to give themselves some power in the market and to ask how the government might assist them to do so. I note that the clauses of the bill include a provision dealing with the standing contract for small customers. Rather than ask questions about that clause, I will raise a general issue.

There has been talk in recent times about a private organisation inviting people to sign up with them for a small fee and for all of them collectively to be involved in bargaining with electricity retailers to get a better contract than is currently available in the market. The electricity market, as far as my constituents are concerned, is still very much looking like a monopoly market, as one would expect with an electricity market when the capital costs of electricity to the market are so huge.

What is the government doing to facilitate this phenomenon? What is the government doing to help customers band together so that they can better compete in the ruthless jungle of the electricity market? I am hoping that in his reply to the second reading speech on the bill the minister will give us good news about positive action the government is taking or will take to help my constituents and those living in the seat of Elder, the minister's own seat. What is the good news for consumers from the government?

**Mr MEIER (Goyder):** I am pleased to have an opportunity to speak about the electricity and gas bill. These are interesting times because, as the shadow minister said, we have heard since the election of the promise of cheaper electricity. It is probably even more interesting because AGL—

**Ms Breuer:** You sold the electricity—I can't believe the cheek of it.

**The DEPUTY SPEAKER:** Order! The member for Giles is out of order.

**Mr MEIER:** I think all of us in this chamber are aware that we are being offered cheaper electricity at present.

*Mr Hanna interjecting:*

**Mr MEIER:** I hope you have taken the offer because it is dead easy. You ring a phone number and they will offer you a special deal.

**Mr Hanna:** Not cheaper than before they sold ETSA.

**The DEPUTY SPEAKER:** Order, the member for Mitchell!

**Mr MEIER:** Inflation has certainly continued to be with us. CPI increases have certainly continued, but it needs to be pointed out that every person in this chamber (and I assume

virtually every citizen in South Australia who has not contracted with another company) has the right to contract with AGL. If my memory serves me correctly, from our conversation with AGL (either Saturday or Saturday week ago, because the numbers are too chock-a-block during the week, so they open on Saturday as well), we have had a 4 per cent cut in our electricity rates or a \$150 cut in the electricity and gas rate—it all comes in together. So, competition is with us, and I think we need to appreciate that. I am surprised that a few members opposite seem to almost accuse the former government of not providing competition and therefore not providing the option of cheaper electricity. It is coming in.

*Members interjecting:*

**Mr MEIER:** Again I hear bleating from the other side, but, in reality, do members remember when competition came into the telephone industry? I suspect they do not. At that stage we had only Telstra in the marketplace, and people certainly had some serious questions as to whether Optus could provide a cheaper or better service. They said, 'Telstra is doing fine as it is. It is charging too much, but we are used to that.' Now, of course, we have a multitude of telephone providers and it is continuous competition. I suppose the only thing that I do not like about it is that I am quite often approached by people knocking on the door. In fact, I think someone called to my house within the past two weeks saying, 'How do you do, sir? I wonder whether you might like to change your telephone company because I can offer you a much better deal than you have with Telstra.' I said, 'I have already tried it: I have changed companies twice over the past two years. I have no complaints about other companies but Telstra is serving me well and, in fact, its prices have dropped by a huge amount.'

*An honourable member interjecting:*

**Mr MEIER:** No, I had the interjections earlier, and I am just saying that people do not like competition coming into the marketplace. When competition came into the telecommunications market people objected but now, of course, we would be lost without it. The cost of telephone calls would be exorbitantly high (they are probably still a bit too high, but at least they have come down a lot). We are getting exactly the same thing with electricity, so I am interested in the criticism coming forward. I think our government made it very clear that competition would be the key to bringing down electricity prices in the long term. These things do not happen overnight, but certainly we are seeing the progression. Rescuing South Australia from the State Bank collapse did not happen overnight: it took us the better part of four or five years. Anyway, I have said enough. I think the shadow minister (the member for Bright) has clearly enunciated the position of the opposition and I do not seek to repeat it.

**Mr HAMILTON-SMITH (Waite):** I participate in this debate with great interest. Here we are debating the management of electricity prices and the impositions we will put on suppliers to keep the price down and make it affordable. It causes one to reflect upon how we have arrived at this point.

**Ms Breuer:** Because you sold electricity. That is how we arrived at it!

**Mr HAMILTON-SMITH:** I will come to the interjections of the member for Giles. I will ask her (and perhaps she would like to contribute to the debate) whether or not she has stood up in the Labor Party caucus and argued that the Labor Party should consider repurchasing the assets. But I will get to that point—

*Ms Breuer interjecting:*

**Mr HAMILTON-SMITH:** Well, I will get to that point in a moment—

*Ms Breuer interjecting:*

**The DEPUTY SPEAKER:** Order, the member for Giles!

**Mr HAMILTON-SMITH:**—because, if that is the view of the member for Giles, I will be very interested to know whether or not she has looked into it. But, as my colleague has explained, there is an interesting background to this. There has been a public backlash over electricity prices set by the Emergency Services Commission for the start of the market on 1 January 2003 and, as we have heard, residential customers found their prices had increased by an average of 23.7 per cent. The prices remained at the same level for 2004, because a new price proposal was required from AGL for any variation that occurred; but, as we have heard, it was not lodged.

Now the minister has a dilemma. How does he set up arrangements to ensure that the companies described by the Premier as 'bloodsuckers' do not over-charge customers on the one hand but, on the other hand, prices are not held down to the point that we precipitate some sort of California-style collapse? That must cause the minister some sleepless nights. The fact of the matter is that, thanks to Mr Keating, we now have this deregulated national market. We considered a bill earlier that prescribed new arrangements for how that market might be managed. Regardless of whether the assets had been sold or not, we would still find ourselves in this predicament. We would still find ourselves in the situation of having to maintain electricity generation, transmission and supply capability within this new environment.

How do we keep prices down? Faced with this problem, the Premier commissioned the Chairman of the Independent Pricing and Regulatory Tribunal of New South Wales to review the methodology used by the commission in considering standard contract prices. The report of the tribunal largely endorsed the methodology adopted by the Essential Services Commission but recommended a number of minor improvements. One of the report's key recommendations was to improve the clarity and transparency for determining 'justifiable' standing contract prices. In response to the report's recommendations, the government reviewed its regulatory regime and, as we heard earlier, recently appointed two additional commissioners.

This bill will amend the current price-setting regime—it is all spelt out in the explanation of clauses—by essentially requiring the retailer to submit a proposed price path for the upcoming three-year period together with a justification for those prices. The bill will compel the commission to undertake an inquiry into those prices and it will extend the inquiry process to at least six months, thereby providing adequate opportunity for public and industry input. This begs the question: where might we be with all of this if ETSA had not been sold—as the member for Giles suggests—if ETSA and all the electricity transmission capabilities of the state were still in public hands?

Perhaps this bill would not be necessary. Perhaps the minister would have it within his power, as the Queenslanders are doing, to have some complicated process of price transference between generator and transmission agency so that he could cross-subsidise. In that event, he might be the person to whom consumers would go. He would be the emergency services commissioner. I would love to see people knocking on the minister's door saying, 'Minister, could you please hold our electricity prices down in this deregulated market because we would really like to be paying no more?'

I would love to see the minister handle that situation. Lew Owens step aside, let Pat in. It would be amusing indeed.

Of interest in Budget Paper 3 (page 2.5) is a graph that says it all. This graph of the general government sector net interest expenses shows that in 1994-95 (after the State Bank) we were paying well over \$600 million a year in interest payments and in 2002-03 when this government came to office just over \$100 million in interest payments, with \$5 billion worth of debt off the register. Standard and Poor's told the Treasurer of this state that the main reason for the state's economic turnaround and its achievement of an AA-plus rating was simply because of the former government's very wise decision to reduce state debt by selling the state's electricity assets.

We have all of those benefits, but of course now we have this bill before us that requires us to set up a mechanism to control prices and price increases. The member for Giles has been interjecting left, right and centre about the sale of the assets having caused all of this.

I note that evidence given to the Economic and Finance Committee in the last parliament talked about the dividends averaging around \$200 million a year. From 1998-99, I think it was \$194 million, and in 2001-02, it was forecast to be \$212 million in the environment at that time. One wonders what sort of revenue those assets would now be generating in this new market, with all the risks which the Auditor-General pointed out and which were made very apparent to us about trading in the nationally deregulated market. I wonder how those profit margins would be for the government if ETSA and Optima were still in state government hands. With all this cross-subsidisation that the minister would now be having to go through (because, in effect, he would be the emergency services commission), I wonder whether there would be any profit left at all and certainly whether there would be anything left for the building of new power generation assets or new transmission capabilities for the upgrading of the network.

I wonder whether there would be any capital for the minister to play with to upgrade that network were he in the awkward position of having to knock down prices to satiate the public outcry over the cost of electricity in this deregulated market. We all know that the taxpayer was exhaustively subsidising the provision of electricity in the previous arrangements through its taxation regime. The minister would be part of a cabinet which would need to find another \$600 million of interest payments per annum, which it would need to be providing for billions of dollars worth of upgrading and asset replacement in the coming years and which would have an uncertain revenue stream flowing from the fact that he would have to be capping prices in order to please consumers. Therefore, I was not surprised that, when these assets were put up for sale recently, no-one in the Labor government was rushing to repurchase the assets.

The Liberal Party does not believe that we should repurchase the assets—we led a government that sold the assets. We believe that the best interests of the nation and the state were served by putting those assets into private hands. We did not believe that governments should be in the business of running power infrastructure; we believed that was best in public hands. What we did recognise was that, either way, the state would have to pay for its power, whether it was through its taxation or whether it was through the sale of those assets and market pricing. This bill before us deals with how that market pricing will be structured. We went to an election with that record and we won the election but, as

we all know, we won the popular vote but we did not get to form government. Perhaps our decisions regarding ETSA were part of the cause for that.

