LEGISLATIVE COUNCIL

Tuesday 4 March 1986

The PRESIDENT (Hon. Anne Levy) took the Chair at 11.45 a.m. and read prayers.

PAPERS TABLED

The following papers were laid on the table:

By the Minister of Health, for the Attorney-General (Hon. C.J. Sumner):

Pursuant to Statute—

Daylight Saving Act 1971—Regulations—Extension of Daylight Saving.

By the Minister of Health (Hon. J.R. Cornwall):

Pursuant to Statute—

Advisory Committee on Soil Conservation—Report, 1984-85.

Controlled Substances Act 1984—Regulations—Volatile Solvents.

Metropolitan Milk Supply Act 1946—Regulations—Milk Prices

By the Minister of Local Government (Hon. Barbara Wiese):

Pursuant to Statute—

Libraries Act 1982—Regulations—Removal of Institute.

Local Government Finance Authority Act 1983—Regulations—Prescribed Hospitals.

Corporation of Unley—By-law No. 36—Dogs.

District Council of East Torrens—By-law No. 3—Dogs.

QUESTIONS

WORKERS COMPENSATION

The Hon. K.T. GRIFFIN: I seek leave to make a brief statement before asking the Attorney-General a question about the Auditor-General's report.

Leave granted.

The Hon. K.T. GRIFFIN: I understand that the Auditor-General's report on the Workers Rehabilitation and Compensation Bill was delivered to the Government this morning. The Auditor-General is an independent statutory officer and therefore the Government is obliged to table his report in Parliament immediately. If the conclusion of the report in respect of the Bill and the costings of the scheme proposed by the Bill is the conclusion upon which the *Advertiser* newspaper speculated this morning, it does raise issues of major concern, and vindicates the Liberal position.

Adequate time must be given for members of the Council to consider the report before proceeding with the debate. Last week I called for delay in the debate if the report raised serious questions about the Government's costings. My questions to the Attorney-General are as follows:

1. Will the Attorney-General confirm that the report has been received by the Government this morning?

2. Will he table it immediately?

3. In view of the report, does the Government propose to proceed with the debate on the Bill?

The Hon. C.J. SUMNER: The honourable member seems to know more about this matter than I do.

The Hon. K.T. Griffin interjecting:

The PRESIDENT: Order!

The Hon. C.J. SUMNER: Yes, I read the press. Mr Abraham seems to know something about the report. I saw his article in the paper this morning.

Members interjecting:

The PRESIDENT: Order!

The Hon. C.J. SUMNER: I do not know. I have not seen the Auditor-General's report. I do not know whether it has been delivered to the Government. Of course, the honourable member in his question, as is often the case, has misrepresented the situation—

The Hon. K.T. Griffin: I have not.

The Hon. C.J. SUMNER: Yes, you have, because you say that the Auditor-General is an independent officer and then you go on to say that he reports to the Government. Well, of course traditionally, as the honourable member would know, the Auditor-General—

The Hon. K.T. Griffin interjecting:

The Hon. C.J. SUMNER: Yes, the honourable member did.

The Hon. K.T. Griffin interjecting:

The Hon. C.J. SUMNER: The honourable member said that a report had been prepared for the Government and asked whether the Government had received the report.

The Hon. K.T. Griffin interjecting:

The PRESIDENT: Order!

The Hon. C.J. SUMNER: The Government did not ask him for the report; the Hon. Mr Gilfillan asked for the report. I understand that the Auditor-General reports to the Parliament, and I thought the Hon. Mr Griffin was aware of that. The Auditor-General's report is presented to the President or the Speaker and they arrange for the regular Auditor-General's report to be tabled in the Parliament. I do not know where is the Auditor-General's report on workers compensation costings. I do not know whether—

The Hon. R.J. Ritson: Are you denying that Blevins has it?

The Hon. C.J. SUMNER: I am not denying anything. I am saying that I have not yet seen the report. If the honourable member wants to know my movements this morning, I can tell him that I arrived at work at 8.45 a.m., that I had a meeting at 9.30 a.m. and another at 10.30 a.m., and that when the bells began ringing I was still at that meeting. As honourable members would have wished, I came to the Parliament immediately. The first question I got was from the Hon. Mr Griffin, who leapt up and accused me of having a report and not tabling it, carrying on like a lunatic. I do not know whether you, Madam President, have been given the report. Perhaps the Auditor-General has decided, as with other reports, to provide it direct to the Parliament. I have not got the report, and I do not know whether the Minister has yet seen it. With respect to the tabling of it, I assume that the report will be made public in some way or other. As I do not know, nor do honourable members opposite know, the contents of the report, it is premature to respond to the third question.

The Hon. K.T. GRIFFIN: As a supplementary question, will the Attorney-General ascertain, as a matter of urgency, the current status of the Auditor-General's report before the matter in relation to workers compensation is called on this afternoon and, secondly, if in fact the report concludes as the *Advertiser* speculated that it did in relation to the costings on the Bill, does the Attorney-General then propose to proceed nevertheless with the debate on the Bill?

The Hon. C.J. SUMNER: When Question Time is concluded I will find out whether the Auditor-General's report has been made available to any Government Minister or, indeed, whether it has been made available to the Presiding Officers in the Parliament. I am sure honourable members would not want me to leave the Chamber while they are engaged in vigorous questioning of the Government.

The Hon. C.M. Hill interjecting:

The Hon. C.J. SUMNER: That is not correct. It is the Hon. Mr Griffin who seems to be in a great lather about this matter.

The Hon. L.H. Davis: It is quite an issue.

The Hon. C.J. SUMNER: Indeed, it is, but I cannot understand why he has got himself into this lather about the report.

The Hon. C.M. Hill interjecting:

The PRESIDENT: Order!

The Hon. C.J. SUMNER: I have not seen the report, and I do not know whether a Minister has got it. It may be that Mr Blevins has seen it, as he is the Minister responsible for the Bill. As soon as the Parliament rises after Question Time for the luncheon adjournment I am sure that, if the report has arrived, I will be briefed on its contents. The Government will then be able to determine what future action it will take with respect to the workers compensation Bill.

PENSIONER DENTURE SCHEME

The Hon. M.B. CAMERON: I seek leave to make a brief explanation prior to asking the Minister of Health a question on the pensioner denture scheme.

Leave granted.

The Hon. M.B. CAMERON: I have been informed that the pensioner denture scheme is running out of funds. As members would be aware, this scheme commenced as a result of waiting lists which in the early 1970s listed more than 10 000 people, with people in many instances waiting for up to 10 years for dentures. The Minister of Health's predecessor, the Hon. Mr Banfield, suffered the effects of that waiting list during the latter term of his time as Minister of Health and it was not of amusement to him.

The Hon. R.J. Ritson: Was he waiting for teeth?

The Hon. M.B. CAMERON: A lot of people were. In fact, quite a proportion of the people on the list had passed away before they could receive their dentures, but had not been removed from the list. At that stage private dentists were not permitted to carry out work and the only source of treatment was the dental hospital at the Royal Adelaide Hospital. There were many examples of people travelling long distances from the country. One such example was a person who had to travel from Minlaton on three separate occasions for denture fittings. Without dentures, the effect on many old people can be quite dramatic in terms of their health.

The pensioner denture scheme was introduced in order to encourage participation by private dentists and was negotiated by the Australian Dental Association. It has been an excellent scheme and I believe at one stage led to the situation where there was no waiting list at all at the dental hospital—a very good result.

For a patient to participate in the pensioner denture scheme they must first attend at the dental hospital of the Royal Adelaide Hospital. They are then assessed and placed on a hospital waiting list. Once on the waiting list they are sent a letter which gives them the option of treatment, either through the denture scheme or through the hospital. Most patients are aware of the potential of being left for considerable periods of time on the hospital waiting list if they do not accept treatment from private dentists and they take up the option of being treated by a dentist of their choice.

Because funds are running out, I am informed that, following the names being put on the waiting list, the letters are not being sent out giving them this option and that in that way the pensioner denture scheme is being scaled down.

I understand that, as a result of this, the waiting list has now been extended by up to six months. If that is the case, it is a most unfortunate situation as there can be nothing more demoralising, both to the spirit and health of the pensioner, than to be without dentures. It would be most unfortunate if, due to lack of funds, the excellent work being carried out by private dentists was scaled down or brought to a halt. My questions to the Minister are:

1. Is it correct that there are now restrictions on letters being sent out offering people the option of being treated by their private dentist?
2. Is it correct that the dental hospital waiting list has grown by six months or longer as a result of this action?
3. If so, what steps will the Minister take to ensure that sufficient funds are available to allow the scheme to continue and so prevent the waiting lists growing at the Royal Adelaide Hospital dental hospital?

The Hon. J.R. CORNWALL: He is at it again, Ms President. The doom and gloom—he never learns. He had to make some phone calls and do some apologising to some principal players at the Lyell McEwin Hospital.

The Hon. M.B. Cameron: That is incorrect.

The Hon J.R. CORNWALL: No, it is not.

The Hon. M.B. Cameron: In fact, the man apologised to me.

The PRESIDENT: Order! The question relates to the pensioner denture scheme. The honourable Minister.

The Hon. J.R. CORNWALL: It does, indeed, and the misinformation and doom and gloom that the Hon. Mr Cameron tries to peddle in this place—

The Hon. M.B. Cameron interjecting:

The PRESIDENT: Order!

The Hon. J.R. CORNWALL: —almost every day during Question Time. The pensioner denture scheme has been a remarkable success, as has the South Australian spectacle scheme. It is a fact that the pensioner denture scheme was introduced by my predecessor, Mrs Adamson. It has been so successful since its introduction that the budget has grown from slightly in excess of $1 million to something over $2 million a year, and more than 9 000 dentures are provided every year to pensioners and low income earners. It is, indeed, a remarkable success and a good example of cooperation between private dental surgeons of South Australia, the Health Commission and the Government.

The waiting time for dentures for as long as I have been Minister, at least, has run at about six months. I point out that, if a matter is assessed as being urgent prior to the time of the first examination, service is available immediately. Those assessments, of course, are not only done at the dental hospital. Mr Cameron ought to know, because he is a country boy—a fairly simple country boy—that they are also done around the State at many of the school—

The Hon. C.M. Hill: Where were you brought up?

The Hon. J.R. CORNWALL: Bendigo—

The Hon. C.M. Hill: In the country.

The Hon. J.R. CORNWALL: —one of the great provincial cities of the nation. I have lost my train of thought. The grandfather has got to me.

An honourable member: It's too early in the morning.

The Hon. J.R. CORNWALL: It is a bit. The assessments are done at school dental clinics, of course, around the country areas. So, at any given time there is a measure of control on the numbers, the waiting time, assessments of urgency and so on. As I said, it is a very successful scheme.

