

HOUSE OF ASSEMBLY

Monday 11 October 2004

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

LAND TRANSPORT NETWORK

A petition signed by 38 residents of South Australia, requesting the house to support the Premier in his efforts to have the federal government increase South Australia's allocation of funds for building and maintaining the state's land transport network, was presented by the Hon. P.L. White.

Petition received.

GAMING MACHINES

A petition signed by 4 140 members and patrons of various sport and community clubs and organisations, requesting the house to legislate to ensure that no licensed club gaming venue suffers a forced reduction in the number of fully operating gaming machines through amendments to the Gaming Machines Act 1992, was presented by Mr O'Brien.

MATTER OF PRIVILEGE

The **SPEAKER**: There are a couple of matters to which I need to draw attention. The first is that I addressed the chamber on 28 June about a matter of privilege raised by the member for Morphet about the decision by the Pitjantjatjara/Yankunytjatjara Land Council to dismiss its CEO, Mr Robert Buckskin. What I said at the time still stands. However, I note that the minister has made a statement to the other place that:

An issue was recently raised in parliament by an individual member of the committee concerning the termination of a contract of employment by the Executive Board of the Anangu Pitjantjatjara. The Aboriginal Lands Parliamentary Standing Committee informs the parliament that this is not a matter for the committee to resolve.

I understand that the resolution was passed by the committee to that effect by a majority of the members of the committee. The fact that Mr Buckskin gave evidence to the committee is a matter for the committee to report, and it must report to the parliament. Moreover, the question of whether the information which was provided by Mr Buckskin was relevant to the committee's deliberations must be addressed in that report.

The parliament must now also be told who initiated the appearance of Mr Buckskin before the committee. Equally, the parliament must be told what specific information was given to the committee to which the Chairman and other members of the council took exception. Furthermore, the parliament is entitled to know why and how the committee attempted to discover any of the foregoing facts relevant to the inquiry and, if not, why not.

I am also curious to know how many times since 28 June the committee has met. This is vital, for if it was as a consequence of Mr Buckskin's appearing before the committee to provide the committee with the assistance which it sought in one way or another that he was subsequently dismissed from his job, clearly a breach of privilege of the parliament has occurred. Equally, the matter of whether or

not that represents a contempt of the parliament needs to be addressed by the parliament.

LAW, ENACTMENT

The **SPEAKER**: There is another matter to which I need to refer, and it is probably of more serious gravity. Recently, an act of parliament was passed and presented to Her Excellency by myself for assent. The background discussion and debate in the community about that bill resulted in some members referring to the Auditor-General as having provided opinion about the validity of the bill. Accordingly, on 9 August, in order to establish the truth of the matter, on Joint Presiding Officers' letterhead of the South Australian parliament, both and the President of the Legislative Council and I wrote to the Auditor-General in the following terms:

Re parliament's constitutional prerogative power to enact law

There have been some remarks in the media in recent times about whether a (some) Bill(s) have been properly introduced and passed through both Houses of the Parliament. In particular, the speculation and comment has centred upon the questions:

- (i) as to whether or not a Bill has been an Appropriation (money) Bill or not and, if so,
- (ii) then what makes it so.

You have been cited as having expressed opinions about these matters. We now seek to learn from you, to the best of your knowledge at this time, if you or any member of Audit Office staff has to date advised you that they have said that they have acted for you, with or without your knowledge at the time of acting, and expressed such opinions in your name or in the name of the Audit Office about a Bill (any Bill or a particular Bill) in response to inquiries from anyone.

1. If so, to the best of your knowledge at this time, were the inquiries stated to be formal or informal and if stated to be formal, what was the response to such inquiries, instance by instance, if any one response varied in any material particular from any other response(s)?

2. To the best of your knowledge at this time, did anyone apart from you respond to the inquiries in your name or in the name of the Audit Office?

3. If so, did you:

- (i) believe they were seeking your formal opinion and advice?
- (ii) in either case, give them a formal response?

4. If a written response(s) was (were) provided to anyone, we will be pleased to receive a copy of it (them) as part of the attachments accompanying your response to our other inquiries in this missive. Likewise, if a verbal response(s) was (were) given then it will be helpful if a written synopsis of it (them) is promptly provided.

We think the Audit Act doesn't contain a statutory obligation or the authority to Audit to express opinions on these matters.

5. However, if it is your view that we are mistaken, under which provision(s) in the Audit Act do you believe Audit has the obligation or the authority to provide any such opinion?

6. We need to know if you were offered or sought an opinion by someone who claimed to be an expert and, if perchance that was the case, then whom it was, and the means and form by which you obtained that opinion [from that other party]. We thank you for your best endeavours and professional services in the interests of the People and the Parliament of our state and look forward to your prompt attention and response to our inquiries.

Members interjecting:

The **SPEAKER**: Order! The President has received a response in which the Auditor-General has said that he has received the letter and noted its contents. That is unsatisfactory. Equally, no response has been received by the chair. That is equally, if not more seriously, unsatisfactory. Whether or not that represents an offence or a misdemeanour is a matter for the chamber to decide, but the situation as it stands is quite simply grossly unsatisfactory.

AUDITOR-GENERAL'S REPORT

The SPEAKER: Notwithstanding the remarks I have made about the indifference of the Office of Audit to the inquiries put to the Auditor-General on behalf of the parliament by the presiding officers, I nonetheless lay on the table the annual report of the Auditor-General (part A, Audit Review and part B, Agency Audit Reports).

Ordered to be published.

LAW, ENACTMENT

The SPEAKER: During the break between the Third Session of Parliament, which was prorogued, and the resumption of parliament, regarding the matter on which I have already spoken (that is, the substance of the bill and the manner and form and the procedures which were or were not followed), legal opinion has been sought and provided. I now table that legal opinion. We are still waiting for the legal opinion on another aspect of the matter. I make that opinion available to the house by tabling it.

AUDITOR-GENERAL'S REPORT

The Hon. K.O. FOLEY (Deputy Premier): I seek leave to make a ministerial statement about the Auditor-General's Report.

Leave granted.

The Hon. K.O. FOLEY: In a previous statement that I made to the house on 14 September 2004 I spoke about the need for, and this government's commitment to, sound financial management within the public sector. In that statement I made mention of the many important initiatives that this government has implemented to strengthen financial management practices across government. These initiatives include the implementation of a strict carryover policy, a strengthened monthly financial reporting regime, and the introduction of a cash alignment policy to remove large cash balances from agency bank accounts.

Notwithstanding the government's approach to sound financial management, the Auditor-General's Report contains references to a very serious matter concerning the application of carryover funding within the Department of Justice during the 2002-03 and the 2003-04 financial years. I am advised that the allegations centre on non-compliance with both the Public Finance and Audit Act and the Treasurer's instructions. The Auditor-General found that cash balances held by the Attorney-General's Department were not disclosed to the Department of Treasury and Finance. Ultimately, these practices led to the falsification of the annual financial statements of the Attorney-General's Department. The government views these allegations very seriously. The government will now consider the findings of the Auditor-General's Report and determine the appropriate course of action.

The SPEAKER: Order! I am curious to know how the Deputy Premier has knowledge of the Auditor-General's Report when in fact it has only just been provided to the chamber.

The Hon. K.O. FOLEY: I will conclude my statement, if I may, and answer that question. The government will now consider the findings of the Auditor-General and determine the appropriate course of action. I will obtain advice from the Commissioner for Public Employment in this respect. I will

report back to parliament when the government has determined its position.

The Auditor-General in his normal course of audit makes government ministers aware, as members opposite would realise, of specific irregularities that he uncovers through the course of his audit. This particular matter was uncovered by the new Chief Executive Officer of the Department of Justice, who brought the matter to my attention as Treasurer. I have had a discussion with the Auditor-General on it, but I have not yet sighted his report. I have only a general understanding of what the recommendations will be and, as I have said, I will now consider the report, as this will be the first time I will have seen it.

The SPEAKER: May the chair say that it understands the circumstance to which the Deputy Premier has drawn attention and notes that it is regular. It was a specific matter. Even though the Auditor-General seems inclined to address inquiries and brief ministers, it seems that he is less inclined to do that for either of the presiding officers or the parliament.

The Hon. DEAN BROWN: I rise on a point of order, sir. The ministerial statement made to the house was very specific as to what is contained in the Auditor-General's Report. I thought the Auditor-General reported first to the parliament. His report is to the parliament. Therefore, I find it astounding that the Deputy Premier should be making a ministerial statement about that report before the matter is even tabled in the parliament.

The SPEAKER: The Deputy Premier in the course of his remarks has revealed to the chamber that the subject matter was the question of a particular report from the Auditor-General to him as Treasurer, which he explained and which I have understood has been his practice, if not that of other auditors-general before him, to both the current government and the previous government. That in itself is perhaps not a bad thing, although the parliament itself needs to determine whether it regards the Auditor-General as being more responsible, indeed totally responsible, in law to the parliament or to the executive; or, if it is not responsible primarily to the parliament, then the office of audit is clearly under the control of the executive and will serve the needs of the executive if they happen to be in conflict with the parliament—or so it seems to me.

QUESTION TIME

MURRAY-DARLING BASIN AGREEMENT

The Hon. R.G. KERIN (Leader of the Opposition): Will the Premier recommit to honouring the national water initiative, the Murray-Darling Basin Agreement, now that the Howard government has been returned to power with an increased majority?

The SPEAKER: The pejorative remark made by the leader, while perhaps in times gone by might go unremarked upon, does not assist in obtaining information for the leader to draw attention to things which are likely to inflame debate rather than obtain information.

The Hon. R.G. KERIN: Thank you, sir. During the recent federal campaign the Premier backed moves from the other states and territories to back away from the national water initiative, previously held as a major step in improving the River Murray.

The Hon. M.D. RANN (Premier): To quote John Howard, 'Hello, hello.' I will back the deal that I signed with John Howard, not the reinterpretation of that deal which was made plain during the election campaign and which totally went against the spirit of what we agreed at COAG. I stand by what I signed in the River Murray agreement and I stand by what I signed with the national water initiative.

AAA CREDIT RATING

Mr SNELLING (Playford): My question is to the Treasurer. What are the economic benefits of the state's AAA credit rating from ratings agency Standard & Poor's?

Members interjecting:

The SPEAKER: The would-be treasurers in the chamber need not offer assistance. The Treasurer has the call.

The Hon. K.O. FOLEY (Treasurer): Dear oh dear oh dear. Mr Speaker—

An honourable member: It means nothing.

The SPEAKER: Order!

The Hon. K.O. FOLEY: We did nothing—dear oh dear. Standard & Poor's announced the rating upgrade from AA+ to AAA on 28 September 2004, some 2½ years after this government was elected to office. In its release Standard & Poor's made the following comments:

Following the privatisations of the 1990s, financial performance remained in deficit despite the large fall in net debt.

This means that, while the members opposite like to claim credit for the ratings upgrade after selling off state assets, they still failed to manage the state's finances appropriately. In the last four years of the former government it ran accrual deficits of \$1.3 billion. Standard & Poor's release goes on to state:

However, financial performance has since improved, and the government's finances are in surplus and likely to stay there.

It further states:

Furthermore, the government's commitment to its stringent target of keeping the budget in balance 'on average' is likely to support strong fiscal outcomes and keep net debt low.

That is something that the Liberals in office could never do. Four years of Liberals and \$1.3 billion dollars of budget debts: four years of Liberals and \$1.3 billion dollars of debt. Under this government, surplus after surplus after surplus. The importance of a AAA credit rating, sir—

Members interjecting:

The Hon. K.O. FOLEY: —and I can shout louder than you—

Members interjecting:

The SPEAKER: Order! The Treasurer may be able to shout louder than the chair—

The Hon. K.O. FOLEY: No, not you, sir. Sorry, I meant members opposite. My apologies.

The SPEAKER: I point out to the Deputy Premier that it is unhelpful to rattle the cage and bring the house into uproar in consequence.

The Hon. K.O. FOLEY: Thank you sir. I apologise. The importance of a AAA credit rating cannot be underestimated. Peter Vaughan, the Chief Executive of Business SA, has said that achieving the rating was a coup for South Australia and extremely positive for business and investment in this state. He said:

The rating is crucial to South Australia's future economic development and in stimulating private sector capital investment.

Adelaide Bank Group Chief Executive Barry Fitzpatrick said:

A state credit rating of AAA should benefit all companies operating in South Australia as it boosts confidence.

He went on to say:

It should also prove attractive to enterprises seeking to establish new business in a stable environment and who wish to deal with a government whose finances are in a position of strength.

That, I am advised, is from Barry Fitzpatrick. The economic good news for South Australia does keep on going, and the credit rating is set against not just the backdrop of sound financial management that this government has delivered but also the quality of economic activity that this government has delivered in this state.

Last week the ABS employment figures were released, and they showed that our unemployment rate had dropped to 6 per cent; that is, 6 per cent from 6.2 per cent. ANZ has released figures showing that seasonally adjusted job advertisements in September rose by 5.5 per cent in South Australia, which was the highest monthly growth of all states. In trend terms, that is the 16th consecutive month of job advertisement growth in South Australia.

Drake International, which released a report last week, predicted a further 11 000 jobs in South Australia. Kane McCard, Drake International's South Australian executive consultant, stated:

The recent AFL win by Port Power and the AAA credit rating for our state are also contributing factors to the potential jobs boost . . . Overall this is great news for all market sectors. . . there will be jobs from professional to manufacturing and blue-collar workers.

This is a tremendous result for South Australia and shows that the value of a AAA credit rating cannot be underestimated, and has been delivered on the back of disciplined financial management by this government—a government prepared to deliver a quality of financial management that this state has not seen for decades. We will continue. We will cut the waste of government by redirecting that money into appropriate services. This state can be sure that under this Labor government we are governed and financially managed as best as any part of the commonwealth.

EDUCATION, TECHNICAL

Ms CHAPMAN (Bragg): My question is to the Minister for Education and Children's Services. Given that South Australia supported the federal coalition by 54 per cent to 46 per cent at Saturday's election, will the minister now commit to supporting the establishment of two technical schools in South Australia in the Port Augusta-Whyalla region and in the Adelaide region?

The Hon. J.D. LOMAX-SMITH (Minister for Education and Children's Services): I thank the member for Bragg for her question. I am interested that she actually has commented on the statistical results of the federal election because I was rather fascinated to find that the member for Bragg was doorknocking in the seat of Adelaide. I was even more surprised to find that, where the seat of Bragg overlapped with the seat of Adelaide, there was a 9 per cent swing to Labor. Of course, this government realises the importance of trades and apprenticeships, and has implemented a retention program in terms of maintaining engagement for young people, finding individual pathways, and getting young people into employment, training or further education. We understand the importance of this area and have implemented a process of school retention and engagement strategies. Our belief is that there should certainly be schools with specialist areas for training—in particular, areas of the trades and

apprenticeships. We are committed to that policy. We will work in that area as we do currently.

MENTAL HEALTH SERVICES

Ms BEDFORD (Florey): My question is to the Minister for Health. What initiatives are being taken by the government to reform mental health services, including the integration of mental health services into the broader health care system to reverse the reliance on institutionalised care and to achieve service improvement?

The Hon. L. STEVENS (Minister for Health): I thank the member for Florey for this important question during Mental Health Week. The reform of our mental health services is a priority for this government, and there is a huge job ahead of us as we reform the system and respond to increasing demands for services. While reform on all the key elements is well under way, it is an enormous task to turn around the fragmented mess of service gaps and the lack of accountability for the standard and quality of services that characterised the services left by the previous government. Already the government has increased the recurrent budget for specialised mental health care, excluding mainstream hospital services, by \$19 million per annum from \$129 million in 2001-02 to \$148 million in 2004-05. Reforms are under way to strengthen participation—

The Hon. D.C. Kotz interjecting:

The SPEAKER: Order! The honourable the Minister for Health is on my right, not my left.

The Hon. L. STEVENS: Reforms are under way to strengthen participation through a commitment to the involvement of consumers and carers in all aspects of treatment and care, increased rural consumer and carer representation on government committees, and advisory groups and the employment of consumers and carers as peer support workers in a number of health services.

Reforms are under way to advance mental health promotion, prevention and early intervention through collaboration with the commonwealth government on programs such as Headroom, MindMatters and beyondblue and the National Suicide Prevention Strategy, with the goals of raising awareness and reducing stigma. And reforms are under way through improving service delivery, including improved emergency mental health care; improved availability of in-patient country mental health services; the establishment of hospital-at-home programs in the two metropolitan regions; increased primary mental health care through training and support of GPs; and the introduction of the supported accommodation program, which has established 16 projects across metropolitan and country regions.

Next year more funding will come on stream to expand community-based services: \$13.8 million has been allocated over the next three years to provide 24-hour mental health crisis intervention services and an expansion of community-based support. In addition, we have committed \$80 million for eight major capital projects, to build new mental health facilities at our major hospitals. Tenders have just closed for the first of these projects at the Flinders Medical Centre and the Repatriation General Hospital, while other facilities at the Lyell McEwin, Royal Adelaide, Modbury, Queen Elizabeth and Noarlunga Hospitals, new forensic and rehabilitation facilities, and specialist facilities for young people and mothers with babies are funded and now in the feasibility and service planning process.

The Brennan report in 2000 condemned the previous government's management of our mental health services and said that the services were fragmented, without direction and skewed towards institutional care. Brennan was right and it has to be fixed, and this government has begun that task.

The Hon. R.G. KERIN (Leader of the Opposition): My question is to the Minister for Health. Will the state government allocate sufficient funds to again allow public mental health patients to be admitted to the Adelaide Clinic, Kahlyn Private Hospital and Fullarton Private Hospital to stop the overloading of mental health facilities in public hospitals, including the Glenside campus? About 18 months ago the state government stopped using these three facilities due to the lack of money for mental health.

The Hon. L. STEVENS: I have just told the parliament what the government is doing in mental health reform. I would like to say again in this house that there is an enormous task here in South Australia, and the reason for this is the complete negligence of the previous government in relation to addressing mental health. I have just run through what the government has done already in its term: an increase in recurrent funding of nearly \$20 million dollars a year and an \$80 million capital fund that is now in our forward estimates, with work beginning on a number of projects that I have just outlined to the house. The issues—

The Hon. Dean Brown interjecting:

The SPEAKER: Order! The deputy leader is out of order.

The Hon. L. STEVENS: The deputy leader is certainly out of order, and he is the last person in this house who can make any criticism about this government's effort in mental health.

BUSHFIRE SEASON, FUEL REDUCTION

Mr CAICA (Colton): Will the Minister for Environment and Conservation advise the house of plans for fuel reduction in parks and protected areas, commencing in spring?

The Hon. J.D. HILL (Minister for Environment and Conservation): I know the honourable member's great interest in this issue and, as we are heading into the spring and summer season, it is important to let the public know what the government is planning in terms of fuel reduction programs. Last Wednesday, the government's fuel reduction burns in parks and protected areas recommenced, starting with two burns in the Belair National Park. The areas chosen for the fuel reduction program are surrounded by houses, so this program is about asset protection and saving lives, including ensuring the safety of our firefighters.

Last financial year, a successful spring and autumn prescribed fuel reduction program was also implemented, with 100 hectares in the Mount Lofty Ranges, 350 in Ngarkat Conservation Park, 16 in Marne Valley Conservation Park in the Murraylands, 18 in the Flinders Chase National Park on Kangaroo Island, and 30 hectares in Mokota Conservation Park near Burra.

This year prescribed burns will be undertaken in the South-East and on Kangaroo Island over spring and autumn of next year. Fire trail maintenance programs to improve access for fire suppression and fire management continue to be implemented in the Adelaide, Kangaroo Island, South-East, Murraylands, West and Yorke/Mid North regions. The sum of \$1.2 million has been allocated to the Adelaide region, in particular, to undertake fire prevention works in the Mount Lofty Ranges.

Three specialist fire management staff have been employed and 15 seasonal staff recruited to undertake a range of fuel reduction programs, fire protection works and fire fighting duties. It is anticipated that favourable weather conditions will allow a target of over 200 hectares of prescribed burning to be met. One hundred tonnes of olives and other invasive woody weeds will be removed from parks in the Mount Lofty Ranges this year, further reducing fuel loads.

Finally, fire trail maintenance programs to improve access for fire suppression and fire management continue to be implemented in the Mount Lofty Ranges. The government is taking this program seriously. We know that we need to fix the backlog of work that was not done over the last 10 years, and this is a strong commitment to doing that.

EDUCATION, TECHNICAL

Ms CHAPMAN (Bragg): My question is again to the Minister for Education and Children's Services. Given South Australia's support for the coalition government last Saturday, will the minister support, in technical schools, the principals being able to engage their teaching staff on a performance paid basis, attracting those much sought after, and up to date, industry skills and experience?

The SPEAKER: Order! The honourable the minister will ignore the inflammatory remarks of the member for Bragg at the prefix to the inquiry that she made.

The Hon. J.D. LOMAX-SMITH (Minister for Education and Children's Services): I thank the member for Bragg for her somewhat contorted question. I think that what I have learnt about federal Liberal policy making is that it is very often written on the back of an envelope. I remember well the last—

Mr Brokenshire interjecting:

The SPEAKER: Order, the honourable member for Mawson!

The Hon. P.F. Conlon: See those Hartley booths, Joe.

The SPEAKER: Order! The honourable the Minister for Education, not the Minister for Infrastructure: I know that schools form part of social infrastructure, but it is the Minister for Education to whom the inquiry is directed.

The Hon. J.D. LOMAX-SMITH: I would remind the member for Bragg about the much commented upon \$700 vouchers for literacy being paid to parents of children who have failed to reach the benchmarks. The tests were performed in 2003, the results were available in 2004, and by the time the vouchers arrive it will be 2005 and the children will be in year five. I point out that the policy was written on the back of an envelope, and until I see the detail I am in no position to comment upon it.

Mr BRINDAL: I rise on a point of order. The minister has twice asserted that she can produce Liberal Party policy written on the back of envelopes. I ask, in accordance with your ruling, that you demand she table such documents.

TOURISM, SERVICES

Ms CICCARELLO (Norwood): My question is to the Minister for Tourism. What steps have been taken by the South Australian Tourism Commission to improve the services that it provides through information technology to the state's tourism operators and visitors?

The Hon. J.D. LOMAX-SMITH (Minister for Tourism): I thank the member for Norwood for her question

relating to the information technology changes at the SATC. The commission has now been fully operational for several months using the new Australian Tourism Data Warehouse package. This was originally pushed forward by the previous national tourism organisation, the ATC, which has now changed its name and been reshaped. The objective of the project was to place all Australian tourism products, destinations and booking opportunities on one database, but which could have information fed in directly from each state. South Australia was, in fact, the first state to fully introduce the Australian Tourism Data Warehouse and we were the first state to run its primary consumer web site from the same database with complete exchange of all information. This means that information on each South Australian operator—whether they provide accommodation, tours, events or other services—is downloaded on to the SATC web site and then automatically goes on the Australian Tourism Data Warehouse.

On the same day that we launched this process we also launched a new reservation service that was run through the Visitor and Travel Centre, with the transitions for both being smooth and complete on the same day. In fact, South Australia has been the only state to fully integrate the two databases with their reservations system, providing accurate information to tourism consumers. The database also provides an efficient way of changing and updating data, requiring a single phone call to the SATC with the information being fed directly onto their booking service and reservations system.

We are currently conducting training for our visitor information centres, and at the moment we have 964 accommodation operators, 831 attractions, 178 events, 93 hire companies, 172 tour operators and 15 transport operators on line through the warehouse. This service is entirely free and support is provided by the South Australian Tourism Commission.

The next stage in this development will be to allow operators to update their information themselves on line, and that will provide a more speedy and effective service because all information will be as up to date as possible. In any case, South Australia is well ahead of the rest of the country in providing this on-line data and booking reservation service.

HOSPITALS, MOUNT GAMBIER

The Hon. DEAN BROWN (Deputy Leader of the Opposition): My question is to the Minister for Health. Does the minister stand by her comments of 1 July this year concerning the Mount Gambier Hospital, as follows:

... that there has been a great improvement across a whole range of areas at the hospital, in a whole range of services. . .

Dr Kevin Johnston, the Director of Anaesthetics at Mount Gambier Hospital, recently warned that safety issues at the hospital remain unchanged and that the hospital's problems are, if anything, worse than ever. The Director also said that the amount of surgery carried out at the hospital in the last year had decreased by 48 per cent. The problems about quality standards were first highlighted by the Stokes-Wolff report in April this year.

The Hon. L. STEVENS (Minister for Health): I am very pleased to answer this question in relation to Mount Gambier because it gives me an opportunity to clarify some of the misinformation that has been spread around the community in recent weeks.

Before I start there are a number of issues that I will address: first, the issue of Dr Kevin Johnston himself; the issue of whether, in fact, things have improved generally; and then the issue of quality and safety and the Stokes-Wolff report.

First, in relation to Dr Kevin Johnston. I saw the comments in the media attributed to Dr Johnston in relation to how poor things purportedly were at Mount Gambier. I was quite astonished to hear those comments because Dr Johnston made very different comments to the chair of the Mount Gambier and Districts Health Service board, Mr Peter Whitehead, in a letter that he wrote to Mr Whitehead on 2 August 2004. As part of that letter he actually said, in relation to the services provided by Professor Guy Ludbrook and Professor Guy Madden:

Armed with Professor Ludbrook's proposals [which are the new anaesthetic proposals] we now have the roadmap to follow—an exciting and positive prospect for the future.

People need to understand that Dr Johnston is in a contractual dispute with the Mount Gambier and District Hospital board, and the comments which he made to the select committee and which were reported in the newspaper are quite different to the sorts of comments that he made in private to the chair of the Mount Gambier Hospital board.

I will go on further in relation to the Mount Gambier Hospital. I refer to a transcript of a radio interview with Dr John Gallichio, the Director of Medical Services at Mount Gambier Hospital, in which he replies to the allegations of Dr Kevin Johnston. He says:

... all I can say is that Mount Gambier Hospital with its staff and facilities is in fact at the upper end of the scale of high quality health services around the country. . . I think any of our visiting doctors. . . resident and visiting doctors would appreciate that.

He goes on to say:

I think the history that Dr Johnston's been referring to has been well documented in Mount Gambier and beyond for the last 12 or 18 months. . . probably for the last five or six years in fact.

In this interview, Dr Gallichio goes on to talk about the board's decision to advertise for anaesthetists. Contrary to Dr Kevin Johnston who said that no-one would come and work at the hospital because it was like Beirut, Dr Gallichio says:

... seven people contacted us with an interest in working in Mount Gambier and two of the current people have already done so. . .

The issues concerning the Mount Gambier Hospital are longstanding. We have canvassed them on many occasions in this house. Things are on the improve. The Stokes-Wolff report was done last December at my instigation. Mr Stokes is now back in Mount Gambier. He has had the flu, so he was delayed in returning there, but I understand that the re-review, which I called for, is now under way so that the hospital board can have a look at what it says in relation to the large number of improvements that have been made since the new board was put in place just before Christmas last year.

PORT AUGUSTA YACHT CLUB

Ms BREUER (Giles): My question is to the Minister for Transport, and it results from the camaraderie that I enjoyed last week with the member for Stuart, so I put this question on his behalf. Will the minister update the house regarding negotiations on tenure for the Port Augusta Yacht Club?

An honourable member interjecting:

The Hon. P.L. WHITE (Minister for Transport): Front page. I thank the Member for Giles for, in particular, her very fine advocacy of regional communities in South Australia. There are many ways in which the government is supporting local communities to be responsible for their assets, to manage them well, and to share in the development of those assets and community spaces. The Port Augusta Yacht Club has been discussing with my department and the state government its long-term future and tenure. It is a broad-based community organisation which provides a recreational facility for the local community. This club has a history of over 100 years and provides a foundation for local social activity and interaction, youth development and community growth.

However, the yacht club does not own the land which it occupies. That land is part of a large parcel of foreshore land owned by me as Minister for Transport on behalf of the state government. I advise the house that the state government has agreed to hand over by way of a gift the land on which the yacht club currently stands to the club at no cost. This means that the club will now have long-term security. The transfer of this land will ensure that the Port Augusta Yacht Club can remain an intrinsic part of local community life as well as ensure the ongoing aquatic education of the people of Port Augusta and, in particular, its youth. The state government is proud to have been able to offer this gift to the people of Port Augusta and to have contributed to the whole-of-government approach to meeting wider community interests. I wish the Port Augusta Yacht Club a successful season, which I understand commenced on Saturday when an officer representing the state government, Mr Justin Jarvis, was able to formally launch proceedings.

HOSPITALS, MOUNT GAMBIER

The Hon. DEAN BROWN (Deputy Leader of the Opposition): My question is to the Minister for Health. Where is the follow-up report on the quality standards of the Mount Gambier Hospital that the minister promised in this house would be available by 31 August, some six weeks ago? On 22 May, in response to a censure motion, the minister stated that she had asked Professor Kearney to oversee the changes recommended in the original report and to formally report back to me again with Professor Stokes by 31 August this year. That was six weeks ago.