I must say that the now government ran a very good argument convincing people that all the woes of the world were as a consequence of our decision to sell ETSA. I am sure the Crows have had a dismal year because the Liberals decided to sell ETSA, and Gary Ayres has gone for that very reason. We had the courage of our conviction and we maintain that today. We believe we made the right decision, and the minister believes that, too—and so do the Treasurer and Premier—because we all know about the discussions which went on in the Labor Party when those decisions were made and which have since gone on. Despite all the huff and puff, everyone was very happy to see the sale proceed. I am yet to find any member opposite who is prepared to say that, since the Labor Party came to office, they have argued in caucus that the assets should be repurchased, because they have been for sale. It is—

**Ms Ciccarello:** With what?

**Mr HAMILTON-SMITH:** It is not our view, but it is your view. With the \$5 billion that the state put in the bank from selling the assets. It is not our view, but if that is your view and if you were true to your principles, you would have considered the option. You have not considered the option, because it is not a sensible option. However, if you were true to your principles, that is what you would do. It was reported in *The Advertiser* on 4 October that a \$10 billion energy sell-off was gathering momentum. Even *The Advertiser* was telling us that Port Augusta, Leigh Creek, Torrens Island and other of the electricity assets were all on the market; that US owned pipeline company, Epic Energy, had put the for sale sign on its \$2 billion worth of assets; and that the other South Australian assets expected to be on the market include TXU Australia's Torrens Island Power Station, the electricity retail business and the embattled US group NRG Energy's two Port Augusta power stations, as well as its Leigh Creek coal operations.

The Labor Party would have noticed the coverage in *The Australian Financial Review* of 28 April 2004 of Singapore Power's purchase of the South Australian energy assets owned by TXU. It was described by *The Australian Financial Review* as companies that have 'snapped up assets from cash-strapped US and British utilities in purchases that have transformed their businesses and enhanced their appeal to institutional investors'. *The Australian Financial Review* stated:

They have picked up the pieces after the once ambitious US utilities that bought a long list of privatised gas and electricity assets. . . were unable to make the profits necessary to justify big-ticket prices that were often debt funded.

*The Australian Financial Review* pointed out that some of these purchases had been bought by purchasers who paid too much and that they were now back on the market at a reduced price. I would have thought that (and it is not the Liberal Party's view, I make that very clear; we sold the assets), if it was the minister's and the Labor Party's view, they would be rushing off to take that \$5 billion out of the bank and buy them back, perhaps at a discount—there might even be some left over. Then the minister, instead of debating this bill today, would be the emergency services commission; he would be responsible for the assets. He could knock the price down and hold himself accountable so that the people of South Australia were paying a greatly discounted price for their electricity.

I am sure that the minister would not want to be in that perilous position; nothing is more certain than that. If we painted a picture as to where South Australia might be today had the vote failed, had the assets not been sold, that picture would be alarming for this Labor government. We would paint a picture where the government would still have \$10 billion dollars worth of debt—

**The Hon. P.F. Conlon:** Not millions; billions.

**Mr HAMILTON-SMITH:** —just short of \$10 billion worth of debt—where the government would still own the assets; where the government would be responsible for maintaining the price and cost structures; where the government would be required to maintain the investment for the future; and where all roads would lead to the Premier's office. What an uncomfortable place to be.

I notice that the member for Giles has left the chamber; the member for Giles has rushed off—and the member for Enfield, who is often up here making points on behalf of the left wing. The member for Colton is here. Is it little wonder that none of them has stood up and said, 'I've got a great idea. Let's fix that terrible blunder the Liberals made. Let's take those billions of dollars out of the bank and let's unscramble the egg and set it up.' Instead, we go straight back into the rhetoric.

As soon as the prospect is raised about how terrible it was to sell ETSA and how the Liberals did a terrible thing, all the woes of the world—including Gary Ayres being back in Victoria—are as a consequence of our sale. It is a Labor lie. They know, because they quietly supported it, that the right decisions were made by the last government, given Paul Keating's deregulated market. They must make wake up every morning and thank their lucky stars that they are not in the position of still retaining ownership.

If I was a cynic, I would say that it might have been interesting now to sit back and see the Labor Party in that position. Maybe we would be saying, 'Look, we tried to sell it but you stopped us, and now you have all these problems.' We would have Standard and Poor's still saying that our credit rating was on the backburner. We would have the Treasurer now hiking taxes in order to pay the interest bill and to pay for the new infrastructure. It would just be a shame. We did the right thing for South Australia. We had the courage of our convictions. It is a shame that the Labor Party does not have the courage of its convictions to stand by its rhetoric and look at unscrambling the egg.

Of course, it will not because it knows that the right decisions were made. Now, about this bill. I wish the minister well in regard to clause 6, and those devices that the minister seeks to put in place to control the price of power. I have followed the debate with great interest. I think that the appointment of Blandy and Baker to the commission, probably, has made it more robust and more measured. I am sure that some good, sound decisions will come out of the commission. However, we will have this ongoing problem of price control.

I would simply note a tenor of caution, that now that we have this deregulated market, now that we have the assets in private ownership (and since the government has signalled that it has no intention of reacquiring the assets or standing by its principles), and if you over control the market you will cause it to implode, and the consequences for South Australia will be dire.

**The Hon. P.F. CONLON (Minister for Infrastructure):** I think the opposition for its indication of support. It was

instructive that at some point in the member for Waite's 20-minute speech I reckon I got about 15 seconds on the legislation before the house, but, I guess, that happens from time to time. It is almost trite to have the debate, but I will just answer some of the comments made by members opposite. The member for Goyder said that the Liberals believed that competition was going to reduce prices, and they certainly told that to people. But it made this little mistake: it sold it all to one retailer.

One almost laughs out loud when one hears a Liberal member say how competition would bring the price down, but, of course, bright light goes off above head—'we will get more money if we sell to only one retailer.' So, I do not know from where the competition was going to come in its model. The member for Bright goes on about how 23.7 per cent is not justified, but I have never heard a word of explanation from him about why, in the previous step, the previous tranche of contestability, the average price increase was 45 per cent under the Liberal government.

Apparently 45 per cent is entirely justifiable. It was entirely justifiable for OneSteel at Whyalla to take a 65 per cent increase in electricity prices, but, of course, 23.7 per cent as a result of their privatisation was not justifiable. The honourable member mentioned the comparison with Victoria, but, of course, what he did not mention was that when it sold the assets it did everything wrong. Not only did it sell to one retailer so that there is no competition but also it sold ETSA. What happened was that, at the time, it got in later than the Victorians. Kennett got a good deal. They were getting lower prices as the Victorian utility owners got burnt, so they said, 'How are we going to inflate the price?' They got a five-year deal on the distribution system to give them—

*The Hon. W.A. Matthew interjecting:*

**The Hon. P.F. CONLON:** He blames us for that, too. They gave a five-year deal to the distribution system to give them a return on capital of 8.5 per cent, or thereabouts, when the average returns across Australia from the distribution company were 7.6 per cent. Why did they do that? So that they would get more money for it. Then we had shock, horror, surprise when that was passed on to consumers, which is what happens. It is the sort of nonsense you have to hear from members opposite every time. I actually like the member for Waite a bit.

The thing about the member for Waite is that he actually believes everything he says. In some ways that is reassuring and in other ways it is a bit frightening. It is just a little bit spooky! But, you know, he got that MBA. We used to call him Homer Hamilton-Smith, but now we call him Homer Greenspan because he has his MBA. I like the member for Waite; he is a good bloke. I do not like stirring him up too much because he is actually qualified to kill with his bare hands. He is trained in hand guns. He is a green beret, a red beret, or some beret. What sort of beret is it, mate? Anyway, he is one of the SAS so I should not stir him up too much, or I could end up in a horrible mess in the corner.

Some of the contribution is right; it is difficult running a utility in the national electricity market. But, the truth is that options are available in the non-privatised states that are not available here. New South Wales has ETEF, and the Queensland government has very cleverly said, 'We are not going into competition; we have seen what has happened'. There are some fundamental things that have to be understood. If you do things like writing sweetheart deals for the distribution company for a higher return on capital, it will get paid



more; and that is what has happened. It is one of the real difficulties we face.

I will not go over all the arguments again. We have to live in the marketplace, and with this legislation we are working out the very best regulatory system and the protection of people that allows us to live in it. I would be happy if we were not doing that, but that is now the world in which we live. I have some minor amendments which simply involve cross referencing. Although the member for Mitchell is not here, I will save him from asking again about support for small groups wanting to purchase electricity from a retailer as a group by pointing out that it is not a new issue. It has had some prominence lately, but it is not a new issue.

We have been providing advice over the past 12 months, I think, to the Henley and Grange Residents' Association which has been pursuing these issues. In fact, we were able to get some funding for an officer for the member for Chaffey about a year ago, when she looked at coordinating, through regional development funds, I think, an approach for the irrigators and some of the businesses there to negotiate. My office met with the new co-op people on Monday, and we are providing advice to those people.

It is a very complex and difficult market. There are complex legal relations that may be established if you are attempting to negotiate on behalf of a group. There may well be the law of agency involved in representing people, and it is very important that they do not make themselves a retailer and become subject to the codes that we have to protect consumers in dealing with retailers. We are providing that advice to those people on an ongoing basis. As I said, we have been doing it for about a year. It is imperative that we make the market work. In that regard, while people come in here and talk about unjustified price increases and all of that, I think it is good to reflect on the improvements we have made on the situation we inherited: a sale to a single retailer, going into competition with one retailer and no gas competition.

We have changed the market through its development and the intervention of the government paying a \$50 rebate to concession holders. Through actively encouraging the market, we now have something like five or six retailers for small customers, and a very high rate of people taking up market offers. It has taken us some time to do that, because we really started in a very poor position, and we do have gas competition coming up on 28 July which should further drive the market. So, there have been great improvements under this government and the structure we inherited, and we will keep working at that. This is part of the regulatory protection approach, and it is part of moving to a three-year price path which we have seen goes well in Victoria.

It is part of an approach of bringing gas into this sort of structure at some point in the future. Also, it is part of creating a flight path. It comes with a bolting up of the Essential Services Commission through the addition of new commissioners. It is about doing everything we can to protect South Australians in a privatised competitive market. I indicate my thanks to the opposition for its support in the passage of the bill. There are some small amendments in the committee stage that are essentially no more than correcting some incorrect cross references.

Bill read a second time.

In committee.

Clauses 1 to 6 passed.

New clause 6A.

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

Page 4, after line 9—

Insert:

6A—Amendment of section 33A—Recovery of prices for services provided in accordance with retail market rules  
Section 33A—delete 'subsection (1)(b)' and substitute:  
section 33(1)(b)

New clause inserted.

Clause 7.

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

Page 5, lines 13 and 14—

Delete 'by the Minister under Schedule 2' and substitute:  
under this Act

Amendment carried; clause as amended passed.

Title passed.

Bill reported with amendments.

Bill read a third time and passed.