There has been some pressure on the amount that was allocated for this financial year, but to date we have managed to control any substantial blow-out of waiting times. Indeed, as I understand it at this moment they are still averaging around six months. Bear in mind that that is for non-urgent cases. Where there is clear discomfort, where repairs are required and where there is any good clinical reason for dentures to be repaired or replaced quickly, that can be done immediately. I also point out that, because of the cooperation and because of the very successful way in which the scheme is run, those 9 000 people a year are receiving their dentures for about 10 per cent of the net

cost that would normally be charged by the dentist for private patients.

The PRESIDENT: The honourable member has a supplementary question?

The Hon. M.B. CAMERON: It is just a simple question. Is the Minister saying that there has been no change to the manner in which assessments are made and that there are no new restrictions being placed upon the number of letters being sent out, because my information is that there are some restrictions now?

The Hon. J.R. CORNWALL: I can only repeat that because of the success of the scheme there has been pressure on the $2 million-plus which was allocated for this financial year. Nevertheless, at this stage that has not led—I repeat 'has not led'— to a substantial increase in the waiting time for dentures.

UNION MEMBERSHIP

The Hon. I. GILFILLAN: I seek leave to make a brief explanation before asking the Attorney-General a question relating to Government directives to Government departments regarding trade union membership.

Leave granted.

The Hon. I. GILFILLAN: In this morning's *Advertiser* there was an article which covered a submission by the President of the Australian Computer Society to a Joint Federal Parliamentary Committee dealing with the Australia Card-ID Card proposal. In part, the article states:

> The Joint Select Committee on an Australia Card was told an S.A. Government directive asking Public Service departments to give lists of non-unionist employees to trade unions was an example of .. a violation of civil liberties.
>
> The Governor of the Australian Computer Society, Mr C. J. Bushell, was presenting a submission to the committee ... He said the Federal Government's Australia Card proposal allowed Government departments to have access to information originally given to other departments or organisations for specific purposes.
>
> This was contrary to OECD ... guidelines on data collection and privacy which stated that data should be used only for the purpose for which it was collected. The directive instructing S.A. Government departments to pass on to trade unions information about employees union membership was an example of the misuse of data in this way.
>
> After the committee's hearing, Mr Bushell said there was a contradiction between the State Government's public position on misuse of data and its actions.
>
> (A letter sent to the committee in January by the Attorney-General, Mr Sumner, identifies the issue of missuse of data as one of the S.A. Government's major concerns over the identity card.)
>
> Mr Bushell told the committee: 'The Government issued a directive to all departments and organisations within Government control that on a quarterly basis they would send lists of all people who were not members of trade unions to the trade union movement . . .' Mr Bushell said the directive was a flagrant breach of the OECD guidelines.

He also told me this morning that the committee was horrified at his evidence giving the detail of this particular directive. The Australian Computer Society submission to the Select Committee, relating to this particular instance, stated:

> Over the years the society has only discovered one flagrant breach of these guidelines—

that is, the OECD guidelines—

> in the Government area and the society still hopes that that matter will eventually be resolved.

It is there referring to the instance about which we are talking regarding the Government directive. In relation to that information and directive (which was distributed in 1983 and which, as was confirmed by the South Australian Public Service Board Chairman, Mr Andrew Strickland, is still operative and being observed), is the Attorney-General aware of the contents of the memo that was circulated to the departments in 1983? Does he agree with Mr Bushell that it is a breach of the OECD guidelines? Will the Government reverse or cancel the directive to the Government departments and, if not, why not?

The Hon. C.J. SUMNER: I am aware of the general contents of the memo to which the honourable member refers, but I have not seen the full details of Mr Bushell's evidence to the select committee on the Australia Card. The Government has taken action over the past three years in the area of privacy by reviving the work that was being done in 1979, and that will be further developed during this year. Again, with a lot of issues with which we are concerned in this area—whether privacy or freedom of information—it is not the principles about which we are so much concerned but the budgetary implications of the implementation of proposals to impose statutorially some guidelines and, if one does that, the question then is how one enforces those guidelines and whether one needs people to enforce them or to implement the freedom of information legislation.

The major problem that we have had in the past three years has been the problem of resources, that is, whether we are able to commit the resources, which can be quite considerable, to these sorts of initiatives. However, work continued on privacy after it was abandoned in 1979 by the former Liberal Government. We have a State privacy committee. The matter is also on the agenda of the Standing Committee of Attorneys-General, and a privacy report which has been prepared for the Australian Law Reform Commission is the subject of consideration at the federal level.

Our privacy committee is presently considering reactions to the federal report that I have mentioned to determine what is the best approach to adopt for the implementation of privacy principles in South Australia in relation to, first, what those principles ought to be, secondly, how they should be implemented and, thirdly, the financial implications of their implementation in South Australia. That procedure will continue, and I should be able to indicate later this year any action that the Government decides to take in relation to those matters, and to the determination and implementation of privacy principles in South Australia, which would be consistent and in conjunction with what is done at the federal level. It may be that federal guidelines, if they are laid down, may be applicable in South Australia in any event. That is what we have in mind for the future of investigations into privacy in South Australia. I will examine the contents of Mr Bushell's statement and the questions asked by the honourable member and attempt to come to some conclusion as to whether or not the allegations made are justified.

The Hon. I. GILFILLAN: I wish to ask a supplementary question. Can the Attorney-General justify the sending of the memo, as he understands it? Is it acceptable to him in his interpretation of what is information fairly made available to trade unions on the private situation of employees in Government departments?

The Hon. C.J. SUMNER: The decision to send the memo was one taken by the Government, and that decision still stands. Whether or not it is in conflict with the privacy guidelines, as alleged by Mr Bushell, and as apparently alleged by the Hon. Mr Gilfillan, is not something that I am prepared to comment on until I have examined the statement by Mr Bushell and the evidence that he gave, and until I have examined again the memo that was sent. Until that time I will not be in a position to comment further on the question raised by the honourable member.

SIGNPOSTING

The Hon. L.H. DAVIS: I seek leave to make a brief explanation before directing to the Minister of Tourism a question about signposting.

Leave granted.

The Hon. L.H. DAVIS: Last October and indeed in 1984 I expressed concern in this Chamber about inadequate and inappropriate signposting for roads and tourist attractions in the Adelaide Hills. I instanced several examples of inadequate signposting and, in particular, I raised the matter of Cleland Reserve, which is signposted variously as Cleland Fauna Reserve, Cleland Wildlife Zone, Cleland Conservation Park, or just plain Cleland. On the South Eastern Freeway, on the roads both into and out of Adelaide, the large exit signs with white lettering on a brown background simply state 'Cleland'. It is not immediately apparent to a visitor to Adelaide what these signs mean. What is Cleland? Could it be a suburb, a park or an historic house? I raised the matter of inadequate signposting in the Adelaide Hills, and for Cleland, on 23 October, just over four months ago. The Minister dismissed my claims with the following words:

> The objections or problems that the honourable member has raised are rather groundless.

However, the Minister undertook to confer with the Department of Tourism and the Department of Environment and Planning about the matter, although four months later I have not had the courtesy of a reply. My claims have borne fruit, in the fact that a leading journalist from New South Wales, visting tourist attractions in the Adelaide Hills, got lost—he could not find his way, and he was not impressed. No doubt this reminds the Minister of what Mr Hamilton said—that tourism in South Australia is hicksville. My question, Madam President, to the Minister is: will the Minister view this important matter less flippantly and take immediate steps to ensure that there is more adequate signposting in the Adelaide Hills and a more accurate description of and signposting for Cleland?

The Hon. BARBARA WIESE: First, I should like to say that it seems to me that, if this visiting journalist from New South Wales got lost on the way to Cleland Reserve, he cannot be a particularly clever journalist, or human being for that matter.

The Hon. L.H. Davis: I said he got lost in the Adelaide Hills: the Minister did not listen to the question.

The PRESIDENT: Order!

The Hon. BARBARA WIESE: What is the honourable member talking about? Why is the honourable member talking about Cleland, if he is talking about the Adelaide Hills signposting?

The Hon. L.H. Davis: I am talking about Adelaide Hills signposting and Cleland; I am talking about both.

The PRESIDENT: I beg to differ: the honourable member's question was relating to signposting. That is the matter on which the honourable member sought leave to ask a question, namely, signposting, full stop.

The Hon. BARBARA WIESE: I find the question a bit confusing. I really do not think that the honourable member is quite clear in his mind whether he is talking about Cleland signposting, Adelaide Hills signposting, or the complaint of a journalist. I am not sure, but I will try to give some—

The Hon. Diana Laidlaw interjecting:

The PRESIDENT: Order!

The Hon. BARBARA WIESE: I will try to give some information about signposting in South Australia with respect to tourism. The Department of Tourism has had the matter of signposting in this State under review for some time, and the department intends to undertake a detailed survey of the whole State in the areas that are important to us in relation to tourism. It is not something that can be done quickly or overnight, as I am sure the honourable member realises. This is a big State and there is a lot of territory to cover. Obviously we have—

The Hon. L.H. Davis interjecting:

The PRESIDENT: Order!

The Hon. BARBARA WIESE: Obviously there is a limited number of staff to undertake such a review. In fact, two of my officers were on Kangaroo Island just last week doing a review of signposting in that very important tourist destination, and before long we hope to be able to improve the signposting in that region. A considerable amount of work has already been done, in conjunction with both national parks and local government authorities, in relation to signposting in the Adelaide Hills. It is rather difficult for me to be able to answer questions about signposting in that area unless the problem is stated specifically. However, as I said in October last year on the issue of the Cleland Reserve—

Members interjecting:

The Hon. BARBARA WIESE: Is anybody listening, Madam President—

The PRESIDENT: Order!

The Hon. BARBARA WIESE:—or should I just sit down and forget about it?

The PRESIDENT: A Minister is under no obligation to answer a question. Standing Orders provide for a Minister to decline to answer a question.

The Hon. BARBARA WIESE: Some protection might be a good idea sometimes, perhaps. On the question of the Cleland signposting, I indicated in October that I would be conferring with the Minister for Environment and Planning, and I have sought some information from him on that subject.

The Hon. L.H. Davis interjecting:

The PRESIDENT: Order! You have asked your question, Mr Davis.

The Hon. BARBARA WIESE: Well, if the honourable member gives me the opportunity, I will tell him why I have not passed the information on. The reason is that I have not received the information. However, I shall again contact my colleague in another place and I will bring back a reply as soon as I can.

MINISTERIAL STATEMENT: AUDITOR-GENERAL'S REPORT

The Hon. C.J. SUMNER (Attorney-General): I seek leave to make a ministerial statement.

Leave granted.

The Hon. C.J. SUMNER: For the benefit of honourable members, following their inquiries earlier in Question Time, I wish to advise the Council that the Minister of Labour (Hon. Frank Blevins) has informed me that he has now received a copy of the Auditor-General's report on the Workers Compensation Bill. He is attempting to have copies of the report made as expeditiously as possible, and, as soon as that task is completed, the report will be made available to honourable members.