The Hon. L. STEVENS (Minister for Health): I have just explained the answer. I am a bit surprised that the deputy leader has not been listening.

The Hon. Dean Brown interjecting:

The Hon. L. STEVENS: I will tell you the truth—that would be a change for you.

Members interjecting:

The SPEAKER: Order!

The Hon. L. STEVENS: Just a few moments ago I mentioned the very matter about which the deputy leader has just asked me a question. Perhaps it would be a good idea if he read the *Hansard*. We did say that we would have Stokes or Wolff, or one or other of them, again look at Mount Gambier and report back. There has been a delay. Stokes has had the flu and before that I understand—

Members interjecting:

The Hon. L. STEVENS: I am very sorry. I have just told you that. The gentleman has been ill. I have been anxious that the process not be delayed. However, the person was ill and was not able to do the report. I understand now that it will be

done. The deputy leader should never fear: remember the difference between this government and the former government. This government actually addresses issues, solves the problems, monitors them and keeps going forward. The previous government continued to stick on band-aids and never really addressed the issues. That is the difference between the opposition and this government.

YOUNG OFFENDERS, AUTOMOTIVE PROGRAM

Mr O'BRIEN (Napier): My question is to the Minister for Families and Communities. How is the government supporting efforts to reduce motor vehicle related crime in the northern suburbs and to get the lives of young offenders back on track?

The Hon. J.W. WEATHERILL (Minister for Families and Communities): We are doing it by putting money into an innovative program. With the member for Light and the Mayor of Playford, I had the great pleasure the other day of attending a rather unique graduation ceremony. It was a group of young people who have turned around their lives from being car thieves to working on restoring those cars. Classic Automotive in Elizabeth works with young people aged 14 to 18 years from the northern suburbs who have committed vehicle-related offences. The program, which is called Challenging Offending, teaches young people to restore cars and assists them to develop life skills. Importantly, it has an important restorative justice element to the program. It confronts those young people with the harm they cause to the families who have lost cars. When many of them see that people have lost their jobs because they have had their car stolen, or see the difficulty of a young family struggling with a child in a pram and trying to use public transport, they suddenly begin to realise that it is not just a night out having a bit of fun, pinching a car and then wrecking it somewhere. They realise that they have affected someone's life. That is an essential way of addressing and getting some serious change in behaviour.

A number of these young people say that they never thought they were any good at anything other than pinching cars. They were then given some mentoring by some wonderful older members of our community, men who have retired and who are now prepared to come back and volunteer their time and mentor these young men and women—often men; often, sadly, Aboriginal young men—who have been caught committing these offences.

I was very pleased to hand over these certificates, but I think they were much happier to receive their certificates from Che Cockatoo Collins, who attended the ceremony with us. That made them feel proud. We intend to expand this program. There is another program called Street Legal in the west, and we are hoping to expand this program, because it is about turning these young men's lives around, showing them that they can have some decency and self-worth and also confronting them with the harm that they cause to innocent people.

HOSPITALS, MOUNT GAMBIER

The Hon. DEAN BROWN (Deputy Leader of the Opposition): Does the Minister for Health agree with the doctors at Mount Gambier hospital that it is inappropriate to require Dr Brendon Kearney from the department and Dr Gallichio from the hospital to be present at all times when the doctors give evidence to Professor Stokes on professional

standards and problems with quality at the hospital? The program for meetings with Professor Brian Stokes stated that Professor Kearney and Dr Gallichio will attend all meetings. The doctors at Mount Gambier hospital had a meeting and decided that it was inappropriate for Professor Kearney and Dr Gallichio to sit in on meetings where complaints about safety and quality standards in the hospital applied. I quote from the letter that they sent back to the hospital, as follows:

It was the unanimous view of the Medical Staff Association that the compulsory presence of two members of the hospital administration, at all meetings with senior medical staff, was not conducive to appropriate discussions with the professor. On behalf of the Medical Staff Association, I wish to inform you that the membership will not participate in the forthcoming meetings, under such conditions, and will make other arrangements to discuss the safety report with its author.

The Hon. L. STEVENS (Minister for Health): First let me say that the next review by Stokes—

The Hon. D.C. Kotz interjecting:

The Hon. L. STEVENS: The review is about to occur.

The Hon. D.C. Kotz interjecting:

The Hon. L. STEVENS: Sir, I would like to sensibly answer the question, because it is an important issue.

The Hon. D.C. Kotz: We would like a sensible answer.

The Hon. L. STEVENS: Perhaps the member for Newland might just be quiet and she might hear something. The nature of how this will happen at Mount Gambier Hospital is, essentially, one for the Mount Gambier Hospital board to arrange. It runs the hospital. The board at Mount Gambier Hospital runs the hospital—

Mr Brokenshire interjecting:

The SPEAKER: Order, the member for Mawson!

The Hon. L. STEVENS: It is not a matter of anyone's fault. We are not on about fault here: we are on about getting solutions. The way in which Stokes will do this review—the exact arrangements of who will be present doing what during the review—is a matter for the board. Professor Brendon Kearney is a member of the hospital board. It may well be that it has decided that it is quite appropriate for him to be there, particularly as he is probably our state's foremost expert in quality and safety. He sits on national bodies and he is our state's foremost expert on quality and safety. If the doctors have a problem with that, they need to take that up at the local level.

What is most important is that people get on with the job in Mount Gambier, that issues are resolved and that the long-term conflict, enmity and constant scaremongering, aided and abetted by the deputy leader (who, of course, presided over a lot of this during his time as minister), stops in order to allow that hospital to get on with its job of providing very good services to the people in the South-East.

The Hon. DEAN BROWN: I have a supplementary question. Did the minister issue such a directive that Professor Kearney and Dr Gallichio had to sit in on meetings? When the doctors lodged their complaint to the hospital, which I have just read out about Professor Kearney and Dr Gallichio sitting in on all meetings, the doctors were told that it was a ministerial direction, not a board direction.

The Hon. L. STEVENS: I am really surprised that the Deputy Leader has apparently forgotten the provisions under the South Australian Health Commission Act about ministerial directions. If he has forgotten—I know it has been about two and a half years since he was the minister, and perhaps he was never really aware of them, although it was his little bill that brought them in—the minister cannot give directions

in relation to particular individuals, so I did not give any directive in relation to that.

The Hon. Dean Brown interjecting:

The Hon. L. STEVENS: This is a matter for the local board to manage. I think it is really important that Stokes gets on with his job and provides the information to the board that it requires so that it can know whether the things that it has already implemented have begun to work.

The Hon. DEAN BROWN: I rise on a point of order. The question was very specific. I said, 'Did the minister issue such a directive to the hospital?'

Members interjecting:

The SPEAKER: Order! The minister answered it equally directly and said, 'No.' I call the member for Reynell.

CAMBRIDGE, Mr D.L.M.

Ms THOMPSON (Reynell): My question is to the Attorney-General. Can the Attorney advise the house whether the Office of the Director of Public Prosecutions will appeal the sentence imposed on Derick Lee Mason Cambridge?

Mr Brokenshire interjecting:

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

Ms Chapman interjecting:

The Hon. M.J. ATKINSON (Attorney-General): With respect to the member for Bragg's interjection that it is a contempt of the parliament, I hardly think it is a contempt of the parliament to answer a question.

Ms CHAPMAN: I rise on a point of order. My recollection, sir, is that you have reminded the government on a previous occasion that, when a question has been asked in the house and we are awaiting the response, it should not use question time on the government's side to answer those questions. I ask that you rule this question out of order.

The SPEAKER: The member for Bragg makes a good point, and reminds me not only of that direction but also of the fact that there has already been a question on this topic. I call the honourable member for Mawson.

POLICE, MOBILE PHONES

Mr BROKENSHIRE (Mawson): My question is to the Minister for Police. Can the minister inform the house what action he has taken following our question of 14 September this year about police officers having to obtain permission before dialling a mobile telephone number? The opposition has been advised that a police officer wishing to dial a mobile phone from a front office police telephone is now required to obtain permission first. The officer must then make an entry into a mobile phone diary and record who made the call. The number, time, date—

The Hon. K.O. FOLEY: I rise on a point of order. Sir, consistent with your previous ruling on the member for Bragg, that is a question that has been asked of me, and we are preparing an answer, I assume.

The SPEAKER: No; there is no point of order. The honourable the member for Mawson has the call.

Mr BROKENSHIRE: The officer must record the number, time, date and reason the call was made, and must ask the party being called to ring back to save money.

The Hon. K.O. FOLEY (Minister for Police): It is the first week back after a week's break and they cannot think of a new question; they have to ask an old question again. I am happy to get the answer for the member. I will ask the

Commissioner for a response to this important question about the use of telephones in a police station, which is clearly the responsibility of the officers involved. However, I shall get an answer.

ABORIGINAL EMPLOYMENT

Mrs GERAGHTY (Torrens): My question is to the Minister for Employment, Training and Further Education. How is the government building employment opportunities and trade skills in the Aboriginal communities?

The Hon. S.W. KEY (Minister for Employment, Training and Further Education): The government is to significantly expand its Aboriginal apprentice program, increasing the number of apprenticeship opportunities available to Aboriginal South Australians from 30 places annually to 50 places over the next year, half of which opportunities will be offered in regional areas. I was very proud last week to present the most recent group of apprentices with their qualifications. The program is delivering real benefits for the whole South Australian community. These apprentices have earned their qualifications in areas of skills shortage and demand such as plumbing, carpentry, aquaculture, child-care, hairdressing and light mechanics. While this program is providing important long-term employment opportunities for Aboriginal people, it is also supporting small business and the wider community across South Australia by addressing skills shortages.

The profile of graduates is a testament to the value of this program. Not only is a broad range of trades represented today but the graduates are from regions across South Australia, and it is also of note that the ages range from 19 to 55 years. This is an important step forward in breaking down barriers for mature aged people in pursuing new opportunities, particularly in the area of apprenticeships, which traditionally cut out everyone except the young. It also highlights how apprenticeships for mature aged people can really benefit communities by filling vital skills shortages. The expanded Aboriginal apprentice program now forms part of the government's statewide South Australia Works 'skills for work' initiative and has been upgraded to achieve a range of new goals.

These include targeting placements in areas of skills shortage and projected long-term growth industries; encouraging a greater uptake of Aboriginal apprentices in the private sector and group sector training schemes; providing the support of mentors to Aboriginal apprentices and trainees; and improving pathways for young Aboriginal people from school into apprenticeships and traineeships. I wish the apprentices who graduated last week every success and hope that they will in turn become leaders and mentors of tomorrow.

PUBLIC SERVICE, SALARIES

The Hon. R.G. KERIN (Leader of the Opposition): Why did the Premier refuse to divulge the increase in the number of public servants earning over \$100 000 a year when asked in June during estimates? On 16 June this year, during estimates, the Premier was asked a question about the increase in the number of public servants who earn over \$100 000 since the change of government. The question was taken on notice, and the answer that was eventually given showed the figures for the five-year period from 1996 to 2001. The increase in that five-year period under the previous

government was less than the increase under this government in its first year of office. And we still await the correct reply.

The Hon. M.D. RANN (Premier): I will make all the relevant inquiries.

GOVERNMENT RADIO NETWORK

Mr KOUTSANTONIS (West Torrens): My question is to the—

Members interjecting:

The SPEAKER: Order! The honourable member for Mawson has already had the call.

Mr KOUTSANTONIS: I know you are smiling, Mark, aren't you? My question is for the Minister for Administrative Services. Do government radio network sites in the Flinders Ranges incorporate CB radio, and what coverage and improvement in tourist and visitor safety has been achieved?

The Hon. M.J. WRIGHT (Minister for Administrative Services): Until recently, there have been limited communications services in the area to support tourists and the local community. However, the particular requirements of constructing government radio network emergency radio sites in the Flinders National Park and Wilpena Pound area presented the government with a unique opportunity at the same time to rationalise some older radio transmitting sites and community equipment used to provide citizen band communication services.

Based on consultation with the Flinders Ranges pastoral and business communities and local residents, and with input from special interest groups, upgraded CB technology has been installed at four government radio network transmitting sites. I understand that coverage from the new CB transmitters is almost equivalent to that achieved for SA government radio network emergency services operations in the Flinders National Park area.

Replacing old community CB transmitters in the Flinders National Park with improved technology, and integrating them into strategic government radio network radio sites, means that the community will benefit from more reliable and effective communications to support community and tourist activities, including support for a local response to emergencies, if required.

I would like, once again, to acknowledge the stakeholders, particularly the pastoral and business communities, and the local residents, who participated in the consultation process and helped us to get to this situation.

CHILD PORNOGRAPHY

Ms CHAPMAN (Bragg): Will the Minister for Education and Children's Services advise whether the two South Australian teachers currently being investigated for child pornography offences have passed the compulsory background checks for all new teachers and that there was no record in the department, or their schools, of any alleged improper conduct by them toward children?

The Hon. J.D. LOMAX-SMITH (Minister for Education and Children's Services): This matter is under investigation by the police. I am not aware of all the details yet, but I trust the police investigation to progress and, when material is available, we will be able to release that information.

SCHOOLS, PORT ADELAIDE PRIMARY SITE

Ms CHAPMAN (Bragg): My question is to the Minister responsible for population matters. Given that the government has signed an agreement for a major redevelopment of Port Adelaide, will the minister seek an assurance and commitment from the Minister for Education that she will not sell the Port Adelaide Primary School site (which she closed this year) to ensure that this site remains available as an education resource for future population requirements?

The Hon. J.D. LOMAX-SMITH (Minister for Education and Children's Services): I think that the member for Bragg's discussion about the number of schools that have been closed is somewhat misleading. I believe that the Liberal government closed 64 schools.

Members interjecting:

The SPEAKER: Order! The honourable member for MacKillop.

Mr WILLIAMS: On a point of order, Mr Speaker, the minister might be a bit sensitive about the number of schools she is closing but that has nothing to do with the question.

The SPEAKER: I uphold the point of order.

Mr WILLIAMS: It is about retaining the site for future use.

The SPEAKER: Order! The honourable the member for MacKillop need not debate the matter. The chair upholds the point of order.

The Hon. J.D. LOMAX-SMITH: If I could continue, sir, the school that the member for Bragg refers to was closed at the request of the parents. It was one that had reached such low enrolments that there was a decision to amalgamate with another school. The site that she describes is not adjacent to the waterfront development, and I would suggest that some day, if she can bear to visit Port Adelaide (and I realise that it is not the sort of area she normally goes to) she—

Members interjecting:

The SPEAKER: Order!

The Hon. J.D. LOMAX-SMITH: —might find that the school is not adjacent to the waterfront development.

Members interjecting:

The SPEAKER: Order!

Dr MARGARET TOBIN AWARDS

Ms RANKINE (Wright): My question is to the Minister for Health. Who was honoured by the inaugural Dr Margaret Tobin Awards for excellence in mental health that were made at the launch of World Mental Health Week on Sunday 10 October 2004?

The SPEAKER: Order! The question is out of order. I do not know that the minister is responsible for who was on a world body or not.

Ms RANKINE: Sir, at the inaugural Dr Margaret Tobin Awards for excellence in mental health in South Australia.

Members interjecting:

The Hon. L. STEVENS (Minister for Health): I thank the honourable member for this question.

Members interjecting:

The Hon. K.O. Foley: Stop moaning all the time, you lot.

Members interjecting:

The Hon. L. STEVENS: Sir, may I have your protection?

The SPEAKER: Order! The Minister for Health has the call. She knows the names of these people and the house is entitled to know.

Members interjecting:

The SPEAKER: Order!

The Hon. L. STEVENS: I would like to answer this question because the people who have won these awards have made great progress in terms of mental health services in South Australia. These awards help us to remember the contribution of Dr Margaret Tobin and motivate others to follow her lead in improving and advancing mental health services for South Australians. There were outstanding entries from non-government and government services, consumers, general practitioners, researchers and educators from right across the state. The awards recognise and celebrate the achievements of individuals, community groups and organisations that have worked tirelessly to make a difference in the mental health sector, and they were presented in three categories.

The winners in the 'Leadership in and commitment to mental health reform category' were, first, Rotary International for the Rotary Health Research Fund which has focused its funds on research in mental health since the year 2000. Rotary has also initiated community awareness forums and has convened forums which currently target the broad community and schools. The other joint winner was Professor Ann Crocker, who has been involved with the mental health sector for a number of years (including education and research) and who, for the past three years, has been a driving force in the establishment of the Mental Health Coalition of South Australia—a key step in the unification and strengthening of the mental health non-government sector.

The winner of the 'Promoting and understanding of mental health in the community' category was The Station Community Health Centre which operates from Wallaroo, and which has had a significant impact on promoting an understanding of mental health in the community. It has developed strong networks across country based mental health services and works in partnership with the local community.

The winner of the 'Provision of mental health services for those most in need or at risk' was the Exceptional Needs and Borderline Personality Disorder programs of the Mental Health Division of the Lyell McEwin Health Service, which demonstrated exceptional development and delivery of a model of service for a highly vulnerable and disadvantaged group.

The dedication and commitment shown by the individuals and organisations involved in South Australia's mental health sector are outstanding, and I have no doubt that the achievements recognised by these awards will help to inspire others to strive for excellence in their work.

DEEGAN, Mr B.

Ms CHAPMAN (Bragg): My question is to the Attorney-General. In the light of Brian Deegan's public statement that he proposes to continue a public campaign against the Howard government, will the Attorney rule out reappointing Mr Deegan to the magistracy? In media interviews and on Radio National yesterday Mr Deegan was adamant that he would pursue his campaign despite the fact that it was repudiated by the election results in Mayo.

Members interjecting:

The SPEAKER: Order! The Attorney-General will ignore the pejorative comment that does not explain the question whatever.

The Hon. M.J. ATKINSON (Attorney-General): It is clearly untenable that a judicial officer campaigns for election

to a state or federal parliament from the bench. I think it was an unprecedented situation and it was somewhat difficult to manage, because I do not think that that situation had ever occurred before. Clearly, Mr Deegan is eligible to reapply for the magistracy when vacancies are advertised. We will advertise the vacancies, a panel will be established to interview the applicants, and a recommendation will be made to me. Mr Deegan is free to reapply, but I read the same comments that the member for Bragg read and, clearly, it is untenable that any judicial officer campaigns for parliamentary office from the bench.

SOUTHERN CROSS REPLICA

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

The Hon. J.D. HILL: I rise to inform the house about the state of progress to transfer ownership of the Southern Cross replica aircraft to the Historical Aircraft Restoration Society, known as HARS. On 11 November 2003 I announced to the house that I had approved the transfer of ownership of the Southern Cross replica aircraft, which was built in 1988, to HARS. This was the outcome of a tender process conducted by Arts SA in July-September 2003. I also explained my reason for inviting the Prudential Management Group to investigate the process prior to approving the transfer to HARS. The PMG recommended that some remedial action be undertaken by Arts SA to ensure that the process was fair and reasonable. This was done, and I then approved the recommendation provided by Arts SA.

On 13 November 2003, the member for Waite, the opposition spokesperson for the arts, implied that there was still some conflict of interest issues in the tender process and informed the house that he had referred the matter to the Auditor-General for investigation. I provided a more detailed explanation for the decision to approve the transfer to HARS in my second statement to the house on 27 November 2003. Since that time there has been an investigation by the Auditor-General and an audit undertaken of the spare parts, equipment and maintenance logbooks associated with the aircraft. Those processes have now been completed and I can report that Arts SA is now proceeding with the final process of transferring the aircraft to HARS. It is anticipated that the transfer will take effect before the end of 2004.

HARS has become registered as an incorporated association in South Australia, thereby meeting a condition of transfer: namely, that the aircraft is to remain in South Australia. The findings of the Auditor-General's review appear in the Auditor-General's Report to parliament, and I am happy to report that the tender process was deemed to be fair and reasonable. Arts SA undertook the remedial action recommended by the PMG, and so the process prejudiced no applicant.

A consultant contracted by Arts SA undertook the audit of the spare parts, equipment and maintenance logbooks associated with the aircraft. I am advised that the audit took longer than expected due to the lack of cooperation from the Southern Cross Replica Association, the previous operators of the aircraft, who appear to want nothing more to do with the aircraft. Also, there were difficulties in locating and

gathering together the spare parts, equipment and maintenance logbooks and documentation for the aircraft, plus major omissions in (and the general poor state of) the logbooks and documentation. Arts SA received the audit on 22 September 2004. The audit found that there were some irregularities in the maintenance logbooks.

As a result of this audit, the Civil Aviation Safety Authority (CASA) inspected the aircraft and its maintenance logbooks and also confirmed that the maintenance records were incomplete. On the strength of this, the certificate of airworthiness was cancelled on 2 September 2004. HARS was informed of this and understands the reasons for this action. They will be seeking to establish a new certificate of airworthiness once a repair schedule has been formulated. This will occur immediately after the transfer of the aircraft has been completed. I am advised that the aircraft will be transferred to HARS by 31 December 2004 after details for the transfer documentation are worked through and agreed with HARS.

QUESTIONS, REPLIES

The Hon. P.L. WHITE (Minister for Transport): I seek leave to make a ministerial statement.

Leave granted.

The Hon. P.L. WHITE: In the dying days of the last session a large number of questions on notice were put on the *Notice Paper*. This left little opportunity for ministers to respond to those questions. Mr Speaker, as you know, there is no mechanism by which written answers can be printed in *Hansard* without ministers reading those answers onto the record. On 30 June, question No. 481 from Mr Hamilton Smith stated:

How will Bio Innovation and Playford Capital fit strategically in the venture capital market relative to the Venture Capital Board, Paragon and other funds or providers?

My response, which was provided on 14 July, states:

Both Bio Innovation SA and Playford Capital form a key plank in the state government's strategy to promote venture capital and the growth of innovative technology-based companies in South Australia. Both organisations work to address market failure in the availability of events to early stage ventures in the biotechnology and information and communications technology sectors respectively.

The Venture Capital Board was established as a recommendation of the Economic Development Board to develop a strong venture capital industry in South Australia. The Venture Capital Board is not a venture capital fund. Therefore, it will not be acting as a direct investor in start-up or early stage businesses in South Australia, unlike Bio Innovation SA and Playford Capital. Bio Innovation SA and Playford Capital work with the office of the Venture Capital Board, where appropriate, to achieve the government's aims to develop a strong venture capital industry in South Australia. Venture capital funds, the like of Paragon Equity Limited, provide expansion and later stage capital for growing companies that have graduated from the early stage capital phase.

In relation to question No. 488, in reply to Mr Hamilton-Smith of 30 June 2004, I supplied my answer on 21 July 2004. My reply was as follows:

(1) Since March 2002 there have been two bids for centres of excellence to be located in South Australia, in which the South Australian government was involved:

- The Institute for Functional Interfaces and Nanostructures.

The Ian Wark Research Institute located at the University of South Australia led to a bid to establish an Institute for Functional Interfaces and Nanostructures under the 2002 round of the ARC Centre of Excellence program. In August 2003 the commonwealth government approved financial assistance of \$17.8 million in 2003 to establish eight ARC centres of excellence. The Institute for Functional Interfaces and Nanostructures bid was not successful.

- International Centre of Excellence in Water Management. In May 2004 the commonwealth government announced that South Australia would lead the development of an International Centre of Excellence in Water Management. The centre, based in Adelaide, will consist of a consortium of 16 partners including the University of Adelaide, Flinders University, University of South Australia, Deakin University, University of Newcastle, Central Queensland University and TAFE SA.

Mr Hanna interjecting:

The SPEAKER: The member for Mitchell will come to order!

The Hon. P.L. WHITE: This International Centre for Excellence will be a showcase of Australia's world-class education, training and research facilities in water research management. The commonwealth government is contributing \$6.7 million over three years towards the centre, the state government \$630 000 over three years, and six partner universities \$1.75 million collectively over five years.

(2) The commonwealth government is yet to indicate whether there will be further rounds of this scheme and, if so, what are the criteria.

In relation to question No. 431, in reply to Mr Hamilton-Smith of 29 June 2004, my response was supplied on 21 July 2004 and is as follows:

(1) Target 4.6 is aimed at 'business' expenditure on research and development in South Australia. The latest Australian Bureau of Statistics data show that business expenditure on research and development in South Australia is 0.77 per cent of GSP, which is only slightly lower than the national average (as a percentage of GDP) of 0.78 per cent. Business will invest in R&D where this makes economic sense and where they will derive a return on this investment. Business investment in R&D, and the region in which a multinational company makes that investment, is determined by a number of factors including local research expertise and research institutions' expertise, capability and reputation.

The state government is working to create in South Australia an environment that encourages local business investment in R&D, as set out in the 10 year vision for science, technology and innovation. Examples include major science infrastructure investment such as SABR-Net and the bioscience incubator at Thebarton. The state government is also working to promote the expertise and capabilities clustered around the five innovation precincts around Adelaide to attract and encourage businesses to conduct their R&D in South Australia.

The Department of Trade and Economic Development—

Mr VENNING: I rise on a point of order, sir. Should this information be tabled rather than read into *Hansard*?

The SPEAKER: The member for Schubert raises an interesting point. However, the minister has leave and, at the outset, made the remark that the only mechanism available to ministers to get answers to questions on notice in *Hansard* is to read them into the record. It is clearly a matter that needs to be addressed by the Standing Orders Committee, and may

result in us publishing the answers with the questions on the parliamentary web site, enabling interested members of the general public to get more ready access to them than is currently possible on the web site. However, there is no point of order in that there is no obligation on the minister to do anything other than what the minister is doing, by leave of the house. The minister has the call. Of course, she has the time limitation that applies to such statements.

The Hon. P.L. WHITE: The Department of Trade and Economic Development (DTED) is looking at ways of increasing business expenditure on R&D through initiatives to leverage funding under the federal government's new Commercial Ready program. DTED will also look at identifying initiatives for the manufacturing sector to increase investment in R&D, in consultation with the Manufacturing Consultative Committee, under the forthcoming State Manufacturing Strategy.

(2) The state government has provided a forward commitment of \$4.2 million over seven years from 1 July to support locally based headquarters or major nodes of new CRCs applying to the current ninth CRC funding round. Under the Backing Australia's Ability Mark 2 program, the Major National Research Facility program has been re-phased under the National Collaborative Research Infrastructure Strategy, with funding to commence in 2005-06. At this stage, no formal state funding support has been allocated to leverage funds from this program, pending further detail about the eligibility criteria and guidelines. Sir, given the protest of members opposite, I will break there and provide further answers after question time tomorrow.

GRIEVANCE DEBATE

FEDERAL ELECTION

The Hon. R.G. KERIN (Leader of the Opposition): I am pleased to stand here today to comment on the federal election result. Whilst there is some uncertainty in several seats, obviously, the national trend has been well and truly set. Certainly, it is a good and important result—

An honourable member: There was a swing to Labor in South Australia.

The Hon. R.G. KERIN: No, that is not right. It is a good and important result nationally. The people of Australia rejected the Latham experiment. Sensibly, they understood what a threat Mark Latham was to our economy, interest rates, the budget and industrial relations. I certainly congratulate John Howard, Peter Costello, John Anderson and all the federal government. I also congratulate Brian Loughnane, who is our Federal Director, and Shane Stone, who is the President of the party, on what has been a fantastic achievement.

What a lot of Labor Party people seem to have forgotten over the last day or so is that in 2001 the South Australian division achieved an enormous result. We now have a swing to the Liberal Party in this federal election in South Australia, despite the Labor Party's ignoring reality. The vote in South Australia at the moment stands at 54.11 per cent, which leaves the Labor Party with only 45.9 per cent. That is an 8.2 per cent margin to the Liberal Party in South Australia. Its President, the member for West Torrens, and the Premier seem to be ignoring that and using figures that they are making up as they go.

Despite the Premier's defence of the disastrous ALP result, the South Australian result for the Liberal Party is about 3 per cent better than either Victoria or New South Wales, a point that has been absolutely ignored by the Labor Party.

Ms Ciccarello: Not good!

The Hon. R.G. KERIN: The member for Norwood said 'Not good.' The Liberal Party in South Australia, on a two-party preferred basis, leads by 8.2 per cent. You cannot argue that; that is the figure. It is a brilliant South Australian result and it is an absolute credit to our team. The four ministers who came out of South Australia obviously have had a big say in sound economic management and in good federal government. But we also had an enormously successful group of candidates. We went for quality candidates, not factional hacks, and they did fantastically. Graham Jaeschke, the state director of—

Mr Koutsantonis: How did Trish Worth go?

The Hon. R.G. KERIN: The member for West Torrens is, again, selective. He wants to get to one little thing. We will come to that in a minute. To Graham Jaeschke and Bob Randall, our President, and their staff, and the fantastic support staff of all the candidates around Australia and the volunteers who worked very hard—a lot harder than their ALP counterparts—we offer our congratulations and thank them for looking after the interests of Australia.