### EMERGENCY MANAGEMENT BILL

Adjourned debate on second reading.

(Continued from 26 May. Page 2242.)

**The Hon. W.A. MATTHEW (Bright):** I rise as lead speaker for the opposition in relation to this bill and note that the bill in its passing will essentially replace the existing State Disaster Act. It is worth reflecting that the existing act was introduced into this parliament on 20 November 1980 by the then premier and treasurer, the Hon. David Oliver Tonkin. The former premier is a man for whom I have enormous respect, and I know that at the time of his introduction of this bill he saw this as being an essential way of ensuring that state disasters were appropriately managed. I would like to share with the chamber briefly some aspects of his second reading speech which I believe are very relevant to the bill that is before the house today. The Hon. David Tonkin said, in part:

The purpose of this resultant Bill is to make provision for the protection of life and property in the event of a disaster by providing for a State Disaster Organisation clothed temporarily in adequate powers. Experience in dealing with disasters elsewhere highlights the necessity for legal backing for those who have to shoulder the burden at a time of emergency. Not only do responsibilities need to be clearly defined but the extent of the powers temporarily vested in the combatants also needs to be set.

Those very important words are also equally true of this important bill that is before our chamber this evening. The then premier also highlighted that his state disaster bill would include the setting up of a state disaster committee, which would be responsible for reviewing the state disaster plan from time to time and that, in country areas, it was planned that police regional commanders would act as coordinators in their areas, which would be synonymous with police regions. Therefore, the bill provided for the setting up of a state disaster organisation which would furnish help as effectively as possible should a natural disaster occur. Indeed, the state coordinator for a state disaster was the Commissioner of Police. I am pleased to see that, whilst it replaces legislation introduced by the Hon. David Tonkin, the bill retains all those important considerations. The same reflections on the import of having such a bill are retained, as is the need to have a central coordinating body, as well as the very important role of the Commissioner of Police and his senior officers in regional areas.

Clearly, the need for this bill was influenced in no small part by the dreadful events in New York on 11 September and the equally dreadful events that occurred with the bombings in Bali, Jakarta, and, more recently, the public transport

system in Madrid. It brought about a need to analyse our existing state disaster provisions and the legislation introduced by the Hon. David Tonkin in November 1980 against the changing climate in the world, particularly terrorism, and determine whether the bill was adequate to meet those needs. Since that time, we have also seen a series of floods and bushfires not only within our state but also interstate, which have demonstrated the significant human and financial cost of such events and the import of the way in which they are managed. So, this bill has had the opportunity to draw on the wealth of experience of those subsequent events.

In October 2002, the government therefore commissioned a review of every aspect of state disaster legislation, management and arrangements to look at issues, including the role of government agencies, the government's arrangements for emergency management, and recommendations to ensure South Australia's best position to manage the full range of potential emergencies. The opposition has been briefed by those involved in putting together this bill, and we appreciate the government's courtesy in making those briefings available to us. We have been advised that, as a consequence of the review, a number of inadequacies in the existing arrangements have been identified, including insufficient clarity of governance arrangements between the existing Emergency Management Council, the Emergency Management Council Standing Committee and the State Disaster Committee; a lack of focus toward issues surrounding terrorism and protective security, which is understandable, particularly in view of the fact that the existing State Disaster Act was introduced to this house on 20 November 1980; and a need to increase involvement by local government and the owners and operators of key infrastructure services, such as electricity, gas and oil, which, again, is understandable, because of the significantly changed role of local government in our community over the ensuing 24 years and, indeed, as we have heard in debates on other legislation, the ownership of key government infrastructure. The review found a lack of accountability by government chief executives for emergency management and protective security planning, which is a disconcerting finding which particularly needs to be resolved.

This bill has been drafted to remedy those inadequacies, and the opposition is satisfied that the bill before us rectifies the findings. However, there are a number of issues about which we will be questioning the minister in committee. We note that the bill creates a State Emergency Management Committee and that it reports directly to the Emergency Management Council. The minister, in his second reading explanation, did not detail the make-up of the Emergency Management Council, nor is it explicitly referred to in that portion of the act that effectively creates the State Emergency Management Committee, so the opposition will question the minister so as to be satisfied that those reporting arrangements are appropriately provided.

As I understand it, under this government the Emergency Management Council is comprised of representatives similar to those who were part of such a council under the Liberal government. In our day they included the Premier, who usually chaired that body, the Minister for Emergency Services, the Treasurer, the Attorney-General, and the Minister responsible for Health and Primary Industries, amongst others.

The minister's second reading explanation also mentions the way in which the State Emergency Management Committee will have its influence devolved into smaller committees. The second reading explanation talks about a series of

emergency management zones that will be established across the state, including within the metropolitan area, and that there will be zone emergency management committees and also hazard leaders. While the second reading explanation details those, the actual intricacies of these committees is not mentioned in the bill, and I am not raising that by way of criticism but as a matter that, I believe, requires greater explanation so that parliament can be sure that the intended operation of these committees and the selection of their personnel is appropriate and accountable.

It may be that the minister wishes to have the flexibility offered through the promulgation of regulation to be able to define the establishment of these committees and their personnel. If that is the case, we will be seeking the assurance of the minister regarding the way in which those regulations will be composed and the expertise so seconded. Obviously, in relation to the operation of this bill, the State Emergency Management Committee will be accountable not only for the development and continual approval of the state emergency management plan but it will also need to incorporate the state counter-terrorism plan, and there will be a government protective security manual.

The introduction of counter-terrorism issues clearly requires the input of personnel with particular expertise and, while we have a number of officers in our own state who have experience in such areas, I would also argue that our Armed Forces have expertise which are not possessed by personnel employed by the state. There is a clear need to draw in that expertise so, during the committee stage of the bill, we will be asking the minister questions about the involvement of armed services personnel in the preparation of the counter-terrorism plan in particular, the preparation of the protective security manual, their involvement in the preparation of the state emergency plan and, importantly, the way in which the expertise of such personnel will be brought into the State Emergency Management Committee.

We note with support that the Commissioner of Police will continue to be the state coordinator, as was intended by the Hon. David Tonkin way back in 1980—clearly, that is a decision that has survived the passage of time. The Commissioner of Police has always demonstrated himself to be a person capable of undertaking that role, and there is no reason to have any confidence other than that which has been expressed in the past about the Commissioner's ability to undertake that work.

Because of the accountability that is placed via the bill on the zone and emergency management committees, we will be asking the minister during the committee stage how he envisages that process working. In all, despite the greater detail that is needed, the bill appears to offer an appropriate background to handle emergencies and disasters that may befall the state. Clearly, it is important that chief executives are held accountable for their management planning and, in view of the fact that the review found that chief executives were not appropriately accountable, we see it as a particularly important process to hold that personnel accountable.

I note that, while not explicitly detailed in the bill, from the briefing that has been provided to the opposition, there are some 11 personnel—14 of whom will be appointed by the minister—who were drawn directly from the chief executive ranks of various government agencies. The opposition agrees that it is important to involve that personnel which, in itself, is a significant step in holding them accountable to ensure that they undertake the work necessary to have plans in place

that should be implemented for occasions when, God forbid, we will have other disasters.

Hopefully, those that occur in the future will be natural, but with some of the lunatics who are ever present in our community, we are reminded that the risk of terrorism is always here. While it has hit those other parts of the world that I detailed earlier, we should not become complacent and believe that, just because we are privileged to live in a city where it is safe to walk any time of the day or night, it does not mean that the lunatics who have struck in other parts of the world are not equally as capable of wreaking the same sort of death and destruction on our city.

This sort of legislation is necessary to ensure that planning is in place and that powers are provided to deal with such occasions. The opposition will be supporting this bill, but will be asking questions of the government during the committee stage.

**Mr HAMILTON-SMITH (Waite):** I support the remarks made by my colleague who led for the opposition on this. It is a good bill. My interest in it relates to my previous involvement with the National Counter-terrorism Plan, as commander of our counter-terrorist team in the SAS in 1980, and later, as a senior officer in headquarters special forces where it was my job to be the defence force liaison officer at the State Crisis Centre during a counter-terrorism incident. I have had exhaustive involvement in the National Counter-terrorism Plan and in a range of other defence force aid to the civil power actions of which there have been many. Members will recall Cyclone Tracy and the numerous occasions upon which the defence force has been called out to support the civil power with bushfires, floods, earthquakes and various other emergencies.

One principal point that I would like to emphasise is that raised by my colleague the member for Bright: the issue of interface between the state authority and the defence force. I think it is a weakness in the bill. I will be asking the minister some questions about it and seeking and suggesting amendments to the bill to ensure that the defence force is represented on the committee. It deals with Part 2 clause 6, particularly subparagraph (2), which specifies the membership of the committee, which does not appear to include the defence force liaison officer or representation by the senior defence force officer in the state.

It has been my experience and that of the state, I am sure, that during a crisis it is virtually inevitable that the state will need to call on resources of the defence force which are many, starting with their facilities—their bases, for example.

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

**Mr HAMILTON-SMITH:** Before the dinner adjournment, I was explaining to the house how important it is that the Defence Force be included and represented on the committee outlined in part 2, clause 6. I explained that the Defence Force bases in South Australia may well be vital to the successful recovery from a disaster. Of course, the major base is RAAF Base Edinburgh, but there are others at Woodside, Keswick, Warradale, in the north, in the Port Augusta region and in other locations, including Army Reserve depots around the state. Those bases will prove vital to housing dislocated people, as emergency aid posts, as administrative centres and for other purposes, and they have proved vital in the past. The Defence Force also has massive administrative support and logistics it can make available—

everything from vehicles, kitchens and accommodation to blankets and rations and so on—in addition to airfields and communications and resources that can be flown into the state in an emergency. For all those reasons, it is vital that the Defence Force be an integral part of the committee.

I will remind members about Cyclone Tracy. I had the misfortune to be in Darwin a few weeks before 24 December 1974 and to return there a few days later. The brigade I later joined was involved in responding to the crisis. The entire city was virtually destroyed. The police infrastructure was in chaos, the hospitals wrecked and what emergency structure was there was virtually beyond recovery. Members may recall that, in quite controversial circumstances, Major-General Stretton in effect assumed control of the civil power in Darwin (a matter of considerable controversy later), and that issue needs to be picked up by this committee, once it is established, in terms of creating the right legislative framework. However, it is not beyond the realms of possibility that a catastrophe of that scope could occur in Adelaide.