SELECT COMMITTEE ON ARTIFICIAL INSEMINATION BY DONOR, *IN VITRO* FERTILISATION AND EMBRYO TRANSFER PROCEDURES IN SOUTH AUSTRALIA

The Hon. J.R. CORNWALL (Minister of Health): I seek leave to move a motion without notice.

Leave granted.

The Hon. J.R. CORNWALL: I move:

That the Select Committee on Artificial Insemination by Donor, *In Vitro* fertilisation and Embryo Transfer Procedures in South Australia have leave to sit during the recess and to report on the first day of next session.

Motion carried.

QUESTIONS RESUMED

AMBASSADOR PROGRAM

The Hon. DIANA LAIDLAW: I seek leave to make a brief explanation before asking the Minister of Tourism a question on the plan to establish an ambassador program.

Leave granted.

The Hon. DIANA LAIDLAW: On 4 December last year, the Minister of Tourism announced plans to set up a new ambassador program to help promote South Australia. I understand that the program would be modelled on a similar scheme operating in New Zealand. Under the plan, the Minister would appoint South Australians who had excelled in sporting and cultural events as ambassadors for the State. In her statement on 4 December, she indicated that she had invited members of the public to suggest South Australians who they thought would make good ambassadors. While I am not sure what, if any, progress the Minister has been able to make in implementing this program.

I would like to recommend to her and the Government that Anna McVann be appointed South Australia's first ambassador. The Minister will appreciate that at the weekend, Anna was selected as the only South Australian to represent Australia at the next Commonwealth Games, and also received the 1986 Lindy Award, which is presented by the South Australian division of the Sportsman's Association of Australia to the outstanding sportsperson of the year. Does the Minister agree that Miss McVann's achievements merit her appointment as South Australia's first ambassador under the Government's program and, if so, will she positively consider my recommendation?

The Hon. BARBARA WIESE: I think the honourable member's suggestion is excellent. Without doubt Anna McVann is a very fitting representative for a scheme such as the proposed ambassador scheme. I will certainly add her name to the list of names already put forward by various South Australian citizens. Since I made the announcement last year, my department has been considering the ambassador program with respect to working out details of the way in which such a program might be implemented. One of the things we are considering at the moment is expanding the idea to suggest perhaps to the Federal Government that it might become a national ambassador program. That proposition is being put to the Federal Government as part of the current inquiry into tourism nationally.

The Hon. Diana Laidlaw interjecting:

The Hon. BARBARA WIESE: Not necessarily. We would have to discuss that matter with the Federal Government to see whether or not it is interested in implementing such a program. Obviously, if we could have Federal Government support for such a program we would be able to provide much better support for the individuals we choose to be ambassadors for our State and our country. So, that matter is undecided at this stage but it is subject to discussion and negotiation with the Federal Government.

I take this opportunity to renew my request to South Australians, particularly members of Parliament in this place, to think of suitable people who might be able to participate in an ambassador program. Although we have received a number of suggestions, the list could be much longer than it is at the moment. If anyone has any other helpful suggestions in putting together an ambassador program, I should be very happy to hear from them.

SPECIALIST NURSING STAFF

The Hon. M.J. ELLIOTT: I seek leave to make a brief explanation before asking the Minister of Health a question about specialist nursing staff in country hospitals.

Leave granted.

The Hon. M.J. ELLIOTT: At this time Naracoorte has only one fully trained theatre sister (it has just lost two). As the sister cannot be on call 24 hours a day, seven days a week, there are times when the hospital simply cannot offer emergency theatre facilities. In fact, at one stage the hospital was considering offering only elective surgery. For a town with a population of 5 000 people such a situation is clearly not tolerable. The hospital is actively seeking suitable staff and, while there is no shortage in the city, this is certainly not the case in country areas. It is very difficult to get such highly trained staff to go into country areas. An alternative is the possibility of sending a sister to Adelaide for training for a year at a cost of about $25 000. That sister would have to be free to leave the town for that period and then there would have to be a guarantee that the sister would return to the town and stay there. First, will the Government consider having a pool of temporary relieving staff to help solve such problems in the short term and, secondly, developing a flexible training program for specialist nursing staff that will suit country sisters?

The Hon. J.R. CORNWALL: It is clear that Mr Elliott is a newcomer to this Parliament: if he had been here for the past three years he would have known that on many occasions I have canvassed the matter of nursing in particular as the single greatest problem facing the health system in South Australia and indeed in Australia. It is not true to say that there is no shortage of theatre sisters in the city—it is not true at all. One of the real problems at the Royal Adelaide Hospital is keeping trained theatre staff, one of the reasons being a lack of parking facilities. That is a very simple and practical reason.

The Hon. M.B. Cameron interjecting:

The Hon. J.R. CORNWALL: In answer to the Hon. Mr Cameron's interjection, I understand that the nurses have fared fairly well, but some of the non-nursing staff have been less than impressed with the way in which the limited parking facilities were redistributed. However, an active strategy is in place to overcome the general shortage of nurses, and I am happy to say that it is starting to bear fruit. The retraining programs are virtually in full swing and several hundred nurses are now eligible to rejoin the nursing work force because of those retraining programs, which are continuing. Of course, we have an active program of recruiting nurses from the United Kingdom. Recruitment of nurses with specialist training and skills, for example, theatre sisters and nurse educators, is carried out on a permanent basis, and general nurses are recruited under a 12 month visitors visa arrangement.

Because of the whole package that is currently in place, according to our last survey in October last year of a total nursing work force of 12 600 there were only 240 unfilled vacancies for registered nurses, so at that time the situation was reasonably satisfactory. That is no cause for complacency, I might add. All of the things that have been developed as part of that strategy are ongoing. I read of the difficulty that is occurring in Naracoorte, and I must say that I do not view that with any equanimity at all. I also find it quite unsatisfactory that a town the size of Naracoorte with a population of 5 000 (and, I might say, with a very good hospital and also a very good surgeon, who has been there for a long time) should be placed in the situation where the hospital can virtually provide only elective surgery, or surgery, during the daylight hours, Monday to Friday.

I have not had representations to me personally about the situation at Naracoorte; however, now that the Hon. Mr Elliott, has taken up the matter, I will certainly look into it. I am sure that the southern sector of the Health Commission is well aware of the problem and, one would hope, actively trying to do something about it. I will certainly look into this as a matter of some urgency and see that Mr Elliott gets a reply, if not by Thursday then as soon as possible thereafter.

The Hon. M.B. Cameron: By letter in writing!

The Hon. J.R. CORNWALL: Yes, by letter in writing, as my predecessor the Hon. Mr Casey might have said.

DAYLIGHT SAVING

The Hon. PETER DUNN: I seek leave to make a brief explanation before asking the Attorney-General a question about daylight saving in the western part of the State.

Leave granted.

The Hon. PETER DUNN: Because of the obvious objection to daylight saving, as indicated in the newspaper this morning, of the people in and west of Ceduna, will the Minister seek the opinion of those people immediately and regulate to allow them to revert to Central Standard Time, if that is their desire? If not, will the Minister assure this Parliament that he will seek their opinion next year and regulate accordingly?

The Hon. C.J. SUMNER: I do not believe that there is any action to be taken this year with respect to daylight saving: the legislation has been passed. What will happen next year will be a matter for the Government to determine in consultation with the eastern States and also, I presume, taking into account the views of the people on the West Coast. As the honourable member knows, a provision was inserted in the Bill to enable there to be a different time zone in South Australia, but whether that will be implemented I cannot say at this stage. I will refer the honourable member's question to the Minister responsible for the Daylight Saving Act and bring back a reply.

INFLATION RATES

The Hon. J.C. IRWIN: I seek leave to make a brief explanation before asking the Minister of Local Government a question about inflation rates and local government rates.

Leave granted.

The Hon. J.C. IRWIN: A letter in today's *Advertiser* concerning the Burnside council refers to a matter about which I spoke in the Address in Reply debate, namely, the relationship between local government inflation rates, the CPI and rates: for example, CPI inflation from a 1979-80 base of 100 to 1984-85 shows that the CPI in South Australia increased by 51.4 points, while building materials, for instance, rose 58.8; average weekly earnings, 73.3; industrial machinery, 54.8; sand aggregate and filling, 88; precast concrete, 57.8; asphalt 72, etc.—all above, and some considerably above, the CPI. I realise that some of these articles may be included in the basket of items making up the CPI figure. Will the Minister request the Local Government Department to look into this matter, report to her and make any findings known to this Council, so that the position can be clarified?

The Hon. BARBARA WIESE: This whole question of rating for local government authorities is one of the topics which will be examined during this year by my department and by local government generally as part of the overall review leading to the revision of the second stage of the Local Government Act, which deals with local government financing and rating. At the moment, officers in my department are preparing a series of discussion papers dealing with the numerous issues that will need to be addressed by us in undertaking the review of the Act. I am hoping to be able to circulate those discussion papers to all local government authorities and interested people by the end of March this year, and thereafter we will engage in consultation on these issues with local government and anybody else who is interested in making submissions.

I hope that anyone who has a view on the matters raised by the honourable member will express that view to me or to the Department of Local Government so it can be taken into account when we are drafting the legislation for the second stage review. I anticipate introducing a Bill to undertake that review some time during the budget session later this year.

MEN'S HEALTH

The Hon. R.J. RITSON: I seek leave to make a brief explanation prior to directing a question to the Minister of Health on the subject of men's health.

Leave granted.

The Hon. R.J. RITSON: Successive Governments have—quite rightly—expended public moneys on promoting health in general and, in particular, on promoting health units to meet the needs of women. If the Minister would care to examine some of the statistics, he will discover that, for example, the suicide figures are overwhelmingly a story of male suicide: males are four to one. The adolescent mortality rate is overwhelmingly male. The longevity figures demonstrate that men do not live as long as women. The health pestilences of the age—the unhealthy lifestyles of excessive smoking, drinking and dangerous driving—are dominantly male, and by any standard of measurement the male is the weaker of the sexes and the one with specific glaring health problems.

The Hon. C. M. Hill: What about the hard work they do?

The Hon. R.J. RITSON: I was tempted to say that that might explain it all, but I am not sure that it would.

The Hon. M.B. Cameron interjecting:

The Hon. R.J. RITSON: No, I do not think that they are. Quite obviously, there is a very strong health handicap from which the male of the species suffers in our society. The females in society are over represented in doctors' waiting rooms—that is a matter of common knowledge, and I am sure it is something with which the Minister would not disagree—and that would seem to indicate that the assistance given to females by way of health promotion has had some effect; that they are concerned about their health; that they accept things such as stress as being a respectable thing about which to complain; and that they tend to seek assistance for psychological problems, whereas men grin and bear it and put the gun to their head.

That is the story behind the statistics. It appears that the females are well aware of health services and how to use them but that the males are dying inordinately quickly. Does the Minister have any plan to look at the question of men's health and perhaps establish some promotional mechanisms which would induce men to seek medical assistance with the same frequency as do women?