This morning, I heard two different opinions from the ALP. The Premier was trying to put a spin on it and being very selective. The Attorney-General had one of those rare fits of reality. He pointed out some of the real problems that there are for the Labor Party with its result. As to the supposed swing in Norwood that the Premier spoke of, I have checked those results, and that is not correct. The swing in Norwood for Sturt was 2 per cent, not 12 per cent as claimed. The swing at Norwood in the seat of Adelaide was higher than 2 per cent but it was lower than the drop in the Democrat vote. So, that is where it came from. It is still a good result for the Liberal Party. I probably ought to look at the disaster though—and the President should have a good look at this—that is, the disaster for the Labor Party in its heartland as spelt out so eloquently by the Attorney-General. It shows a growing resentment of the spin, rhetoric and the desertion of ALP values that we have seen under this government.

Let us look at some of those figures in what we call the Labor heartland. In Blair Athol there was a 19.44 per cent swing. In Salisbury, it was 6 per cent; in Salisbury Downs, 7 per cent; in Salisbury North, 9 per cent; in Salisbury North West, 9 per cent; in Parafield Gardens, 8 per cent; and in Parafield Gardens Central, 8 per cent. There were big swings across the board. In Pirie West, it was 6 per cent against the ALP. The Liberal Party won Port Augusta easily. This is an extraordinary result for the Liberals in South Australia, particularly after the huge 2001 result. The fact that this time we did not have a swing against us as everyone expected—even we thought we would have to come back from the terrific 2001 result—was marvellous. A positive swing for the Liberal Party is a fantastic result.

VIOLENCE AGAINST WOMEN

Ms BEDFORD (Florey): Violence against women is one of the most pervasive and hidden human rights abuses. In the home and in the community, in times of war and peace, women and girls are beaten, raped, mutilated and killed far too often in apparently what now seems to be a matter of fact

sort of way. Violence, and the threat of violence, affects the ability of all women to reach their full potential, exercise their civil, political, social, economic and cultural rights, and diminishes all our lives. Violence against women is never normal, legal or acceptable, and should never be tolerated or justified. Everyone—individuals, communities, governments and international bodies—has a responsibility to put a stop to it and redress the suffering that violence against women causes. Sadly, it is the most common and widespread of human rights abuses. It takes many forms including domestic family violence, sexual assault, institutional violence, sexual harassment, homophobia, sexism, and the trafficking and forced prostitution of women.

As part of a global strategy to stop violence against women, Amnesty International gathered on the steps of Parliament House on 20 September for people to come and show their support of stopping violence against women by placing their handprint on a banner. By stamping our hands on the banner we joined the campaign to double our efforts to stop violence against women. Those who were there are committed to condemning all forms of violence and to challenging discriminatory practices and attitudes.

The campaign challenges attitudes and practices that enable violence against women in the home and in zones of armed conflict. It calls on governments to reform laws, policies and practices that do not respect and fulfil women's rights. It encourages men and women in our community to recognise that violence against women is a human rights abuse, and to take action to stop it.

Violence against women is a serious public health problem. It is a major cause of female morbidity and mortality, and in industrialised countries such as Australia, where many diseases are now controlled, a very significant component of the burden of disease in our community is caused by this violence. The causes of violence against women cannot be isolated from very complex factors including power inequities, particularly in relationships.

The acceptance of violence in the wider community, through media and without check, is also a contributing factor. Poverty and the inability to deal with the impacts of life can bring pressure that cannot be dealt with without assistance and support. It impacts on every aspect of a victim's life, particularly on their health. The very sad statistics show that domestic violence remains the leading cause of premature death for women aged between 15 and 44. It is the single most common trigger of female suicide, implicated in over 60 per cent of murders of women, and a major cause of maternal mortality, that is, death during pregnancy or in the months after childbirth. It is a significant issue of justice and safety for the South Australian community.

It affects not only families but everyone, because violence of any type promotes fear, isolation and hurt in our community. Each of us has a responsibility to do something about reducing violence and helping victims of domestic violence. It is also acknowledged as having a significant economic impact. All of us in this place must understand that the government has a key leadership role and responsibility in the prevention of domestic and family violence. I am pleased that the state government is committed to developing ways to assist and work with South Australian communities for the prevention of domestic and family violence and that it is recognised that a whole-of-community approach that reaches across governments and communities is required to achieve this vision.

I note that during the recent federal election campaign the member for Makin announced, late in her campaign, an election promise of securing funding for a women's shelter to service the women of Makin. It has, sadly, taken the member eight long years to rally to the cause of the many women and children of Makin who are at risk of becoming homeless after escaping domestic violence, because they lack resources to become financially independent when they leave a violent home. Many remain in their homes subject to continuing violence because they have nowhere else to go. Women often take years to make the final break from a violent relationship in their lives, and the lives of their children may be marked by a pattern of flight and return.

Home to us usually means safety and security, both physical and emotional. However, domestic violence destroys this sense of home for women and children, thus destroying an intrinsic part of their identity. While domestic violence is a precipitating factor in the homelessness of women and children, the lack of financial resources and affordable housing makes it extremely difficult to exit from homelessness. Landlord discrimination against single mothers with low incomes also makes it difficult for women to enter the private rental market. Women are often forced to give up their jobs, live outside their neighbourhoods or even interstate and avoid contact with their friends and family to keep safe, making it harder to re-establish their lives after escaping from domestic violence. Whatever way you look at it, domestic violence is a problem and this place must play a crucial role in reform.

Time expired.

FEDERAL ELECTION

Mr MEIER (Goyder): I wish to add my congratulations to the Howard Coalition government on its re-election to office. I must admit that my faith in the people of Australia has been reinforced and perhaps, to some extent, reinstated, because if you took notice of the media there were times when you would think that the government might not have been returned. I thought: would people actually be that blinkered in their viewpoint when we have at present the best economic conditions we have had since the Second World War? When you think that under the previous Labor government we had five successive budget deficits totalling some \$96 billion, would you want to go back to that?

Under the Liberals, real wages have risen by 13 to 14 per cent under the current government in the last 8½ years. Under the 13 years of Labor from 1983 to 1996, real wages rose by only 2.5 per cent, so the average worker would certainly not have wanted to go back to Labor. Interestingly enough, wages under workplace agreements are on average 29 per cent higher than under the award system. So, it is very heartening that this country will continue with good economic management. I note that at present it appears that the Liberal/National Parties will have something like 84 seats in the new parliament, the ALP 56 and seven are undecided, with three independents.

In the Senate it will be something like 38 to 26 but, of course, there are some unknowns there. One of the big things has been the demise of the Democrats, probably dropping from seven to four senators. I think that that is wonderful news for Australia because I was particularly disheartened in the seat of Grey, when I was giving out how to vote cards and a key Democrat person was there as well, and I took note of their preference card. I noticed that their second preferences,

whether you wanted to preference Labor or preference Liberal, their second preference went to the Greens. I found it very hard to believe that, in a rural seat, the Democrats would preference the Greens. In fact, the Democrats person, who was a farmer, said he did not know how that had occurred either and, in fact, he wanted to have a chat to the Democrats and indicate that that was far from good, because one thing, of the many things issued during the election campaign, was a pamphlet that was taken from the Greens' web site, and some of the things in it disturbed me greatly.

First, the Greens, according to New South Wales Greens senator, Kerry Nettle, said in May this year that they want the capital gains tax concession reversed and negative gearing phased out. Can you imagine what that would do to the cost of rental housing throughout Australia? I would feel so sorry if that ever came in. There was the taxation of franked dividends for shareholders including self-funded retirees, so there would not be much incentive to self-fund in that respect, and there was the introduction of inheritance taxes; in other words, the death duty is back in.

I well remember during my early days as a member of the Liberal Party the debate on death duties and how the then coalition government felt that they could not abolish them because of the huge impact on the budget. However, the pressure continued and the phenomenal effect that it had on families was shown, and how it virtually put families from a reasonably wealthy position to almost nothing, and many were ruined by that. But the Greens want it to come back. Also, they want to give unemployment benefits without recipients having to seek work. Surely one of the great achievements of the Howard government has been to provide the opportunity, or ensure that there is an opportunity, for people to work for the dole—the logical thing. I deny no-one the right not to work; if they do not want to work that is their business, but I do deny them the right to automatically get benefits if they are not going to, at least, seek work and actively look for a job. There are many other things with the Green vote that disturb me greatly. Certainly, it was pointed out very clearly that Mark Latham's record was very questionable.

Mr KOUTSANTONIS (West Torrens): Congratulations to the Howard government, not that I voted for them or supported them, but they resoundingly beat us, and they beat us fair and square. I do not believe those talking about scare tactics. They ran a legitimate campaign. We will next time, as well, hopefully, and we will do better. I have never stood up in this place and complained about journalism, and I have never complained about individual journalists. I point out to the house that every major newspaper, apart from *The Sydney Morning Herald*, endorsed a coalition victory. That is fine and I have no problem with that. They are entitled to their own views. I have never had a problem with any journalist being biased. I have always thought that they have been fair and balanced. That includes *The Advertiser* and *The Australian*—except for this campaign. I want to point out one journalist who I think is an absolute disgrace. This is what this journalist said about Labor's candidate for Adelaide, Kate Ellis:

... with a surprise backlash against sitting Liberal MP Trish Worth, expected to tip her out of Adelaide, the state's most marginal seat.

She says this in one of her articles, and she is concentrating a lot on the seat of Adelaide. This is what she said in one of her articles with the headline 'Greens in blue-ribbon seats

could be gold—Election 2004'. She talks about the Greens doing very well and I quote:

But Ms Worth's own moderate views play to the same Liberal constituency. . .

This is talking about swings against the Liberal Party because of the war in Iraq and refugees. It goes on:

... which may stem Green preference flows. Dubbed by Mr Howard this week a 'modern political miracle' Ms Worth may ultimately find her best asset is the Labor candidate, Kate Ellis. Ms Ellis's strong federal backing has been marred by sloppy work on the ground, a hallmark of Labor federal campaigns in this state over the past decade. Her expensive brochure in mailboxes this week failed to mention Labor's two key vote inducements—Medicare Gold and free childcare places. South Australia is also Labor's federal basket case, holding just three of the 11 seats. Two of them, Kingston and the newly created Wakefield, are marginal. Labor has not regained a federal seat since 1996.

She goes on to quote so-called 'senior Labor party figures'. She goes on to attack Ms Ellis. On 23 September she said:

South Australia is now Opposition Leader Mark Latham's weakest link thanks in part to a rudderless, under-funded state campaign marred by factionalism and underwhelming candidates. Backed by glossy brochures, well-organised direct mail, and superior federal government resources, hungry Liberal candidates seem to have outgunned a mostly distracted Labor on the ground.

She went on to say:

The Shop Distributive and Allied Employees Association took its eye off the ball for weeks, instead of getting behind its first-time candidate for the seat, 26-year-old Kate Ellis.

She then went on to talk about Kate. She also talks about state government resources being used in the federal election campaign, and I quote:

South Australian government resources including staff, office space and equipment are being inappropriately diverted by political parties to prop up federal candidates.

This so-called journalist's name is Michelle Wiese Bockmann, who works for *The Australian*. Surprise, surprise. Who was Michelle previously employed by? The honourable Trish Worth. I have never in politics seen a major newspaper outlet employ a former staffer of a candidate to report on that campaign. Craig Bilsteen works for *The Advertiser* and he remains balanced. He does not report on who he used to work for. I know plenty of Liberal Party staffers who are now journalists, who go out of the way not to be biased, and I know plenty of former Labor staffers who are journalists who go out of the way. This journalist has crossed the line. This journalist should not have been reporting on the Adelaide campaign at all. She should have stuck to reporting on the seats of Hindmarsh, Makin and elsewhere, because this journalist has crossed the line. She has absolutely no credibility whatsoever. She has brought *The Australian* into disrepute. It is a paper that has been fair and balanced in the past. I am sure that her editor never knew who she used to work for, and I am sure that they would be outraged to find out that she used to work for Trish Worth, and is reporting. She is not reporting facts, she was reporting comments, and she is the only journalist in the country to have gotten Adelaide wrong.

YOUTH ORCHESTRAS

Mr SCALZI (Hartley): Today I wish to congratulate the Australian Youth Orchestra and the Young Symphonists, under the directorship yesterday of Keith Crellin. I was very fortunate to attend the musical event to represent the leader of the opposition, Mr Rob Kerin, in my capacity as Parliamentary Secretary for Youth. I found the afternoon most

enjoyable and relaxing after a stressful but rewarding Saturday, and it was good to see the excellence of the young people (12 to 17 years of old)—and, in particular, the five South Australians involved.

Young people must be given recognition, whether it be in the field of sport or education. I was also fortunate to attend the Rock Eisteddfod late last month in which Brighton Secondary School came first, followed by Woodville High School, Salisbury High School, Bordertown High School, Trinity College, and, in the small team division, Murray Bridge High School. Yesterday was a continuation of all that, but the excellence we have in that field of classical music is not often recognised.

The Young Symphonists is a program which commenced in 2000 and which since then has become one of Australia's pivotal youth orchestral programs in the development of young Australian instrumentalists. For many of the country's talented young players, the Young Symphonists is their first opportunity to work with other talented musicians from all over Australia. Several of the Youth Orchestra's current string players received special training in the Young Symphonists program which was in Adelaide last week and which is an eight day residential program for, as I said, 12 to 17 year olds. The program is designed to fire the imagination of string players, and it certainly did that yesterday. I found it most enjoyable.

I congratulate the director, Keith Crellin, and the tutors Margaret Blades, violin 1; Sonia Baldock, violin 2; Cecily Satchell, viola; Ruth Saffir, cello; Young-Hee Chan, double bass; and Wendy Heiligenberg, chamber music. Most importantly, I would like to congratulate the young people from South Australia who participated: Sarah Blackman from Concordia College, Elsbeth Falster from Immanuel College, Da Bi Han from Seymour College, and Thomas Marlin and Julia Norman, both from Marryatville High School. Those schools must be congratulated for having the talent to enable them to participate in this program.

I would also like to congratulate the sponsors and, in particular, the commonwealth government, as well as the Department of Communication, Information Technology and the Arts, which is one of the major sponsors of the Australian Youth Orchestra, supported by the Australian government, for its excellent cultural development program.

We often talk about the importance of providing young people with an excellent education (and we do that) and the importance of engaging them in all sorts of activities in the community. We have celebrated their participation in and contribution to sport and, as I said, in the Rock Eisteddfod, but it is also important to give recognition in areas such as the Youth Orchestra and to the dedication of the parents, teachers, and tutors in providing yesterday's excellent program.

Time expired.

REYNELLA, 150TH ANNIVERSARY

Ms THOMPSON (Reynell): I also rise to speak about an activity from yesterday. I had the great pleasure of attending a recognition of the legacy of John Reynell, after whom my electorate is named. This was in the form of a celebration of 150 years of the establishment of the town of Old Reynella and the official opening of the John Reynell Heritage Park. The township of Old Reynella now comes within the electorate of Mitchell. The member for Mitchell was also present at these celebrations and I wish to thank him for

recognising my desire to speak on this topic and to recognise the memory of John Reynell after whom, as I stated, my electorate was founded.

The district of Reynella was first settled by John Reynell in 1840 when he set up a dairy, vineyards and a winery. It was subdivided in 1854 when he sold off some of his land. The notice of sale for the township of Reynella tells us quite a bit about what happened at that time. It says:

Sale by Auction of the township of Reynella, to be sold on the land on Wednesday 12 April 1854 by order and for account of John Reynell Esq. We have received instructions to submit to public competition this promising township.

Reynella Farm has been known for the last 15 years and the purchases in the Township, the nucleus of which has arisen spontaneously, will be 13 miles from Adelaide: and on the completion of the new Sturt Bridge the distance will be shortened and the road so improved that this Township will be within an hour and a half's drive from the Capital. This township consists of about 40 acres of land divided into allotments varying from one quarter to two acres with the great South Road dividing it equally from North to South, and a never failing stream of excellent water intersecting it from East to West with ample reserves for the public use.

I think we should change the name from Main South Road to the Great South Road in keeping with our heritage. Unfortunately, the Panalatinga Creek no longer flows with a fresh supply water from east to west.

John Reynell is really the founder of the South Australian wine industry. Thomas Hardy was one of his early colleagues. The name of Hardy is well recognised as being critical to the development of the wine industry in South Australia, and the name of Reynell has fallen by the wayside somewhat, largely because of the tragedies that occurred within the Reynell family. Many of the male line were killed in various wars with the result that the family gradually reduced its interest in the winery business and, in the end, sold it. However, that was not until 1973, and we still have the important heritage of the Reynell family in what is now referred to as Hardy's Reynella Winery Complex.

The first vintage from the Reynell Vineyards was produced in 1844, and the 21st birthday of the settlement and colony of South Australia was toasted in wine made by John Reynell. The Reynella winery complex contains several important buildings, including the No. 1 cellar, 'the Old Cave' (the oldest operational wine cellar in Australia) and the stables, which were built in 1857, as well as Reynell House, which was built in 1843. At the celebrations yesterday, we were fortunate to have Margaret Ann Caillard, who is a direct descendant of the Reynell family. She grew up in Reynell House and lived there until 1963. Her son Andrew was also present. He is still involved in the wine industry although not in South Australia. Unfortunately, he now resides in New South Wales, but he attended Roseworthy Agricultural College, thus keeping up the connection with South Australia and his Reynell heritage. Reynella is the site of several historic buildings: the Crown Inn and the soon-to-be-restored Changing Station.

Time expired.

GAMING MACHINES (MISCELLANEOUS) AMENDMENT BILL

Adjourned debate on second reading.
(Continued from 22 September. Page 226.)

Mr BRINDAL (Unley): In my rather extensive introduction prior to the adjournment of this debate, I started to make a number of points relating to this bill. The first thing I want to canvass with the house is the matter of provenance. The bill comes to us because the Independent Gambling Authority has made a number of recommendations. I will not dwell too much on the provenance of the Independent Gambling Authority, but I point out that, when the Chair of the Independent Gambling Authority, Mr Stephen Howells QC, was appointed to that post, the Hon. Nick Xenophon in another place put out a rather extensive document condemning the appointment of someone from interstate. On the bottom was the curious note that maybe the journalists should contact no other authority than Mr Chris Kourakis QC for his opinion.

Mr Kourakis has since moved into other employment, but it is interesting that not only the Hon. Mr Xenophon but a number of prominent people in the legal profession thought that maybe that appointment was inappropriate. Nevertheless, the authority was appointed, and in due course it reported. However, what is the value of the report? If you want to know the value of a piece of work you look at the calibre of its authors. I am minded of a slightly different context, but I think it is relevant to this debate. This is the same Mr Stephen Howells who on *Lateline*, when interpreting Archbishop Hollingworth's performance as Governor-General, called for his resignation.

This is the same Mr Howells who was confronted in his call for the resignation of Archbishop Hollingworth as Governor-General by the Deputy Primate of Australia who at the time was none other than Dr Ian George, Archbishop of Adelaide. All of a sudden, 12 months later, on cue, the same Mr Stephen Howells QC featured on ABC radio at 8.30 in the morning calling for the resignation of Dr Ian George because of the appalling archdiocese over which Dr George presided. I, for one, know—as does every member of this house—that the matters the subject of that issue, which have been canvassed elsewhere, extend over 30-odd years, and Archbishop Ian George was the Archbishop of Adelaide for 13 of those years.

I point that out, Mr Speaker, because in Stephen Howells we have a man who I do not think is independent, who I do not think is fair, who I do not think recognises or exhibits good and fair judgment. I think he is a man who, on the actions quoted to you, can be clearly seen to have demonstrated bias and to be unscrupulous. I say he is unscrupulous because, as a member of the General Synod of Australia, he is one of 400 people who have no legal status nor right to any legal say in the archdiocese of Adelaide.

If the chair of this Independent Gambling Authority, who comes in telling this parliament what it should do to have problem gambling addressed in South Australia, is himself flawed—and seriously flawed—then I think this house should very carefully scrutinise the propositions that he brings in. Just to leave that matter there, suffice to say that I would like to know which of a certain minister's phone records I could requisition under FOI because I certainly have the honestly held belief that, if I could get the right phone records, a call would have been made to Mr Stephen Howells before he appeared on ABC Radio, sacking him onto the ABC to say exactly what he said. I think Mr Stephen Howells is a lap-dog for the political aspirations of this government, and that this report comes out for no reason other than to make Premier Mike Rann look good in relation to a matter where he has promised the people of South Australia that he is tough and fearsome and he will look good.

The Premier promised quite publicly to canvass us all; to talk to each and every member of this parliament; and to put forward his personal opinion. I personally was going to be canvassed by the Premier, and I do not know about you, Mr Acting Speaker, or the member for Heysen, or indeed any other member of this chamber, but my phone is still to ring. I might be the slowest or most stupid and I might be the least influential person in this parliament, but, Mr Acting Speaker, I will let you know a secret: I still have a vote; I still hold one 47th of the vote. It worries me that he took my vote so much for granted that he did not want to contact me.

Mr Rau: Who?

Mr BRINDAL: The Premier! The Premier said that he would contact each and every one of us personally to persuade us on this matter of vital importance to all South Australians. All I can conclude from that is that I am either not worth contacting or the Premier has told untruths to the people of South Australia, because he told them he would contact each of us personally. I reckon I might have got a generic letter that said something or other. It was so memorable that I cannot remember what it said. That is truly the importance the Premier puts on this legislation.

Why do we need to cut 3 000 machines in South Australia? I think I can speak with some honesty on this because I have not been in favour of poker machines. I voted against the introduction of poker machines into this state. I did so on the grounds that I could not see them benefiting the community; I could not see them benefiting the hotel and club industry; and, basically, I could not see them as anything other than a very clever measure by then treasurer Frank Blevins to raise money for himself and his government. I was wrong. It has been a great windfall to hoteliers. I believe that it has saved the hotel industry and many segments of the hotel industry from bankruptcy, and it has been a lifeline to some clubs, not all. I think it has been much more mixed in its financial effect on the clubs.

It has been an industry that many South Australians choose to use and from which many South Australians, if they do not benefit, find some recreational enjoyment. It is true to say that as a result a level of problem gambling has arisen, but that in itself is quite interesting. When you speak to the churches and the welfare organisations and you say to them, 'Let's get more of this money and quarantine it for problem gamblers,' the first answer you get from Anglicare and other organisations is, 'No, you can't do that. You don't understand. The problem with problem gambling is such that what we need is more money for the welfare sector to allow us to spend it in the way in which we want in the best interests of those who need help. We will do it wisely and well.'

I am not knocking anyone for putting in a budget bid. I have never knocked anyone for saying, 'We need a bigger budget.' Nearly every minister does it. I do not know anyone who gets enough money in their purse and who would not be happy with more. But let us recognise a lot of this for what it is. Problem gambling has been the new way for welfare agencies to say to governments in this state, 'We need more money; we need more help.' That is legitimate, but there is a big difference between a welfare bid and the need to pass legislation to curb a problem which, at best, is a small problem in the community. Yes, it is absolutely critical to every problem gambler and their family but, good God, under a Liberal government we stopped kids buying scratchies in this state—an act which still rankles with me because we stopped them buying scratchies. The minister at that time

admitted that there were perhaps five children in South Australia for whom this legislation was framed.

Of course, we could not hold the parents responsible and we could not hold the kiddies responsible because they were kiddies, so whom will we make responsible? We will hold the shopkeepers responsible. So, in order to help five children in this state, a law was passed that affects every shopkeeper in this state. I think it is an unreasonable and unnecessary law. Therefore, I would argue, as I try to argue consistently, that this law in principle is unreasonable and unnecessary. What does it do? I do not know many problem gamblers. I do not know many people who identify as a problem gambler; I might know a lot more than I think.

It would strike me that, if someone has an addiction, they are not likely to go to a small venue with 20 machines. They are much more likely to be found in the Adelaide casino where banks of poker machines are linked to the BMW car, the Harley Davidson motor bike or the trip, and the bells ring and the whistles blow. What I do know about addiction is that addiction is not just about pressing the button. The windfall addiction is about the whole atmosphere—the bells, lights and whistles, and the adrenalin rush of the whole thing. I cannot see that at the Murray Bridge Rowing Club or the Sturt Football Club (which I am proud to represent) the ambience is such that that is where all the problem gamblers are flocking. That is where they are all flocking to in droves.

But what will this legislation do? It will reduce by 3 000 the number of machines in South Australia. So what? I say to this house, as I have said to this house regarding alcohol and tobacco: stop being hypocritical. Get off the grass. If the members of this house think that poker machines are such an insidious evil, they should ban them. They should ban them in totality and for good, and I might think about voting for it. If members think that alcohol is so bad, they should do the same with alcohol and cigarettes. But we have this mealy-mouthed hypocrisy of them coming in here and saying, 'Aren't we a good government? Aren't we good members of parliament because we have tinkered at the edges? We haven't got the guts to tell the people what is good for them, so we will suggest it is good for them. We will play around the edges. We will put up the taxes on cigarettes and alcohol and tell them it is for their own good and get away with it. But we haven't got the guts to ban it.'

It is exactly the same with this legislation. It is simply a mealy-mouthed, hypocritical, tokenistic response of a government and of a parliament that will not have the guts to do what it thinks is necessary if those machines should be banned. I call this legislation for what it is: a complete and utter bloody nonsense. That is the best that one can say about wasting the time of this house on this matter. But if we are determined to be put through this charade, at least let us try to get it right. To stop clubs from having the opportunity that is vital to them is not something for which I will vote. I do not like this legislation, but I will not see bad legislation go through this house.

I do not think clubs should be penalised in this respect. However, neither do I think that hotels should have what clubs save taken off them. If we as a house decide that clubs should be secured and protected, which I am in favour of, we should not then say, 'We have saved 1 000 from the clubs, so let us take an initial amount off the hoteliers so it is still 3 000.' I think the clubs should be protected.

I am open minded, and I will listen to the debate about whether it means that the clubs can be part of an ongoing trade if they are protected. It does worry me if you say to a

club, 'You can keep your 10 or 15 machines,' and as soon as the law is passed they promptly sell those 10 or 15 machines to Peter Hurley at the Arkaba Hotel. I wonder what would be the point in enabling them to keep the machines. We might as well give them a government grant and just give them some money for their club for the next 12 months.

However, with respect to the Sturt Football Club, which needs those machines for its survival and which wants those machines and is prepared to run those machines, I think it should keep them. In fact, I have tested this proposition with a number of people at Sturt Football Club, and they seem quite happy to keep the machines and to have perhaps some restriction on trading.

I return to the point that I was trying to make earlier, and that is, quite simply, how can we say that we are helping problem gamblers when all we will do by this act is take a selected number of machines out of the market and allow people who have machines removed to buy them from someone else? When this legislation is passed, the big poker palaces that have a large number of machines, that are thriving, in theory, will one day lose eight machines, and one day later they will have 40 machines back because they will buy the eight machines they lost on the Friday from someone on the Friday night. They will be in situ on Saturday morning and it will be business as usual.

This brings me back to the provenance of the IGA. The IGA report is, I think, little more than a sop to this government. In fact, I would hate to know, but I have a sneaking suspicion that not only is it a sop to this government but also it is almost doing the Treasurer's job for him. What will happen is that these small, inefficient clubs will sell their machines to the larger clubs—which, incidentally, all pay super profits. So, the number of venues from which super profit is paid will not be diminished. However, what will be diminished is those smaller clubs whose returns are not worth having and which, therefore, will be out of the equation. The bookkeeping will be cheaper and more efficient and the Treasurer will keep getting his money.

I am prepared to come into this house in a year or two and apologise if I see, as a result of this legislation passing, a one cent reduction in the amount of revenue collected by poker machines in South Australia. But it will not be. This is a clever ruse. It is a subterfuge to make people think that you are doing something when, in fact, you are doing nothing. If anything, I think this will result in greater revenue to the Treasury of South Australia. What hypocrisy for a Premier to stand up and say, 'I hate poker machines. I am against poker machines. I would be rid of every single one of them if I could,' when the best his government can do is come in here with legislation that does nothing more than toy at the edges.

Mrs Geraghty interjecting:

Mr BRINDAL: The Government Whip interjects. Let me make it quite clear: I have had this same argument with members on both sides of this house. I totally object to any member who hides behind the will of the majority and says, 'This is what I believe,' knowing darn well that the majority will not pass the legislation. I have seen that not only in this government but also in our own, when people have stood up and said, 'I am dead against poker machines,' knowing darn well that they need the revenue from poker machines and they want to keep it. I do not care whether it is on the Labor or the Liberal side of the house: it is rank hypocrisy. You cannot accept a revenue stream and then say that you hate the way you get it. It is just a wrong principle: it is a wrong thing to

do. If we are genuine, let someone move an amendment. Let us up the number of poker machines that we ban. Let us up them, if you want, from 3 000 to 30 000. See if we will pass that bill.