About a year after Cyclone Tracy, I remember attending a seminar at which Major-General Stretton was asked: 'After Tracy, what is the next major emergency for which you are preparing in the national disaster organisation?' Very simply, he said: 'We are preparing for a major earthquake in Adelaide.' That was in 1975. He then went on to describe the scope of chaos that could be caused by such an event. As a member who represents an electorate on the fault line, I remind the house that a number of emergency services' assets in my electorate—and I am sure those of the members for Morialta, Davenport and others—are astride the fault line. The Mitcham SES, Belair CFS and a number of other units are right along the fault line and are likely to be in the thick of a catastrophe, such as an earthquake. It could result in the complete loss of their facilities and their vehicles and in people being unable to attend and report. Quite apart from that (and this was covered to some extent in the debate on whether or not we should participate in the Iraq conflict), the impact of a 1-megaton device detonated by terrorists in Adelaide would be enough to destroy the CBD and do irreparable damage to the inner metropolitan area.

People may think this is a most unlikely event, but people thought that Cyclone Tracy was an unlikely event; that the bombing of the trains in Madrid was an unlikely event; and that September 11 was an unlikely event. However, there are a number of small kilotonnage devices missing from the former Soviet republic, suitcase-sized devices, and there has been considerable media speculation about them falling into the hands of terrorists.

A very small device could completely knock out a good slice of our police, our metropolitan fire service and our emergency services infrastructure, including vital communications. Similarly, a chemical device or a biological device detonated in Adelaide could cause catastrophe on the scale of Cyclone Tracy or beyond. Members can smile about this, but it is a pretty serious matter. I would not want to be the minister who did not include the defence force on this committee during the subsequent royal commission when the proceedings in this house tonight were gone over again and again to determine why the constitution of the committee was inappropriate or inadequate some years later when such a catastrophe strikes.

There are some who may argue that the state has no power to direct that the military, the defence force, should be represented. That is correct. The state has no jurisdiction. The commonwealth cannot be directed by the state to do anything,

but the commonwealth can be asked. An amendment can be put into this bill to require that the senior defence force representative in this state be a member of the committee, subject to the agreement of the commonwealth, or his or her representative. At the moment, I understand that that person is the commander of the RAAF Base Edinburgh, Air Commodore Graham Bentley, or his successor, but that appointment may well deem somebody subordinate to be his representative on the committee. Either way, the defence force needs to be involved in almost every deliberation that this committee undertakes. It is not enough in my view for the committee to work as a silo and say, 'We are the state. We will do what we need to do and we will liaise with the defence force.' I think it goes beyond that. I think the defence force needs to be integrally involved at the very outset when plans and processes are being established years before a major disaster even takes place.

We came up against this silo mentality when we set up the national counter terrorist plan after the Hilton bombing in 1978. I distinctly recall putting on demonstrations in Swanbourne of the Special Air Services counter-terrorist capability to state police commissioners and state ministers of police. I distinctly recall subsequently during the seminar discussions state ministers and state police commissioners at that forum arguing that they should maintain the counter-terrorist response, that this was a state matter. They did not need the commonwealth, they did not need the federal authority. If there was a major terrorist event in their state, they would deal with it, etc.

Let me say that, when they saw the capability that the commonwealth could provide, in that instance through the army, most of them quickly realised that it was a capability of last resort beyond that which could be provided by the police forces of the various states. I put it to the government that there are capabilities in regard to disasters that the commonwealth can provide that the state would have no hope of even imagining. The senior defence force officer in this state needs to be an integral part of the committee.

Others may argue that clause 6(6) provides for the Governor to appoint suitable persons *ex officio* to the committee. I again put to the minister that that is not enough. I think that the senior defence force representative needs, as I have said, to be an integral member of the committee, not *ex officio* or there in any other capacity. If my friend the honourable minister can explain some other provision in the bill that provides solution and comfort to my concern, I am happy to be entertained. In clause 9, on page 6 of the bill, the functions of the SEMC are set out, and I cannot envisage those functions being achieved successfully without such defence force representation.

Moving on, could I also say that I think there is a need to ensure that the bill adequately brings in local government to its auspices. Local government has resources which in an emergency will be vital to success. The sort of scenario during a major catastrophe I envisage could be one where even the police system of communications may have completely broken down, where the MFS primary bases may have been totally destroyed or decommissioned, and where emergency communications may be inoperative, where the civil power has totally collapsed and failed if the emergency is of sufficient magnitude, certainly in the Adelaide metro area.

I put to the minister that the outer regions—country areas—may well have to respond in such a calamity in the metropolitan area, bringing their resources with them and that

all resources, including local government resources, meagre though they may seem—trucks, tractors, people, and so on—would have to be a part of the solution and ought to be part of the planning device. I note that CEOs from various government departments, may need to be adequate if the CEO of the department responsible for local government is to be involved: be that as it may.

In summary, I also point out to the minister that in regard to the role of the defence force in all of this many of the people upon whom he will rely in an emergency or major disaster within the Metropolitan Fire Service, the CFS and the police, will also be members of the Army Reserve. I put to the minister that another reason why you need the defence force to be part of this organisation is that you may very well find both the defence force and the emergency services making a call on the same people.

I once commanded a unit, the 1st Commando Company, which had a large number of reservists in it. At one count I think I had the entire New South Wales police water and diving wing in my unit as reservists. There were about two people in the entire water rats who were not Army Reserve members in that unit. Were they to be called up, they have certain obligations to the commonwealth with regard to call-up in an emergency and similar obligations in their civil employment, not to mention the fact that, in a Cyclone Tracy type of calamity, their principal and primary responsibility will be their own families and children.

I put to the minister that the best laid plans may well fall apart at the seams when police officers, firemen and other emergency workers find that their very own families are dying or facing death in a major earthquake, chemical, nuclear or terrorist event of significant size and concern. For all those reasons, there is a fundamental weakness in the bill as I read it. I am happy to be comforted if I have read it incorrectly, but I will be giving attention to that area in committee.

Overall, the bill is sound and I commend the government for putting it together. We will all be able to sleep more comfortably at night knowing that these devices are in place, but at the end of the day I ask members not to underestimate the chaos and confusion that will be caused by a major disaster and how quickly these arrangements may fall apart at the hinges. In all such planning it is wise to imagine the worst of possible scenarios and work back from there. I commend the bill to the house.

**Mrs HALL (Morialta):** I will make a brief contribution to the debate on the Emergency Management Bill, and I do so on the basis that, like many members, I have read with great interest the minister's second reading speech and many of the notes and briefing papers that have been prepared to support the changes that are outlined in this bill. I acknowledge the discussion that has taken place since the review was instituted back in October 2002. I understand that the major issues that were being looked at were: the role of government agencies in all aspects of emergency management and protective security; government arrangements for emergency management; and recommendations to ensure South Australia is best positioned to manage a full range of potential emergencies. I also understand that the review very clearly identified a number of inadequacies in the existing arrangements.

I acknowledge all of that and I acknowledge the work that has been done not only by those in government involved with the review but also the work of the member for Bright and a

number of my colleagues. However, when I read the second reading explanation, I was reminded of a concern that I have had for some time about the extraordinary gender imbalance in what this bill will replace, that is, the State Disaster Committee and the Emergency Management Council Standing Committee. When I looked at this bill, I had the same concerns about the extraordinary gender imbalance.

I do not cast any aspersions on those people who would be fulfilling important roles in this new structure, and I acknowledge that that is a reality in political life. However, I have an issue with the gender imbalance. We all know that women make up more than 50 per cent of the population and we hear constantly that what is required to fulfil these positions is the best person available, and I have no problem with that, but it is incomprehensible that some of the best people for some of these jobs are not women.

The government has very loudly proclaimed its support for the strategic plan. On page 7 of the Strategic Plan for South Australia under the heading 'Building communities' are two or three points of which I will remind the minister. It says that the government accepts the need to increase the number of women on all state government boards and committees to 50 per cent on average by the year 2006 and to have 50 per cent on average of state government boards and committees chaired by women by 2008; and it goes on to talk about the number of female members of parliament.

When I looked at some of the briefing notes for the new arrangements under this bill, I saw that to improve the governance arrangements the Emergency Management Council Standing Committee and the State Disaster Committee will be replaced by the State Emergency Management Committee which will report directly to an emergency management council. I acknowledge that the new composition of the State Emergency Management Committee has a slightly broader base than existed in the previous state disaster committee. However, when honourable members look at the role and function of the State Emergency Management Committee, I ask them to ponder the reality that more than half of the population will be affected by this work. It outlines in a very real sense the specific hazards that the management committee will be looking at, including such issues as: bushfires, flood, failure of an essential service, animal or plant disease, transportation or storage of hazardous or dangerous goods, human disease (including pandemic or epidemic), transport infrastructure failure, information technology failure or natural disasters such as an earthquake.

I know at this late stage it is probably very difficult for the minister to consider amendments to this composition, but I ask sincerely that this issue of gender imbalance be looked at, because the government has made a commitment to doing something about the composition of boards and committees. This is not coming from some screaming left-wing feminist by any stretch of the imagination. I ask the minister to look seriously at the points I have raised. The State Emergency Management Committee is to consist of the State Coordinator, who I understand is the Police Commissioner—I do not have a problem with that—the Chief Officers of the South Australian Country Fire Service, the Metropolitan Fire Service and the State Emergency Service, and then we get down to the people to be appointed by the Governor. These people comprise a wider base from which the minister can choose, but I understand that the composition of the State Emergency Management Committee again is specified by position only. The last time I checked there were not many female members of that committee.

I honestly think that the minister might consider somehow enlarging the composition of these committees to include, perhaps, a community representative, but I do not believe that some of the best people to fill these positions are not of the female gender. In my view, humble as it is, I believe there are many women in this state who have enormous amounts of talent, expertise, professionalism and experience, particularly when dealing with matters of organisation and a whole range of other areas. We have a different perspective and we often bring different skills to committee meetings. As I said, I understand that at this late stage it is probably too difficult to consider any amendments, but I urge the minister most seriously and sincerely to ponder the points I have raised to see whether there is any way that a more inclusive—and I would say more specialised—set of individuals could be chosen to manage the emergency situations that I hope this state never has to endure in the future.

**Dr McFETRIDGE (Morphett):** In his second reading explanation, the minister said:

This government is committed to ensuring that South Australia has in place the best possible emergency management and protective security measures to prevent, respond and recover to a full range of potential emergencies, from natural events to human initiated or terrorist activities and to ensure the safety of our community and the infrastructure.