The Hon. J.R. CORNWALL: As he often does, the Hon. Dr Ritson has raised a matter of very substantial importance. I disagree with nothing that he has said. Fortuitously—and it was not a dorothy dix question; I did not ask him to get up and direct it to me—in the very near future we are sponsoring the very first conference on men's

health. As usual, it will be very innovative. I am pleased to say that it will be held at the Noarlunga Health Village, which is one of the more innovative community health services which I was able to establish during my first term as Minister of Health.

It is perfectly true that, in many respects, men's health has tended to be neglected. There is abundant evidence that many more young males are killed in motor accidents than females: the ratio runs at about seven to one. It is also perfectly true that, at least historically, men have abused alcohol and tobacco more than women. I might say that, regrettably, the women are starting to catch up, but it is true that in the past males have abused the legal drugs (alcohol and tobacco) more than women.

It is also a statistical fact that the life expectancy for a male is 71 and for a female it is 78, so that they beat us by a very substantial margin. It is also true that there are in the male population many mental health problems for which, in some areas at least, I do not believe we cater adequately with our community health programs at this time. As the Hon. Dr Ritson said, it is also true that women are far more open in their approach to community health services. There is no question that they, very sensibly, seek the support of the full range of services that are available, and I compliment them for that. On the other hand, there are these great so-called breadwinner pressures that in the past have been traditional. That may be changing because, these days, there tends to be more job sharing, sharing of domestic duties and so forth (or so I am told: I must say that I cannot speak from great personal experience in that field). There now tends to be more sharing of the duties, but in the past, as the father of the house would know, there was great pressure on the husband, the male, the breadwinner, to be just that, and to win as much bread as possible—and that is something the father of the House did very well in his heyday, I might say.

The Hon. C.M. Hill interjecting:

The Hon. J.R. CORNWALL: Yes. I thank the honourable member for his question. I am pleased to be able to inform the Council that, although I am not sure of the date, I did read a draft speech that I will be delivering when I open the conference.

The Hon. R.J. Ritson interjecting:

The Hon. J.R. CORNWALL: I certainly can. It is a public forum. There will be no need for a transcript because, unlike the Hon. Mr Cameron, the Hon. Dr Ritson does not distort facts.

[*Sitting suspended from 12.44 to 2.15 p.m.*]

DAYLIGHT SAVING ACT AMENDMENT BILL

His Excellency the Governor, by message, intimated his assent to the Bill.

GOODS SECURITIES BILL

The Hon. C.J. SUMNER (Attorney-General) obtained leave and introduced a Bill for an Act to provide for the registration of security interests in prescribed goods; to amend the Consumer Transactions Act 1972; to amend the Bills of Sale Act 1886; and for other purposes. Read a first time.

The Hon. C.J. SUMNER: I move:

That this Bill be now read a second time.

As it is not intended to proceed with this Bill until the budget session, I seek leave to have the second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Bill

This Bill provides the legislative basis to establish a system for registering security interests in motor vehicles and enabling inquiries to be made of the register to ascertain whether a motor vehicle is subject to a security interest. The Bill is related to section 36 of the Consumer Transactions Act. Section 36 provides that where a person, other than a dealer, purchases goods for value, in good faith and without notice of the prior interest of the third party under a consumer mortgage or lease, the purchaser acquires title to the goods notwithstanding the interests of that third party. As the credit provider, who is the owner or mortgagee of the goods, is liable under this section to lose his title or interest to a third party, a system of 'title insurance' was devised to enable the credit provider to ensure against that risk. In order to ensure that only reasonable premiums for such insurance were passed on to consumers, the amount of the title insurance premium that a credit provider may recharge to a consumer is limited by a scale of premiums fixed by the Commissioner for Consumer Affairs.

Under this system, where a consumer disposes of goods which are subject to a consumer mortgage or consumer lease and the credit provider has taken out title insurance in respect of the transaction, a credit provider will claim the amount of his loss from his insurer. Where such a consumer disposes of the goods to a dealer and the credit provider becomes aware of this while the goods are still in the dealer's hands, the credit provider may seize the goods from the dealer as a dealer does not obtain title under section 36 of the Consumer Transactions Act. Where the dealer has already sold the goods to another person, that other person obtains good title but the dealer is guilty of conversion. In that situation, the credit provider may claim his loss from the dealer in a claim for conversion or he may claim on his title insurance. If he claims on his title insurance, the insurer will then usually exercise a right of subrogation to recover the loss from the dealer.

Motor vehicle dealers have faced an increasing number of claims for conversion as they have no way of ascertaining whether the vehicle is the subject of a security interest and therefore no effective means of protecting themselves from these claims. The essence of this Bill is to enable those who hold security interests to register them and for inquiries to be made of the register as to the existence of security interests. When the register is operational, its first function will be the recording of security interests in motor vehicles. The Bill allows for the expansion of the system to permit the registration of security interests in goods other than motor vehicles; for example white and brown goods. The present provisions of section 36 of the Consumer Transactions Act will, at this stage, continue to apply to goods other than motor vehicles, in other words, all goods other than those 'prescribed'.

The credit provider will be able to register his security interest on application to the Registrar. The definition of security interest is widely drawn to take into account not only consumer mortgages and consumer leases but a wide variety of commercial transactions. Security interests are accorded priority according to the time of registration. It must be noted that there is no obligation on security holders to register their security interests. However, the Act gives priority to a registered security interest over an unregistered security interest. To this extent, the Bill amends the Bills of Sale Act 1886 so that a registered security interest will

take priority over a registered or unregistered bill of sale. Unlike the Bills of Sale Act, a registered security interest which is an unregistered bill of sale is not void against the official receiver of trustee in insolvency. This measure will actively encourage credit providers to register their security interest in motor vehicles. A considerable lead-in period will be provided to allow those with existing security interests to record them on the security interest register.

Once a security interest is registered all dealings in the secured chattel are subject to that interest. However, in recognition of the significance of section 36 of the Consumer Transactions Act, a person purchasing from a dealer will not be required to check the register. Rather, the dealer who offers the vehicle for sale will be required to make the appropriate inquiries to ensure that the vehicle is unencumbered. If there is a registered security interest in the vehicle, it would be the dealer who failed to search the register, not the purchaser, who suffers the loss. The purchaser will obtain good title to the motor vehicle. On the other hand, all people who purchase vehicles privately would be required to check the register in order to ensure that the vehicle was unencumbered. Anyone who then purchases goods subject to a registered security interest takes those goods subject to that interest; those who do not register their interests may lose title.

The requirement of a private purchaser to check the register represents a reduction in the level of protection presently conferred by section 36 of the Consumer Transactions Act. However, this disadvantage needs to be weighed against the following advantages:

1. The system will be cheaper for the consumer as title insurance will no longer be required;
2. Eventually, with the establishment of a national register system, details of stolen vehicles and encumbered interstate vehicles can be entered on the register making the disposal of stolen vehicles and interstate encumbered vehicles more difficult; and
3. The system will be more comprehensive in that it will not matter whether the security interests arose under a consumer lease or mortgage or under any other type of commercial transaction and is less anomaly ridden than section 36.

Any purchaser wishing to make inquiries of the register may do so by telephone or by making a written application to the Registrar. Upon written application, the Registrar will issue a certificate which will set out all relevant details of security interests registered against a particular motor vehicle. If, for any reason, an error has been made on the certificate any person who has suffered loss as a result may make an application for compensation. On the other hand, compensation will not be payable for purchasers making inquiries of the register by telephone.

The Commercial Tribunal will have exclusive jurisdiction over applications for compensation and applications to review the Registrar's decisions. In all other matters arising under the Act, it will be a concurrent jurisdiction with the courts. There has been extensive consultation in the formulation of this Bill and it has the active support of the Australian Finance Conference and the South Australian Automobile Chamber of Commerce. Finally, it should be noted that the Government is actively participating in discussions with all other States for the establishment of a national security register. To this end, it may be necessary at some future time to review this legislation to accommodate the development of a national scheme. I commend this Bill to members.

Clauses 1 and 2 are formal.

Clause 3 is an interpretation provision. Attention of honourable members is drawn to the following definitions:

'prescribed goods' are defined as motor vehicles registered under the Motor Vehicles Act, 1959, motor vehicles that have been so registered but are not currently registered under that Act or under any corresponding law of another State or a Territory of the Commonwealth, and any goods prescribed by regulation:

'security interest' is defined in relation to prescribed goods as a mortgage of the goods, a lien or charge over the goods, the title to the goods held by a person who has hired out the goods under a goods lease, the title to the goods held by a person who has hired out or agreed to sell the goods under a hire purchase agreement (which is in turn defined to include a sale by instalment), a bill of sale over the goods and any other prescribed interest in the goods.

Part II provides for a register of security interests in prescribed goods. Clause 4 provides that the Registrar (an officer of the Public Service to whom the Minister has assigned the functions of Registrar) shall keep the register which shall contain such information as required by the Act and as the Registrar thinks necessary. Clause 5 establishes the mode of registration of security interests: on application by the holder of a security interest in prescribed goods the Registrar must register the interest by entering in the register identification details of the goods and the holder of the interest, details of the type of security interest and the debt or other pecuniary obligation secured and the date and time of entry in the register. The clause requires the Registrar to register security interests in the same goods in the order in which applications for such registration are lodged.

Clause 6 enables the holder of a registered security interest to vary the particulars of registration. Clause 7 enables the holder of a registered security interest to cancel registration of the interest. It also provides that the holder must apply to cancel registration within 14 days after discharge of the interest and that it is an offence to fail to so apply. A defence is provided where the failure is not attributable to any lack of proper diligence on the part of the defendant. Clause 8 deals with correction, amendment and cancellation of entries in the register at the instance of the Registrar. It provides that the Registrar may correct any particulars incorrectly entered in the register and may, where a change occurs in circumstances to which a particular entered in the register relates, amend the entry to accord with that change. It further provides that the Registrar may require a person entered in the register as the holder of a security interest to show cause why registration of the interest should not be cancelled where it appears to the Registrar that an entry in the register should not have been made either because the interest to which it relates does not exist or, is not registrable under this Act, or that the interest has been discharged. Where a person fails to show cause the Registrar may give that person notice of a proposal to cancel registration. That person is given 14 days within which an application may be made to the Commercial Tribunal for a review of the Registrar's decision.

Clause 9 provides for the issue by the Registrar, on the application of any person, of a certificate containing the particulars of all registered security interests in specified goods or, where there are no such interests, a statement to that effect. It further provides that in any legal proceedings, a certificate is admissible as evidence of the matters specified in the certificate. Clause 10 sets out the mode of making applications under the Act and requires payment of the prescribed fee for each application. It allows the Registrar to exempt an applicant from the latter requirement on such conditions as the Registrar thinks fit. Part III regulates the discharge and priority of security interests in prescribed goods.