Mr Brokenshire interjecting:

Mr BRINDAL: All the more reason for banning 30 000. Always ban one more than we have, and we are sure that we have the lot. Ban as many as you want: we do not have to limit it to 3 000. But if we are going to limit it to 3 000, let us not bother. Let us not con the people of South Australia. Let us try to be honest for a parliament and pass some decent legislation for a change, rather than tinkering around the edges with things that do not matter.

Mr O'BRIEN (Napier): I rise to speak in support of the bill. This bill is a result of a long and thorough process involving many stakeholders and concerned people, and represents the sharp end of several commissions, inquiries and reports that have been conducted over the past five years. The process that has led to this bill being introduced in its present form has been a result of widespread community concern over what may be termed 'gambling-related harm', especially with regard to electronic poker machines.

Since the introduction of poker machines in this state in 1993, there have been rising levels of disquiet over the number of people who have become addicted to gambling. Welfare groups have reported a significant increase in demand for their services; counselling programs have noticed a massive rise in the number of people seeking help; businesses have suffered a dampening effect; and all are strongly linked to some negative impact from the introduction of pokies.

However, gambling of any form is an activity that, for the overwhelming majority of people, is nothing other than a pleasurable entertainment. What is more, it is an industry which, directly or indirectly, employs a significant number of people. It is a sector of business which has the capacity to make valuable contributions, financial and otherwise, to our sporting, social and community life.

I support this bill in its aims of reducing problem gambling grounded in the reports of the Productivity Commission and the Independent Gambling Authority. I believe it to be a sensible and necessary bill. However, I also believe that there would be several severely negative impacts of the bill should it pass in its present form. The most drastic of these would be the impacts of the bill's effect on clubs and, as such, I will be moving an amendment to exempt all clubs from any reduction in the machine numbers—about which I will have more to say later. However, I support the bill in its aims and intent, and believe it to be a necessary step in our approach to problem gambling.

There are several aspects of the bill that I would like to address. The first is the most obvious: the bill's plan to reduce poker machine numbers by 3 000 across South Australia. The Australian Productivity Commission's report on Australia's gambling industries, released in November 1999, contained an extensive and exhaustive review of gambling and gambling-related harm in Australia. In one of its key findings, the commission states:

The prevalence of problem gambling is related to the degree of accessibility of gambling, particularly gaming machines.

It expands on this, reporting that the issue of accessibility encompasses the number and distribution of gambling opportunities, ease of use of forms of gambling, hours and

condition of entry, and the degree of social acceptability. Acceptability, therefore, is a complex beast, but there is significant evidence to more than suggest a strong link between how accessible gambling is and the number of people reported as problem gamblers. The Productivity Commission goes further in examining accessibility. It reports that, when it comes to problem gamblers, the evidence is that 84 per cent of problem gamblers travel for less than 10 minutes from their house in order to gamble; in fact, 71 per cent travel only five minutes or less from their home to the gambling venue. So, not only is the total number of machines in a region significant, but so also is the number of venues in which these machines are located. Simply put, it is better to have 40 machines in one venue than 10 machines in four venues. The commission leaves no doubt about this subject, stating:

It is likely that when gambling venues are widely dispersed through the community they pose a bigger hazard for problem gambling than when they are concentrated in a few locations.

This is also the conclusion of the Independent Gambling Authority, which states:

There is a causal relationship between the accessibility of gaming machines and problem gambling and other consequential harm in the community.

The IGA further stated that a sample of problem gambler clients indicated that 75 per cent gambled within five minutes of where they lived. It is the conclusion of two independent, thorough and dedicated reports that we need to reduce both the total number of machines and the number of venues in which they are located. The evidence leads me to support this bill and its provisions to reduce both.

I come now to the provisions in this bill for the tradeability of gaming machines. While the initial reduction in machines achieves the first objective—that of reducing overall the number of machines in the state—the tradeability component provides a mechanism for the number of venues to be reduced. Obviously, as the larger venues seek to replace their machines removed by the initial reduction, they will look to purchase replacements from smaller venues. These smaller venues will, in many cases, find it far more profitable to sell their machines and exit the industry than to continue as they were before. In addition to the tradeability component, the proposal for the clubs to pool their machine resources into the Club One concept will also reduce the number of venues. The concept essentially means that, rather than, say, five clubs managing eight or 10 machines individually, clubs will be able to put up to 40 machines in one location and draw a share of the profits. This achieves a reduction in the number of machines and allows clubs to receive the vital financial support of poker machines while relieving them of the management of a gambling venue. It is an excellent initiative and one of the sections of the bill that I think is the most worthy of merit.

Our clubs have been under financial duress and are in need of some support in this bill, an aspect of this legislation to which I will return shortly. In short, there will be fewer machines in fewer venues than there were prior to this bill, and by a significant number. The resultant effect on problem gambling will be downward, a result that I believe is the goal of all members. I want to turn now to the machinery of the bill, the state of South Australia's sporting and community clubs, and a word on the amendment that I will be introducing. Whilst I support unreservedly the attempt to reduce the number of poker machines in this state, I am also acutely

aware that, should the bill be allowed to proceed in its present form, it will have several entirely unintended consequences.

Having spoken extensively to our state's clubs, from the SANFL to the Salisbury North Football Club to our RSL clubs and to Clubs SA, I understand the unique financial position in which community and sporting clubs find themselves and, as someone who enjoys the benefits that clubs bring to our community, I find the prospect of seeing our club industry decimated through a policy accident simply unacceptable. Clubs are not hotels: it is not as simple as that. They operate on far finer margins than hotels. They are not organised into chains. They are established along very different business models and they exist primarily to service their membership and the community around them, rather than being driven by the profit motive.

Especially pertinent to this legislation and its ramifications is the fact that clubs cannot draw on capital reserves to repurchase machines lost in the cull, unlike hotels, putting them even further behind and, at worst, out of business. I believe that it is not the intent of this legislation to beggar or bankrupt clubs that contribute so much to our way of life. Rather, it is to curb and address problem gambling in South Australia, an objective that will still be achieved should the bill pass with my amendment included. The number of poker machines held in clubs that would be affected by this cull is only 285, a figure that represents only 9 per cent of the 3 000 machines destined to be removed: small beer in the grand scheme of things but a massive blow to the viability of our clubs. To highlight just how vital this debate is to the future of the club industry, I would like to focus on several cases.

The Tanunda Club in our state's Barossa region holds 31 gaming machines. Gaming revenue averages in the region of \$27 500 per month, which represents approximately 40 per cent of all revenue for this club. If eight machines were to be lost, this would mean a loss in income per month of \$7 000. Annualised, this means that over \$84 000 would be lost to the club. This would see the club close. There is no room to move: the club would simply close. To take the example of our SANFL clubs and the possible impact such a reduction would have on football in this state, independent audited figures show that over the last two years the consolidated loss for the nine SANFL clubs was over \$290 000. Remove the revenue of eight poker machines from every club and some will simply not survive. It is more than possible that as many as three of the nine clubs will be forced to close, virtually ending the competition as we know it.

Recently, I hosted a delegation from the SANFL to hear their views on the legislation and its probable impact. Every single club was represented, and every single club was adamant that this cut would be disastrous for the league. When Port Adelaide and Norwood are in agreement on something, you know it is serious! The average loss for an SANFL club is currently \$16 000 a year. Take away eight poker machines worth of revenue and the result would be catastrophic. In my address to my amendment I will be expanding on these figures. Suffice for the present to say that these are tales that will be repeated right across the state, and not only will our clubs be affected but all those who are employed by clubs, some 7 000 people in either full or part-time employment.

There are more than 350 000 members of clubs. There are the community groups, sporting bodies, charities and individuals that receive sponsorship and other contributions from the clubs. Sixty-eight per cent of community groups have received a donation from a licensed club in the last 12

months. The fact is that, if clubs are forced to wear an unfair measure such as this, it will have a drastic impact on the community, sporting and social life of our state. The original intent of the introduction of poker machines to South Australia was that clubs would be able to draw on an increased revenue base with which to service their communities and membership. It is a matter of historic record that this has not occurred and that the majority of gaming machines, some 89 per cent, are found in hotels and pubs.

We should not further penalise one of the most important and beneficial sectors of our community by imposing such a cut to the clubs' revenue. I believe that it is not the spirit nor the intent of the legislation to do this. I would like at this point to venture a word on another aspect of the legislation, that of the provision in this bill for gaming licences to be reviewed by the Independent Gambling Authority (IGA) every five years. Having had a significant background in business myself, I can well understand the consternation such a clause would bring for many hoteliers. To attempt to obtain finance or to merely operate a business with no certainty as to your own revenue earning ability, plus the five-year period, would be next to impossible. What is more, the bill as it stands provides for the Independent Gambling Authority to hold the power of review, an incongruous situation given that the IGA does not actually issue licences in the first instance.

I would encourage members of the house to examine this section of the bill to see whether there is some way we might be able to give some form of legislative certainty to our hotel industry. I would much prefer to see the Liquor and Gambling Commissioner made responsible for any review that has to be conducted, or possibly the period for which licences are issued lengthened. The purpose of this bill is not to be punitive on those businesses and non-profit organisations which have installed and which operate poker machines. Rather, it is to curb the growth in problem gambling and to make sure that we take care of those people who have become addicted to gambling in any form.

In conclusion, I repeat my support for this bill in both its intent and its actions. The measures contained in this bill are in line with the comprehensive study and consultation from which the Productivity Commission, the Independent Gambling Authority, clubs, hotels and the community have contributed. It is reducing problem gambling by addressing the number of machines and venues, and tackling the hard issues presented by those people addicted to gambling.

The ultimate goal behind any policy must be the welfare of our society. This bill will achieve just that. In looking for improvement, however, we must not throw out the baby with the bath water, and beggar our community and sporting clubs. The initial introduction of poker machines was designed to benefit clubs, as I have said before. It is now historic fact that this has not become the case. There can be no case made for a worsening of the situation; rather, the sensible policy course is to protect clubs from further harm while reducing problem gambling and the factors behind it. I support the bill. I recommend it to the house, while proposing to amend it so as to protect inadvertent harm to our state's clubs. I urge all members to support the bill and the coming amendment.

Mrs REDMOND (Heysen): It is my pleasure to get up and make a brief contribution on this bill. I find it always puzzling that we talk about gambling machines in the way that we do because, in percentage terms, I think people acknowledge that it is something like 2 per cent of the population that are affected by problem gambling, and then

the wider circle of people who are affected by those who have an addiction makes it higher. As I recall, the figures are fairly similar to the number of people who are impacted by significant accidents on our road, and no-one ever suggests that we should take cars off the road and stop everybody from driving as a way to solve the problem. So, it strikes me as very odd that we are proposing supposedly to reduce the number of machines—although I am not persuaded for one moment that the legislation before us will have the effect of removing the machines. All it will do is move them around a bit because the big pubs will be able to buy them back.

The first thing that I wanted to comment on was that I very clearly heard our Premier on the radio promise to personally lobby each and every member of the parliament over this issue and, like the member for Unley, my phone is yet to ring. I did not get a phone call, a personal comment or anything else. I did have a letter that said, 'I write to personally approach you.' It started out, 'Dear Isobel, I write to personally seek your support.' It was so personal that it did not even have the Premier's original signature on it. It was a very faint, obviously scanned copy of a signature appearing on a three page letter.

Mr Scalzi: It wasn't a real signature.

Mrs REDMOND: It was not a real signature, and the Premier, having made this very public, over the radio promise that he was going to personally lobby every single member of the parliament to gain support for this piece of legislation, has done nothing of the kind. I think that the Premier owes the people who listen to that radio program an explanation as to why he has not bothered, because he certainly made a very clear commitment which he absolutely failed to deliver on.

More importantly, however, having had a look at the bill and having discussed it with a number of people, I cannot see anything at all in it which will do anything to assist problem gamblers or to address the issue of problem gambling. Any number of things could be done. I met with the Gambling Task Force, put up by the heads of Christian churches, and they provided a lot of very useful information in terms of the level of increase in the overall gambling turnover in this state which, pre-pokies, I understand, was something like \$1.58 billion in June 1994 and which went to over \$6.09 billion by June 2001. They estimate that we have had an increase in problem gamblers from 2000 to 23 000 over that period.

However, although they produced some very impressive statistics and some information in relation to the effect of poker machines and the introduction of poker machines into our community, they were not able to produce to me anything to suggest why the proposed legislation would have an effect on the gambling machines and the availability, because if you have got a venue with 30 machines, for instance, and you have it reduced by eight to 22 machines, the person with the gambling problem is still going to find the machine just as accessible as it ever was. So, there is nothing to suggest in anything that they presented to me that there is going to be any change in the pattern of problem gambling.

I understand that they will at least take some baseline measurements at this stage if this legislation gets through; personally I hope it does not get through. However, if it does get through, I understand that they are aware that an evaluation will be conducted. The Institute of Labor Studies at Flinders University will prepare baseline information at the moment, so that in two years' time we can see the effect of this legislation, if indeed it has had any effect at all. What puzzles me is that the AHA, in my view, has taken a pretty

responsible view to the issue of problem gambling and they, in the course of the public discussion about this proposed legislation, contacted me (and I am sure most other members of parliament) and indicated a number of mechanisms that they proposed to deal with the issue of problem gambling and how you have an impact on problem gamblers in the community.

I will just go through the ones referred to in the most recent letter from the AHA dated 21 September 2004. They indicated their commitment in terms of the following mechanisms, some of which have been introduced and others which they plan to introduce and which they have already indicated to the government they would be prepared to introduce if the government would only sit down and discuss the issues sensibly instead of coming up with the harebrained scheme that they have at the moment.

The first was that, in consultation with the government, they established the Gamblers Rehabilitation Fund in 1993 and Break Even counselling services. They voluntarily commit \$1.5 million dollars annually to that fund—and they were the first in the country to voluntarily contribute to gambling counselling services. They established *Smart Play*, a booklet for customers which is located in gaming rooms that provides information about gaming machines, encourages customers to gamble responsibly, and provides information about problem gambling. They were also the first hotels in Australia to establish a voluntary gaming code of practice and, of course, that practice became law in 2001. They do not allow access to cash withdrawals on credit accounts and they have limits on withdrawals from savings accounts. They have banned note acceptors for gaming machines and they train their staff in responsible gambling. Also, they do not cash cheques in gaming rooms. It is, of course, unlawful to play more than one machine at a time—I am not experienced enough in gaming machines to know how one would physically manage to do that, but I gather that people could move between a couple of machines and keep playing.

I think that when they first wrote to me in June they were planning to appoint a responsible gambling officer, and since then they have appointed Ms Rhonda Turley to take on that role. She, of course, worked at the South Australian Council of Social Service, so she is fairly aware of the types of problems we have in our community at large.

I have also heard discussions from time to time about putting much more prominent information on the machines themselves as to the lack of likelihood of coming out ahead, about slowing down the machines and all sorts of other things that, as a member of this house, I would have been prepared to look at in trying to address the issue of problem gambling.

I am not suggesting that the issue does not exist: I accept that there are problem gamblers and that those with a significant problem have a profound impact on their own lives, on the lives of their families and sometimes their friends, and sometimes on the broader community. I am not persuaded, as the member for Napier seems to be, that economic indicators in this state have actually been affected very much by gambling. I should have thought that, given the number of poker machines in clubs in New South Wales, for instance, you would have to be suggesting that that has affected the economic viability of that state—and it certainly does not seem to have done so.

I also indicate (and I will not go into any detail because the member for Unley more than adequately covered the issue) that I do not think the appointment of Stephen Howells—with all his biases and prejudices and being a mate

of a couple of members of the government—speaks well for the independence of the decisions and conclusions reached by the IGA in coming up with this recommendation. Therefore, I will not be supporting the legislation in its entirety. Indeed, I believe it would be best if the government actually withdrew the legislation altogether and went back to the drawing board to have a real look at how it could improve the situation in terms of problem gamblers in our community.

There are a couple of other things within the legislation that I want briefly to mention. One is the idea of this renewal of licences—I think it is just untenable to suddenly introduce this idea of renewing a licence. People who own pubs—whether they own the freehold or just the business—need a certain amount of continuity and certainty, and their financing by banks depends on that continuity and certainty. In my view it is unreasonable to move from a system which I think is more than adequate. There are perhaps times when it could be enforced a little better, but the licence issued by the Commissioner at the moment is, I think, more than adequate.

Someone gets their licence; it is subject to whatever conditions and, if they do not obey those conditions, I have no difficulty in saying, ‘Well, we might even increase the stringency with which the conditions are enforced,’ and ‘Well, if you even breach it by a minor infraction, you may face a very significant penalty or even the loss of your licence.’ I know, from issues that I have had with live music, that there have been times when the Liquor Licensing Commissioner does not seem to do as rigid a job at enforcement as I think, perhaps, should happen. But it seems to me appropriate to simply allow for the renewal of licences, and just do it on the basis that it is automatically renewed by the Liquor Licensing Commissioner unless someone has done something which would mean that they cannot meet the conditions and therefore do not deserve to keep their licence.

On the issue of clubs and the amendment foreshadowed by the member for Napier, whilst I have some sympathy with the clubs generally I have to say that we are talking about very few clubs in this state. I cannot think of a club in my electorate—and my electorate is over 600 square kilometres, and I have plenty of sporting clubs—that actually has poker machines. The only poker machine clubs of which I am aware are the bigger football clubs around the metropolitan area and places like the SAJC and so on, and I cannot see any rational reason why they should simply be exempted if the hoteliers are not exempted. If it is good enough for one it seems to me that it should be good enough for the other.

I am not aware of any actual evidence as to where we find most of our problem gamblers (I would think it is unlikely that they are found in clubs), but it seems to me that it is not reasonable to say that the clubs deserve to be treated differently. I do not think that it follows that the clubs will not continue to receive the same benefits that they have always received in terms of grants for sport and so on, because, as I said in my earlier comments, it seems to me that we will end up with virtually the same number of poker machines. This legislation will simply move them around, and I think the revenue from poker machines is unlikely to be impacted by this legislation. It is all window-dressing. This government wants to make itself look good, the way it did with the issue of law and order and other issues, so it goes for the media headline. That is exactly what the Premier is doing in relation to this matter: he is seeking the big media headline so that he can say, ‘We’ve reduced the number of machines by 20 per cent.’

The reality is that they will not reduce the number of machines; they will just be moved to other venues, and there will be no change in problem gambling in this state. I would be prepared to put money on the idea—if it is all right to say that in the middle of a speech about gambling—that people will actually put more money into machines and that revenue from gaming machines will continue to increase in this state. I was not here when poker machines were introduced. Had I been, I think I would have favoured the idea that they be introduced in clubs rather than pubs. Now they are here, it seems to me (to use the member for Unley’s term) that this legislation is window-dressing, and it will not achieve anything in terms of addressing what is the real issue in our community.

For those reasons, I do not support the legislation, and I encourage the government to withdraw it, have a proper look at it, maybe even set up a select committee—because I am sure that the members of this parliament would come to more sensible conclusions than those reached by Stephen Howells—and resubmit the legislation in a form which has a real chance of addressing the issue of how to actually assist problem gamblers to deal with their addiction and minimise the harm that is currently being caused.

Mr RAU (Enfield): In rising to make my contribution, I would like to say how pleasant it is to be engaged in a debate where so many members of parliament have obviously given a lot of thought to their contribution to what I am sure will be a lengthy discussion on this issue. In my opinion, the member for Heysen, the member for Napier and the member for Unley have all given very thoughtful and insightful contributions to the debate, and I find myself, in part, in agreement with all of them. I will not labour that fact, other than to say to all of them that I think their efforts were very worthwhile.

I make it clear that I totally support the Premier’s desire to reduce the number of poker machines in South Australia. In saying that, I must make it clear that, personally, I would love to see the whole lot removed. If I have a regret about not having been in this place earlier—and it would not be huge—it would be because I did not have a chance to vote on this particular piece of legislation in 1993. Perhaps in the fullness of time we will get to the point where we can consider removing all of them, but that is not what is before us today.

I would also like to applaud—and I am pleased the minister is here—the Minister for Gambling and the Treasurer, both of whom have been involved in very wide ranging and patient consultation in relation to this bill. I have certainly bent both of those gentlemen’s ears about my concerns about this bill, and I must say that they have both given me a good hearing. I would like to make it very plain to the house that my problem with this bill does not lie in the proposed reduction of 3 000 machines—as I have already said, I would like that number to be 10 000 or 12 000—my problem lies with the convoluted scheme devised by the IGA to achieve this outcome. I say to the minister that he has acted in good faith by bringing the IGA’s recommendations to the parliament, but in doing his duty as minister—and as was promised the IGA’s report has been brought forward—I lament the fact that, in effect, he is obliged to carry something which is less valuable than it should be on behalf of the IGA.

In my opinion, it is not the minister’s fault that he has been supplied with poor recommendations. He has done his duty in bringing these recommendations before the parliament in the form of the bill, but it is now for all of us as members of the parliament to do our duty as legislators and

to pass a bill that does us credit. The passage of this bill in this form will not do us credit. In that sense, I endorse the member for Napier's remarks which I think, in that respect, were very similar, and I think the member for Heysen also said something along those lines.

Our present gaming machine predicament is the product of a desperate, foolish decision to introduce poker machines 10 years ago. At a much deeper level, this is a symptom of the state's shrinking tax base and the endless demand for services such as health, police, roads and education. Typically, this was never explained as such at the relevant time. The phoney arguments about pensioners having to drive to Wentworth or adults having the right to choose how they spend their money were trotted out as a cynical distraction 10 years ago. Put simply, gaming taxes were too attractive to miss out on. That is why these machines were foisted upon the community 10 years ago—let us be clear about that. The state is now dependent (at least in part) on the revenue from these machines. When we talk about the people who are suffering from a gaming machine addiction, no-one is more addicted than the state Treasury.

The pokie barons, so-called, in my submission to this chamber, are nothing more than tax collectors, very much as the British tax farmers were prior to their abolition during the reign of Charles II. In fact, with each machine the pokie barons currently hold a licence but not a tradeable entitlement to collect tax and to take a fee for their trouble. I repeat: the pokie barons currently hold a licence but not a tradeable entitlement to collect tax and take a fee for their trouble. This is an important conceptual point which, I believe, has been totally lost on the IGA.

The question also arises of how far we can go in moderating the catastrophic impact of problem gambling before we cut deeply into revenues. Obviously, removing all the machines would be a great help, but I do not understand that to be something that is up for debate at present. This would also hit the state's revenue stream for six. If we did impose deep revenue cuts, would we all accept poorer services? Would we prefer to pay new non-discretionary state taxes to make up the shortfall? I have heard it said that the pokies are good because they get people who normally never do to pay tax—a cynical view, one might say, but, sadly, not far from the truth, according to the studies quoted in the IGA's report. Electorates such as mine, whose residents can least afford expenditure on pokies, areas with high welfare dependency and low per capita average incomes, are the biggest per capita contributors.

Let us be very clear about this. Those with the least pay the most. The incidence of this tax is the most socially regressive of any tax of which I know. It is far worse than the GST, for example. It is avoidable, unlike the GST and income tax, but for many people, however, this is a meaningless distinction. It is like observing that taxes on alcohol, tobacco and petrol are avoidable. They certainly are if you do not want to smoke or drink or drive a car. The fact is that for those who are afflicted with a gambling problem this tax is not avoidable. It is unavoidable.

What does this bill actually propose? It seems to me that we are asking this bill to take a small step along the harm minimisation path. Indeed, I suspect that step is a very small one. I have heard no particular complaints from Treasury and seen none in the documents with which I have been provided. Clearly, a minimal net impact on gaming revenues is expected. The impact on that subset of gamblers, described as problem gamblers, is likely to be even less significant. I

believe that these people need targeted measures to disrupt their behaviour, rather than expecting real results from a big picture change such as the one proposed.

The suburban pokie palaces will not be diminished by this bill, as it presently stands. Indeed, new Club One palaces will arise to supplement them and to mine the rich pickings of Adelaide's northern and southern suburbs. These new palaces will be portrayed as somehow qualitatively different, because they will benefit licensed clubs. While it is probably true that the revenue from the clubs will be substantially returned to the community, for example through sporting activities, this is not relevant to the victims. Is a heroin addict, for example, any better off if his dealer's ill-gotten gains are routinely donated to the Salvation Army? The answer, of course, is no.

Already it is clear that the clubs are keen to exploit the easy pickings on offer in Adelaide's northern and southern suburbs. It is well documented that the revenue from each machine in Salisbury, for example, is worth more than many similar machines operating in Burnside, the point being that the areas with higher welfare dependency and lower incomes produce the best revenue streams. The misery that pokies dispense into marginal economic communities then becomes a burden on charities and government welfare agencies.

There is, as always, alas, no magic pudding. It would be interesting to see a study which compared the net benefit of gaming revenues to the state Treasury with actual costs to charities, as well as to state and federal governments. I strongly suspect that it is, at best, a zero sum gain. Perhaps it would be cheaper for Canberra to replace our gaming tax revenue with a direct grant and get rid of the machines but, again, that is not something for debate in this particular bill. To be fair, I want to make it clear that I am aware of the fact that the large hoteliers who operate large numbers of machines also invest in construction and they are big employers. They give back, as well, in their own way.

For me, however, this debate is not primarily about whether the clubs, the pubs or Treasury will exploit the rivers of pokie gold. The issue is about whose gold they are extracting and at what cost to society. Many of the prime victims of pokie excess live in electorates such as mine in Adelaide's inner north.

The Independent Gambling Authority is not the font of all wisdom. In fact, I have heard very serious complaints about the IGA from all sides of this debate. While I respect the IGA's efforts, they are not the parliament: we are. We must be satisfied that we are making progress. This function cannot be delegated. We cannot mindlessly blindly support the IGA's model. That would be an abdication of our responsibility and, in my view, the IGA in any event is in a hopelessly compromised position, having regard to section 11(2a) of the IGA Act, which provides:

In performing its functions and exercising its power under this act or a prescribed act, the authority must have regard to the following objects:

- (a) the fostering of responsibility in gambling and, in particular, the minimising of harm caused by gambling, recognising the positive and negative impacts of gambling on communities;—

and this is important—

- (b) the maintenance of a sustainable and responsible gambling industry in this state.

The IGA report, on pages 7 and 8, spends some time explaining that, in spite of those words, it is able to come here and provide us with some assistance in dealing with this

problem. But I have to say that, to be true to its charter, under the act, I think it is largely hamstrung.

The central concept (and this is my main point of objection) of establishing a gaming entitlement as proposed in this bill is, in my opinion, a fatal flaw. Imagine giving to any citizen—and this is, indeed, a gift—the tradeable right to collect a tax for a fee. This will create, at the stroke of a pen, a property right that has never previously existed. It will be a windfall to all current licence holders, whether they choose to be sellers or buyers in the new entitlements market. We have seen the problems that have been created with tradeable fishing rights, taxi plates, water entitlements and the like. These are profound public policy failures of the past that have crippled successive governments wishing to regulate industries. It is public policy stupidity to repeat exactly the same error in this legislation. By way of contrast, remember that the GST collections, which are also outsourced to businesses, are collected for no fee. Indeed, the collection and accounting costs have to be absorbed by the business as one of its overheads. So, there is the distinction, which only serves to underline the remarkable nature of this grant that the entitlement creates.

I underline again that this entitlement, in effect, introduces the crazy idea of a tradeable entitlement to collect a tax for fee. The bill should not provide for any vested property rights that may restrict the capacity of future governments to change the direction of policy in this area. The IGA itself says that it wants to review this thing in 18 months or two years and see how it has gone. Quite frankly, if this bill passes in its present form, any review will be academic, because this will be stuck in the mud; there will not be any movement.

People to whom I have said this say to me, 'Well, of course, under state law, there is no prohibition on the compulsory acquisition of property without compensation.' That is true as a matter of law. But how many governments find it easy, or think it is good public policy, to go around removing people's property and not compensating them for it? It is far better not to dig the hole first rather than to have to dig yourself out.

I emphasise again that my concern with respect to this bill is the fundamental concern about the creation of a tradeable entitlement to collect a tax for a fee, which will tie the hands of future governments. This bill in its present form will also, for the same reason, not be good for employment in regional areas, where it is most desperately needed. Let me explain why. If you have a hotel presently with 40 machines and a country pub somewhere with 10 and you take the eight machines out of the suburban hotel, bring them down to 32, and you have a tradeable licence system, the market will say, 'How much was one machine in the 40 machine place turning over per day? How much is one machine turning over in the country pub per day?' Let us say that it is \$2 000 a week versus \$100 000 a week. Someone will do the mathematics and work out the value of that under-utilised licence in the country pub. That will become the capital value under the tradeable licence scheme. That capital value will then be paid eight times by the publican to the country hotel. The country hotel will then lose its machines.