No-one can argue with that. No member on this side of the house would argue with that; nor do I think would any member of either chamber or any person in the street. Until now, emergencies have been managed under the State Disaster Act, and that has worked reasonably well. After events such as the Ash Wednesday bushfires and going way back to the 1956 earthquakes, people would have been thinking about how we can best manage disasters.

Last Sunday was the anniversary of the Glenelg floods. On a scale of one to 10 the Glenelg floods would not rate very highly compared with hurricanes or earthquakes in Turkey or Syria, but what happened to the people of Glenelg North was just as devastating and life-shattering. It has taken 12 months for those people to get their lives back together. Indeed, some of them have not got their lives back together. On Sunday afternoon I stood on a vacant block in Todd Street where once there had been a house.

This time last year I was at the Salvation Army at six in the morning after having heard about the floods. I then went across to Glenelg North and saw the SES, the MFS, the Salvation Army, the police, and even CFS communications doing an absolutely sterling job. St John Ambulance was also there helping out. No-one would criticise their efforts, and I know that the people of Glenelg North would more than welcome my again putting on the record their heartfelt thanks for the fantastic efforts of the emergency services this time last year at Glenelg North.

That situation has been re-examined over time, and I certainly hope that the recovery period has been re-examined by the emergency services—and that is no criticism; it is meant in a constructive way. Some individuals were left to fend for themselves in a situation where I do not think they should have been put in that position. I tried to get people from Centrelink to come down as part of the work for the dole scheme. I tried to get some of the local service clubs and even the army to help. Some elderly people were unable to manage with moving their furniture or recovering their belongings. I did telephone the Metropolitan Fire Service. They sent two crews with salvage gear, and they did help, and

I thank them for their effort. The Metropolitan Fire Service worked above and beyond the call of duty.

In the next bill, we will be discussing changing the name of the Metropolitan Fire Service to the Metropolitan Fire and Rescue Service, and the Country Fire Service to the Country Fire and Rescue Service. That describes fully what those two organisations do, and they do it with the utmost professionalism. The mop-up at Glenelg is something about which I have concerns. As a result of the changes being made to the State Disaster Act, the introduction of this bill and the introduction of that organisation, I am sure that we do not need to declare Glenelg North a particular disaster zone, although I should put on the record that last Friday I had to telephone DWLBC and ask for the level of the Patawalonga Lake to be dropped because it was extremely high. We were expecting a high tide last Friday night. We had received heavy rain in the hills, with four or five inches of rain around Oakbank in the member for Kavel's electorate, and we were expecting a very high tide with high winds. We certainly did not want people at Glenelg North worrying about their being flooded.

I was very worried when I was speaking to people at the weather bureau and others just one week ago that we could have had floods again. It was an act of God that we did not have floods again. There was a high tide, high winds and a very severe rain cell heading straight towards Glenelg North. However, it did not come; it did not rain; so we did not get that combination. But, had it happened, we could have had floods again. The first initial estimate of damage this time last year was \$20 million. It ended up to be about \$1.8 million.

I will give the Minister for Emergency Services his due, because he did work very hard and worked with SAICORP officers. Many people have received a fair amount of money back. It was not new for old but I do not think they expected that. However, people are still putting in claims. In fact, last week a lady visited my office who did not realise that she could make a claim. So, there is another claim. People did not realise you could claim for motor cars, so more claims will be forthcoming.

I just hope that the government continues to do what it has been saying, that is, expediting the payout to these people so that they can get their lives back on track. Division 5, under 'Recovery operations,' provides:

... would allow recovery of costs where work is carried out and some other person has a duty to carry out the work or has a legal liability in respect of the work (e.g. an insurance company).

I just wonder what that means because insurance companies do not cover flood damage. Will it be the case that, if there is a flood and there is no insurance, the state disaster fund (now the state emergency relief fund) will come into action? The relief fund is something that should be examined in its capacity to look after individuals who are affected by disaster in this state. I understand that under the State Disaster Act 1980 the state disaster relief fund is administered by the minister. The minister appoints a committee of persons to administer the fund.

The money required for the purposes of the act will be paid out of money provided by parliament for those purposes. I hope parliament has several million dollars. The member for West Torrens has just left the chamber, but I have been told that it has been estimated that a one in 10-year event in his electorate, together with blockages of drains, could cause \$150 million worth of damage. Insurance conditions will not cover that. Many people will be expecting some relief from the government. Either it spends the money on infrastructure or it spends it on disaster relief. I sincerely hope that this bill

will ensure that plans are put in place to ensure that we prevent emergencies, not just react to them. Having said that, I hope that at Glenelg the computer which reacts to events—high water and rain—and which looks at sea levels and the levels in the Pat and the basin and reacts to those will be put secondary to a manual override during severe or predicted storm events.

We had a lock master there for 40 years, and when a combination of high tides and heavy rains was predicted they dropped the Pat, and for 40 years we did not have floods. When the automated system came in (and, admittedly, someone interfered with it, so it did not work), we had the combination and we had the floods. The government has said that it will send someone down there during high tides; during predicted crucial times. I hope that it does so. Another thing I ask the government to do is to install water level indicators so that people can see for themselves whether the Pat is high and also to provide emergency contact numbers so that people can receive some reassurance over the telephone.

The Emergency Management Bill is a good step forward. I encourage the government in the work that it is doing in this area. Certainly, the people of Glenelg North will be much happier once this bill is passed and once emergency response plans are drawn up. If a high tide/high rain event is predicted, at least they will know that there is a plan in place and they can sleep a little more peacefully at night. I support the bill.

**The Hon. P.F. CONLON (Minister for Emergency Services):** I thank honourable members for their contributions. I will make only a few comments in closing the debate because, essentially, the bill before the house was very much driven in its development by experts from the police and the emergency services: it has not been designed on a political basis. Inspector Miller is here, and he will be assisting me in answering questions. I thank him for all his work on the bill.

In regard to the comments of the member for Morialta, we are keenly aware of the responsibilities in the strategic plan. I assure her that in government there is no stronger supporter of addressing those gender issues than the Premier. I can indicate that we regularly receive scorecards from him with respect to our achievements in that regard, which is always a little hard if you run services where traditionally the leadership roles have been dominated by men. I can tell members that it is very hard to meet the Premier's targets.

**An honourable member:** What's your scorecard like?

**The Hon. P.F. CONLON:** My scorecard is not as good as some others but it is not as bad as some others. We are keenly aware of the issue. In the makeup of the committee I very strongly supported (in fact, in the discussions I pressed for this) the representation of the first response services. I think it is imperative that the chief officers of the services that will be the first to respond in any emergency—the fire service, the CFS, the SES—are represented on the committee. Unfortunately, because of the nature of those services, it has been rare to see a woman as a chief officer. However, that is changing, the world is changing, and we welcome that. There are other appointments that are more discretionary, and I can assure the member for Morialta that we will do all we can within those constraints to address the issue of gender representation.

In terms of the senior management committee, I will have someone write down for me who is on that at present. Certainly, the Premier, the Minister for Police, the Minister for Health and I are on it. I cannot remember the rest. Primary industries would certainly be on it. (I am not allowed to

recognise people in the gallery, but one can hardly mistake them: the SES overalls are distinctive. It is good to see them here.) I will let the member know who is on the emergency management council and save her a question later.

In regard to the member for Waite's contribution, there is absolutely no doubt about the importance of the role of the military in many disasters—in fact, the larger the disaster, the far more likely it will be that the military will be involved. The provisions that are made are those that have been worked up from the recommendations of the officers who deliver the services required in disasters and emergencies, and they are similar to those provisions recently passed in Victoria. They are very much the trend that we are seeing around Australia. There has been a response to events in recent years, and people have all been reviewing their emergency and disaster management legislation. I can indicate that we already have one advisory group on which the military is represented. The capacity to create those advisory groups is where the government sees the most appropriate place for the military to be represented. As we discussed earlier, plainly, there are some things in which the military will not be interested, for example, matters of an administrative or state government nature on a day to day basis or on a meeting to meeting basis. We see that as appropriate. I understand that the honourable member may have a different point of view, but on these matters we have taken the advice of people who have drawn up this review.

As I said, it is emerging as, I think, a consistent model around Australia, and we believe that it is important, because these events will cross borders. We do have a consistent approach around Australia. At the moment the State Emergency Management Committee, I am afraid, will not look very good in terms of gender balance, and it all comes down to chief executives. The real issue is appointing more women as chief executives. So many of these people are chief executives. The committee comprises the Chief Executive, Department of Premier and Cabinet; the Under Treasurer; the President, Local Government Association; and the chief executives of the following departments: Human Services; Justice; Primary Industries; Administration and Information Services; Business, Manufacturing and Trade; Education and Children's Services; Environment and Heritage; Further Education; Transport and Planning; Water, Land and Biodiversity Conservation; the Fire and Emergency Services Commission (if there is one, subject to the will of the house); and a senior executive management representative from the South Australia Police and the SA Ambulance Service.

One of the ways in which we are addressing these gender balance issues is contained in the provisions of the bill. The honourable member will see that people are to be appointed from three nominees from organisations. That is done because it gives us an opportunity rather than the increased likelihood of an organisation supplying one female nominee, in fact. I can appreciate the points made, but it is hard to address in the short term because of the dominance of men in chief executive positions. All I can say is that I do not think there is a stronger supporter in any government than the Premier, who is on to us, I can assure the honourable member, on a regular basis about improving gender representation. I think it is probably best to have Inspector Miller sit next to me in committee to provide far more expert advice than anything I can provide the honourable member.

Bill read a second time.

In committee.

Clauses 1 to 5 passed.

Clause 6.

**Mr HAMILTON-SMITH:** I move:

Page 5, after line 20—

Insert:

- (g) with the consent of the commonwealth minister responsible for the Australian Defence Force—the senior Defence Force Officer in South Australia, or a person nominated by that officer.

I move that amendment because, as I argued during the second reading debate, I believe the committee responsible for state emergency management ought to have included on it as a working member of the committee the senior defence force officer in South Australia or a person nominated. At the moment, the senior defence force officer is the commander of the RAAF Base Edinburgh but, that could change. It could be a male or a female.