Clause 11 provides that where prescribed goods are purchased from the owner or apparent owner of the goods (these terms being defined in subclause (7)), any unregistered security interests in those goods are discharged. Where an interest in prescribed goods is acquired from the owner or apparent owner of the goods, subclause (2) provides that any unregistered security interest in those goods continues to operate only in respect of the residual interest in those goods. Subclause (3) provides that any registered security interests in prescribed goods are discharged when the goods are purchased from a dealer. The dealer is required to compensate the holder of any interest so discharged for any consequent loss. Subclause (5) ensures that no security interest is discharged under the clause where the parties to the transaction are related (this term being defined in subclause (8)) or where the transaction is subsequently rescinded.

Clause 12 establishes the following order of priority of security interests in prescribed goods: a registered security interest has priority over an unregistered security interest (except where the holder of the unregistered security interest has taken possession of the goods in pursuance of rights arising from the interest); registered security interests rank in priority in order of registration (except where an interest is postponed by the holder and this is noted on the register). The clause also provides that where particulars of registration of a security interest are varied to include debts not contemplated in earlier particulars, the order of priority in relation to those debts shall be determined as if the interest had been registered at the date of the variation.

Clause 13 gives the Commercial Tribunal jurisdiction to determine any questions relating to the application of clauses 11 or 12 to a security interest in prescribed goods and provides that the jurisdiction is not exclusive of any jurisdiction of any court. Part IV deals with compensation. Clause 14 provides that a person who suffers loss or damage in consequence of certain administrative errors relating to entries in the register or the issue of certificates, may apply to the Commercial Tribunal for compensation not exceeding the lesser of the amount secured by the security interest and the value of the goods. Clause 15 provides for the establishment of a fund out of which any order for compensation is to be satisfied—the Security Interest Registration Compensation Fund. The clause requires all fees paid under the Act to be paid into the fund (after deduction of the costs of administration of the Act) and provides that the Treasurer may advance money to the fund. It also gives an investment power in relation to the fund.

Clause 16 is an accounting provision in relation to the fund. Clause 17 requires an annual report on the administration of the fund to be submitted by the Registrar to the Minister who must lay each report before both Houses of Parliament. Part V deals with miscellaneous matters. Clause 18 makes it an offence to make a false or misleading statement in any application lodged with the Registrar. Clause 19 makes it an offence to sell prescribed goods subject to a security interest without the consent of the holder of the interest. It provides a defence where the defendant did not know and could not by the exercise of reasonable diligence have ascertained that the goods to which the charge relates were subject to a security interest.

Clause 20 provides that offences constituted by the Act are summary offences, except the offence constituted by clause 19 which is a minor indictable offence. Clause 21 gives the Governor regulation making power. The schedule amends section 36 of the Consumer Transactions Act 1972, which deals with the indefeasible title of a *bona fide* purchaser for value of goods subject to a consumer lease or consumer mortgage. The amendment excludes prescribed goods from the ambit of section 36. The schedule also amends section 28 of the Bills of Sale Act 1886, to provide that security interests registered under the measure are not void, as provided in section 28, by reason of not being registered under the Bills of Sale Act 1886.

The Hon. K.T. GRIFFIN secured the adjournment of the debate.

CRIMINAL LAW CONSOLIDATION ACT AMENDMENT BILL

The Hon. C.J. SUMNER (Attorney-General) obtained leave and introduced a Bill for an Act to amend the Criminal Law Consolidation Act 1935; and to make related amendments to the Justices Act 1921 and the Summary Offences Act 1953. Read a first time.

The Hon. C.J. SUMNER: I move:

That this Bill be now read a second time.

As it is not intended to press for this Bill to be passed in these sittings, I seek leave to have the detailed second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Bill

This Bill introduces considerable and sensible rationalisation into the criminal law dealing with offences of damage to property and unlawful threats to persons or property. It also makes a number of consequential amendments to the Justices Act 1921 and the Summary Offences Act 1953.

In its Fourth Report 'the Substantive Law' the Criminal Law and Penal Methods Reform Committee of South Australia (the Mitchell committee) considered that reforms were necessary and desirable with respect to the criminal law of damage to property.

At present, the main statutory offences are to be found in sections 84-129 of the Criminal Law Consolidation Act 1935 and sections 43 and 46-48 of the Summary Offences Act 1953. The main common law offence is the felony of arson—the malicious and voluntary burning of the house, or certain other types of buildings, of another.

The Mitchell committee had highlighted at least five defects in the present law:

(1) most offences are defined in an unduly complex and repetitious manner, a legacy of the drafting practices of past times;

(2) there is no rationalisation for the variations among the maximum penalties for certain offences;

(3) the mental element in many offences is formulated obscurely or without precision;

(4) this part of the law is inadequate in its coverage of at least three areas of relevant conduct: that is, conduct which renders property inoperative, or otherwise effects a material alteration, without necessarily damaging or destroying the property; conduct preparatory to the act of damage or destruction of the property and conduct only amounting to threats to damage or destroy property;

(5) there are some offences which would be more appropriately classified elsewhere in the law.

The Mitchell committee examined the Criminal Damage Act 1971 of the United Kingdom as a model for reform and concluded it was:

> a major step towards the simplification and clarification of this part of the law. It could well be adopted in its entirety in South Australia.

The Mitchell committee's discussion then proceeded to canvass a number of suggestions for the improvement and

clarification of the United Kingdom Act. As a consequence the recommendations made by the Mitchell committee with respect to offences of damage to property included the following:

(1) that any reform proposed for this part of the law follow the scheme of the Criminal Damage Act 1971 (U.K.) in enacting one basic general offence in replacement of numerous more detailed offences;
(2) that an owner of property not be criminally responsible for destroying or damaging it;
(3) that, as a matter of general principle, mere interference with property which does not amount to damage or destruction, should not be a criminal offence;
(4) that the mental element of offences in this part of the law be drafted in subjective terms of intention and recklessness as elsewhere in the criminal law;
(5) that the offences proposed in this part of the law be indictable, but triable summarily with the consent of the accused.

One recommendation by the Mitchell committee was that the separate offence of arson not be retained. However, section 1 (3) of the 1971 (U.K.) Act provides that an offence committed by destroying or damaging property by fire shall be charged as arson and a person guilty of arson shall, on conviction on indictment, be liable to imprisonment for life.

The Government has considered that the view of the 1971 (U.K.) Act with respect to the offence of arson is preferable to that of the Mitchell committee. This preference is based on the familiarity and popular acceptance of the offence as well as the assistance i would give in keeping records on pyromaniacs. The knowledge that someone has proved to be an arsonist in the past can be of assistance to the courts if the same person comes before them again.

The Mitchell committee in its fourth report stressed that in its opinion the law relating to damage to property should not include an offence of damage to property 'aggravated' by the circumstance that danger to persons is involved also. The committee argued that an offence of this kind is an unsatisfactory combination of damage to property with danger to persons. Be that as it may, in reforming the law relating to damage to property some consideration must be given to the issue of damaging property in such a way as to endanger persons. If for no other reason, it is obvious that where the 'aggravating factor' is present, a greater penalty should be available. (The Mitchell committee considered this issue and proposed two offences: damage to property and danger to persons.) An examination of the Criminal Law Consolidation Act 1935 indicates that sections 20 to 38a are concerned with acts causing, or intended to cause, danger to life or bodily harm. Some sections deal with offences such as wounding with intent to cause grievous bodily harm and malicious wounding. Other offences are concerned with specific acts intended to endanger life or inflict injury, but these do not provide a conclusive group of offences. Accordingly, as part of the exercise at hand, it became necessary to make some amendment to provide an offence of damaging property with intent to cause personal harm. However, the present offences are an unsatisfactory pastiche of sundry offences and were understandably criticised by the Mitchell committee. That committee recommended the repeal of them all.

It has appeared appropriate to enact a general offence that would deal with this whole topic, including the endangering of a person by damaging property. The reforms that are the object of this Bill are long overdue and remove anachronisms from the law of this State. This measure has received the long and detailed consideration of the judiciary, the Law Society and prosecutors and defence lawyers. Its gestation has been painstaking, careful and measured.

Finally, the Bill also includes a minor amendment to section 285c of the Criminal Law Consolidation Act 1935 that is consequential upon the passing of the Evidence Act Amendment Act 1985.

Clause 1 is formal.

Clause 2 provides for the commencement of the measure.

Clause 3 inserts a new definition of 'property'. The clause also makes special provision for the situation where the Act refers to an indictable offence but does not then classify the offence as a felony or misdemeanour. Some sections of the Act rely on the classification of offences within this dichotomy. It is therefore proposed that an indictable offence for which a maximum penalty of imprisonment for three years or more is prescribed will, for the purposes of the Act, be classified as a felony.

Clause 4 proposes a new section 19. As part of the review of the law of criminal damage to property it was necessary to address the topic of threats. This led to an examination of section 19 of the principal Act (a section relating to threats to kill or murder) and it was decided that the most efficacious procedure was to repeal section 19 and enact a new section dealing generally with unlawful threats. This new section provides that it will be an offence, punishable by 10 years imprisonment, to threaten unlawfully to kill or endanger the life of another and also an offence, punishable by five years imprisonment, to threaten unlawfully to cause harm to the person or property of another. Furthermore, the section is expanded to cover not only written threats but also threats communicated by the spoken word or by conduct.

Clause 5 effects various reforms advocated by the Mitchell committee. Various sections, dealing with neglect, the abandonment of children where life is endangered, actions intended to cause harm to others and interfering with railways and railway equipment, are repealed and replaced by two all-embracing sections. Proposed new section 29 provides that it will be an offence, punishable by 14 years imprisonment, to perform an act knowing that the life of another will be endangered and intending or being reckless in relation to that consequence. A similar offence is created for acts intended to cause grievous bodily harm. Proposed new section 30 will make it an offence to be in possession of objects intended to be used to kill or harm another.

Clause 6 repeals section 47 (3) of the principal Act, a provision that 'reinforces the old rule that a court of summary jurisdiction may not try cases of certain kinds of common law where a dispute as to title to real property is involved' (see Mitchell committee, fourth report, page 208). The Mitchell committee submitted that the rule is anomalous at the present day and accordingly it proposed that it be removed as a restriction on justices.

Clause 7 contains the most significant reforms to be effected by this measure. The clause proposes the repeal of the whole of Part IV of the principal Act and the insertion of a new Part that will implement several recommendations of the Mitchell committee. For the purposes of the new Part, 'damage' to property is to include action that depreciates the value of property or renders property useless or inoperative. It is also proposed that the offences will relate to damaging property of 'another' and that a person who damages property will not be regarded as the owner of the property unless he is wholly entitled to the property both at law and in equity. Central to the new Part is proposed section 85 which enacts two basic offences—damaging property by fire or explosives and damaging property generally. The crime of arson is to be retained. It will be a defence to a charge of an offence against the section for the accused

to prove an honest belief that the act constituting the charge was reasonable and necessary for the protection of life or property. New section 86 will make it an offence to be in possession of objects intended to be used to damage property of another without lawful authority. Offences against the new Part will be indictable offences except where the damage does not exceed $800.

Clause 8 makes a minor amendment to section 285c to pick up an amendment consequential on the passing of the Evidence Act Amendment Act 1985 (abolishing the unsworn statement).