What you will have done is transfer a low value machine to a high value site. The high value site will change not at all except that it will have to have paid for eight machines. But the upside is that it will have had the capital value of another 32 machines given to it. The person who owns the country pub will then lose whatever value those eight machines had to the pub, which might or might not be the difference

between that pub being viable. If it is the difference between that pub being viable, you have people who are employed in that pub who no longer have employment.

I am not sure that the present form of this bill with respect to the tradeability is good when looked at from any perspective. The tradeability is the fundamental problem. As far as I am concerned, the rest of the bill, by and large, is fine. But that bit so colours the whole arrangement as it is presently set up that I am not happy with it.

It also has been put to me that this could all be fixed up if you could have a capped trading price—a set trading price. To those who make that comment I would say, with the greatest of respect: it is nonsense. If there is a tradeable commodity, whatever it is, it will trade at the price that the market dictates. The price fixing will only lead to a black market, with side deals to secure seemingly compliant transparent transactions.

Having regard to all these matters, I will be moving two amendments in due course. Both are designed to achieve the 3 000 reduction and to leave the hands of a future government free to revisit the issue of poker machines. The first is to remove the tradeable entitlement from the system. The second is to make it clear that a licence held by an operator is only that: it is a licence. But it must be renewed, and compliance with good practice will have to be strictly observed and enforced.

Dr McFETRIDGE (Morphett): This bill is an absolute mess, and we will see a large number of amendments moved in this place. Whether they get through will be up to members of the government. We know that this is a conscience vote, but we know that the Premier has written personally to all members of the ALP saying that this is a test of his leadership. If this is leadership, he is like Captain Smith and *The Titanic*. If problem gamblers were passengers on *The Titanic*, you are just shifting the deck chairs. This will not have one iota of effect on problem gambling. This bill should be withdrawn today; throw it out. You look at the second reading explanation, and some of the comments made by the minister, particularly the one about providing a level of certainty in the future of a financial position on gaming machine venues. Other comments about the future of the industry are not worth the paper they are written on. We saw that when the Treasurer said that there would be no rise in gaming machine taxes in a letter. This is law, but it did not happen. What happened? The people who have invested millions into the industry, into employing people and providing entertainment in pubs and clubs, have been ripped off by this Premier.

I got a letter from the Premier on 14 May this year. It said, 'I write personally to seek your support.' The only personal thing that this Premier has ever done to me is personally abuse me on ABC Radio. That is all he has ever done. That is the only contact. It is all this bloke knows—personal abuse. He did it to Frances Nelson, Lew Owens and, now, if you object in any way, shape or form, it is personal abuse.

Mrs Hall: He doesn't know anything else.

Dr McFETRIDGE: He does not know anything else, this bloke. I have another serious problem with the way this bill is being presented. The Minister for Recreation, Sport and Racing is also the Minister for Gambling. To me, that is a terrible conflict of interest. This bill should be thrown out; it should be withdrawn straight away. It will not have one iota of effect on problem gambling. We are going to see revenue from gaming in this state continue to rise. I will speak about

those figures from today's 'hot off the press' Auditor-General's Report in a moment.

Let us have a look at gambling in South Australia with gaming machines. In 1994 when gaming machines were first put into pubs and clubs—and let us not ever forget who put them into South Australia: the Labor Party—there were 662 machines in 28 venues. Now, we have 565 pokie venues with 12 738 machines. The government is pulling \$250 million this year in gaming revenue. Gaming revenue, along with other forms of gambling, is \$1 million a day. We just need to look around at what else this government is taking including \$3 million a day in property taxes and \$1 million a day in stamp duty. Once again, the Auditor-General's Report reports on the windfall tax that this government is getting. This is the highest taxing state government in history, and we should never forget that. They are not going to reduce that in one way by introducing their sham bill controlling problem gambling. It does not do that at all.

Problem gambling occurs in all forms of legalised gambling including gaming machines, punting at the races—on the dogs and harness racing, for example—and keno. Let us have a look at the casino. They have 850 poker machines in the casino. How many are going to be removed from the casino? Not one. Who pays? It is the people in the clubs, the communities involved in clubs, and the families who own hotels. Sure, there are some companies and people who are making a motser out of pokies from some of the bigger pubs. I will say a bit more about that later. A lot of that money is going back into their local communities, whether they are clubs or pubs. This legislation is an absolute sham. The government should pull this legislation and pull it tomorrow.

Let us have a look at some of the revenue coming in from gaming in this state; and it is not going to be affected one cent by this tax. I will read from the Auditor-General's Report, which we all received this afternoon. On page 68 of Part A: Audit Overview, 6.3.3 Gambling Taxes, it states:

During 2003-04, the estimated taxation revenues from gambling activities amounted to \$377 million, \$38 million. . . over the previous year and \$5 million. . . over the 2003-04 budget. The following chart shows the trend in gambling taxes (in real terms) and highlights the increasing contribution that gaming machines tax will make to the State's Budget until 31 October 2007 when 100 per cent smoking bans in gaming venues will impact on gaming machine activity in clubs, hotels and the Casino.

What part of the casino? We are not really sure. In 2002-03, there was \$274 million from gaming machines; in 2003-04, \$280 million; in 2004-05, there will be \$302 million; in 2005-06, there will be \$322 million; in 2006-07, there will be \$344 million; in 2007-08, there will be \$320 million, after smoking bans come in. We are still way up on what we are getting now—\$280 million. There is not one drop, so the problem gamblers are still out there gambling. The report continues:

In the six years 2000-01 to 2006-07, gambling taxes increase \$107.5 million in real terms. This is all due to gaming machines which are estimated to contribute \$114 million offset by small reductions in real terms, in other gambling revenues.

There is no reduction—not one cent in reduction—from this piece of rubbish legislation that should be withdrawn. The Treasurer and the Premier knew that. This is just a bit of media spin.

Let us have a look at the clubs. The member for Napier is introducing an amendment in this place because he is very concerned about the clubs. I know that that was a career-limiting move on his behalf; I admire his bravery in putting

that up, because I know what can happen to people in the Labor caucus who step out of line and dare speak up in the democracy of the Labor Party. I know what happens over there. I have an extract from Clubs SA's report. Some of these figures are a couple of years old, but listen to some of them. An economic model was constructed for Clubs SA and an economic impact study of the club industry in South Australia by CMP Marketing. The report generated an economic model for assessing the impact of clubs. These are the 2000 figures, so they would have gone up by now. The impact of clubs in South Australia would have gone up by now. The model has the following elements:

1. Clubs contribute by the clubs' ability to influence the local economy in generating revenue for the state and through the distribution of money to the local community, the industry's contribution to employment; and the social impact of the industry whereby the local community is organised by their local club to undertake an economic activity.

2. Gaming clubs produce half the total club industry turnover and control some 17.5 per cent of the assets.

In 2000, 7.4 per cent of clubs have gaming, it has in brackets.

3. There are in excess of 88 000 (in 2000 terms) members of gaming clubs with an average of 1 016 members.

4. Each club receives around 42 000 visits per year.

5. In 2000, gaming clubs had an average turnover of \$1.2 million per annum.

6. Gaming clubs employ 12.7 per cent persons per club.

7. Gaming clubs employ an average of 2.85 full-time staff to 9.78 part-time staff.

8. In 2000, gaming clubs employed around 1 100 people at a wage and salary value of \$22.5 million per annum at the average labour cost of around \$20 454 per employee.

9. Estimates are that for every one job created in the club sector, two indirect jobs are created.

10. Clubs (2000) make average payments of \$220 000 per annum (\$19 million in total).

They are spending money out there, the clubs.

11. Clubs spend an average of \$64 000 per annum on maintenance of community sporting facilities.

12. Each gaming club paid an average of \$213 000 in state taxes in 2000.

We have just seen the figures from the Auditor-General's Report, and if we could extrapolate those out they would be paying a lot more than the \$220 000 in 2004 and 2005.

13. Intangible benefits are around \$17 241 per club (free room hire etc).

I know that many of the clubs, and Glenelg Football Club is the classic example, give rooms in their club to local community groups at no charge. There is no charge at all to Rotary clubs, to Lions clubs and other various clubs that want to use those rooms, yet it will be one of the clubs severely affected by the reduction in the number of poker machines in clubs. The local effect of this legislation on clubs cannot be over-emphasised, and to give some examples of that I will read an extract from a letter from the Para Hills Community Club.

Mr Snelling: A good club!

Dr McFETRIDGE: This is an excellent club, and I note that members opposite support it, so let us see them put their votes where their hearts are. The letter, dated 4 February 2004, states:

. . . profits of clubs go back into the community through sport, recreation and charities. . . Our club has enjoyed a growth period and

has a substantial debt still outstanding which will become near impossible to pay back if the current report is adopted.

The 'current report' is the IGA report and, obviously, this piece of legislation. The letter continues:

We point out that we have conducted our business with a responsible approach to gaming for eight years. We rejected calls for loyalty devices on machines. . . Our reward for this responsible conduct—none!

Talking about loyalty schemes, I have not spoken to the AHA or to any particular groups within the hotel industry, but it has been raised with me that, if this government really wanted to have an impact on problem gambling, it should be looking at some of the loyalty schemes that are put up, some of the cards and the bonuses. 'We open at 7 a.m., breakfast \$3 with a \$2 pokie voucher' is one example given by the Para Hills Community Club. Let us go to another club: the Salisbury North Football Club. Did members see the polling booth results for Salisbury on the weekend? They were pretty good for us, I think. Salisbury North Football Club says in this letter to me dated 19 February 2004:

The proposed legislation. . . could have a disastrous effect on the club industry. . . Be reminded that most hotels and clubs with 10 or less machines do not pay gaming tax. If the big hotel operators buy these machines for their venues, replace them with new top earning machines, suddenly the machine enters the gaming tax bracket. . . the 3 000 tax exempt machines will be replaced by 3 000 machines that will have the capacity to provide additional revenue to the government.

This is what I said before: this is nothing to do with problem gambling, it is shifting the deck chairs on the *Titanic*. This is about getting more revenue for the state and dressing it up as having some social conscience. What a joke that is! The letter from the Salisbury North Football Club continues:

The club industry is hopeful that there are some politicians who have concerns for sporting, community and RSL clubs.

The Minister for Sport and Recreation, also the Minister for Gambling, does not care at all. The club also points out that the Casino is exempt from all these proposed legislative changes. That is a question we have to ask ourselves. The member for Napier organised a meeting with the various CEOs and presidents of the SANFL clubs, who came to Parliament House about a month or so ago and voiced their concerns. A letter to my office from Leigh Whicker, Executive Commissioner of the South Australian National Football League, dated 16 September (and he is talking about the legislation), in part states:

This has the potential to inflict a severe negative impact on the financial position of sporting and community clubs in this state. . . they will result in:

- Severe curtailment of funding for junior sports development and other community programs. . .
- Pose a significant threat to the foundation of SA football.

The Minister for Sport and Recreation was at the Magarey Medal and he was at the Grand Final, but he seems to ignore the fact that his legislation, this gambling legislation, is going to have a severe effect on the South Australian football clubs, the SANFL. They give a bit of a fact sheet here, stating:

Most SANFL clubs are in financial trouble. In 2002 the nine SANFL clubs recorded an aggregate net operating loss of more than \$200 000. . .

- Research has shown that football makes a positive economic contribution to South Australia of \$400 million a year—including employment, tourism, hospitality, sporting goods sales, fees and taxes, etc.

And you ignore that at your peril, minister. There is no doubt whatsoever that there is a problem with gambling in South Australia, but this legislation is not going to do anything at

all about that. There are millions and millions of dollars coming in—and we have it in the Auditor-General's Report there—every year, every day, to this government from gaming. What does the government do about putting it back into problem gambling?

If government members were serious, they would put back into problem gambling some of the \$1.44 million a day they are getting in gambling. But they will not. We might see a little bit of land tax relief in the budget next year, because the \$3 million a day they are ripping off in property taxes is starting to prick their conscience and they know that there will be a backlash. But the poor problem gamblers, their votes do not count too much so we will dress it up or pretend that we have a social conscience. We do not have any conscience whatsoever. The Christian Churches Gambling Task Force, in its submission to members of parliament, pointed out that the IGA indicated in its report that further reductions of machines may be warranted in future if this measure does not reduce problem gambling.

So, it is foreshadowing further reductions in poker machines in South Australia. We see from the bill that there will be no more changes in taxes and no more changes in numbers for 10 years, supposedly giving the venues some level of security. If they were to give five-year licences that would have a disastrous economic impact on the lessees and their levels of equity in their hotels. The threats of further reductions in poker machines in the state is something that they need to be very aware of, because you cannot take any letters, any guarantees, on their word from this government. We saw it with the gambling taxes when the government first came in.

The pubs are always getting belted by this government because they are the rich ones, they are the pokie barons, they are the ones that are the bad boys. If they are so bad, if gambling is so bad, do what the member for Unley said—ban poker machines, take them away. If alcohol is so bad, if tobacco is so bad, do what the member for Unley said, ban it. You will never do that. We are not the nanny state. There are people out there with problems. This government claims to have some sort of social conscience. They are not exhibiting it one bit in this legislation. This legislation needs to be withdrawn.

Let me remind the house that the hotel industry is not just a few so-called pokie barons out there. As I said, there are one or two pubs out there who are making a motser out of poker machines but, even in those cases, if you look around at those pubs, they have expanded those pubs, they have done those pubs up, and they are employing a lot more people and providing a lot more entertainment for a lot more people in South Australia. It is not all one-way traffic, and never forget, they are paying part of that \$1.4 million a day in gambling taxes. So, they are not the villains, they are as much the victims of this legislation. The South Australian hotel industry employs in excess of 24 000 people. The hotel industry has a capital commercial value of in excess of \$2.1 billion. Annual support to charities and sports and community groups is in excess of \$9 million, it says in their letter to me. The Hotels Association and the club industry voluntarily contribute \$1.5 million annually to the Gamblers Rehabilitation Fund. This government gets that much in one day in gambling taxes. This government needs to look at this legislation, they need to look where they are coming from, they have got to stop picking on the clubs, and picking on the pubs.

The legislation is flawed, and there will be many, many amendments coming through. If it is a conscience vote on the other side, I will be very surprised. It will be in name only. I will be interested to count the numbers. I look forward to seeing who is on what side in the divisions, because it is going to be very interesting to look at those names and say to people, 'Well, these are the people who said that they will stick up for your industry, that they will stick up for your club, that they will stick up for your sporting club or the footy club, that they will stick up for their constituents.' We will look at those divisions and see where their hearts really lie. 'When principles and politics conflict, politics always wins,' according to Graham Richardson.

Well, on this side, principles do actually apply, and it is not just the politics of populism that we are seeing from this Premier over there. We really need to get this state back on track. It only got a AAA rating because of the hard sell by the previous Liberal government of the good economic base that this state is built on. That is not just my words; that it in the Auditor General's Report that we all got today. This state needs to be going in a much more sane way, not with rubbish legislation like this that is put up for populism, put up for propaganda purposes, and does nothing for the people who are really affected by this, and that is the problem gamblers.

The Hon. R.B. SUCH (Fisher): It is amazing how issues like this get members excited. Some I think are close to frothing at the mouth, and weeping and gnashing of teeth. We cannot have people in this state enjoying themselves—that would be a terrible thing. I am one who supported the introduction of poker machines. It is not true to say that it was the Labor government that introduced them entirely as a Labor government initiative. There are several people who are members of the Liberal party who supported it—not because we are keen gamblers; I hardly ever put my hands on a poker machine, or on anyone else for that matter, but I supported the introduction after having a very close look at the issue and, in particular, looking at the royal commission that was headed by Sir Laurence Street. As a small 'l' Liberal, I take the view that unless you can demonstrate that there is deliberate ongoing harm to others you have to be very careful about withholding the freedom for people to undertake activities.

In a society like ours, there is always a balance. We have protection for minors, and other protections in place, and that is quite appropriate. However, the fundamental principle is that adults in our society should have the right to choose, subject, as I said earlier, to the provision that there is not any obvious deliberate harm to others. We have had poker machines turned into a huge political football as an issue. I have considerable respect for the Hon. Nick Xenophon in another place, but he has made an art form of raising this and promoting this as an issue. You will always have problem issues in whatever activity you wish to nominate. We have problem drivers. We have problem everything.

Whenever you have humans involved and you give them any sort of freedom, there will be a small percentage who will abuse the privilege and who will not be able to control their behaviour. This issue relating to poker machines, in some ways, has got out of hand as an issue, and it has become so politicised and so surrounded with emotion and catcheries and screams of evil that it is hard to have a meaningful and sensible debate on the issue. I have no vested interest in any organisation that has poker machines. I do not belong to a club that has them, so I do not come from any vested point

of view. I hardly ever play them but I believe that if I want to I should have the right to entertain myself in that way, and if I wish to lose money that way then that is my choice. I remember when the poker machine debate was occurring about the introduction, we had people saying that poker machines were evil but gambling in other forms was okay. That was the thrust, and the inference of the argument, that it is okay to bet on a horse but it is not okay to bet on something else. Many people have argued that we should have only allowed clubs to have the machines from day one.

I think once again it is a question of balance in that respect. Clubs have a legitimate and important role to play but, if the argument is that poker machines are a legitimate recreational activity, it is hard to see how or why businesses should be denied being involved in the operation. Some people have made a lot of money out of them, but so have people in other aspects of economic life. Are we going to have a crackdown on real estate, or on people who have been fortunate in particular farming enterprises, for example?

The thing that concerns me most of all is this underlying notion that we have to control people in our society. That is the philosophy that has been very popular in certain regimes overseas: you always have to control people, restrict them, and deny them freedom of choice and the opportunity to do what they wish. I have consistently argued—whether it is in relation to people being able to shop or whatever—that people should have a choice. If you want to open your shop you should have the choice to do that, or close it if you want to; if you do not want to shop you should not have to; if you are a shop assistant you should not have to work on a particular day if you do not want to.

Sadly, we are increasingly seeing a reduction in freedoms in our society, and I do not know how anyone who calls themselves liberal can support a society where there is less and less freedom of choice—and that is what some people seem to be arguing. There is also, in effect, a really arrogant attitude that we know best for other people. Sure, there are problem gamblers. I had one chap come to me in my electorate and tell me that he had gambled away \$80 000. That is sad but, as I said earlier, I am also well aware of people who have misused motor vehicles in a way that has been very harmful to themselves and to others. Does that mean we get rid of all motor vehicles off the road? I do not believe many arguments would be put forward in support of that.

My initial support for the introduction of poker machines was based on deep consideration of the evidence elsewhere. I was threatened; people said, 'That will be the end of you. You will not last long, you will go at the next election.' I explained the reason for my decision to my electorate and my vote actually went up. We are often subjected to threats and calls for action against people who support poker machines—I think it is time we got back to a more balanced approach.

In terms of the specifics of this bill, I agree with many of the points put forward by the member for Enfield. I do have a concern with the trading system. If you reduce the number of poker machines, in effect, you increase the value of those machines that are left—I think that is a basic economic point—and I think the issue of the trading arrangements which follow from a reduction needs to be looked at.

I have some sympathy for the point put by the member for Napier that there may be a special case for clubs to be treated somewhat differently under this legislation, because if the figures put forward are correct some of those clubs would be put in a difficult situation. But you have to acknowledge that

if there is a problem with gambling the problem is the same whether it is in a club or a hotel—I cannot see how people can distinguish that. Putting that to one side, the fact is that perhaps there is a special case for clubs to be treated a little bit differently in this change to the number of machines.

We know that the current freeze expires in December. I was a member of the Social Development Committee that recommended a freeze—it must be about four years ago, I think. It has been a long time coming and I can remember John Olsen, who was premier at that time, saying, ‘Enough is enough.’ Obviously, it was not enough because we have had more poker machines since the Social Development Committee recommended that there be no more.

Although I do not believe that the measure before us today will do a lot, I am prepared to give support to it, with some amendments, because my view in regard to whether it will work is that I simply do not know. I do not think anyone else knows whether it will work, and that is why I am putting forward an amendment that would require a detailed analysis of this after a minimum of two years—to see whether it has delivered anything in relation to reducing the number of problem gamblers or any other positive achievement.

I defy anyone to categorically tell me that this measure will help, that they are doing anything other than taking a punt—if you pardon the expression—with this particular legislation. If you are fair dinkum about reducing the risk, you would do things like cutting the hours of operation; you would have silent machines, and all that sort of thing. However, no-one seems to want to do any of that in regard to addressing addictive behaviour.

Regarding the matter of the clubs, as I said, I think there is merit in that. I have heard people say that many of the SANFL clubs are struggling and will be put at risk if the number of machines is reduced within those clubs, and I am prepared to give some support to that measure—in particular, to have a look at some of the detailed amendments which could be moved in relation to trying to deal with the trading system and rectifying some of the deficiencies which, I think, will arise as a result of that provision.

Overall, I think the bill is well intentioned and well meaning. I have heard people talk about research being conducted. As I indicated earlier, I have proposed a review of this after a period of time. However, if you want to take an interest in academic studies of gambling you only have to look at what has been done in Victoria. I think they have studied every aspect of poker machine gambling that it is possible to consider. In fact, a lot of academics have done very well out of studying every aspect of gaming machines and their impact on the community, the number of left-handed camel drivers who have been affected in Brunswick, and all that. They have studied every aspect of it, and I do not think we need to do any detailed study other than, as I say, undertaking a review of these specific measures. All the general aspects relating to gaming have been turned into an industry supporting many researchers and academics who have had a great time living off the proceeds of gaming machines via research.

I do not need to delay the house any longer. My support is conditional upon the amendments that are put before the house. I am prepared to give this measure a go. I am not convinced that it will do much, but it will depend on how it can be amended to make it more realistic and to avoid some of the pitfalls in relation to the trading system and to deal with the issue of clubs.

However, in regard to the general issue, I think it is important that we in this place, and people elsewhere, look at this in a rational way and see it as a legitimate activity with a small minority of problem gamblers who need to be helped and dealt with in the same way that we deal with other people in the community who have a problem, whatever that may be.

But, let us not use the fact that we have a small percentage who get involved in problem gambling as an excuse to deny those to whom poker machines give pleasure and also income and profit. Provided that people operate within the law, I do not have a problem with that. It is not my cup of tea—I do not want to spend any length of time in a gaming parlour—but I do not wish to impose my views of life or living on others, and I respectfully urge them not to try to impose their views on me. That should be the basis of a democratic ‘small I’ liberal society where people have a freedom of choice and where no explicit or deliberate harm is being done to others, protecting children absolutely but allowing people to make a decision in their own interests.

I draw members’ attention to the proclamation that was written and put forward by Governor Hindmarsh in the founding of this state, and part of that proclamation refers to freedom for the people settling here in South Australia. We have to be very careful in our personal quest (whether it be in relation to gaming, gambling, religious beliefs or whatever) that we do not, over time, gradually take away people’s freedom, because many people (over 100 000) died so that we can have some freedom in this country. I do not ever want to live under a system where we are anything like the Taliban which controlled not only gambling but also every aspect of life, including whether or not women could attend school.

So, let us get this into perspective. Let us not get carried away in terms of recreating the landing of the *Mayflower*. This state was not settled by people from the *Mayflower*: this state was settled by people who believed in freedom—freedom of choice, subject to reasonable safeguards for others. Accordingly, as I indicated previously, I will support this bill if it can be amended in a reasonable, rational way to address some of the concerns that I have highlighted.

Mr SCALZI (Hartley): This bill has certainly aroused much debate in the community and in this chamber, and no doubt it will continue to do so, not only by discussion of this proposed legislation but also because we will come back to the problem of gambling in the future.

Like the Deputy Speaker, I was fortunate to be a member of the Social Development Committee which handed down the report of August 1998. I was part of the 13 month inquiry into gambling in general, not only gaming machines. The committee took evidence from and questioned representatives of hotels, licensed clubs, charities, churches, the Lotteries Commission of South Australia, the TAB, the Casino and the Treasury. The committee also talked to those who counselled problem gamblers, academics, medical practitioners (including psychiatrists), and victims of gambling loss. We even visited Yatala prison to interview an inmate who said that she was driven to armed robbery by her addiction to Keno. Problem gamblers are not only people who play poker machines: they are across the industry. To say that they are limited to poker machines is like saying that you are an alcoholic if you drink brandy only. If you have a problem with alcohol, you have a problem with all alcoholic beverages. Similarly, if you have a gambling problem, it can manifest itself across all forms of gambling.

However, there is no question that, from the evidence the committee received, the problem has been exacerbated by the introduction of gaming machines. The profile of people who have a problem with gambling has shifted to different age groups as a result of the introduction of gaming machines. People who in the past would not have been involved in gambling and victims of dreaded gambling addictions now fall in that category. I will never forget the lady we interviewed at Yatala. She looked like the lady next door, but she had been convicted and sentenced because of her addiction to Keno. So, we must look at gambling in general to find the answers to why people suffer from this problem.

Gaming machines exacerbate the problem. There is no question, as the member for Enfield said, that the biggest addict of gaming machines is the state Treasury, which collects the revenue. There has been a shift by all state governments, regardless of political persuasion, to get this revenue from gaming. So, we must deal with this problem without affecting revenue, and that is what the government is trying to do.

The bill proposes to reduce the number of gaming machines by 3 000. In 1998, the Social Development Committee, of which I was a member, recommended (recommendation 1.3) that a ceiling of 11 000 gaming machines be imposed with the cap to be reviewed biennially with the long-term aim of reducing the number of gaming machines in South Australia to fewer than 10 000. That was a major recommendation in 1998.

Even if this bill passes this house and the other place, we are still going to have 1 000 more poker machines than we would have had if we had followed the recommendation of the Social Development Committee in 1998. Furthermore, if we had followed the recommendations of the committee we would have had fewer gaming venues than are proposed under this legislation. Also, the committee recommended that a statutory limit of 40 gaming machines per venue (excluding the casino) be retained. It appears that we are going a step further here. The report of the committee further states:

However, the committee is opposed to the establishment of pokie parlours, or the like, which are devoid of facilities for meals, relaxation areas, etc., and recommends that these venues not be granted a gaming machine licence.

I was very interested to read an article written by Peter Goers which appeared in *The Sunday Mail* of 3 October and which stated:

On October 31 pubs and clubs will lose 3 000 pokies. That's good news. Now we just have to worry about the other 11 799 infernal machines left in South Australia.

His article further states:

Let's get rid of them, too, and the sooner the better. Poker machines do help some people—pawnbrokers and pokie barons.

We must remember that hotels have established businesses under legitimate laws, and to denigrate all business operators is wrong because, as the committee indicated, there are responsible hoteliers who work within the law and who put money into gambler rehabilitation funds.

There has been much talk about the proposed amendments that deal with clubs. I do not know whether or not it is a good thing. However, a few weeks ago I visited the Tranmere Bowling Club, and at the back of those premises I saw the Tower Hotel. Good hotels are sponsoring community clubs and, I am sure, the other hotel in my electorate, the Glynde Hotel, does so as well.

The problem is that it is difficult to unscramble the egg. To say that all hoteliers are pokie barons is a gross generalisa-

tion. To say that, in all cases, poker machines in clubs will benefit the community also is a gross generalisation. I believe that, in the long term, we should have a serious look at gaming machines because, at the end of the day, very little benefit can be gained from gaming in a way that affects so many families. But how does one unscramble the egg? How do you deal with legitimate businesses that have worked within the law and invested?

If the government is prepared to assist one sector it must be prepared to assist other legitimate businesses and community groups. Perhaps the state government's PPS—property tax, pokies tax and stamp duty tax—will deliver no real benefits to the community. There is no medicine as a result of the increase in those taxes. Perhaps that revenue will make a difference.

Debate adjourned.

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

MEDICAL PRACTICE BILL

The Legislative Council agreed to the bill with the amendments indicated by the following schedule, to which amendments the Legislative Council desires the concurrence of the House of Assembly:

No. 1—Clause 3, page 5, after line 16—

Subclause (1)—after the definition of *equipment* insert:
exempt provider means—

- (a) a recognised hospital, incorporated health centre or private hospital within the meaning of the *South Australian Health Commission Act 1976*; or
- (b) any other person declared by the regulations to be an exempt provider for the purposes of this Act;

No. 2—Clause 3, page 5, lines 27 to 29—

Subclause (1), definition of *medical services provider*—delete ‘—’ and paragraphs (a) and (b) and substitute:

an exempt provider

No. 3—Clause 6, page 8, lines 19 to 30—

Clause 6(1)(a)—delete subparagraphs (i) to (iii) (inclusive) and substitute:

- (i) 1 is to be nominated by the Minister; and
- (ii) 1 is to be selected by the Minister from a panel of 3 medical practitioners jointly nominated by the Councils of The University of Adelaide and The Flinders University of South Australia or, if the Councils are unable to agree as to the persons to be nominated, from panels of 3 medical practitioners nominated by each Council; and
- (iii) 2 are to be selected by the Minister from a panel of 5 medical practitioners nominated by the Australian Medical Association (South Australia) Incorporated; and

No. 4—Clause 6, page 8, line 31—

Clause 6(1)(a)(iv)—delete ‘2’ and substitute:

3

No. 5—Clause 6, page 9, after line 4—

After subclause (3) insert:

(3a) The Minister must, when nominating or selecting medical practitioners for appointment as members of the Board, seek to ensure that, as far as practicable, the membership of the Board includes—

- (a) at least 1 medical practitioner who works in the public health system; and
- (b) at least 1 medical practitioner who works in the private health system; and
- (c) at least 1 medical practitioner who is registered on the general register (but not also on the specialist register); and
- (d) at least 4 medical practitioners who are currently practising medicine.