As I argued earlier, I think this person needs to be an actual working member of the committee. It is highly unlikely that it will be the one star senior defence force officer at all times. Depending on the nature of each meeting and when the agenda goes out, the senior defence force officer may well send another officer of the appropriate rank or level. I argue that this amendment should be agreed to by the government because, when one looks at the functions and powers of the State Emergency Management Committee in clause 9, one sees that almost every one of those functions and powers would either involve the Australian Defence Force in South Australia, or benefit from its input. Clause 9 provides:

- (a) to provide leadership and maintain oversight of emergency management planning in the state;  
(b) to prepare and keep under review the State Emergency Management Plan;

The minister has acknowledged that the defence force will be involved in many of those aspects of the plan. Further, clause 9(d) provides to undertake risk assessments and paragraph (e) provides:

to ensure that agencies and organisations with functions under the State Emergency Management Plan are aware of those functions and are provided with adequate information for the purpose of understanding and carrying out those functions;

Again, the defence force will be involved in so many of those functions as an agency or organisation vitally involved. Paragraph (f) provides 'to monitor the capability of agencies' and paragraph (g) 'to coordinate the development and implementation of strategies and policies relating to emergency management'.

It is at this level that your defence force representative will need to be participating in the deliberations of the committee, offering input and advice, and learning from the committee and other emergency agencies their concerns so that he or she can then ensure that the defence force is responsive. Paragraph (h) provides:

if an identified major incident, a major emergency or a disaster is declared under this Act—to monitor and evaluate the implementation of the State Emergency Management Plan and the response and recovery operations taken during or following the emergency;

All these roles vitally involve the defence force in supporting the state's emergency services and, in turn, require coordination and interaction. Unless we are going to involve this vital commonwealth agency in these processes, how can we ensure that our strategies, plans and our capabilities will ultimately work well on the day?

As my amendment acknowledges, it is with the consent of the commonwealth. We cannot require the commonwealth to do anything; the minister responsible would need to agree. I take the minister's point that we have modelled this on the

Victorian act, but there are a lot of things the Victorians do that we could do better, and I think that, in this instance, coordinating with the Defence Force at this early outset is one of those things that we could do better. The Victorians may not have included it, but I put it to the minister that it would enhance and improve the bill. It does not mean that the Minister for Defence or the government could not decide that for certain meetings and for certain proceedings of the committee the Defence Force representative was not required.

As the minister has pointed out in closing the second reading, the point is that there will be administrative type matters dealt with by the committee that would be of no interest to the Defence Force, and I accept that. Clearly, not every member of the committee will attend every meeting. People will be sure to be there for the things that vitally affect them and they may not be there for the things that do not affect them, but let us get it right at this early stage. Let us make sure that that other vital organ of government, which we are going to need in a major disaster or emergency, is involved now, at the outset, at the planning stage. At the conception of this committee, let us give them a formal part in the process. It does not mean that it is not flexible or that that involvement cannot be managed, but it is my view that the bill would be enhanced by that provision—which, as I have said and as noted by the amendment, needs consultation with the commonwealth, but there is time to do that between now and the time that the bill is dealt with in the other place. So, I commend my amendment to the minister and ask him to consider it with grace.

**The Hon. P.F. CONLON:** I always take very seriously anything that the member for Waite tells me, particularly in his area of expertise, as a former SAS colonel—they are very serious people. However, I cannot agree with the amendment. Of course there is an argument for the role for the defence forces. In fact, the defence forces are already represented on the Protective Security Advisory Group by the adviser who would be advising the State Emergency Management Committee. In terms of people from other agencies who may have a role in an emergency, there is an argument for the defence agencies, there is an argument for ASIO and the federal police, there is an argument for the federal Department of Transport, the Bureau of Meteorology and, in fact, there is a strong argument for some disasters for the federal quarantine office. Any meeting of the State Emergency Management Committee is capable of inviting any person to attend, and I think that would be the appropriate role. I think the member for Waite would agree that defence force personnel would simply not want to be at all meetings of the Emergency Management Committee. They are not going to be interested in the detail of the development of state-based plans and every aspect. I think, given that—

*Mr Hamilton-Smith interjecting:*

**The Hon. P.F. CONLON:** Of course we will be involving the Defence Force in advisory groups; their capacity to invite them to the committee on an as-required basis I think is adequately covered. I appreciate that the member for Waite seeks his amendment genuinely and in what he thinks is the best interest. I would undertake to review the operation of the committee with a view to seeing whether or not the membership is correct sometime over the next 12 months as it operates. At the moment we are certainly not persuaded, and we will continue to rely on the advice that we have been given by our experts. It is not modelled on Victoria. I understand that it is the same approach they are taking in most states; Victoria just happened to move first. Western

Australia is adopting a very similar approach. One of the things we have tried to do is to get some uniformity, so that there are some aspects of disaster management where you need it, such as when we do exercises with the commonwealth on a regular basis. I think the most recent one I can remember was an exercise on foot and mouth disease.

*An honourable member interjecting:*

**The Hon. P.F. CONLON:** Mercury 04, of course, a major terrorist management event, was staged quite recently in South Australia. All those things happen, and of course we recognise the role of the commonwealth and the defence forces. We believe that the system we are suggesting is the most appropriate way to go, but I indicate that I am happy to review the operation over the next 12 months, given that we are not convinced on this occasion.

**Mrs HALL:** The minister may be aware of the question I am about to ask, which relates specifically to part 2, 'State Emergency Management Committee', clause 6. I am confused, and I hope the minister can enlighten me. In his second reading explanation the minister specifically says:

To improve the governance arrangements for emergency management and protective security, the government will replace the Emergency Management Council Standing Committee and the State Disaster Committee with a State Emergency Management Committee which will report directly to the Emergency Management Council.

I have read through the bill before us in some detail and there is absolutely no reference in part 2 to the Emergency Management Council referred to in the second reading explanation. Under clause 9, 'Functions and powers of SEMC', there is again no reference to it. However, it is quite specific in the second reading explanation, and I wonder whether the minister can, first, give us some details about whether there should be some definition of it in the bill; secondly—and I am sure he would have received the information—advise the committee of the composition of the Emergency Management Council and, thirdly, whether it should be mentioned somewhere in the bill so that we understand, first, the functions and powers and, secondly, the composition of the council.

**The Hon. P.F. CONLON:** The first thing one has to understand about the Emergency Management Council is that it is, in fact, a cabinet subcommittee. I do not believe it presently has any legislative existence. What we have at present in the State Disaster Act is the State Disaster Committee; the relationship is the same. It is not mentioned in legislation, because cabinet subcommittees do not have a specific legislative existence. It is merely a subcommittee of cabinet, albeit a very important subcommittee of cabinet. Given that it has not been a difficulty in the past and that cabinet is executive government, it has not been necessary in the past, and we do not believe it is necessary now. The members of the council are the Premier, the Minister for Police, the Minister for Emergency Services, the Minister for Health, the Minister for Primary Industry and the Attorney-General, I think; there is one woman on the council.

**Mrs HALL:** I am delighted that that is a ratio of five to one.

**The Hon. P.F. CONLON:** Well, I am not prepared to help the ratio by standing down myself, if that is what the member is worried about.

**The Hon. W.A. MATTHEW:** I want to pick up on the same issue. While I hear the minister's assurances, I would put it to the minister that the evolution of the reporting arrangements and management that have occurred under the



existing State Disaster Act have probably occurred because that act has been in force since the end of 1980. If it is not possible to go through the detail tonight, between the passage of this bill in this house and the other place will the minister, with his advisers, consider the merits or otherwise of including explicitly within this part of the act reference to at least a reporting or management arrangement to a committee of cabinet? I can understand the minister's reluctance to detail the personnel because cabinet subcommittees, particularly, are fairly fluid over the passage of time and the ministerial portfolios may change, in name if nothing else. But it seems to me that there needs to be reference to the reporting arrangements within the structure of the bill.

**The Hon. P.F. CONLON:** We are not doing anything differently at present, and there is no linkage in the legislation. There is an emergency management manual which forms part of the state emergency management plan, and the linkages are set out in the manual for those people who are intimately involved in providing the service. We believe that is adequate. It is only in draft form at present, but we will get you a copy. I think that will probably satisfy your concerns about there being some confusion.

However, I will say that, while it has served us well for a long time, you would not want to try reading the State Disaster Act at present, and try to work out who is responsible for what. I am reasonably bright, but it took me about three goes to work out who did what. The point is well taken, but I think that the manual is probably the best place to set out the linkages for people who manage the plan.

**The Hon. W.A. MATTHEW:** I have a further question in relation to clause 6(2)(f) (iii) where it talks about the appointment of one of the not more than 14 persons who are appointed by the Governor. It provides:

one is to be appointed on the nomination of the Minister, being selected from a panel of three persons submitted by the governing body of the S.A. St. John Ambulance Service Inc.

I notice that with other bodies detailed here—for example, the Metropolitan Fire Service, the State Emergency Service and the Country Fire Service—it is the chief officer, and I ask the minister why it is not the chief executive of the ambulance service. Why the differentiation?

**The Hon. P.F. CONLON:** There are two points. First, whereas we know that the appropriate person in our emergency services is the chief officer, it may be that that is not the best person for those other agencies. Secondly, we actually like the idea of a panel for the reasons raised by the member for Morialta: it is nice to have the ability to pick from a choice because I can assure you that, in my experience in dealing with representatives, without the choice of three you will overwhelmingly get blokes recommended. Then we will be in here answering criticisms on the gender balance when we have no control over it. This, at least, gives us an option, but it also gives the agency concerned an option—they can pick the people that they think are best. In some of those agencies the chief executive may be chosen for very different qualifications than being an operational person. In our services we deliberately pick a chief officer or chief executive, the head operational person, who is the most appropriate person. However, we do not know that that is the case with other organisations.

**The Hon. W.A. MATTHEW:** I refer to clause 6(6) which speaks of the appointment of ex officio members to the State Emergency Management Committee. I ask the minister to detail the occurrences where he envisages that an ex officio member may need to be appointed and under what terms.

**The Hon. P.F. CONLON:** I am reliably advised that the main purpose of that is to provide for setting deputies for the people listed: the deputies to the chief, to the fire service, the CFS, etc.

Amendment negatived; clause passed.

Clauses 7 and 8 passed.

Clause 9.

**Mr HAMILTON-SMITH:** I move:

Page 6, after line 30—Insert:

(ga) to consult with relevant commonwealth agencies (including the Australian Defence Force) in relation to support for emergency management in the state.