Clause 9 amends a cross-reference.

Clause 10 provides for amendments to the Justices Act 1921 and the Summary Offences Act 1953 as contained in the schedule to the Bill. The amendment to the Justices Act provides for the abolition of the rule of law preventing a court of summary jurisdiction from trying an offence where a dispute to title exists. The amendments to the Summary Offences Act provide for the enactment of a new section dealing with interfering with or destroying railways, tramways or similar tracks and a consequential amendment relating to interfering with boats.

The Hon. K.T. GRIFFIN secured the adjournment of the debate.

SUPPLY BILL (No. 1)

(Second reading debate adjourned on 27 February. Page 664.)

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

INDUSTRIAL CONCILIATION AND ARBITRATION ACT AMENDMENT BILL

In Committee.

(Continued from 27 February. Page 696.)

New clause 3—'Prevention of conduct causing substantial loss'—moved by the Hon. K.T. Griffin.

The CHAIRPERSON: I understand that there was a typing error in the amendment circulated previously, and that another amendment has been prepared and circulated. As the Hon. Mr Griffin has already moved the original amendment to insert new clause 3, I ask the honourable member to seek leave to withdraw that amendment and to substitute the other.

The Hon. K.T. GRIFFIN: The Committee would recollect that the amemdment was moved in the early hours of Friday morning last week. However, one line was omitted from proposed new subsection (3) and therefore it is necessary for me to move the amendment in an amended form. I seek leave to withdraw the amendment moved previously with a view to moving the amendment in an amended form.

Leave granted; amendment withdrawn.

The Hon. K.T. GRIFFIN: I move:

Page 2, after line 5—Insert new clause as follows:

3. *Repeal of s. 143a and substitution of new section—*

Section 143a of the principal Act is repealed and the following section is substituted:

143a. *Prevention of conduct causing substantial loss—*

(1) Subject to this section, a person shall not, in an attempt to affect the outcome of an industrial dispute, engage in conduct that has or is likely to have the effect of causing substantial loss or damage to the business of an employer who is a party to the industrial dispute.

Penalty: $5 000.

(2) Subsection (1) does not apply in relation to conduct undertaken in accordance with an order of the Court or the Commission or undertaken with the approval of the Court or the Commission.

(3) Where a person is convicted of an offence against this section, the court by which the person is convicted may, in addition to imposing a penalty on the offender, order the offender to pay, within a specified period, to any person who has suffered loss or damage as a result of the commission of the offence, such damages as it thinks fit to compensate that person for the loss or damage so suffered.

(4) The Supreme Court may, on the application of an employer, grant an injunction to restrain a breach of this section.

(5) The provisions of this section do not derogate from any other action or remedy that exists apart from this section.

The amendment is to deal with problems that have arisen in relation to section 143a of the principal Act, enacted in 1984. Prior to that amendment having been made employers and others who were prejudiced by industrial disruption had had the opportunity to issue proceedings in the Supreme Court, particularly to obtain injunctions, either to prevent those involved in the industrial disruption from doing something, or to require them to do something. Prior to 1984 in the previous decade that action occurred on a number of occasions. The most well known case was the Woolley case on Kangaroo Island, where Mr Woolley, a farmer, had his wool blackbanned by the Transport Workers Union, and no wool could be carted from Kangaroo Island. In that case Mr Woolley applied to the Supreme Court for an injunction to compel the movement of wool and to restrain the industrial disruption, that is, to remove the black ban. The Supreme Court granted that injunction, as a result of which the dispute ended. The finale was that the Government of the day, a Labor Administration, actually paid the costs that the union had incurred as a consequence of that dispute.

On another occasion, the Seven Stars Hotel had a black ban placed on it. Again, application was made in the Supreme Court for an injunction to restrain the disruption to the hotel. The injunction was granted and the civil court authority took precedence over any industrial dispute.

Another case involved Adriatic Terrazzo, which had been the subject of pickets and black bans. Finally, the only remedy to pussyfooting around in the industrial jurisdiction was to go to the Supreme Court: so an application for an injunction was made, and it was granted. As a result, the dispute was finally resolved.

There had not been great difficulty until then with the civil courts becoming involved through injunction proceedings, but in 1984 the Government introduced legislation to try to severely emasculate the power of the Supreme Court in relation to industrial disputes. A new section 143a was enacted providing that, subject to that section, no action in tort lies in respect of an act or omission done or made in contemplation or furtherance of an industrial dispute. That section was not to prevent an action for the recovery of damages in respect of death or personal injury, an action for the recovery of damages in respect of damage to property not being economic damage, or an action for conversion or detinue (that is, unlawfully refusing to return a person's goods or selling them and converting them to one's own use). That section did not prevent an action for defamation; however, it further provided that, where an industrial dispute had been resolved by conciliation or arbitration, or the full commission determines on the application of any person that all means provided under the Act for resolving an industrial dispute by conciliation or arbitration have failed and there is no immediate prospect of the resolution of the industrial dispute, a person may bring an action in tort notwithstanding the provisions of subsection (1).

It was intended that that would prevent injunction proceedings during the course of an industrial dispute, no

matter for how long it dragged on and no matter how many undertakings were made or broken during the so-called conciliation process. However, it effectively prevented the civil court (the Supreme Court) from being involved in industrial disputes. After the dispute had been resolved, proceedings could be taken, but my observation is that that is virtually worthless because, if any action was initiated after a dispute had been resolved by conciliation or arbitration, to recover damages, for example, there would undoubtedly be another walkout and another industrial dispute. So the employers, particularly those who had suffered loss or damage, would be on the treadmill yet again. Thus when one dispute was resolved another might be precipitated by an employer's genuine attempt to bring the matter to the civil courts to recover some damages as a result of an action being established in tort for damages.

The Liberal Party has always been of the view that section 143a was a serious emasculation of the powers of the civil court and a grave intrusion upon the long established rights of the citizens of this country and other common law countries and that the removal of this power would seriously weaken the capacity of employers and others affected by industrial disputation to have the matter resolved as quickly as possible. During the recent Builders Labourers Federation confrontation we saw the employers at the point of absolute desperation, not being able to take any action other than to sit in the Industrial Commission and talk to representatives of the other side, when they turned up. And then when they did turn up and gave commitments, those commitments were infrequently honoured but were more frequently broken.

The employers were at the point of requesting the Government to support action in the Supreme Court to prevent the industrial disputation which was occurring as a result of the BLF action when there were some further discussions. Some of the members of the Builders Labourers Federation went back to work—sufficient in numbers to be able to keep at least some of the work operating without disrupting thousands of jobs and millions of dollars of development work in South Australia.

Section 143a is a grave impediment to the resolution of industrial disputes, and a serious impingement upon the rights of employers in particular. While this Industrial Conciliation and Arbitration Act Amendment Bill is before us, it is appropriate to take the opportunity to seek to repeal the present section 143a and to enact a new section. If I run through the objective of the proposed new section, I hope that it will be sufficient to convince honourable members to support it now. The first subsection provides:

> Subject to this section, a person shall not, in an attempt to affect the outcome of an industrial dispute, engage in conduct that has or is likely to have the effect of causing substantial loss or damage to the business of an employer who was a party to the industrial dispute.

That establishes the offence provisions and means that the ingredients of that offence have to be established beyond reasonable doubt and that, if they can be established, a conviction may be recorded. The second subsection provides:

> That the first subsection does not apply in relation to conduct undertaken in accordance with an order of the court—

that is the Industrial Court—

> or the Industrial Commission or undertaken with the approval of the Industrial Court or the Industrial Commission.

So it does not seek to create an offence where parties are acting in accordance with conduct approved by the court or the commission. It continues:

> Where a conviction is recorded for an offence against subsection (1), then the court by which the person is convicted may, in addition to imposing a penalty, order the offender to pay within a specified period, to any person who has suffered loss or damage as a result of the commission of the offence, such damages as it thinks fit to compensate that person for the loss or damage so suffered.

That enables all of the proceedings to be dealt with at one time: the question of whether or not there has been an offence and, secondly, whether or not damage has been suffered and, if it has, what is the quantum of that loss or damage. The Supreme Court may on the application of an employer grant an injuction to restrain a breach of the section, and that restores the power of the Supreme Court and the rights of employers essentially to the position which prevailed prior to the 1984 amendment. The final subsection provides:

> That the provisions of this section do not derogate from any other action or remedy that exists apart from this section.

That also is important. I believe, Madam Chairperson, that the amendment is a desirable one to endeavour to come to grips with the difficulties which are presently apparent in the conciliation and arbitration process in this State, which has been exacerbated by the 1984 amendment to the Industrial Conciliation and Arbitration Act. One has seen in the past several months actions being taken in the United Kingdom High Court by the Murdoch organisation in relation to the printing industry. We have seen only in the last few weeks action in the Eastern States where injuctions have been sought for the sort of behaviour to which this section is directed, and those injuctions have been sought successfully in the supreme courts of other States.

I suggest that South Australia is unique in having this hurdle placed in the way of an employer taking action in the ordinary courts which effectively, during the course of an industrial dispute, puts unions and union officials above the ordinary law that affects every other citizen in South Australia. It is a good opportunity to deal with this matter now and I hope that honourable members will see fit to support it on this occasion.

The Hon. I. GILFILLAN: I have several questions to ask on this matter and I would like to have more opportunity to deliberate on the amendment.

Progress reported; Committee to sit again.

LOCAL GOVERNMENT ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 26 February. Page 572.)

The Hon. DIANA LAIDLAW: In respect of the Local Government Act it has become somewhat of a tradition that a so-called rats and mice Bill is introduced on an annual basis to amend a variety of unrelated clauses in the massive Local Government Act and the Bill before us is an example of such a rats and mice Bill. In part, the Bill seeks to repeal no fewer than 16 clauses that have been identified as obsolete or archaic provisions.

In addition, the Bill contains a provision in clause 38 that extends the maximum term of the lease of Adelaide Oval from 25 to 50 years. The extension of the term of the lease will enable the Adelaide City Council to extend the South Australian Cricket Association's lease of the oval. Currently the association has a 25 year lease, which is in its sixth year. The need for the extension has been prompted by a desire on the part of the cricket association to modernise Adelaide Oval. I understand that the oval is the last major capital city cricket stadium in Australia to be brought to international standard. Plans to this effect were unveiled in April last year. The $4 million project at Adelaide Oval will provide more comfortable (if indeed plastic can be described as comfortable) individual grandstand and concourse seating in public and reserved sections and improvements in

the bar and eating facilities. Also, it will include the installation of fire retarding materials throughout these extensions.

It is proposed that there be a world standard media centre and a cricket museum. Apparently, plans to instal sponsorship boxes and to revamp the Edwin Smith stand depend on an assessment by the association of the long-term effects of the expense account tax legislation which was introduced by the Federal Treasurer last year. The developments, which will provide about 2 500 more spectators with reserved seating, do not extend to installing permanent lighting, alterations to the magnificent old scoreboard which was built in 1911 nor undue disruption to the oval's reputation as one of the most picturesque major cricket grounds in the world.