No. 6—Clause 14, page 12, lines 13 to 15—

Subclause (5)—delete subclause (5)

No. 7—Clause 17, page 13, line 27—

- Delete 'the public,' and 'of the public or' respectively
- No. 8—Clause 21, page 15—
Subclause (2)—delete 'fixed' wherever occurring and substitute in each case:
awarded
- No. 9—Clause 21, page 15, line 11—
Subclause (3)—delete 'Subject to this section, costs' and substitute:
Costs
- No. 10—Clause 25, page 16, lines 9 and 10—
Clause 25(1)(b)—delete paragraph (b) and substitute:
(b) 8 must be medical practitioners appointed by the Governor, and of these—
(i) 6 are to be nominated by the Minister; and
(ii) 2 are to be selected by the Minister from a panel of 5 medical practitioners nominated by the Australian Medical Association (South Australia) Incorporated; and
- No. 11—Clause 25, page 16, after line 13—
After subclause (1) insert:
(1a) The body referred to in subsection (1)(b)(ii) must, in constituting a panel for the purposes of that subsection, nominate at least 1 woman and 1 man.
- No. 12—Heading to Part 4, page 17, line 24—
Heading to Part 4—after 'Registration' insert:
and practice
- No. 13—Clause 31, page 18, line 10—
Subclause (4)—after 'his or her' insert:
name or
- No. 14—Clause 31, page 18, lines 19 and 20—
Subclause (5)(b)(iv)—delete subparagraph (iv) and substitute:
(iv) if the removal was consequent on suspension—the duration of the suspension; and
(v) if the person has been disqualified from being registered on a register—the duration of the disqualification; and
- No. 15—Clause 33, page 19, line 20—
Subclause (1)(c)—delete 'the medical treatment' and substitute:
medical treatment of the kind
- No. 16—Clause 33, page 19, line 25—
Subclause (1)(d)—after 'practitioner' insert:
or proceedings under Part 5 against the person
- No. 17—Clause 33, page 19, lines 31 and 32—
Subclause (2)(b)—delete 'the medical treatment' and substitute:
medical treatment of the kind
- No. 18—Clause 34, page 20, lines 18 to 21—
Subclause (1)—delete subclause (1) and substitute:
(1) A person is not entitled to—
(a) undertake a course of study that provides qualifications for registration on the general register under this Act; or
(b) provide medical treatment as part of a course of study related to medicine being undertaken by the person in a place outside the State, unless the person is registered under this section as a medical student.
- No. 19—Clause 34, page 20, lines 24 to 27—
Subclause (2)(a)—delete paragraph (a) and substitute:
(a) genuinely requires registration on that register—
(i) to enable the person to undertake a course of study that provides qualifications for registration on the general register under this Act; or
(ii) to enable the person to provide medical treatment as part of a course of study related to medicine being undertaken by the person in a place outside the State; and
- No. 20—Clause 34, page 20, line 28—
Subclause (2)(b)—delete 'the medical treatment' and substitute:
medical treatment of the kind
- No. 21—Clause 34, page 20, line 29—
Subclause (2)(b)—delete 'that register' and substitute:
the medical student register
- No. 22—Clause 34, page 20, line 30—
Subclause (2)(c)—delete 'that register' and substitute:
the medical student register
- No. 23—Clause 34, page 20, lines 32 and 33—
Subclause (3)—delete 'the medical treatment' and substitute:
medical treatment of the kind
- No. 24—Clause 35, page 21, line 14—
Subclause (4)—after 'applicant' insert:
(provisional registration)
- No. 25—Clause 36, page 21, lines 27 to 29—
Subclause (2)(d)—delete paragraph (d) and substitute:
(d) who completes, or ceases to be enrolled in, the course of study that formed the basis for the person's registration on the medical student register; or
- No. 26—Clause 37, page 22, lines 9 to 11—
Subclause (1)(d)(ii)—delete subparagraph (ii) and substitute:
(ii) ceasing to be enrolled in the course of study that formed the basis for the person's registration on the medical student register,
- No. 27—Clause 39, page 23, line 26—
Subclause (1)(e)—delete 'business' and substitute:
nominated contact
- No. 28—Clause 47, page 27, line 35—
Subclause (1)(b)—delete 'of a particular kind'
- No. 29—Clause 47, page 28, line 14—
Subclause (2)(d)—after 'inspection' insert:
, including written records that reproduce in a readily understandable form information kept by computer, microfilm or other process
- No. 30—Clause 49, page 29, line 12—
Subclause (1)(b)—delete '(including a hospital)'
- No. 31—Clause 49, page 29, lines 17 and 18—
Subclause (1)(d)—delete paragraph (d) and substitute:
(d) the person in charge of an educational institution at which a medical student is enrolled in a course of study providing qualifications for registration on the general register under this Act,
- No. 32—Clause 49, page 29, after line 22—
After subclause (1) insert:
(1a) If a medical services provider or exempt provider is of the opinion that a medical practitioner or medical student through whom the provider provides medical treatment has engaged in unprofessional conduct, the provider must submit a written report to the Board setting out the provider's reasons for that opinion and any other information required by the regulations.
Maximum penalty: \$10 000.
- No. 33—Clause 50, page 30, line 6—
Paragraph (d)—after 'conditions' insert:
on the person's registration
- No. 34—Clause 50, page 30, line 8—
Paragraph (e)—after 'conditions' insert:
on the person's registration
- No. 35—Clause 51, page 31, line 7—
Subclause (6)(c)(i)—after 'conditions' insert:
on the person's registration
- No. 36—Clause 55, page 32, line 34—
Subclause (2)(b)(ii)—after 'conditions' insert:
on the person's registration
- No. 37—Clause 57, page 34, line 18—
Subclause (2)(c)(i)—after 'conditions' insert:
on the respondent's registration
- No. 38—Clause 63, page 37, line 37—
Subclause (1)—delete 'Part' and substitute:
Division
- No. 39—Clause 64, page 38, line 20—
Paragraph (b)—delete 'Part' and substitute:
Division
- No. 40—Clause 68, page 40, line 4—
Definition of *health service*, (c)—after 'podiatric,' insert:
optometry, occupational therapy,
- No. 41—Clause 68, page 40, lines 7 and 8—
Definition of *prescribed relative*—delete 'medical practitioner' wherever occurring and substitute in each case:
registered person
- No. 42—Clause 68, page 40, lines 9 to 15—
Definition of *putative spouse*—delete 'medical practitioner' wherever occurring and substitute in each case:
registered person
- No. 43—Clause 71, page 40, line 31—
Delete 'medical practitioner' wherever occurring and substitute in each case:
registered person

No. 44—Clause 71, page 41, lines 1 to 19—

Delete ‘medical practitioner’ wherever occurring and substitute in each case:
registered person

No. 45—Clause 71, page 41, line 12—

Subclause (3)—delete ‘practitioner’ wherever occurring and substitute in each case:
registered person

No. 46—Clause 71, page 41, line 20—

Subclause (5)(a)—delete ‘practitioner’ and substitute:
registered person

No. 47—Clause 72, page 41, lines 34 to 36—

Subclause (1)—delete ‘medical practitioner’ wherever occurring and substitute in each case:
registered person

No. 48—Clause 72, page 42, lines 1 to 3—

Subclause (2)—delete ‘medical practitioner’ wherever occurring and substitute in each case:
registered person

No. 49—Clause 78, page 43, lines 7 to 12—

Clause 78—delete the clause and substitute:

78—Report to Board of cessation of status as student

(1) The person in charge of an educational institution must, if a medical student completes, or ceases to be enrolled in, a course of study at that institution providing qualifications for registration on the general register under this Act, cause written notice of that fact to be given to the Board.

Maximum penalty: \$5 000.

(2) A person registered on the medical student register who completes, or ceases to be enrolled in, the course of study that formed the basis for that registration must cause written notice of that fact to be given to the Board.
Maximum penalty: \$1 250.

No. 50—Clause 79, page 43, line 19—

Subclause (1)—after ‘treatment’ insert:
or proceedings under Part 5 against the registered person or medical services provider

No. 51—Clause 80, page 43, line 28—

Subclause (1)—delete ‘registered person’ and substitute:
person against whom the claim is made

No. 52—Clause 82, page 44, lines 33 to 41—

Clause 82—delete the clause and substitute:
82—Self-incrimination and legal professional privilege

(1) It is not an excuse for a person to refuse or fail to answer a question or to produce a document or record as required under this Act on the ground that to do so might tend to incriminate the person, or make the person liable to a penalty, or on the ground of legal professional privilege.

(2) If a person objects to answering a question or to producing a document or record on the ground that the answer, or the document or record, might tend to incriminate the person or make the person liable to a penalty, then—

(a) in the case of a person who is required to produce a document or record—the fact of production of the document or record (as distinct from the contents of the document or record); or

(b) in any other case—the information furnished in compliance with the requirement,

is not admissible in evidence against the person in proceedings (other than proceedings in respect of the making of a false or misleading statement or perjury) in which the person might be found guilty of an offence or liable to a penalty.

(3) If a person objects to answering a question or to producing a document or record on the ground of legal professional privilege, the answer, or the document or record, will not be admissible in civil or criminal proceedings against the person who would, but for this section, have the benefit of the legal professional privilege.

No. 53—Clause 89, page 46, line 33—

Subclause (1)(c)—after ‘known’ insert:
nominated contact,

No. 54—Clause 90, page 47, line 17—

Subclause (1)(d)—after ‘provider’ insert:
or exempt provider

No. 55—New Schedule, page 49, after line 42—

After Schedule 1 insert:

Schedule 2—Further provisions relating to Board
1—Duty of members of Board with respect to conflict of interest

(1) A member of the Board who has a direct or indirect personal or pecuniary interest in a matter decided or under consideration by the Board—

(a) must, as soon as reasonably practicable, disclose in writing to the Board full and accurate details of the interest; and

(b) must not take part in any discussion by the Board relating to that matter; and

(c) must not vote in relation to that matter; and

(d) must be absent from the meeting room when any such discussion or voting is taking place.

Maximum penalty: \$20 000.

(2) If a member of the Board makes a disclosure of interest and complies with the other requirements of subclause (1) in respect of a proposed contract—

(a) the contract is not liable to be avoided by the Board; and

(b) the member is not liable to account to the Board for profits derived from the contract.

(3) If a member of the Board fails to make a disclosure of interest or fails to comply with any other requirement of subclause (1) in respect of a proposed contract, the contract is liable to be avoided by the Board or the Minister.

(4) A contract may not be avoided under subclause (3) if a person has acquired an interest in property the subject of the contract in good faith for valuable consideration and without notice of the contravention.

(5) Where a member of the Board has or acquires a personal or pecuniary interest, or is or becomes the holder of an office, such that it is reasonably foreseeable that a conflict might arise with his or her duties as a member of the Board, the member must, as soon as reasonably practicable, disclose in writing to the Board full and accurate details of the interest or office.
Maximum penalty: \$20 000.

(6) A disclosure under this clause must be recorded in the minutes of the Board and reported to the Minister.

(7) If, in the opinion of the Minister, a particular interest or office of a member of the Board is of such significance that the holding of the interest or office is not consistent with the proper discharge of the duties of the member, the Minister may require the member either to divest himself or herself of the interest or office or to resign from the Board (and non-compliance with the requirement constitutes misconduct and hence a ground for removal of the member from the Board).

(8) Without limiting the effect of this clause, a member of the Board will be taken to have an interest in a matter for the purposes of this clause if an associate of the member has an interest in the matter.

(9) This clause does not apply in relation to a matter in which a member of the Board has an interest while the member remains unaware that he or she has an interest in the matter, but in any proceedings against the member the burden will lie on the member to prove that he or she was not, at the material time, aware of his or her interest.

(10) In this clause—

associate has the same meaning as in the *Public Corporations Act 1993*.

2—Protection from personal liability

(1) No personal liability is incurred for an act or omission by—

(a) a member of the Board; or

(b) a member of a committee of the Board; or

(c) the Registrar of the Board; or

(d) any other person engaged in the administration of this Act,

in good faith in the performance or purported performance of functions or duties under this Act.

(2) A civil liability that would, but for subclause (1), lie against a person, lies instead against the Crown.

3—Expiry of Schedule

This Schedule will expire on the commencement of section 6H of the *Public Sector Management Act 1995* (as inserted by the *Statutes Amendment (Honesty and Accountability in Government) Act 2003*).

GAMING MACHINES (MISCELLANEOUS) AMENDMENT BILL

Second reading debate resumed.
(Continued from page 300.)

Mr SCALZI (Hartley): Before the dinner break I was referring to the increase in revenue of this government as a result of increased property taxes, poker machine taxes and stamp duty. I forgot to admit the increases in revenue from the GST. In order to unscramble the gaming machine problem and how we could deal with the uncertainty for legitimate businesses, as well as clubs, perhaps the Treasurer could look at those revenue options where the money has been flowing in. I note that the Treasurer has achieved a AAA rating; he is very pleased and proud of the AAA rating. However, I note that, although he might get the AAA rating, in relation to a commitment to health, education, law and order and the unscrambling of this gaming problem he has failed. It will not go away. It was easy to introduce poker machines, but its associated problems will not go away. As I said earlier, problem gamblers are not related just to poker machines. They are related to other codes, but it has been exacerbated by poker machines and this government must deal with it.

Why has this government introduced this legislation? The Social Development Committee recommended a capping of 11 000 poker machines, bringing it down to 10 000. This legislation is still well above that cap, and, as a result of not implementing those recommendations—and I know the previous government could also have moved down that path—we have more poker machines, even after this capping. We have more venues and more complications in relation to legitimate businesses that have worked within the law. How do we deal with the problem of clubs? I do not know the answer. But I suggest that this bill is surrounded by a lot of smoke. There is a trade-off there with respect to the implementation of smoking legislation. It will be phased in, according to the government, to 2007. I believe that, if there is a serious concern about the health issue of smoking, it should be dealt with as soon as possible. As I said on a previous occasion, if almost 20 000 people a year die from smoking-related illnesses in Australia, we should deal with it. Sooner or later you have to deal with it because of compensation issues: whether you are in the front bar, in the lounge at the back or in a special room, smoke travels and, eventually, you have to deal with the legality of the problem.

Why is the government introducing it? As I said, one could be cynical and say that it is a trade-off. Another reason is that the Premier wants to be seen to be supporting a conscience vote. He does not support conscience votes on all other issues. I suggest that it is a Clayton's conscience vote. We have seen that illustrated by members opposite, who will introduce amendments to deal with the difficulties of this legislation. We know that it will not really deal with problem gamblers because, at the end of the day, it is the amount of revenue that goes into poker machines. We know that taxes will still increase by \$20 million a year, so how can it have such a great effect on problem gamblers? However, in principle, if I supported the 11 000 cap, to be consistent, I will have to support this legislation to reduce it to 12 000, because 12 000 is better than a larger number.

As the member for Enfield said, the problem with the bill is about the implementation, the exchange of licences and so on. It creates a lot of uncertainties. The member for Enfield said:

The laws would put a value on poker machine licences for the first time, giving owners proprietary rights over machines and effectively entrenching gaming in this state.

I know that the government rejects that. But this is to be a conscience vote, so we have to decide how best to deal with a difficult situation. No matter what we do, there will be criticism.

I have a real dilemma. I know that clubs provide a community good that supports sport and social wellbeing. But, in reality, how do you support clubs without discriminating against other legitimate businesses, unless you provide compensation equally for both? I do not think that the government has any proposal to do that, because it would have to dig deep into its pockets, and the Treasurer will not give up his AAA rating so easily. There is the dilemma. It is really a very difficult situation.

I am aware that three or four amendments are proposed by members on both sides. I will look at the merit of those amendments very carefully during the committee stage. However, in all honesty, I cannot see how the reduction will help problem gamblers unless other measures are put in place and, eventually, there is a total phasing out of gaming machines, if it is the evil that some people say it is.

As I said previously, I believe that gambling itself is not the only problem. There are other forms of gambling that must also be looked at, and this bill does not do that. It simply says that you are going to have this reduction, you are going to bring down to 32 the number of poker machines for those that are up to 40, and those under 20 are not going to be affected, so the small players will not be affected. The reality is that it is not just the number of poker machines but the number of venues that is a problem.

As the member for Enfield said, some of the areas where poker machines do the most damage are the areas that can least afford to have that damage. Nobody should be able to afford any damage, but there is disproportionate revenue coming from those people who can least afford it.
Time expired.

Mr HAMILTON-SMITH (Waite): I rise to indicate that I will oppose the bill in its entirety because it achieves absolutely nothing to solve the problem of excessive gambling. Not only does it do nothing for problem gamblers, but also it creates a complex and bureaucratic set of arrangements that will make business difficult for small businesses, hoteliers, clubs and proprietors around the state. Indeed, it will require a large bureaucracy within government to manage it. It will, at the end of the day, do nothing to alleviate the problems we face within the community caused by gambling, other than to make a whole a lot of people's lives a misery.

It is manifestly unfair in many ways, and I will talk to that in a moment. It will have a range of unintended consequences which, I think, have already been highlighted by some of my colleagues. In effect, it divides the community in a range of ways, and I will touch on those points directly. In essence, it achieves nothing other than to give people the impression that the Premier is doing something to help with the problem of gambling when, in fact, he is not.

Before I go on, it is handy to reflect on the circumstances of poker machines and their arrival here. I remind the house

that Gaming Machines Bill was passed with amendments in the House of Assembly on 31 March 1992, with a majority of four in favour. The bill then went to the Legislative Council and was passed with 79 amendments from the assembly version, and that amended version was then passed on 7 May 1992, with a majority of one in favour. The council amendments were agreed to by the House of Assembly on 26 August 1992. I thought I would go back and reflect on that vote, because it is very interesting to note that it was a Labor member of parliament that proposed this legislation, and that it was overwhelmingly supported by Labor members of parliament.

Interestingly, as I scan the voting record, it was opposed by the majority of Liberal members of parliament. It is interesting to look at the ayes: Arnold, Crafter, Bannon, Blevins, De Laine, Eastick, Groom, Holloway—who is current leader of the government in the—

The Hon. K.O. FOLEY: I rise on a point of order. For the record, I am sure the former deputy premier in the parliament would agree that it might be Peter Arnold, not Lynn Arnold. I do not think Lynn Arnold would have voted for poker machines.

The DEPUTY SPEAKER: Order! It is not strictly a point of order, but the member can check the record.

Mr HAMILTON-SMITH: There was Holloway, the current leader of the government in the upper house who was then a member of this place and, of course, most importantly, M.D. Rann, the current Premier was up there championing the cause. You were there, Mr Deputy Speaker, with Quirk, Peterson, and so it goes on. Look at the Noes: Armitage, Harold Allison, Stephen Baker, Becker, Cashmore, Evans, Gunn, Kotz, Lewis, Matthew, and so it goes on. Let us not forget that we have this problem as a consequence of a bill moved by a member of the Labor Party, overwhelmingly with the support of the Labor Party and opposed by most of the members of the current opposition.

So, the Labor Party created this situation that it now seeks to rectify. How similar that is to the problem that we are facing with drugs! The party that wanted to have 10 cannabis plants and wanted to have people growing pot and marijuana in their backyards suddenly wants to pull down bikie fortresses and uncobble the wreckage that it created through its lenient approach to drug abuse. It is interesting that we are here wrestling with problems delivered to us by the Labor Party when it was last in government—not only the economic problems that it created but now also the social problems that it has created.

The Premier said to himself, 'We have to be seen to be doing something about gambling, so we will con the people of South Australia into thinking that we are doing something whilst not actually doing anything at all.'

The Hon. K.O. Foley: The IGA—you created the IGA, not us.

Mr HAMILTON-SMITH: I am getting to that. He said, 'What we will do is create an IGA. We will create an Independent Gambling Authority and we will make sure that the person running it delivers us the solutions we seek.' What are those solutions that have led to this bill? They are solutions that I am sure the Treasurer, who is sitting in the chamber, took a keen interest in during their evolution, because we know—and earlier speakers have made it very clear—that this bill is going to do nothing to reduce poker machine revenue. In fact, poker machine revenue is forecast to not only increase but also experience extraordinary growth. The hundreds of millions of dollars of poker machine revenue

that we are currently receiving is going to continue to grow under this new legislation. The logic that the Premier and the Deputy Premier are asking us to accept is that, by reducing the number of poker machines, a problem gambler is going to turn up, walk into the gaming venue, see that instead of 40 machines it has 31 or instead of having 28 machines it has 21, so they are going say, 'Damn!' and go home to watch *Days of our Lives*. That is what they are going to do. They are going to go home, forget all about it, give up gambling and say, 'The government has beaten me. It has absolutely beaten me.' That is the logic that the Premier wants us to understand.

Alternatively, the problem gambler will drive up outside the small venue where he or she has previously gambled and which only has eight to 10 machines—it could be my local RSL at Colonel Light Gardens in Waite—and they will find that that venue has sold its machines to the much bigger hotel on the main road down the street. They are going to say, 'Damn! There are no more poker machines in my favourite venue, the RSL. I'll go home and water the garden. I'll give up gambling.' What a load of nonsense! As if the problem gambler is not going to drive on and go to the big hotel three blocks away which has now bought back the machines it had to give up and which still has a 40-venue site.

It is the same logic that the Premier might use if he came out and said, 'We want to do something about the problem of alcoholism.' I make the point to the house that, compared to the problems of alcohol and drug abuse, the problems of gambling are relatively manageable. But the Premier would have us believe that, if we wanted to do something about alcoholism, we would reduce the size of every bottle shop in every pub in South Australia by 10 per cent. We would go around, chip out the boundary and reduce the shelf space by 10 per cent, and that would result in a 10 per cent reduction in alcoholism. It is wonderful. If we want to reduce the problem of abuse of analgesics, we will reduce the number of chemists by 10 per cent so that people cannot go and overdose on prescribed drugs.

The logic of this bill is farcical. I know that you agree with me, Mr Acting Speaker, because you were up earlier addressing the same point. It is going to do nothing to help the people who are most in need of help; in fact, the Premier is further abusing those victims of gambling. He is using them in a vicious, cynical and manipulative ploy. He is conning the people of South Australia and the church and welfare groups that care about these people into thinking he is doing something where, in fact, he has vectored into his budget their same contributions through poker machines every year, year after year. He is simply shifting their business to bigger venues and doing nothing for the people who most need it. He wrote me a letter and said:

We're doing an extraordinary amount for problem gamblers. We're spending \$3.3 million on problem gamblers,

That is compared to a couple of hundred million dollars that the Treasurer is throwing in his sack annually: the billions of dollars he is forecast to raise over the next 10 to 15 years. He is spending \$3.3 million on problem gambling: whoopy-do! If he really wanted to do something for problem gambling he would double, triple or quadruple that amount. He would go to that money that he is taking, that tax grab, and apply it to a range of things. I will get back to that later.

The Hon. K.O. Foley: Rob Lucas agrees with you?

Mr HAMILTON-SMITH: We are not talking about Rob Lucas, actually, Treasurer: we are talking about the victims of gambling, and that is who we should be considering today.

We should be talking about the victims of gambling. I thank the South Australian heads of Christian churches for the presentation they gave us here in the house and for the correspondence they sent me on 5 July. I also thank United Way South Australia Inc. for the correspondence it sent me, in which it goes over the many problems associated with a number of people who are victims of abuse and the increasing problem gambling. They are right: there is a serious problem with gambling, and it needs fixing. This bill does nothing to do that.

I have been approached by constituents whose children have a problem with gambling or whose parents have a problem with gambling. Many families are experiencing crises. Interestingly, they are often the same families that are experiencing crises with alcohol, with drug abuse, with family breakdown, with smoking and with other issues. Often, we see the same people caught in the jaws of this crisis, and we need to put some resources into fixing the problem, not conning people with this cynical bit of legislation, which should be rejected in its entirety and replaced by something new and genuine through the budget process to genuinely help problem gamblers. Other members have contributed about the unintended consequences—

The Hon. K.O. Foley: You're an old socialist! You're a dinky-di socialist.

Mr HAMILTON-SMITH: The Treasurer accuses members opposite of being socialists because we are asking him to spend more on problem gamblers. Hasn't he revealed his position on this bill! This is the man who argued in caucus and in cabinet fervently against this bill and who has made sure that the bill does not have a single dollar effect on his budget. Here is the man who just interjected: who does not care less about problem gamblers. He is criticising us opposite for asking him to spend more. What a farce! That is the Treasurer we have: a man who does not give a hoot about problem gamblers.

Nor does he care about the sensible advice he has received from the business community, from small business people (and I speak for a moment as the shadow minister for small business), from the Hotels Association, from the clubs and from the many groups which have approached him and which have explained to him the effect this bill is going to have on jobs and on their business activities; the impacts it will have on the confiscation of assets as it affects business values; the fact that it will cause uncertainty for current and future decisions in the hotel industry; that the banking industry has indicated great concern to a range of business about the impact this will have on their operations; about the economic uncertainty it will extend to the hotel industry and others; and the unintended consequences about leases between landlords and tenants.

This is a classic bit of stupidity: a classic example of government not being the solution to the problem but being the problem. We have a complicated array of regulatory arrangements that will throw business on its head, that is going to set up a bureaucratic nightmare through which businesses and others will have to navigate. And, at the end of the day, for what? For what positive outcome? So that the Premier can beat his chest, saying 'I've reduced poker machines by 3 000. Have I helped problem gamblers? Not one iota.' I really urge the government to revisit this issue, because this is a government bill; it is not a private member's bill.

This is a test of the Premier's leadership. He has sent a letter to all his people and said, 'Back me up on this; this is

a test of my leadership.' So, it is all about politics and internal matters within the Labor Party. As the Green member for Mitchell pointed out when he abandoned the Labor Party, a party that is fickle, media driven and oriented only on being seen to be doing things has lost its way and has lost its basic core values. And haven't we seen that demonstrated with Labor's heartland deserting it at the federal election? They realise that this is no longer a party that is representing its own core constituency. It is leaving them behind, and here is a good example.

The Premier has not read the Hotel Association's submission. He has not understood these unintended consequences: the impact of the gaming machine license renewal system in clause 7; the ICA guidelines establishment in clauses 8 and 12 and how they will be applied; the Commissioner's unqualified discretion; criteria for the grant of new licences; and machine restrictions in regions and localities. He has not understood that all these interventions in the market are going to do nothing but create an absolute mess. I thank hotels in my own constituency—in particular, the Edinburgh Hotel, the Torrens Arms and others—for writing to me indicating their personal circumstance and how this will affect their businesses, and it is absolutely scary. We are talking about millions of dollars in lost equity. I thank in particular Allison James at the Edinburgh Hotel for the very constructive suggestions she has made to me about the need for more counselling support for people with gambling problems; the need for the hotels to have counsellors available the them to use for staff training and to assist; the need for advertising and marketing warnings to be extended; about staff education in hotels; about maintaining industry standards and increasing the term for problem gambler bans—a whole range of initiatives we could introduce if they were funded, Treasurer, to help problem gamblers you have ignored.

The Sturt Football Club has sent a letter to all its members indicating the implications if this bill goes ahead as it is presently designed. In his letter to all his members, Graeme Dunstan, the General Manager, says:

Quite simply we need you to voice your concern for the future of clubs and make clubs exempt from the proposed Gaming Machine cutbacks.

He also says:

Initially this change will result in a reduction in funds for junior sport and community activities. At the senior level, on field performances will suffer resulting in a drop in the traditional revenue sources of Membership, Sponsorship and fundraising and if that happens—the Sturt Football Club is dead.

So, the government is going to slaughter the clubs and cause endless chaos for hotels and their staff, and for businesses around the state, and we are achieving nothing.

We are also having a swipe at the casino. We will have the only casino with a high rollers room which bans smoking. We are going to impose all sorts of constraints on the casino, particularly in relation to the amendments moved by the member for Mitchell which, if they are successful, will have a particularly serious impact on the casino. So, we have the casino fighting the Hotels Association; we have country clubs and city clubs at loggerheads; we have lessors and lessees fighting each other over this bill; and we have the regulators and the regulated. This bill is just chaos and division.

What the Premier and Treasurer want to do is to take poker machines away from small venues, such as the local RSL in my constituency or small country hotels, where they do not get much use. They want to have them, through a complicated arrangement of buybacks that will cost the

bigger venues a fortune, relocated to the biggest hotels in the city, where the usage rate of the machine will be exponentially greater, where the problem gamblers can queue up at that machine and throw their money down it. We are going to distort the marketplace. I am a Liberal and proud of it, and I reject this nanny state legislation.