I am a little crushed that the minister has not acceded to my erstwhile amendment to have a member of the defence force on the committee. I think that it would be mutually beneficial to both the state and the commonwealth, and to the quality of the plans. However, in moving this second amendment, I ask the minister at least to acknowledge as a function of the SEMC that it should consult with the relevant commonwealth agencies, particularly the defence force, in relation to support for emergency management in this state. As we look through the existing functions of the committee, the only one that really points to coordination with the commonwealth is paragraph (g), which requires the committee to coordinate with the development and implementation of strategies and policies relating to emergency management, including strategies and policies developed at a national level and agreed to by the state.

The National Counter-terrorist Plan would be an example of that, and there are others, but there is nothing in there that specifically requires the committee to consult with the defence force. Given the minister's earlier comments, he might want to include other commonwealth agencies. My amendment simply states 'with relevant commonwealth agencies', which is not exclusive. However, I spell out the ADF, but it is not exclusive—it could be other agencies regarding support. It gets back to the issue that I raised earlier that we should consult with them, and it should be provided in this bill that support from the defence force is vital to our emergency plans.

There is no guarantee that that support will be forthcoming; it might all be addressed separately. My point to the minister is that, having been inside both the commonwealth and state systems, it needs to be there in the act so that the commonwealth can see that it has a mission for the defence force. To provide this support is something which the state government requires of it and which the state parliament is calling on it to provide. It can then be put into the defence force's set of missions and responsibilities for the state. If it is not there in the bill, and you do not ask, there is no guarantee that it will be picked up. Normal administrative processes may do with it and, hopefully, they will; but, I am suggesting that when this committee is formed and picks up this bill as an act and sees its functions, it must understand that one of its functions is to consult with the relevant commonwealth agencies, including the ADF, in relation to support for emergency management in this state. So, this is a way of achieving the intent that I am trying to have adopted in the bill, without insisting that there be an ADF person at every meeting. I ask the minister to consider whether inserting this subclause would achieve that object without, as he has pointed out, having a senior Defence Force officer as a member of the committee. I ask the committee to support this amendment.

**The Hon. P.F. CONLON:** I appreciate where the member for Waite is coming from, but it is entirely unnecessary to insert this provision, and to do so in a bill relating to disaster management would be like putting into the Metropolitan Fire Service a provision that suggests that firefighters wear protective clothing: it is what they do. We are talking about agencies run by people who have given their entire careers to the protection of the community, to operating in disasters and to responding to emergencies, and they go about it in the best way they can. You cannot run emergency and disaster management in Australia without consulting the commonwealth agencies or having very strong relationships with the relevant agencies, and we do this all the time. It really is like teaching them to suck eggs.

I have already pointed to Operation Mercury, and I can point to the large foot and mouth operation of two years ago. You cannot manage these issues without the relevant commonwealth agencies. I have mentioned that we have already a Defence representative on one of the advisory groups, and he is likely to be on more as they are set up. Inserting this amendment serves no purpose, because it is very much 'come in out of the rain' commonsense: most people have it.

**The Hon. W.A. MATTHEW:** I have a question in relation to this clause. Essentially, it involves the overall functions and powers of the State Emergency Management Committee. I note that in his second reading speech the minister referred to the creation of a number of other bodies and groups, such as an emergency management zone, to be as established across the state, and that those emergency management zones will have zone emergency management committees. I assume that these committees will have powers that are, effectively, delegated to them via the State Emergency Management Committee. That is not explicit in the bill, but I assume that is the case.

In his second reading speech, the minister also talks about the State Emergency Management Committee identifying a series of hazard leaders, who will help develop state level hazard plans in specific areas. I ask the minister to explain to the committee more about those state emergency management zones, namely, whether they are similar to the zones under the old State Disaster Act, where they corresponded broadly with policing districts or police LSAs. Are the zone emergency management committees specific in number and personnel? How are those personnel determined and appointed, and who appoints them? How do the hazard leaders relate to the committees, and how are the leaders appointed?

**The Hon. P.F. CONLON:** I will deal with the easy parts of the questions first, and I will need to be reminded of the others. They are based on the police local service areas and continue the current regional arrangements in the emergency management zones, with some enhanced clarification of responsibilities, drawn from a broad cross-section of the community, including expertise appropriate to the hazards being faced within a particular zone. To a considerable degree, this is done at present. What does the honourable member want to know about hazard leaders?

**The Hon. W.A. MATTHEW:** I asked how the hazard leaders are determined. Who actually appoints them? Are they remunerated? What are the conditions associated with them?

**The Hon. P.F. CONLON:** They are drawn from the government agencies that have lead responsibility for that type of issue and we already pay them, so we are not going to pay them a second time. The honourable member asked

another question. Was it about the powers of the state emergency management zone?

**The Hon. W.A. MATTHEW:** How are the zone emergency management committees appointed?

**The Hon. P.F. CONLON:** They do the work. They develop responses to particular types of hazard emergency or disaster. That goes to the Emergency Management Committee for approval. I will give you the make-up of them, as follows. The chairperson is elected by the zone emergency management committee from the committee membership. The committee must include State Emergency Service regional manager, emergency management coordinator and the assistant to the zone emergency management coordinator (recovery), who will be appointed from within the community by the assistant zone emergency management coordinator during emergencies. Within that we will have a broad range of people with suitable expertise. Their work then goes off to the committee for approval, so that we get, I hope, consistent best practice across the zones.

**The Hon. W.A. MATTHEW:** If my colleague the member for Morialta has a question, I will not take her thunder on this issue. I will leave that and simply ask the minister if it is his intention that the roles and appointment terms and conditions of these zone emergency management committees will be prescribed by regulation or whether they will be covered again within the State Disaster Rule Book that is being put together at this time.

**The Hon. P.F. CONLON:** It will be in the manual, so when we get you a draft of that you can make up your mind about whether you think it is good enough.

*The Hon. W.A. Matthew interjecting:*

**The Hon. P.F. CONLON:** You don't like that either? Why? What's wrong?

**Mrs HALL:** I note the minister needed to refresh his memory on reading the second reading speech, and I commend it to him. However, one of the difficulties when you read the second reading speech and try to match it up with the bill we are currently debating and taking through committee, is that there seems to be some differences. Can the minister explain clause 11, which is headed 'Establishment of Advisory Groups by State Emergency Management Committee'? When I try to match that up with the second reading speech, I think it is fair to say that one could be excused for being confused as to whether that is referring to the hazard leaders or the group that the minister was just talking about. Do the provisions in clause 16, which is headed 'Assistant State Coordinators', match what the second reading speech refers to as 'hazard leaders'?

I would just like the minister to explain, to take us through whether we are actually talking about the clause 11 definitions or the clause 16 provisions, because I am sure he will not make the error of judgment when he next brings a bill before the house of rereading the second reading speech, because it does not match up to the bill. I would be very grateful if the minister could just take us through which one we are talking about, as defined in the bill—whether it is clause 11 or clause 16. I have to say that, when I was getting ready to get stuck into the minister on gender imbalance, I was really finding it very difficult to see the difference between clause 11 and clause 16 as it relates specifically to this reference to 'hazard leaders.'

**The Hon. P.F. CONLON:** I hope I understood the question. I should not tell stories out of school, but with the Emergency Management Bill about five ministers were involved. I was in here about a fortnight or three weeks ago

and somebody walked up, slung me the bill and said, 'You're responsible for this, go in and do it'. It may have helped had I referred to the second reading explanation that I had inserted in *Hansard* to make sure it was consistent with my understanding of it. Under clause 11, state level functional advisory groups are established in areas that are not tied to a specific hazard but have broad high level impact across the state and provide strategic direction and high-level policy advice in key areas. Functions may include emergency services response, protective security, critical infrastructure protection, mitigation, communications, community awareness and media, and spatial data infrastructure.

Under clause 16 the state coordinator may appoint one or more assistant state coordinators to provide expert advice in a particular field, which is the fundamental difference. I am sorry if that is not clear from the second reading explanation. Maybe I will adopt the habit of the Attorney and read them all out loud. I am sure the honourable member would not like that.

Amendment negatived; clause passed.

Clauses 10 and 11 passed.

Clause 12.

**The Hon. W.A. MATTHEW:** This clause relates to delegations and I note that subsection 1(b) refers to an advisory group established by the State Emergency Management Committee. What advisory groups were considered when this was prepared, and are we talking about the same groups we discussed in earlier questioning such as the zone emergency management committees?

**The Hon. P.F. CONLON:** They are not the same. The people may deal with those issues and the groups are referred to under clause 11, but the advisory groups in particular are the matters I read out, which those groups may deal with: the emergency services response, protective security, critical infrastructure protection, mitigation, communications, community awareness and media and spatial data infrastructure. I note that protective security already exists. It has a representative of the defence forces on it, which I am sure will please the member for Waite. I assume that their work becomes the standard for work in those regional groups. That is the high level advisory group. It is not as confusing as the previous act.

**The Hon. W.A. MATTHEW:** We are talking about delegation and about the ability of the State Emergency Management Committee to delegate its functions or powers under the act to an advisory group, so with any one of the groups the minister mentioned the committee has the ability through this provision to delegate its powers to those groups. I ask the minister what sort of powers he envisages will be delegated and how he sees them being put into effect.

**The Hon. P.F. CONLON:** They are probably more responsibilities than powers which are contemplated being designated to the president of the power development plants. In any event, they would come back to the emergency management committee for approval. But we do not contemplate any more than the responsibility of drawing up a plan in that particular area of expertise.

Clause passed.

Clauses 13 to 21 passed.

Clause 22.

**Mrs HALL:** The explanation of this clause says:

This clause allows for the declaration by the state coordinator of identified major incidents. Such a declaration remains in force for a maximum of 12 hours and cannot be renewed.

Will the minister explain why it is specified as 12 hours and cannot be renewed but for other incidents the declaration can be renewed?

**The Hon. P.F. CONLON:** It is a new level of incident. It might be set out in the second reading explanation, but I am not sure. We are talking about something between a day-to-day emergency and a declared major emergency and disaster. It is foreseen that it would be something likely to be of shorter duration. If it appears that it will be longer than 12 hours, you would then start to think about it being a major emergency or a disaster. An example would be the Glenelg floods which caused significant damage but the recovery time by the SES was about four hours, I think, to return the water to the Patawalonga. So, it might be an incident where it is susceptible to the exercise of the powers set out here but it is not a major emergency or disaster. That is a significant improvement on what we have at present, which is a bit all-or-nothing, I think.