I understand that the Cricket Association was advised early in the planning design period that the funds necessary for these extensive alterations would be hard to acquire or to raise if the association had only a 25 year leasehold interest in the oval. Certainly, revenue from cricket is not enough for the association to support its ambitious plans.

I am aware that the association has made efforts in recent times to increase the use of the oval for purposes other than cricket: for instance, there were only eight football matches at the oval in 1984; 17 were planned last year; and with the enticement of the Sturt Football Club to use the oval as a home ground in the forthcoming season there will not only be more matches played there, but people such as myself (keen Sturt supporters) will start attending matches again.

The Hon. Peter Dunn: A good team.

The Hon. DIANA LAIDLAW: A very good team, Sturt. I have no doubt that the association's revenue will increase dramatically in the forthcoming year. Nevertheless, taking all those factors into account, such sources of revenue would not have been sufficient to support the plans and, therefore, extension of the lease was necessary. The Opposition welcomes this amendment recognising that it is vital to secure the redevelopment plan. We see the plan not only as important for sport and spectator comfort but also for tourism in this State.

I suppose that I should note in passing, not wishing to be difficult when making this comment, that the Government has been tardy in bringing forward this amendment as it has been aware since last April of plans to modernise the oval. The former Minister, Mr Keneally, received a letter in June from the Adelaide City Council about the need to extend the lease. It seems to me, considering the fact that work is to be undertaken from this month, that this amendment has been introduced at the eleventh hour.

Clause 22 inserts new part 18A into the Act and provides that a council may propose schemes to provide services and facilities that are not otherwise authorised by the Act to improve the quality of life for the community and to promote economic development. This new part is considered desirable for local government, including the Adelaide City Council. Councils have been concerned for sometime that existing provisions are not sufficiently flexible to enable them to implement a wide range of schemes.

As all honourable members appreciate, community expectations of local government today expand far beyond the original charter of roads, rates and rubbish. It is envisaged that schemes that could be developed following the passage of this Bill would include the provision of remote area television receivers and cable networks in country areas and the levying of separate rates to be applied to promoting an area of traders' work or a portion of that area. Clause 22 also sets out that any schemes proposed by a council under this part must first be publicised to enable any interested member of the public to make submissions.

After the expiration of the time allowed for written submissions the council must then call a meeting to hear submissions in relation to the scheme. At this point I raise a concern that has been expressed to me—that there is no reference in this part of the amendment to a certain number of people being required to attend these meetings.

I will ask the Minister during the Committee stage to provide an explanation for this omission. Clause 22 also provides that, after the required meeting, the council must submit the proposal to the Minister for approval. Personally, I find this requirement rather patronising, considering the recognition that my Party, the Liberal Party, extends to local government as an important level in our three tier system of government in this State.

I recognise that the Liberal Party local government policy presented at the last election placed some emphasis on the acquisition of greater autonomy for individual local councils. Having scanned the ALP's local government policy for the last election, I note that there is no similar reference to the ALP's respect for either the role of local government or for further autonomy for local government. I suspect that these points may be the reasons why we see in this Bill a requirement that the proposed schemes must be submitted to the Minister for approval and that councils alone, having taken polls and sought submissions, are not seen as fit to make these arrangements on their own account.

Clause 3 of the Bill provides that the association shall carry on the business of providing workers compensation insurance to councils. At the present time councils and other bodies established for local government purposes carry their own workers compensation insurance and, like all institutions in our community at present, they are facing escalating premiums. As a consequence, it is not surprising that local government is at this time seeking to pursue a new avenue—that of self insurance—to insure against workers compensation.

I understand that the Minister has received a letter in relation to clause 3 from Mr Hullick on behalf of the Local Government Association. That letter expresses concern that the amendment as worded is restrictive and has sought the Minister's agreement to an amendment to add the words:

> . . . and any other body established for local government purposes and prescribed for the purposes of this definition.

I was advised by the association this afternoon that this definition is the same as that incorporated in the Workers Rehabilitation and Compensation Bill currently before the Council. I also understand that the Minister has been sympathetic to the association's representations in this regard and intends to move an amendment accordingly.

Finally, I give notice that I, too, will move an amendment to this Bill on behalf of the Opposition to provide for the removal of the address of a residential owner occupier from council voter rolls. That amendment will seek to bring council rolls into line with a provision which appears in both the Federal Electoral Act (section 104), and the State Electoral Act, both provisions having been passed in the past year. Both sections provide for suppression of an address of an elector from the roll where such publication would endanger the elector or some other person. No such provision has been made for local government rolls, the bulk of which are a copy of the State House of Assembly rolls.

I raised this matter in a question to the Attorney-General on 23 October last, prompted by an article in the *City News*, which is a publication of the Adelaide City Council. At that time I asked the Attorney-General whether he agreed that, unless changes were made to the Local Government Act to allow the removal of addresses from the roll, the recently introduced secrecy provisions of the South Australian Electoral Act would be meaningless in helping people at risk.

Further, I asked whether he would in turn ask the Minister of Local Government to expedite amendments to the Local Government Act to provide for removal in certain

circumstances of the addresses of residential owner occupiers appearing on the council roll. In answer, the Attorney stated:

> It seems that the honourable member has raised a point worth examining so I will certainly do that and bring down a reply.

I have yet to receive a reply to that question of some four months ago, therefore I will take the opportunity during the Committee stage to move the amendment, which I hope will have the support of members of this Council. I support the second reading.

The Hon. BARBARA WIESE (Minister of Local Government): I thank the Hon. Miss Laidlaw for her contribution to this debate. It is not my intention now to speak at any length on the matters that she raised but rather to deal with those issues during the Committee stage of the Bill. However, I would like to address three things in my closing remarks, and I take the easiest ones first.

As to the amendment which has been proposed by the Local Government Association to clause 3 of the Bill, which would deal with workers compensation insurance schemes for local government authorities, the Local Government Association did express concern that the wording in that clause may not be broad enough to cover all those local government authorities which might want to be included in a workers compensation scheme. For that reason, I have agreed that we should make an amendment to that clause to be sure that it is broad enough. So, I will move a suitable amendment at the appropriate time.

I would like also to indicate that the Government will be supporting the amendment which will be moved by the Hon. Miss Laidlaw concerning electoral provisions. Finally, I make a couple of comments about the provision for ministerial approval for special schemes. So far as autonomy of local government authorities is concerned, the Labor Government has demonstrated through its action and practice during the time it has been in government that we are concerned that local government should be as autonomous as possible and the measures we have enacted during the period we have been in government have led in that direction. So, our credentials in this area are very good.

With respect to these schemes and the provision for ministerial approval for schemes, the Hon. Miss Laidlaw has suggested that it is rather patronising that the Minister should be required to approve of schemes. On the other hand, there are other people in the community who have suggested that it is important that local communities have this ultimate protection so that if after all the provisions in the Bill have been gone through—and they are very extensive—to provide for consultation with local communities about special schemes there may still be some good reason why a scheme should not proceed in the interests of the community.

Having the ultimate decision resting with the Minister provides that level of protection to which many people feel local communities are entitled. I agree with that point of view, and that is why I have included that provision in this Bill. Also, the Local Government Association agrees that that clause should be included in the Bill. So, I thank the Opposition for its indicated support of this Bill and I hope it has a speedy passage through Parliament.

Bill read a second time.

The Hon. DIANA LAIDLAW: I move:

> That it be an instruction to the Committee of the whole Council on the Bill that it have power to consider a new clause relating to the electors roll.

Motion carried.

In Committee.

Clauses 1 and 2 passed.

Progress reported; Committee to sit again.

PRIVATE PARKING AREAS BILL

Adjourned debate on second reading.

(Continued from 26 February. Page 574.)

The Hon. C.M. HILL: I support the Bill. I am very pleased to see that at long last some progress has been made in tackling this problem that has been about for many years concerning private parking areas. I remember years and years ago there was an instance which remained current for some time down in Morphett Street South of a person who had his own business premises and who provided several parking spaces on site. Naturally, he intended that his employees and clients could use those spaces. But, invariably other motorists who had no connection at all with his business would park their cars in that area.

Try as he may he always seemd to run into great difficulties in overcoming that problem. The police were not interested in coming on to his own private land to deal with the people who were infringing. He was concerned as to his position if he endeavoured to remove those vehicles from his own land. He made representations over and over again to the local governing body (Adelaide City Council) to see whether its inspectors could take any action, and he was unsuccesssful in those endeavours. So it went on year by year and it seemed apparent that there was an urgent need to change the law in regard to private parking areas.

The Government has now taken the bull by the horns, has repealed the Private Parking Areas Act 1965 and has introduced the Bill before us, which takes a new approach to this issue. Of course, this matter does not concern simply small business houses with a few parking spaces but it also includes the large supermarkets and their large parking areas. It also involves the question of providing priority parking areas for disabled people. The Bill also covers the subject of private walkways and private roads. In introducing the Bill, the Minister explained the position very well as follows:

> The principal areas of concern are the need for proper enforcement of the Act, the adequacy of signs indicating the nature of controls, the method of dealing with offences and the abuse of the right to use a private parking area.

The main thrust of the Bill is that an owner can make an agreement with the local governing body so that to all intents and purposes the areas involved will be signposted and policed by the local council. The signs will be similar in form to those used on public streets and roadways. Uniformity is necessary because we do not want to confuse motorists with different types of signs. Within designated areas, permit only spaces will be available, so that priority parking spaces can be provided for the owners of businesses and their employees.

I have two queries in regard to the Bill. First, I refer to the size of parking spaces at the large supermarket complexes. For many years constituents have complained to me that the space provided for each car is not wide enough and that cars can very easily be scratched or damaged. Further, some people find that it is not easy for the driver and passengers to get out of the vehicle. The damage that is occasioned to cars, due to the way in which they are forced to park in confined spaces, has reached quite considerable proportions. For some people with limited means the scratches and general dents that occur—despite the buffer strips that are now put on the sides of cars—can pose a serious problem when seeking to have the damage repaired.

One can well understand that it is not in the interests of supermarkets to provide too much space for each vehicle, that they cannot err on the generous side in the extreme, because if they do they will limit the number of cars that are able to park in their parking allotments. However, in my view some of these companies have tended to mark the

parking areas in such a way that cars are forced to park too close to each other. In her reply, will the Minister confirm that in the regulations, which the councils can make under this Bill (and they will deal with the types of signs and the positioning of signs on posts and on the pavement), sufficient provision will be provided for councils, in conjunction with the owners, to specify the actual width to be provided in future in relation to these parking spaces?