For 95 per cent of people—sensible people—if they want to gamble, why not? If they want to have a beer, why not? If they want to have a cigarette, why not—as long as they are not hurting anybody else—but we have got to have this complicated legislation, this nanny state legislation, to tell people how to live their lives. I object to that. It strikes at individual freedom. You need to focus on the target that needs to be focused upon—those people who have a problem with gambling. It is not a scattergun approach, where you shoot 95 per cent of the population in order to save 5 per cent. You need to spend some money, go and find the people that need help, consult with the venues, adequately resource the strategy that you put in place, help the problem gamblers, and help the venues to help the problem gamblers; they want to help the problem gamblers. Do something that is constructive. Do not interfere with the market as you are, do not distort the market. Certainly, new venues need to be able to acquire machines but let us have a sensible market mechanism that has not got a huge bureaucracy that goes with it.

This is a silly bill. It will do nothing for problem gamblers; that is my major objection to it. Some of the amendments that have been put forward further interfere with the market and worry me. We need a simple plan for problem gamblers, and a simple plan to contain further growth in gaming machines—not a complicated plan. We need something that will work. This bill will not work, and it should be rejected at the second reading, and the government should go back to the drawing board, be honest with people, stop abusing problem gamblers further with this nonsense, and do something that gets them off their addiction.

Ms CHAPMAN (Bragg): Just in case there is any possible misunderstanding, let me disclose a potential conflict of interest. I think from my great grandfather's day our family has owned racehorses. I cannot remember any generation that has not bet on anything, even flies crawling up a wall. I and my late husband have had interests in racehorses and, together with one of my sons, I am a member of the South Australian Jockey Club. I have no intention of playing, nor have I ever been tempted to play, a poker machine, but I come to the house and fully indicate that I have no objection to gambling per se. It is a valid entertainment for many, and it is a fact of life for many, even in their own profession, in whatever business they are in.

The farming community would have to be said to be the greatest gamblers in the business world: to gamble on rain coming at the right time; stopping at the right time; markets fluctuating at the right time; and, with a bit of luck, disease, if it comes, leaving at the right time. So, I want to be clear about that before I refer to the Gaming Machines Miscellaneous Amendment Bill 2004, which purports to implement recommendations of the Independent Gambling Authority's inquiry into the management of gaming machine numbers.

In summary, the authority concluded that there is a causal relationship between accessibility of gaming machines and problem gambling, and other consequential harm on the community. The authority reported that it was satisfied that both the total number of gaming machines, and the number

of places where gaming is available, should be reduced. The recommendations of its report were formulated to achieve that result, purportedly, and the authority believed that there was support in the evidence for that action to be taken, and that, when implemented, it was their view that, with other current gambling reforms, that would assist addressing the problem.

The Premier has publicly committed himself, and has called upon his members of the government, and implored members of the opposition, to support it. In addition to that, he has suggested to the South Australian public that he has been responsible, and that his government has been responsible, for implementing gambling measures which included: advertising and responsible gambling codes of practice; problem gambling; a family protection order scheme, which this parliament debated last year; the education in schools program, which is now been implemented; the increased funding to the Gamblers Rehabilitation Fund; and the production and distribution of the gaming machine information booklet. In addition to that, there are a number of measures which the hotel industry themselves, as being principal participants in this enterprise, have introduced.

I think it is important to appreciate the number that they have but, in particular, I highlight a significant increase in counsellors available for support, not just of the employees but especially for those patrons who have slipped over the edge from responsible entertainment to a situation of concern to both themselves and their families. In this regard, the imposition of the banning of inducements such as 'pokie meal deals' and the like has been a process of self-discipline in relation to assistance.

This bill comes in on the basis that a new gaming machine entitlement be established with a quite significant formula—which has been detailed in the debates and which would be repetitious for me to traverse again tonight. Apparently, to achieve their objectives the authority says it is necessary to introduce a program of reduction which would initially involve the removal of 3 000 gaming machines from the market. It was interesting, however, that when we got the bill (and there are three aspects of it that I wish to address tonight) it covered a number of other aspects, one of which somewhat makes a mockery of the effect of the bill—whatever the alleged intention of the Premier, who has presented this clever and concerned image to us. From my point of view I see it as somewhat clueless and conceited.

Nevertheless, it is this aspect of transferability that effectively makes a mockery of the scheme. Again, I will not traverse the detail of how that is to be effected, but if clause 27(d)(ii) of the bill is to be implemented a tender trade system will come into effect. This process will be operated by the Department of Administrative and Information Services, and will allow for the transferability of these licences. Direct sales between licensees will not be permitted. Again, I will not go through the process, as it is rather complicated. Frankly, I would not like to be in the process either as a bidder or a seller given its complication but, as I say, others have traversed the complications involved and the impracticality of some of that application.

It is the transferability which defeats the purpose of the reduction—apart from the fact that the cumbersome process may actually fracture that application—because there is no point in presenting legislation which reduces what is allegedly the offending instrument (in this case a poker machine) and then allowing it to have a transferability so that, in effect, it would not influence the actual number in the field. It might

change the number from one hotel to another, but it has no merit in supporting the argument that the authority had in mind—that is, if you reduce the number of available outlets and you reduce the number of machines it will, in some way, reduce the incidence of problem gambling.

In the course of the arguments on transferability there has been some discussion in the community about caps—that is, a cap on the value of the entitlement which can be transferred (of course, with all the limitations that, as I say, have been traversed). Whilst the whole concept of transferability nullifies the alleged good intention of the bill, I can only assume, having received a number of submissions from interested parties, that the government's only purpose in allowing this process to be modified by the transferability clause is in some way to attempt to quarantine the government against future compensation claims. That is the only reason I can see for the government to do this.

All sorts of barristers have been trotted out through the course of the debate on this, and some are more confident than others in regard to compensation issues. The government, to cover itself, proposes a clause to eliminate any alleged opportunity for compensation. But there is certainly merit in the argument that, if you cap the fee for the entitlement that is being transferred, you have some way of capping the value down the track when the government (which it inevitably will do) introduces further reductions. If we think we have a bit of a skirmish now, I think we will see hell and war break out when we develop down that line. So, that is the real purpose and, of course, it has the effect of nullifying the alleged benefit, which I am a little sceptical about. Assuming the experts know what they are doing in the authority (and I do not necessarily concede that) and assuming they even have some meritorious argument, it is nullified by this process.

I am also concerned that the government has not produced its own research and inquiry in relation to the revenue effect of these amendments. The Auditor-General, of course, has been through the government's budget and estimates of revenue to the 2007 period and, when we view the Auditor-General's report, we see that the government continues to estimate a very significant income direct from poker machines with only a small drop-off after 2007-08 which, according to the Auditor-General's report, apparently arises out of the introduction of smoking restrictions in hotels. So, there is no real loss to the government in implementing this proposal and, again, the suggestion that it will have some benefit is part of the subterfuge that it has presented to the public. For the record, during 2003-04 the estimated taxation revenue from gambling activity amounted to \$377 million, and until 31 October 2007, when 100 per cent smoking bans will impact on gaming venues in clubs, hotels and casinos, revenue from gaming machines will continue to increase to over \$400 million.

The other aspect to which I wish to refer is in relation to what is described as the gaming machine licence renewal. Initially a four to nine year period applies, but a proposed section 14A introduces a five year term which requires that licensees need to reapply for the renewal of their licence. Some of the stakeholders in this debate suggest that that is not a unique provision. Some professions such as those in the electrical fields, or financial advisers and travel agents—and lawyers, for that matter—often have to apply for even annual renewals to continue to practise or operate their business or enterprise. I note that in South Australia, unlike in England, we even have to renew our driver's licence up to every

10 years without being retested or having other qualifying aspects other than the fact that you pay the fee and put in the form and somebody in the public service processes it and you get your certificate at the end.

But this proposal is very different: it imposes quite significant qualifications on the application. Probably the most controversial of these is that the applicant is only entitled to renewal 'if the conduct of the business is not having any unduly adverse social impact on the local community.' 'Unduly adverse social impact' is not defined for the purposes of identifying what will be any kind of objective test. Clearly, it remains subjective. Clearly, it remains open for both competitors and advocates against gambling (and there is a number of those), if they wish, to challenge each one of the applicants every five years. From some of the information given to me, as I understand it, that means that an imposition of some two licences a week would come up for renewal. The current liquor and gambling commissioner's capacity to be able to manage this, without a very substantial expansion of his operation, clearly would be inadequate, and that will need to be dealt with.

I will not again traverse this point because other members have raised it, but it is important that I place on the record that this places a commercial burden on those who are currently in this industry, which I believe is unwarranted. There is sufficient protection and power within the commissioner to suspend or revoke licences if there is any misconduct, as there are in other professions and business enterprises where licensing is available. What also raises my concern in relation to this area is that if the government starts this with an industry that is dealing with electronic gambling will it then come to, say, the fishing industry, which has a limited resource from which people can draw.

People in that industry pay a large amount of money for the licence to fish. They are using a public resource. We regularly hear about the need to protect that limited resource and, from time to time, quotas are reduced, nets are withdrawn and action is taken of which a price is paid across that industry. But people are not required to line up every year or every five years to justify to the government that there is enough fish in the sea to fish. They are subject, within the terms of that licence, to continue to operate. From time to time they may be subject to quota reductions but, certainly, they do not have to line up and beg of a government to justify why they should be allowed to continue to operate.

The employment, livelihood and commercial arrangements that have been entered into and the leases to which a liability is attached simply do not justify this draconian action by the government. I refer briefly to groups in the community (and I can think of three) that need some consideration. One group is the clubs. In relation to Club One, can I say that I have received enough submissions to satisfy me that not only is the proposal by the government not consistent with the recommendation of the authority but also, even if it is close enough as considered by some, it is not something into which many of the clubs will wish to enter.

Certainly, it is an option given by the government. It is a voluntary structure that is proposed, but it is simply not adequate and, from my assessment of it, it simply will not serve its purpose. In relation to the football clubs, can I say that the SANFL (and, I think, the two national football clubs) came to the house and put a very heart-wrenching presentation to those present in relation to the impecunious state in which the clubs would be left if this measure were imposed. I must say that, whilst I was impressed that so many different

football clubs (which normally are at war with each other) had come together in the same room to put together a submission with one voice, I am not persuaded by an exemption simply because of the commercial loss they may suffer.

In itself that would not persuade me because, frankly, hundreds of hotels across the community are also heavily geared financially. They will also suffer considerable financial loss and their livelihood is at risk the same as these clubs. However, what did impress me is that hundreds of thousands of dollars are spent by these clubs in youth development, sport training and education, as well as some charitable contributions some of which have a direct quid pro quo back to the clubs. On my rough estimate, having viewed some of the financial information provided, we are looking at \$4 million to \$5 million a year which, quite frankly, if they do not make that contribution the government will be called upon to make it.

The hotel industry will doubtless say that it also makes very significant contributions to the community. I respect that and I think that the community is grateful for it; but it is an aspect which does lead me to the view that the member for Napier's amendment is meritorious and one which deserves some support.

The other area is in relation to the unintended casualties, for example, the Spalding Community Hotel. When I was with the member for Stuart one night coming back from somewhere in the north, we stopped at Spalding and the Spalding Community Hotel management committee or representatives outlined their problem. They are a community which, as a community, purchased the lease of a local hotel and employed managers to operate the business. It was decided to invest in six gaming machines in order to improve the viability of the business. The situation is that under the proposed legislation and the terms of their lease the licences to operate gaming machines will revert to the landlord at no cost when the lease expires. This is not unique to them; I understand others will suffer the same fate. But in these circumstances they say—and I understand they have put a submission to the government, which to date has fallen on deaf ears—this is grossly unfair where the landlord has made no contribution whatsoever to it. Anomalies are thrown up in this area.

In the short time that is left I indicate that I have received some very concerning messages from many people, including Reverend Canon Peter Patterson, who practises in Burnside. He has sent to me an imploring letter to support this legislation. It is supported by the gambling task force, which has come from the heads of the churches, and I respect it, but they also are failed by this government, as is the rest of South Australia.

Mrs PENFOLD (Flinders): It was a state Labor government that presided over the passing of the bill for the introduction of gaming machines into South Australia and our hotels and clubs; and now they have changed their mind. The bill we are now debating under this Labor government (and the proposed regulations to go with it) will have little or no effect on problem gamblers, but it will be another imposition on the business people of our state who in good faith increased their loans and overdrafts to invest in these machines; built new gaming rooms and complied with all the government's requirements. Businesses that have invested in gaming machines have done nothing illegal, but in some cases they will be forced to breach their lease agreements

which require them to have a certain number of machines or buy back the numbers that they have had taken away at whatever the inflated cost.

In an article in *The Advertiser* of 6 October, it was estimated that machines could fetch \$100 000 each—machines that will be taken away by the government without compensation. Some businesses, particularly if they have high debt levels, will not be viable and they will be forced to sell everything. A hotel that has been forced to reduce from 40 to 32 machines will potentially be up for almost \$1 million just to comply with lease and mortgage obligations. In some hotels, particularly rural hotels, pokie machines will be worth more than the business itself. It will be sold and there will be the consequent loss of jobs and, of course, money into our communities, the small clubs and schools.

The legislation proposed is complicated. It will adversely affect businesses that have entered into contracts on the basis of the current legislation. It adds to bureaucracy and there is no guarantee that it will reduce problem gambling. It is likely that the cuts will only shift problem gamblers to bigger hotels that can afford to buy up machines. However, it will make the licences very valuable, in a similar way to those given to members of the fishing industry years ago. Then there will be the big pokie barons about whom the Premier has been talking. When these licences are sold they will be subject to stamp duty, bringing a further bonus to the state government tax coffers. Based on 4 per cent stamp duty, a machine worth \$100 000 is a nice little \$4 000 earner for the government. The proposed legislation will not force venues with under 20 machines to reduce their numbers but, as these small venues sell to replace the 3 000 machines removed from bigger venues, there will be a windfall profit of around \$12 million in stamp duty on transfer. As usual the government cannot lose. Only the small businesses will lose and regional areas, as usual, will be the biggest losers.

It is likely that, as the licences become more valuable, the small regional venues with lower returns will be inclined to sell to the bigger city venues and new developments wanting machines. People living in small towns will miss out, once again, and they will be denied opportunities available and taken for granted by city people. Also, if a venue is not available in their town, people will go to other towns for their entertainment, even if they are not gamblers, just to be where their friends and cheap meals and entertainment are and, inevitably, they will also do their shopping and other business while they are there—yet another nail in the coffin for our small towns and their wonderful supportive communities and more money to big unionised developments in impersonal cities and larger towns. This is a supposed social justice government—perhaps if you live in cities, but certainly not if you live beyond Gepps Cross. I quote from one briefing paper, as follows:

The government believes, however, that bigger venues have a greater capacity to assist gamblers in seeking rehabilitation.

Perhaps those people inclined to gamble too much in the small towns do not need rehabilitation because they are well known and have people who will watch out for them and help them to control their gambling. It seems that the intervention of friends is what the government has in mind for all venues, given the paltry amount that it is putting into the rehabilitation fund—less than \$3 million from a yearly income in 2003-04 of \$377 million; an amount that will hardly assist problem gamblers throughout the state. Yet this government expects us to think that a reduced number of pokies will assist

problem gamblers. Will the excuse of bigger venues having greater capacity to assist problem gamblers be used as one of the reasons to remove licences from smaller venues when the licences have to be reviewed before renewal every five years? Which banks will lend to small venues if they could have their licences arbitrarily removed after only five years? Will there be compensation if the licences are removed? Who will assess the country venues and who will bear the cost of travel, flights, accommodation and overtime to these venues? Will it be like the butchers accreditation, where the costs are borne by the small country butchers?

Limiting the number of machines, with all the complicated paraphernalia of sales and trading entitlements and other measures, will create a new industry, higher overheads and even less money going back to the punter and will not in itself do anything to reduce the number of problem gamblers. In fact, even more pressure will be put on by the venues to entice people to gamble to recoup the outlays they have had to make.

The fact remains, however, that problem gambling causes major concerns; that gambling is addictive; and that family and friends of the gambler also suffer because of the gambler's losses. It is an age old problem and years ago caused the governor of the day in Launceston, Tasmania, to ban horse racing for exactly the same reason. The government there soon worked out that it could not stop people gambling if they wanted to gamble—and neither will this legislation. It is a bit like removing 3 000 horses and saying that that will reduce the problem of racing gamblers. It is all a nonsense—in fact, it is more than that: it is a con job.

So, what is to be done? Smoking was once considered to be okay, then its harmful effects on health were identified and eventually recognised. But it took concerted, lengthy campaigns to have that harm admitted and recognised in legislation. All advertising and tobacco products must now carry a warning that smoking is a health hazard. I suggest that this idea be adapted for gambling and that the insignificant stickers on the machines be increased in size and effectiveness and also be placed on all advertising. For example, the advertisements could state that gamblers must lose, and give the chance of winning that particular game as one in whatever the odds are. These odds could also be flashed on the screen as people are playing.

All gambling is based on one simple fact: gamblers lose. There could be no Adelaide casino, no gaming machine problem, if participants won. There are occasional winners, who are much publicised. However there is never any mention that the winner is profiting at the expense of the losers and that only the government and the operators cannot lose. Every gaming machine or other form of gambling, every venue, every advertisement or media report should carry a warning that the operation works only because gamblers lose. There could be a contest for slogans—for example, 'If you can't afford to lose you can't afford to gamble.' 'Would you throw the money you are gambling with into a rubbish bin? No? Then don't spend it on gambling.' 'Do you consider yourself a loser? No? Then why gamble?'

There needs to be developed in our society a realisation that those who participate in gambling lose, that winners do so at the expense of losers and that those who gain most from gambling are the government coffers and some operators and venues such as the Adelaide casino. While churches and others have been vocal in supporting a proposed reduction in the number of gaming machines in South Australia, unfortunately, no-one has pushed enough the need to educate people

about the negatives of excess gambling and the future effect it has on their quality of life and that of their families. If gaming machines are such an anathema in our society then surely gambling itself should be put under scrutiny. Instead of all the advertisements encouraging gambling, the negatives should be taught and told. Time and again, we hear stories of gamblers winning thousands of dollars on gaming machines, only to feed all that money back into the machines to end up with a loss.

I have spoken with licensees of gaming premises who frequently comment on the length of time that some people, usually the problem gamblers, spend at the gaming machines, often into the small hours of the morning. The times that gaming machines are allowed to be used could be limited. This would be easy to implement, easy to apply and easy to police. I suggest a time limit from, say, 2 p.m. until 10 p.m. or even 12 p.m., and that would accommodate everyone from shift workers to retirees.

Automatic machines could be banned so that players cannot put their money into the machine, then drink at the bar or wander quite a distance from the machine while the money goes through. It should be impossible for the player to leave the machine while play is in progress. At the very least, the machines could be slowed down so that it takes twice as long to process a transaction, then gamblers, presumably, could lose only half as much in the same time. This, combined with allowing only a small value coin, could be used, or even bringing back the one-armed bandits so that people would have to pull a lever for each coin to reduce the money spent. The sounds which attract gamblers and which are such a pull for problem gamblers could be reduced or removed. Silent machines with silent cash trays would not be nearly as attractive to the senses of those who are addicted.

Since gambling itself is considered to be okay, how long does it take before a person will admit they have a problem? Many measures such as barring a person from the gaming machine venue are already in force. However, the psychological impetus for problem gambling in the first place, and continuing to gamble, are not addressed; neither is the compulsion to take drugs, drink alcohol, eat chocolate or shop to excess—all problems of addiction. There is a proverb that is used by various United Nations, aid organisations and others which states that if you give a man a fish, you feed him for a day; if you teach a man to fish, you feed him for life. This bill and associated regulations come into the category of feeding a man for one day. Changing society's attitudes to gambling and assisting problem gamblers, as with any addiction, will address the problems for life.

In the meantime, there are many measures that can be taken to stem the adverse effects of gambling as it relates to gaming machines and to deal with problem gamblers without distorting the market, disadvantaging businesses and creating another expensive bureaucracy and the inevitable compliance police to add to the existing native vegetation, water and fishing etc. compliance officers. I do not believe that this bill addresses the issues. It will only take away more of our freedom and use taxes needed for health and education to do it. For lots of people, having a bet is one of life's pleasures, and meeting with their friends and having a cheap meal is part of that pleasure. The drawbacks that of necessity will arise make this poor legislation. I cannot vote for this bill; it looks like good idea on the surface, but I believe that the consequences will not bear out the good idea. It is just another Labor government gimmick to try and fool the people

and it will prove to be expensive and useless. In other words, it is a con job.

Mr MEIER (Goyder): I am pleased to have the opportunity to speak to this bill. I think that most members would appreciate that it is very much a committee bill. I think we have five different series of amendments from five different members at this stage and, I believe, there are at least two or three other members who have amendments in hand. That is where the real nitty-gritty of the bill will be debated and discussed, but there are quite a few comments I would like to make.

First, as many other members have said, I believe this bill will do absolutely nothing to help reduce or eliminate problem gamblers, because we are still going to have a multitude of poker machines out there, we are still going to have the full numbers in the casino, and those who want to gamble and have an addiction will continue to do so. In fact, in this respect, how do we identify the problem gamblers? Who are they? We have heard about the problem gamblers. There is no question in my mind that we have a significant number of problem gamblers. I would say there is a vast number in the city area, in particular, and there is probably also a significant number in the country areas, although various hotel proprietors in my area—Yorke Peninsula and just beyond—feel as though there is a very small number of problem gamblers.

Just continuing that, we are saying that we want to reduce the number of problem gamblers but we have not identified whom the problem gamblers are. We are not even identifying that. Are we going to take more security camera footage of them or are we going to trace them through the card system that is used in so many, if not all, of the gaming establishments? I do not know, but that is where one of the key problems exists. In fact, there was an excellent publication put out recently, one of the articles in which was entitled 'You win some but you lose much, much more'. I read another one called 'Riding the rollercoaster'. I will not go through those articles, but I would say that any person who wants to see what the negative effects of gaming machines are should read just some of those articles.

Members would probably know that, although I am one of the longest serving members here, when the gaming machine legislation came in, I opposed it, without any question at all. I said that it would lead to more problems than economic benefits for the state. I guess that could be argued because it has led to many economic benefits for the state, particularly through the hotel industry and probably through the club industry as well. However, it has led to enormous difficulties with problem gamblers and, therefore, has affected families in a huge way, and that is a great disappointment. Perhaps, as a few members have said, gambling is with us.

I attend a few race meetings during the year, particularly at the Balaklava Racing Club, which invites me from time to time. I must admit that I do not think I have ever done any good on a horse, so the chances of my doing something on a gaming machine would probably be just as bad. I am not an expert, so we will leave it at that.

I have been a little disappointed that the Premier indicated in this house, and subsequent to that on radio, that he would be making a personal approach to every member to urge them to support this bill. I expected a personal approach that was face to face; in fact, all I received was a letter which arrived

at my office on 14 May this year addressed to me as 'Dear John' and which stated:

I write to personally seek your support for legislation recently introduced into Parliament to reduce by 20 per cent the number of gaming machines in South Australia.

The Premier then went through a variety of arguments indicating what he saw as positives in this bill. He stated:

I have thought long and hard about the IGA's recommendations. On balance I believe that it is in the public interest and in the interest of those families who suffer the effects of problem gambling that we act decisively.

I say, 'Hear, hear!' I cannot disagree at all, except that I can disagree with the IGA's recommendations because I suspect that the IGA committee in the end said, 'We cannot think of a real solution to overcoming problem gambling, so we will just recommend a cut of 20 per cent. Here is a bit of a scenario on how we cut it down.' In fact, that is exactly what the Premier's letter highlights later, when it states:

The principal recommendation is an immediate reduction in the number of gaming machines by 20 per cent from about 15 000 machines to 12 000.

I come back to my original statement. What effect will this have on problem gamblers? The answer is absolutely nothing. I am sorry, but I say to the Independent Gambling Authority, 'I do not think your recommendations are realistic from the point of view of cutting out problem gamblers. You will certainly create a greater demand on Friday or Saturday nights whenever people are out and about because there will be fewer machines to play and, therefore, they may not be closed to many people who are able to gamble on the machines. However, I think that your problem gamblers will not gamble on a Friday or Saturday night during busy periods. They will do so when it is much less intense, and they will be able to have a machine of their particular choice.' I say to the Premier, 'If that is your personal approach, I have to smile.' I think that maybe the caption of 'spin Premier' is very realistic.

He says publicly that he will personally approach every member, but his personal approach is only through a letter. I hope that the people of South Australia are starting to see through that approach. I said earlier that I opposed the introduction of pokies. I also opposed the introduction of pokies in the casino. One of the principal reasons was that then Premier John Bannon, when he brought in the casino, said 'There's no way we will allow poker machines into the casino.' A year or two later he allowed poker machines in. So, he was a hypocrite in his own right. In retrospect, if poker machines had to come into South Australia, the casino was the place to put them.

Recently, I was in Perth and noted that in Western Australia the only place gaming machines exist is in the casino. In fact, I would advocate that South Australia look very carefully at Western Australia, because the type of gaming machine they have is similar in one sense but different in another. They are much slower than the machines we have in South Australia and they can become boring very quickly. But if you have people who seek to try to have a bit of fun, maximise their return, then those machines will do exactly the same. Likewise, they can also maximise your losses. I asked one of the members of parliament there, 'How come you've only got them in the casino and not overall?' and he said that it was a deliberate act by the parliament. He said, 'We also have what we call gaming machines, not poker machines. They are certainly slower acting, yet they offer people that opportunity.'

I would say that if we want to overcome problem gamblers, that is one way to go. We know the cuts in the numbers. They vary from a cut of eight for those establishments that have between 28 and 40 down progressively to those that have only 20 machines and will basically stay at 20 machines. Overall, I see the cuts as very unfair in respect of the discrimination in country areas. What should have occurred—and the IGA here can listen to this and take note—was to use the criterion of net gaming revenue, or NGR. If you consider the net gaming revenue, an example put to me was that under this proposed legislation four hotels on Yorke Peninsula with something like 31 machines will lose 32 machines. The four hotels each lose eight, four eights being 32. Their total net gaming revenue is of the order of \$2.2 million.

If you take one of the large hotels in Adelaide with 40 machines, one of the hotels perhaps referred to by some people as the pokie barons, they have a turnover of \$4.5 million. One hotel has \$4.5 million. It will lose how many machines? Eight. Eight machines for a turnover of \$4.5 million; 32 machines for a turnover of \$2.2 million. Where is the fairness in that? There is absolutely no fairness at all. The IGA has it absolutely wrong. They are discriminating against the country establishments. They are going to be hit exceptionally hard and therefore, as other members have said, this legislation is flawed.

The best move would be to throw it out here and now and think again, and stop the Premier from grandstanding and trying to make good with the public of South Australia, trying to score political points against former Premier John Olsen in saying, 'He did nothing and I, Premier Mike Rann, am doing something.' All I would say to the present Premier is: what you are doing is not going to solve one thing, and you should think again.

A further problem is that one large hotel in Adelaide has not only a turnover of \$4.5 million but also a cut of only eight machines compared with the four hotels on Yorke Peninsula, which have a turnover of \$2.2 million with a cut of 32 machines. Further, in Adelaide the problem gamblers are basically in those big establishments, where they are able to hide themselves much more easily. So, again, we are not solving the problem. It highlights even more that this is where the problem gamblers are located, and the IGA has failed to see that. In fact, in statistical terms, it appears that the so-called pokie barons will suffer a 20 per cent loss, whereas many of the smaller establishments with about the 30-plus machines will suffer a 28 per cent loss. So, this legislation is hitting the smaller establishments much harder than the bigger establishments.

Can the smaller establishments re-establish themselves through a buyback system? No-one seems to know what the answer will be in relation to the buyback system. Is it going to be through an auction? Is it going to be a set price of, say, \$50 000 or \$100 000 per machine? If it is anything like \$50 000 to \$100 000, it will cut out the country operators straightaway. I am very pleased to hear that at least one member will move amendments where trading and poker machines will be non-existent, and, as far as I am concerned, that will be a sensible way to go. If we are going to be realistic about cutting the number of poker machines, let us leave it at a cut and not allow the big pokie barons to buy in more machines to come back to what they were. Assuming that legislation is introduced, I will certainly support it. I see that as a small way to step forward. However, I do not think it will do a lot in relation to getting rid of problem gamblers.

I want to highlight a few other matters. There is no doubt that the hotel industry needs certainty in relation to where it is going. Anyone in this place who has taken out a loan would know that banks want certainty. It does not matter what we think about poker machines—and members have heard my view. I was totally opposed to them, and I still think that they cause enormous problems. However, from the point of view that they became legal many years ago, the hotel industry needs certainty.