**Mrs HALL:** I understand that it might be a significant improvement on what we have at the moment but, in light of the explanation that the minister has just provided to the committee, it seems to me that we are talking about a maximum period of 12 hours that cannot be renewed versus an identified major incident. But then we go to a major emergency which has to remain in force for a maximum period of 48 hours and can be renewed or extended with the approval of the Governor. I am curious why the 48 hours can be renewed or extended with the approval of the Governor, whereas this is a reference to 12 hours—and bang, that is it, it cannot be renewed, move on. It seems to me there should be some flexibility in the two descriptions.

**The Hon. P.F. CONLON:** Perhaps the member is right, but we are introducing some flexibility that we do not have at present. It is very much an all-or-nothing situation at the moment, and that was one of the things not only behind this review but also behind the approach that has been taken nationally. I think these are the national identifiers. There is a move to make these as uniform as possible across jurisdictions so that we all begin to speak the same language when we talk about incidents. You may be right, but if it extends beyond 12 hours the thinking of our experts at present is that we are moving to a more serious incident and that it should be upgraded to reflect that. Once it has been upgraded it becomes an incident subject to renewal on an ongoing basis.

**The Hon. W.A. MATTHEW:** If I can just clarify that with the minister. He is therefore saying that, if it appears that an incident has been incorrectly assessed, it has been identified as a major incident and it is approaching that 12 hour timeline and, if it is quite clear that the incident is going to continue for a greater period of time, it would be reclassified as a major emergency.

**The Hon. P.F. CONLON:** It is not about getting it wrong. You may well get it right, but then something else may occur. If you have a flood and then you have a second major event, it may well be that you have to upgrade it. It is about dealing with things according to their proper scale, but it does provide more flexibility. We now have powers that are susceptible to less significant or less serious incidents than in the past when it was very much all or nothing. If it is an identified major incident and something else adds to it, it may have to be upgraded. For example, if there is a major fire but then we discover that within that fire a hazardous chemical has been released, it may become a different incident altogether.

Clause passed.

Clauses 23 to 25 passed.

Clause 26.

**The Hon. W.A. MATTHEW:** Clause 26 relates to the disconnection of gas or electricity. It is one of the new clauses that have been introduced into the bill following the review of the State Disaster Act, because it was found that this needed to be included. The reasons are self-evident. Clearly, if there is a problem in an area, gas is a volatile substance, and there may be the need to shut down significant sections of gas mains as well as electricity infrastructure. I am somewhat surprised that, if this power has been provided in respect of gas and electricity, why similar powers have not been provided for water. Equally, there can be events that cause significant disruption to water mains, and it may be that part of the water service will also need to be shut down. A minor earthquake is one end of the scale that could cause a fairly significant disruption to the service and flooding could result. So, I ask the minister why the same consideration has not been given to the disconnection of the water supply.

**The Hon. P.F. CONLON:** If the honourable member refers to clause 25 he will find that there is a power to cut off the supply of water at any drainage facility at the incident site. Clause 26 refers to going off site. I understand that they believe that power is necessary for gas and electricity and not necessary for water. I assume they have their good reasons (and perhaps we can get a better explanation for the honourable member), but certainly the power to shut off water exists at the hazard. The reasoning for why it is that you are more likely to cut off the electricity and gas off site I will have to provide between this place and the other place. As I said, this is done by people who know what they are doing.

**The Hon. W.A. MATTHEW:** I thank the minister for that offer. I understand that the power exists to cut off water locally at the incident site but, if we had a disaster of greater proportions, I can see a need where it might be necessary, for example, to cut off water from the point of, say, the Happy Valley or Hope Valley reservoirs or something similar.

*The Hon. P.F. Conlon interjecting:*

**The Hon. W.A. MATTHEW:** There may indeed, minister, but if there were earthquake issues involving disrupted pipes it might be necessary to cut it off at that source.

**The Hon. P.F. CONLON:** There is some argument about the degree of hazard from water as opposed to gas and electricity, and they also say that it is easier to shut off water than gas or electricity. They make fewer mistakes, apparently.

**Mrs HALL:** I know the minister is very well aware of some of the very serious potential bushfire hazards in the electorate of Morialta, and he has been extremely cooperative, I would have to say, in trying to assist us on issues specifically as they affect power and water being disconnected in times of dramatic high fire danger. Will the minister provide some information about which act takes precedence over another in relation to bushfires? Is this the overarching act? Are bushfires controlled by another section? Which one has precedence? In my electorate across that hills area both power and water are absolutely crucial to our emergency service workers.

**The Hon. P.F. CONLON:** It is a complex question. Almost always the emergency services will respond first before any declaration. When you have response times of six or seven minutes, the services will be on the ground and exercising their powers under the Country Fires Act or the Metropolitan Fire Service Act. However, when the incident becomes declared in one of the categories under this bill, this

takes precedence, but it does not exclude the exercise of powers under the previous act. From memory—I have not looked at it for some time—the honourable member will find that there are far more comprehensive powers listed for emergency services under those acts. The honourable member will find that there are exclusions of liability for causing damage. If you ever park your car in front of a water access spot for the CFS, good luck to you, because they will run straight over the top of it and you will not get a cent back.

The powers will act together, but the likely sequence of events is that the emergency services will be acting under powers in the relevant act, whether it is the Country Fires Act, the Metropolitan Fire Service Act, or the State Emergency Service Act. This act will take precedence. It has some superior powers, particularly for the state coordinator, but they will act in conjunction; that is, you will still have those protections for liability, for example, under the Metropolitan Fire Service Act or Country Fires Act.

One of the things that we were also very keen on doing with this bill was to make sure that the emergency services were intimately involved and that the people who did this were intimately involved in the next bill before the parliament, the SAFECOM bill (they are the most comprehensive sets of powers other than the Police Act), to make sure that they are as complementary as they can be. I do not think there would ever be an issue of conflict. The powers would simply overlay each other.

Clause passed.

Clause 27 passed.

Clause 28.

**The Hon. W.A. MATTHEW:** My question in relation to clause 28, which comes under the category of 'Offences', is a question that I regularly ask of ministers in relation to penalties. This clause provides for a maximum penalty of \$75 000 for an offender who may be a body corporate or \$20 000 for an offender who is a natural person. I put to the minister that it may well be that this act is not replaced for 25 years hence, so it may have the same longevity as its predecessor, the State Disaster Act, which of course was introduced to the house in 1980. My concern is that, when offences are prescribed in such a way and not through regulation, it means that the house has to continually update the legislation to make the penalties relevant. Did the minister consider specifying these penalties through regulation and, if so, why has he not taken up that option?

**The Hon. P.F. CONLON:** It is not really me: it is the preference for drafting in South Australia. What I would say is this—and it is good that we have a couple of parliamentary counsel here. I have worked in the commonwealth government and, as a lawyer, I have seen acts. We have the best legislation in Australia in terms of reading it; we have the best parliamentary counsel, and our acts are the simplest to read. There may be some awkwardness in upgrading fines from time to time, but an ordinary South Australian can pick up one of our pieces of legislation and read and understand it and know, if they want to commit an offence under this act, what the penalty will be. That has some administrative difficulty, but we believe that it is the best thing to do. I stress that the member really should read some commonwealth acts and then read some South Australian legislation and see the difference—and, of course, they have the Rocla concrete problems, as I understand it, from my dim recollection of law school.

Clause passed.

Clauses 29 to 36 passed.

Clause 37.

**Mrs HALL:** This clause refers to the state emergency relief fund and outlines in some detail the operation of any relief fund that is established, giving the minister power to appoint a committee of persons to administer the fund. If one reads all the sections within clause 37 one will see that there does not appear to be any obligation to pay out the money within a required length of time. I guess over many years each of us has read and heard of cases where relief funds have been established very specifically to assist the victims of whatever disaster the fund was established to help. After reading this clause, it does not seem to me that there is any obligation to pay it out within a certain period of time. I know that the minister would take that role very responsibly but, for the record, I wonder if he can outline to us his view as to how that fund would be administered and state whether he has in mind any time lines. We know that time lines are a very emotional issue when people appear to have waited for years before receiving a cent of payout, given that it is probably in the first few weeks or months that they most desperately need that financial assistance.

**The Hon. P.F. CONLON:** Very simply, my belief is that as soon as the compensable incident has crystallised, if you like, that is, its damage, and the person is entitled, it should be done as quickly as possible after that. The longer you delay it the greater the damage and the more you are likely to pay out. It is a very simple formula. It is what we used at Glenelg when we decided that, regardless of the arguments about legal liability, if we paid the damages immediately, as soon as they were crystallised, we would end up paying less, and we believe that has been the case. The damages bill would have been much higher and much more painful for people at Glenelg if they had waited three years to get through a court process.

The problem is that recovery issues are not simple and straightforward and, as I understand it, it may take a very long time to assess the total loss to a person, or the total damage that needs to be recovered. It is very hard to put an arbitrary time frame in there. I do not think that this is much of a departure from existing provisions at all. My own

personal view is that, if damages crystallise, if you know what it is and you know the person's entitlement, the funds should be paid out as soon as you know those things. There is absolutely no benefit to anyone from waiting.

I point out that there is an ability through the Governor to give directions for the operation of the fund, but it is very hard to make one rule to suit all possible circumstances. What happened at Glenelg was that, within, say, 24 hours, we made available some emergency funds to cover immediate day-to-day needs, and we paid out on heads of damages as they crystallised, I think is probably the best word. Where people had a home, it maybe took much longer to ascertain the true extent of damage, but where they also suffered damage to a car or other property, we paid out on those heads of damage as they became clear so that people were not left, as the honourable member says, with nothing waiting for it. Believe me, I know how emotive those issues are. My personal view would be that, if I were operating it, that is how I would operate a fund.

Clause passed.

Clause 38, schedule and title passed.

Bill reported without amendment.

Bill read a third time and passed.

#### **STATUTES AMENDMENT (INTERVENTION PROGRAMS AND SENTENCING PROCEDURES) BILL**

**The Hon. P.F. CONLON (Minister for Infrastructure):** On behalf of the Attorney-General, 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 Hon. A. Evans, the Hon. R. Lawson, the Hon. B. Sneath, the Hon. N. Xenophon and the Hon C. Zollo, and we there delivered the bill, together with the resolution adopted by this house, and thereupon the managers for the two houses conferred together and no agreement was reached.

#### **ADJOURNMENT**

At 9.17 p.m. the house adjourned until Wednesday 30 June at 2 p.m.