We also know that Clubs SA has sought to be exempted from this legislation, and I have a lot of sympathy for what Clubs SA is saying. However, at the same time, seeing that I was opposed to poker machine legislation in the first instance, I can hardly be a hypocrite and say, 'I'll cut it out in some areas but not in other areas.' So, whilst I acknowledge the club's argument, my personal approach is that, in the end—and we will be looking at this in the committee stage—I will at least agree to the reduction in the number of poker machines across the board, and likewise in relation to the uncertainty of a five-year system. For hotels that have perhaps spent hundreds of thousands of dollars, there needs to be certainty that they will be able to continue in relation to having a five-year licence. I can see that licensing commissioners are perhaps making things difficult if someone complains about something that may or may not be a real problem. So, I can certainly see the need for greater certainty in the licensing system.

That brings me to what should we do to reduce the incidence of problem gamblers. The first thing is to bring in an immediate ban on smoking. My assessment of gaming areas is not great, but I have taken it upon myself to investigate some, and the one thing that seems to hit me every time is the amount of smoke coming out of the area. I do not know whether or not there is an association or whether studies have been done, but to cut out smoking might well be a positive first step. The second thing is to reduce the hours of operation. There is one place on South Road that I go past on a reasonably regular basis when I come to and from Adelaide, and that has poker machines open until 5 a.m. If you want to encourage problem gamblers, stay open until 5 a.m. because they will be able to go there, and there probably would not be too many others there.

We need realistic hours, perhaps something like midnight trading on ordinary days of the week and, perhaps, on Fridays to 1 a.m. and on Saturdays to 2 a.m., but beyond that I would seriously question it. On Sundays, it would not be a bad thing to cut trading right back to a realistic option, if not cut it out altogether. The third thing is to install Western Australian type gaming machines. I mentioned them earlier and I think it needs to be investigated further. I think that problem gamblers would be few and far between and, in fact, it would probably stop many people becoming problem gamblers. That is another thing that we have to consider.

The fourth thing is to disallow the trading in machines (and I highlighted that earlier) so that at least we keep it down to where it is. It would be a significant step down and we would not allow the big places to try to get bigger because, from a rural point of view, it is going to be impossible for country areas to pay the amounts of money that will probably be required. A fifth thing is to disallow the advertising of poker machines. We see the advertisements blazing out and, again, in Western Australia, none of the hotels have got poker machines. I went to one or two hotels while I was there and was very interested that they seemed to be thriving. So, I question the argument that hotels need poker machines to

continue. Western Australia seems to have overcome that problem. Perhaps we are not looking at the right way of attracting customers. Another thing that could be considered if we did not go down the Western Australian track is the type of sound emanating from the machines. There is no doubt that the sounds are such that they seem to attract gamblers and, when you hear someone get a mini jackpot or whatever, it attracts others to try the machines as well.

So, they are some of my suggestions as to how to overcome problem gamblers. I do not believe that this legislation is realistic in most of those areas, and I think that the best option would be to say, 'Let's try again, take the legislation away and reconsider it.' If the government is not going to do that, we will look at the amendments in due course.

The Hon. M.R. BUCKBY (Light): I rise to speak on this bill and say from the outset that I think that this is very disappointing legislation, because I agree with others who have spoken before me that this is not going to have an impact on problem gamblers in South Australia. I see this as a very political bill. It is one that is designed purely for spin by the Premier and, as I said, I do not believe that it will have any impact on problem gamblers because, if we take away 3 000 machines and not adjust the number of hours that hotels, clubs and the casino are open, the person who wants to gamble on a gaming machine will find a machine somewhere. There is no doubt about it. If they cannot get on a machine when they want to then they will find a time in the day when they can get on to that machine and adjust their habits accordingly. There was an opportunity here to do something which was practical and which was going to have an impact, but I do not believe that this bill is going to deliver it. I agree with the member for Goyder that the best thing that the Premier could do would be to withdraw this bill from the house, go back to the drawing board and have another look at what is a better fit for this particular problem.

I am sure that from time to time we have all had people who have problems with gambling in our offices. I remember a lady who came into my office about 12 months after the introduction of gaming machines in Gawler and said, 'I want you to see someone who has become addicted to these machines.' She said that before gaming machines came in she could take a scratch ticket, a raffle ticket or an Oz Lotto ticket and it would have no real impact—she could take it or leave it. If it was in her family budget that she could do it, she could do it without wanting to go back and grab another one in a hurry or concentrate on it. But the night that gaming machines started in Gawler she and her husband went to the hotel directly opposite my electoral office and won \$150. She was back there at 10 a.m. the next morning. She said that it got to the stage where she was going there on such a regular basis that she was afraid people would recognise that she had a problem, so she would get on a train and go to Elizabeth and gamble there. As a result, she went through all the family savings and lost her marriage, and her mother has ended up managing any accounts she has. Thankfully, she is going to Gamblers Anonymous, and the last time I saw her she had been sticking to that program. However, she had lost her marriage and her family because of gaming machines.

Like the member for Goyder, I would have voted against these things when the legislation came up, and I am pleased to say that the former member for Light, the Hon. Dr Bruce Eastick, also voted against the introduction of gaming machines into this state. Because of the huge revenue flow coming in from these machines what we now see, in effect,

is a government that is reliant on this revenue to bring down its policies and to pay for its operations. And it is not good when you are relying purely on people gambling their money away to ensure that the government still keeps ticking over.

If we could turn the clock back, I believe that if these had to come in I would have sought for them to be only in clubs and the casino. I say that because in clubs any profits that come from gaming machines are redistributed into the community. One has only to look at the clubs in New South Wales to see the benefits that come from the profits being redistributed across the community—and that comes across from either sporting clubs, junior clubs or football clubs receiving funds from the local RSL. It also comes from the RSL's being able to attract high-profile entertainment artists into the country and into regional areas that they would not otherwise be able to attract; and it comes from those clubs supporting a range of groups in their local towns. If I had my way, I certainly would not have put them in hotels because, while the amount of money being made by a number of people is legal (and you cannot say anything about that because that is the way it was set up), it is certainly not benefiting the community.

On the other hand, a lot of jobs have flowed on for young people and for builders in renovating hotels. Prior to these things coming in, we saw many hotels across South Australia that were in a very poor state of repair but, as result of the revenue that hotels have received from gaming machines, they have been able to upgrade those hotels, provide better facilities, better meals and that sort of thing to the public. So, there has been some flow-on effect that has ensured employment and also benefits to the community. However, what we are talking about here is a reduction of 3 000 machines and some changes to the act and, as I said, even Treasury SA say that there will be no revenue reduction—in fact, in the forward estimates there is a slight increase. So, if we say that there will not be a reduction in revenue, that means that the same people (that is, those who are addicted) will be spending the same amount of money as they spent before. If that is the case, the bill has failed in its target of having an impact on those problem gamblers. You really have to look at that and ask: if this bill will not have an impact, why is it in the house at all?

You also have to ask why we are reducing the number of machines in hotels and clubs but not changing the number of machines in the casino. Why is the casino different? Are we saying that problem gamblers do not go to the casino so therefore there is no issue in their spending money there? Of course they go there. And, what is more, if they cannot access a machine at their local hotel, we all know they will go somewhere they can find one, and it may well be the casino. So this legislation is just not consistent.

The bill introduces five year licensing for premises that have gaming machines. I do not support this measure because it introduces uncertainty for businesses. There is nothing worse than retrospective legislation, whatever legislation we are talking about. One only has to look at superannuation in this country and the way that federal governments on both sides of the fence have changed the superannuation rules. I do not agree with that because, when a person goes into a scheme, they invest their money and expect that it will remain consistent. If it is changed at a later date it delivers a change in the outcomes.

I agree with the member for Goyder who talked about the banks. For hoteliers or clubs that have taken out a mortgage to purchase machines and upgrade their premises, this

undoubtedly will create some uncertainty in the eyes of the bank and, as a result, the question will be: how will that affect the hotels' borrowing capacity and how will the bank view the valuation of those hotels because of the fact that there is a chance that they may not have their licence renewed? If they do not, that means that they lose their machines and, as a result, the owners are left with perhaps a huge debt and a loss of trade.

But it gets worse, because section 27B provides that a licensee is entitled to a renewal—

... if the Commissioner is satisfied—

- (a) that the applicant has demonstrated a commitment of the principles of responsible gambling; and
- (b) the conduct of the business is not having an unduly adverse social impact on the local community.

Judging that is extremely subjective. Who will say that the actions of a particular hotelier have had an adverse social impact, and how do you measure an adverse social impact? Will it be measured by additional requests to people such as Anglicare or United Way for funds or help? How will that impact be measured? It can only be a very subjective measurement.

As a result, it may well be that the person on the day who is hearing that licence (and we are told that about two of these licences come up every day) may have a different view of an adverse social impact to another person. So, this bill introduces a level of uncertainty and a large level of variability in the outcome for a particular hotelier, and I do not understand that at all. I think it is very poor legislation.

With respect to the buyback situation mentioned within the bill, as the member for Goyder and others have said, the small hotelier and the smaller clubs, which do not generate high revenue and which do not have large profits, will find it very difficult to buy back any of those machines versus the very large operator who has a far greater turnover, greater profits and therefore a much greater capacity to buy back those machines. A level of discrimination is contained in that area and one which again demonstrates that this bill should be withdrawn from the house and taken back to the drawing board to start all over again.

Another area addressed in the bill relates to the restriction of gaming entitlements in certain localities on the basis of discrimination. Again, that has a potential to impact on the valuation of the hotel. If someone is reduced from 40 to 32 machines and the Independent Gambling Authority or the commissioner says, 'We do not want any more machines in that area', for whatever reason, that hotel is locked into 32 or 20 machines, or however many it might be, with no chance (even if it has the financial ability) to purchase other machines to rebuild their level of profitability.

Along with that comes the fact that if they are reduced to that number the valuation of the hotel will fall because the valuation is tied to the turnover; you therefore introduce many more variables into this situation. However, I do support one area. The member for Napier has introduced an amendment to leave clubs unaffected. I indicate that I support that amendment because I believe that these machines should have been in the clubs in the first place. The operators of these clubs are returning the profits from these machines to the community. I see many cases where clubs are pouring their money into junior development of sport.

That is good in terms of giving young people something to do, particularly in the northern suburbs where many families are unable to afford football guernseys and the like so that their son or daughter can participate in sporting

activities. I believe that the member for Napier has a good idea, and I will be supporting it. As I said, I believe that this bill is disappointing. A much better job could have been done on this. Gaming machines are very interesting. It is not as though a long arm jumps out of the hotel, grabs you by the throat, pulls you in and says that you must play the machines. It is a person's choice to play a gaming machine. No-one forces you.

As a result, we know that only about 3 to 5 per cent of the population become uncontrollable problem gamblers. This sort of legislation restricts the pleasure of many people for the sake of a few. The question that arises is whether the damage that occurs to those few is great enough to restrict the industry? I guess that when one looks at the various charities across the board and one sees the amount of money that is now not coming into those charitable bodies (and I mention places such as United Way and Anglicare), one has to say that, certainly, it is having an impact on them. Certainly, it is having a huge impact on those people who become addicted to those machines.

I will be interested to follow the debate and the amendments to this bill to then determine a position on the bill. Again, I say that when a bill is before the house that will not make any difference to the revenue in this state, one really must question the reason for bringing that bill into the house.

The Hon. G.M. GUNN (Stuart): This is a committee bill and most of the meaningful debate will take place during the committee stage. Let me say from the outset, as someone who originally opposed the introduction of poker machines, that I will be voting for the second reading of this bill because I believe that the majority of the citizens of this state wish the parliament to take that particular course of action. I will also be supporting the member for Napier's amendment in relation to football clubs. I will be supporting that proposal. I am very concerned that we have created a situation where people have legally installed these particular devices and we are now going to say to them, 'Well, you have to lose a certain percentage of them and we will not compensate you.' I am not at all happy because I believe that is a bad principle and creates a precedent which can have dangerous consequences in the future for a range of other industries or identities. There has been a great deal of correspondence in relation to this matter and a great deal of thought and public discussion from the licensed clubs, the Australian Hotels Association and well meaning, concerned members of the community. I am very concerned about the effect of gambling on our society because, unfortunately, in my view, we have a small group of people who have become addicted to these things and it has disastrous consequences for their family.

The other point is that, of course, the government of South Australia has become addicted to these particular machines, because in excess of \$300 million is going into general revenue. It is clear that if we did not have poker machines we would have to increase some other form of taxation to compensate, because the people of South Australia could not have their services maintained without that amount of revenue. We do have a quandary where, on the one hand, we are legislating to try to restrict the effects of these particular devices but, on the other hand, we know full well that the measure with which we will deal in this house will not affect the revenue of South Australia.

The Hotels Association today circulated a letter dealing with some amendments, one in particular by the member for Colton with which I agree in relation to requiring licences not

to be renewed for five years but, rather, for 10 years. I think that is a sensible arrangement. If people have invested large amounts of money—and many of them have financially committed themselves—because the parliament made it legal to do so, then we have to give them the ability to get a return on that investment.

I am not sure about the other amendments. I have some sympathy with the amendments to be moved by the member for Mawson. I will move an amendment because it has been brought to my attention by constituents involved in the hotel at Spalding, which is in my electorate, that there is an anomaly in relation to the ownership of these machines. If a lessee puts them in, then on termination of the lease they automatically return to the owner. I have a view that whoever pays for them should have the right to transfer them on and to get whatever the sale price is. I will be moving an amendment to that clause.

I will be looking very closely at all the other amendments on file. A lot of comment has been made in this house in relation to poker machines, but there is one question I would like the minister to answer when he responds to what has been a lengthy debate—and I feel sorry for him, having to sit through all this. After the parliament has considered this measure, and if it does not work, what will be the next step that will be taken in relation to poker machines? Will there be further restrictions? Will there be another inquiry? What course of action will the government take? I would like to make a prediction that, unfortunately, I do not think this measure will prevent problem gambling. Therefore, will the parliament be required to revisit this matter in one, two or three years? I predict that it will. I think we need to know where the parliament will go and what plans the government has in relation to the future of these devices.

There is another matter that concerns me. We currently do not have huge corporations involved in the hotel industry. It has been suggested to me that some of the large supermarket chains may be going to invest in the hotel industry. If that takes place, under these proposals they will be able to be involved in the buyback arrangements and outbid anyone, and the genuine people involved in the hotel industry, in my view, will be at a grave disadvantage. Just as I do not believe that these large chains should be involved in pharmacies, I have a very strong view about this matter, and I think it is something that the minister needs to examine during the course of this debate. In my constituency, many small country hotels are under pressure for various reasons and they should not be placed under any further pressure, because they play a very important role in the community and they provide services that would not be there without their operating on a profitable basis.

I will be supporting the bill. I will be supporting a number of amendments and, as it stands, I will be supporting the third reading of this bill. However, I have a number of concerns. I have always had a concern about gambling. I may be fortunate: it has never had any appeal to me. I come from a background that has not been very keen on gambling in any of its forms. However, I appreciate that people are entitled to invest their money as they see fit. We have created the legal right for people to be involved in this industry and we have encouraged them to invest, we have encouraged them to employ people. A lot of money has been generated for the taxpayer, and a lot of money has gone back into the small sporting clubs around South Australia from another section of the minister's department—very large amounts of money—which has done a lot of good. But when I go into

these venues and see some of the people who are involved, it concerns me greatly that these people obviously have a problem. I understand that it is only a fairly small percentage of the community. However, I believe that we need to be very aware of the effect it has on their families and on them.

In considering this legislation, I believe that we have to take a considered and balanced approach to it to ensure that we act responsibly and sensibly. But I am concerned that we will again be visiting this situation in the relatively near future, because the Treasury has indicated that it expects to collect the same amount of revenue it is collecting now. Therefore, the amount of gambling that takes place in South Australia will not lessen and, obviously, there will still be the opportunity for problem gamblers to be involved in this sort of unfortunate activity.

In the Iron Triangle in my constituency, concerns have been expressed that there has been a very high percentage of gambling and use of poker machines, particularly where there is a high percentage of the Aboriginal community. I have had representations made to me from the Spencer Gulf Cities Association in relation to this matter. I understand that, but I do not think you can just pick out one section of South Australia and say, 'You can't be involved in a buy-back, but the rest of the state can be'. I do not think that is fair and reasonable. If you are going to place restrictions, they need to be placed fairly across the whole of South Australia so that everyone is treated equally, and that everyone in the industry has had the same opportunity to buy in.

I am concerned that we are creating a dangerous precedent which will allow the government, with a stroke of the pen, to say, 'You are going to have to lose a certain number of machines, and you are not going to be compensated.' I do not think that is right, fair or proper, and at the appropriate time I will vigorously argue against that proposal. At the end of the day, I think the community of South Australia does want to see the reduction of some 3 000 poker machines in South Australia; that is my clear belief. We need to appreciate and understand that the hotel industry and the clubs have made a very large investment. They have done it legally and according to the law with proper requirements and supervision and, therefore, they have to be able to recoup their investment.

This is obviously going to be a long and interesting debate. I look forward to the committee stage, because I think we are going to have some interesting votes on one of those occasions when, perhaps, most people are not quite sure how the votes are going to pan out, as every member will vote on their conscience, which is a fairly unique happening. It does not happen often enough in this parliament because, in my view, we are all elected to exercise our conscience. I think that most people who know me would know my views on gambling and those other social questions upon which, from time to time, we have to make decisions, and they would not be surprised by the attitude and views that I have expressed this evening. Notwithstanding that, I recognise that there is a need to allow people to continue after they have made an investment. I also recognise that there are a number of concerns in the community in relation to these proposals, but we need to look very carefully at some of the practices which take place in the industry. I think they can be tightened up a bit, but I will go into those at more length on another occasion.

I hope that any future inquiries by the committee which has made these recommendations is more extensive. It needs to look at these issues in greater depth and come forward with

plans which are realistic and which will have some long term effects on problem gambling. I know that is not going to be easy, but I think it is necessary. I look forward to the continuation of this debate. I will support the second reading and a number of amendments and, most likely, I will support the third reading of this proposal.

Mr MEIER: Madam Acting Speaker, I draw your attention to the state of the house.

A quorum having been formed:

The Hon. W.A. MATTHEW (Bright): I rise to address this bill as a bill of interest to the state—one that I believe challenges the government's pre-election rhetoric of honesty and accountability in government. This bill clearly demonstrates to those who understand the gambling and hotel industries in our state, and to those who understand how poker machines are allocated in our state, just how much this government plays a game of smoke and mirrors. We have, on the one hand, a government that would have South Australians believe that it actually wants to achieve a reduction in poker machines by 3 000 and, thereby, considerably reduce the woes caused by gambling in our state. That is what the government's spin and rhetoric would have South Australians believe. But closer scrutiny of the bill before us demonstrates that nothing could be further from the truth. In fact, the logic that is put forward by this government is akin to arguing that, if you closed some of the hotel bottle shops around the state, you would actually reduce problem drinking. Clearly, that would be a nonsense, just as the smoke and mirrors media spin put on this bill by this government is equally a nonsense.

Every speech that I have made in this parliament in relation to poker machines has been consistent. I have always been a strong opponent of poker machines. I was in this place when poker machines were first introduced in legislation by the Bannon Labor government, by the then treasurer, Frank Blevins. I was a member in this place when the bill went to the upper house and when debate on the bill in the upper house was adjourned by the Hon. Anne Levy. That occurred because the poker machine bill was going to be defeated. I was a member of this place when the number crunching was done in the intervening break in the office of the Hon. Chris Sumner, the then attorney-general. I was a member in this place when vile language was used towards the Hon. Mario Feleppa, an honourable man and a former member of the Labor Party and member of the upper house, when he was going to vote against the introduction of poker machines. The foul language could be heard coming through the door of the office of the Hon. Chris Sumner as that poor man was berated for his viewpoint. Ultimately, when he emerged, he changed his mind, and the rest is history. Thanks to a Labor government, although that is not the spin it would want, but thanks to a Labor government—

Ms Rankine interjecting:

The Hon. W.A. MATTHEW: The member for Wright might object, but the member for Wright was working for the now Premier, who was a Labor member of parliament, when that member of parliament's government—he was a cabinet minister at the time—brought poker machines into this place. I wonder if the member for Wright said to her boss, 'No, don't vote for poker machines, don't bring them in.' I very much doubt it.

The ACTING SPEAKER (Mrs Geraghty): I remind the honourable member not to interact across the floor and to concentrate on the debate.

The Hon. W.A. MATTHEW: Thank you very much for your protection, Madam Acting Speaker. The member for Wright seems to delight in verbally challenging members on this side, and we do our best not to be intimidated by her barrage.

The ACTING SPEAKER: You should not respond.

The Hon. W.A. MATTHEW: The fact of the matter is that poker machines were introduced by a Labor government. Any woes of gambling in this state through poker machines are the result of a Labor government. Now the government wants to try to put this spin on the problem, to try to pretend that they must have been brought in by someone else, and that, if it puts forward legislation to reduce them by 3 000, the woes of the state will be solved. There is one interesting thing that the government has missed from the bill it brought to this house, and that is telling us what is going to happen to the gambling revenue. When the gambling revenue projections were put to this house by the Treasurer, it was well known by the Treasurer and by his staff and, indeed, by the entire cabinet, including the Premier, that a bill was going to come before the house to reduce poker machines in theory by 3 000. Yet, despite that, the Treasury projections show an increase in gambling revenue from poker machines.

I see that in itself as an admission that this bill is not going to do what the government media spin would try and fool the public into believing it is actually going to do. I come back to that lame old phrase, that now overused and disproven phrase that there would be honesty and accountability in a Labor government—which there has not been—to focus on this very issue. There has been no honesty and accountability over this bill. In fact, the government has been inherently dishonest in the way it has promulgated it, marketed it and put its media spin on it. If the government were serious about reducing the woes of gambling through poker machines in our state, it would be up front and honest about it and would put before this parliament a program for totally phasing them out of existence.

The Labor government is not going to phase poker machines out of existence because, first, it introduced them originally. It believes in them. Secondly, it is not going to phase them out of existence because the government is now drip fed in funding from poker machines, from gambling revenue. And it is not even going to take a reduction in gambling revenue. It is going to increase. You then have to ask the question: why the heck are we debating this bill in the first place? It is an absolute farce. This is one of the most farcical pieces of legislation, one of the most inherently dishonest pieces of legislation to be brought before this parliament in the 15 years in which I have been a member. It disappoints me that we have a government that is now prepared to stoop so low, to be so dishonest with the South Australian public.

There is an old saying: you can fool some of the people some of the time but you cannot fool all of the people all of the time. Indeed, those in the know, who have examined this bill, see it for what it is: a piece of Labor government media spin; nothing else. And if this bill does pass, time will prove that to be the case. I know this has not been a very happy bill within the Labor Party caucus and that some members of the Labor Party caucus have raised their concern about the dishonesty, about the departure from the government's pre-election rhetoric of honesty and accountability. I pay tribute in my address tonight particularly to the member for Napier, for he is a man who has taken on his caucus.

We know that he was reprimanded by the Premier in front of the Labor Party caucus, but he has been prepared to take on the battle. The member for Napier has been prepared at least to say, 'As this bill is a total sham; as this bill is a total piece of hypocrisy; as this bill is a dishonest piece of legislation, at least there may be some way of protecting the clubs from this dishonesty.' And, to his credit, he has arranged a meeting of various clubs in our state and invited people of all political persuasions to those meetings. I pay tribute to him for having the courage to take on the right and the might of the current Premier. I know the current Premier is not very happy with him for challenging his bill, but at least the honourable member, I believe, is likely to bring to this debate some integrity and some amendments that will at least show this bill up for what it is.

It is my personal view, despite the fact that I remain opposed to poker machines, that the most honest thing this government could do is to withdraw this bill for the sham that it is and to admit to the hotel industry and the licensed clubs that it will not do what it claims it will do and, if the government really does have a genuine desire to reduce the gambling problem from poker machines in our state, to come up with an honest alternative that will provide the change the government claims publicly that it should, because this bill will not do it. I challenge the minister, when he provides his closing remarks to this stage of the debate, to share with the parliament exactly how much gambling revenue the government will reduce if indeed the bill does what it says. Clearly, you cannot have an increase in gambling revenue if you are going to have 3 000 fewer gaming machines and fewer people gambling. However, that is not what the Treasury figures show: Treasury figures show that there will be an increase in that revenue.

If we look a bit closer at what really happens with those 3 000 machines, the buyback that is possible provides a mechanism whereby, in the end, it might be only 2 000 fewer machines, anyway. I have found that the hoteliers in my electorate have been prepared to be open, honest and frank and have shared with me in confidence details of their turnover, so that I have become aware of the issues they face. Hoteliers in other areas have also openly shared figures with the opposition. It seems to me that, if the hotel industry is prepared to be open and honest—and likewise the football clubs have shared very confidential financial data with us—equally, the government ought to be just as open, honest and accountable as all those other people have been. However, for some reason, the government does not want to be, and it just departs so much from its rhetoric.

I am rather partial to some of the amendments that have been suggested by the member for Napier. I should declare an interest: I am an active and very proud member of the Port Adelaide Football Club. I have supported that club for many years, and I am well aware of the effect that this legislation could have on that club. However, the effect on those clubs is very different from the type of effect that it may have on the hotel industry. There is no doubt that the bigger players in the hotel industry will be well placed financially to buy back the machines they lose to retain the levels of gambling revenue they presently have. However, there is, of course, an imposition on those hoteliers that they actually have to fork out in the first place. I have a bit of difficulty with that approach as well.

I am well aware from the hoteliers in my electorate that many of them have committed to loans for their businesses to be able to expand those businesses. I repeat that I am

opposed to poker machines. However, at the same time, I am not a supporter of retrospective legislation that unfairly penalises a business that is operating legally, and hotels, regardless of whether or not I like poker machines, have been legally operating a business that has those gambling devices upon their premises. They have worked out their balance sheets, based on the revenue from those poker machines; they have been to their banks, based on the revenue from those machines; and they have taken out loans, based on the revenue from those machines.

As I have said, as part of the buyback plan that is proposed, there is no doubt that those hotels can regain that level of revenue. The machines will certainly be there for them to buy back, because we know that particularly some of the smaller players have surplus machines. Why should they be forced to buy back those machines simply to satisfy Labor government media spin? That is the issue—to satisfy Labor government media spin. I contend that they should not have to. So, I will be looking very carefully at the way in which the buy back provision is discussed during the committee stage, and at some of the amendments there. I do not believe that significant sums of money should pass hands for hotels to buy back machines. In fact, talking to my country colleagues, who have far better knowledge than I do of their own country electorates, I know that there is some genuine concern that some smaller hotels might be tempted, if there is significant money involved in selling machines forward, to relinquish machines simply to enable themselves to gain greater funds than they would otherwise be able to attain, maybe even for the sale of the whole business. If that then resulted in the closure of small country hotels, that would not be in the best interests of a lot of rural communities, because those hotels are congregation points, assembly points, social points, that provide a very valuable meeting place and are very important to the fabric and culture of many country communities.

I come back to the point that if this government were going to be honest about its intent they should withdraw this bill. I may be being harsh. Some of my colleagues occasionally accuse me of having harsh views, and it may be, particularly in respect to the honourable minister, that I am being harsh and, if I am being harsh to him, I am quite prepared to humbly apologise. If it is simply that he has not realised that the effect of the bill would not be as was intended then I am prepared to give him that benefit of the doubt. So, I would happily take on the wisdom that is being put forward by my colleagues on this side of the house in demonstrating to him that this bill, perhaps unintentionally, is a sham, and he may then be prepared to concede it as such and withdraw it anyway. So, that may be the case.

Ms Rankine interjecting:

The Hon. W.A. MATTHEW: Judging by the chuckling by the member for Wright, she certainly does not believe that. She knows that it is a sham but she probably does not care. So, the minister has that option there. I implore all members of parliament to urge the government to withdraw this sham of a bill and, if they really are genuine, open, honest and accountable about reducing the number of poker machines in this state, they sit down with the industry players, and the bodies that are concerned about gambling, and they look at a proper phase-out for poker machines in this state, taking into account the indebtedness of the businesses that presently have them, and, in view of the dependence that has occurred, that is probably going to be a 20-year phase-out. However, I just do not think that we have a government that is honest,

open and accountable in its dealings and so I do not for one minute believe that it will do that.

I look forward with my colleagues to contributing to the committee stage of the bill. I expect that it will be very robust. I doubt very much that the bill will pass in its present format. If it does, it will be greatly changed. If, at the end of the day, I finish up voting in favour of what remains of the bill at the end of the committee stage in all likelihood it will be as a matter of principle that I support the reduction of

poker machines. But I do not for one minute expect that this bill will have any effect whatsoever on reducing gambling in our state; rather, it will allow it to continue to increase.

Mr WILLIAMS secured the adjournment of the debate.

ADJOURNMENT

At 9.46 p.m. the house adjourned until Tuesday 12 October at 2 p.m.