I rather suspect that the regulating power will be wide enough for that to occur. I am not suggesting that every supermarket must suddenly race around and resurface its parking areas immediately, but I hope that in the general transitional period we can work towards a time where all motorists get a fair go and where mother does not bring the family car home at night with a nasty scratch on it simply because she went to the supermarket to buy the weekly groceries. If the Bill cannot facilitate this, I think it ought to be amended in this regard. I am not advocating that this matter be taken out of the hands of the supermarket owners entirely. I am saying that the supermarket owners and the local councils must come to an agreement, and the Bill deals with that very matter of forming agreements between owners and the local governing body. By arrangement these matters can be worked out fairly, bearing in mind the interests of consumers and motorists.

The second matter that I query concerns the $200 fine relative to a pedestrian who illegally uses a private walkway. Private walkways or private access roads will be established, again by means of agreement. They will be walkways or driveways on private land for the specific purpose of providing pedestrians and vehicles with ingress and egress to the property. There will be some defined pedestrian walkways, in the whole concept of dealing with the space allotted for private parking, for use by pedestrians getting to and away from buildings, and so forth. However, it might well be that a pedestrian using one of these walkways after 5.30 p.m. for some quite legitimate reason, in looking for an office perhaps, could suddenly be accosted and fined $200. I realise that the penalty in the Bill means that the fine could be up to $200, and I accept that for minor offences where an explanation was genuine and was accepted a fine would be much less than $200; however, I am concerned that some individuals might be treated unfairly in this regard.

The safeguard that I seek is that a warning of the fine should be shown on the notices that will be erected by the council under the terms of these new contracts. A notice that simply says 'Pedestrian way from 9 a.m. to 5.30 p.m. seven days a week' is not really a sufficient warning to an individual genuinely looking for a particular address or who for some other reason may suddenly find himself liable for a $200 fine. People would certainly be more cautious and aware of the effect of their action if the penalty of $200 was shown on the sign. On most signs that I see in traffic control areas the penalties are shown, and that makes people think twice. However, I am not talking generally about the drivers or the owners of vehicles in this instance but about clause 5, which simply deals with pedestrian walkways and private walkways that will be defined upon private land. Parliament should not be too harsh in this matter and a warning would at least give a pedestrian the chance of exercising necessary and full care.

They are the only two points which I raise and upon which I wish the Minister to comment in her reply. I commend the Minister for including the clauses dealing with parking of vehicles owned or driven by the disabled, because that will mean that in all private parking areas where the advantages of this legislation are taken by the owners disabled people will have the force of law to ensure that within their circumstances they are treated properly. Therefore, in general terms I am pleased that the Government has found a means of overcoming existing problems. I hope that the legislation when it comes into force operates satisfactorily, and I ask the Minister to comment on the two points I have raised.

The Hon. T.G. ROBERTS secured the adjournment of the debate.

PAY-ROLL TAX ACT AMENDMENT BILL

Adjourned debate on second reading.
(Continued from 26 February. Page 596.)

The Hon. L.H. DAVIS: In South Australia youth unemployment, that is, unemployment in the 15 to 19-year-old age group, continues to be well above 25 per cent and as of December 1985 that level remains the highest of all States in Australia. Therefore, it is most appropriate that Parliament should acquiesce to this proposed amendment to the Act. The Bill seeks to exempt employers of approved trainees from the payment of payroll tax on behalf of such trainees and is being proposed pursuant to an agreement between the Commonwealth Government and the States. The second reading explanation indicates that Western Australia, Victoria and New South Wales have already taken the necessary measures to provide payroll tax exemptions, and that Queensland and the Northern Territory are planning to do so. Some national companies apparently have offered traineeships in a State on the understanding that there are payroll tax exemptions. Therefore, it makes good sense for this Parliament to accept the amendments, given that they will be in place throughout the nation in a short time.

In seeking to exempt from payroll tax employers who employ trainees we are recognising that the payment of payroll tax is inimical to the employment of apprentices and trainees. Whether or not the payroll tax exemption is the best way of recognising the contribution that employers are making in taking on trainees is, of course, a matter for debate. I am interested to note that in Tasmania, rather than offering payroll tax exemptions, the Government is offering $1 000 incentive to employers for each trainee hired, and the question may well be asked of the Government, 'Is this a better way?' because I suspect that there may be quite a good deal of expense involved for medium sized companies in undertaking the paperwork to obtain the necessary adjustment in payroll tax. Obviously, specific details will be required by the Government when an employer comes to filling in the payroll tax sheet regularly, giving specific details of trainees who are eligible under the provisions of this legislation. I am always concerned that, whilst a proposal such as this is well-meaning and has good intent, the employers (who will hopefully receive some small benefit from it) in the end often obtain very little benefit indeed by the time one takes into account the additional administrative load that is imposed on them.

The other question that is pertinent in discussing this amendment is how many trainees are likely to come under the umbrella of this amendment. There has been much fanfare about the Commonwealth and State Government trainee schemes for young people. We all have a common concern about the very high level of youth unemployment in South Australia and Australia at present. Without necessarily expecting the Minister to answer that question in Committee, I would like to receive an assurance that she will undertake to tell me by letter in due course how many trainees are likely to come under the umbrella of this amendment.

Finally, it remains for me to put on public record yet again the Opposition's concern about the effect of payroll tax. In fact, it is an anti-employment tax: the very fact that we are seeking to exempt employers from payroll tax underlines that point. Certainly, exemptions from payroll tax are already provided in a variety of areas, and this is yet another area. We hope that the day is not too far distant when payroll tax is removed altogether and replaced by a less burdensome tax. I support the second reading.

The Hon. BARBARA WIESE (Minister of Tourism): I thank the honourable member for his contribution to this debate and the Opposition for its support of the measure. I do not have the answers to the questions raised by the honourable member; however, I shall be very happy to refer those questions to the Minister responsible for the Bill and ensure that the honourable member receives replies by letter during the parliamentary recess.

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

STATE GOVERNMENT INSURANCE COMMISSION ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 26 February. Page 597.)

The Hon. L.H. DAVIS: The Opposition supports this Bill to amend the State Government Insurance Commission Act of 1970 but indicates that it is placing on file amendments to this measure. One of the principal amendments relates to the State Government Insurance Commission's ability to invest in shares.

There have been some doubts expressed about its power to invest in shares although, in fact, the commission has been investing in shares since the 1980-81 financial year. Indeed, investments as at its last reported balance date of 30 June 1985 stood at $492.6 million, that is, a doubling in value of investments from just six years earlier. At 30 June 1979, the State Government Insurance Commission's investments stood at $221.6 million. At that time its investments were confined to very traditional investments: investments in banking deposits, $54.8 million; debentures, $132.8 million and mortgage loans, $34 million. The SGIC only six years ago had a conservative investment policy—investments in interest bearing securities only, with little prospect of capital growth.

That, in my view, was prudent at the time because, of course, the SGIC was formed in early 1970, and it was necessary for it to establish an income base to fund its operations. It was necessary for it to establish a *modus operandi* and to establish the community's confidence in its operations.

However, since 1980-81, when it made a modest outlay of $3 million on public company shares, investments in shares have grown to the stage where, at the end of June 1985, shares in public and other companies were valued at $103.4 million, that is, nearly 20 per cent of the value of SGIC's total investments.

Of that amount of $103.4 million, $98.2 million was in shares listed on the Stock Exchange, which had a market value of nearly $116 million. It is interesting to note, Madam President, that the SGIC held shares in 66 companies, including a major investment in the South Australian Brewing Company of $10.1 million. It is not uncommon for SGIOs or SGICs around Australia to take a positive and aggressive stance towards investment in public company shares.

In recent years, they have represented excellent securities providing steadily growing income and very rapid capital growth. In fact, it is true to say that over the past three years the value of investments in public company shares—as measured by the Australian share index—has more than doubled, so the SGIC has benefited very handsomely from this policy of investing in shares on the Stock Exchange.

This amendment, therefore, to clarify the commission's ability to invest in shares is a sensible one, and this clarification is provided in clause 6. This clause also provides SGIC with a power to enter into partnerships and joint ventures, or participate in the promotion and formation of a body corporate. To overcome any potential difficulty because of the present ambiguity, clause 6 (3) provides that the commission shall be deemed always to have had these powers.

The Bill also ensures that the SGIC has the power to enter into joint ventures. That is something it is already doing, and it is a power I readily accept it should have. The commission's most recent annual report (1985) gives specific details of some of the ventures into which it has entered. For example, in Durham Street, Glenelg, there is a joint venture with SGIC and others for construction of a three storey office block in a prime Glenelg location.

SGIC also participates in a joint venture in Old Port Canal Pty Ltd, which is developing a super K market and Commonwealth offices close to the Port Adelaide mall development. SGIC has a 50 per cent interest in that joint development. In addition, it is in partnership with the GIO of New South Wales, providing consulting services to the insurance industry throughout South Australia. In fact, I think all State Government insurance offices have an interest in that venture.

So, in this shrinking world of finance the SGIC has understandably spread its wings as it has grown, and has entered into joint ventures here in conjunction with private sector companies for real estate development.

It has entered into ventures with State Government insurance offices interstate to provide consulting services in the insurance field. I think the important thing that should be noted is that the SGIC does—and, indeed, must continue to—support South Australia first and foremost. I understand that is still very much its policy, and that policy is clearly set down in guidelines.

There only remains one matter on which to comment: it is not an important matter, but I think it is a matter of some principle. The SGIC has very full disclosure, generally speaking, in its annual report. It is a well prepared and well documented annual report which provides some detail of its financial position at 30 June 1985, together with some information regarding its investments.

However, it is not uncommon for bodies such as State Government insurance offices or superannuation funds to provide specific information about the investments they are holding at balance date. Life offices quite commonly in their annual reports set down in detail the holdings in public companies. Of course, the annual reports of many public companies also list in some detail their shareholdings in other companies, both public and private. I think there is some public interest in the affairs of the SGIC. The SGIC has been managed well, in my experience, over the past 15 years. There is an entrepreneurial approach coupled with sound management and investment principles.

Quite clearly, the SGIC has nothing to hide, but the Opposition is placing on file an amendment that seeks to strengthen the provisions of clause 6 (4) *(a)* which provides:

> If the commission holds, at any time during a financial year, more than 9.9 per cent (or such larger percentage as may be prescribed) of the share capital of a body corporate—

then the amount of the shareholding must be included in the annual report relating to that financial year. The Opposition does not quibble with that provision, which is a sensible provision and which requires the SGIC to list a holding which is more than 9.9 per cent of the share capital of a body corporate, irrespective of whether it is still holding at those shares at the balance date; in other words, if it has traded the shares in a two or three month period in the middle of a financial period, it will still be required to list that transaction at balance date.

I believe it would be appropriate for the commission also to be required to list in its annual report the details of any shares in a body corporate which is a public company. As I said, that is not an unusual provision. It has holdings in some 66 public companies as at the last balance date and it would not be onerous for it to list the number of shares and the value of those shares. I am sure that the SGIC would be required to do that for the board papers and also for Treasury. I therefore indicate that, whilst the Opposition supports the thrust of these amendments to the State Government Insurance Commission Act as set out in this Bill, it also believes that the amendments placed on file will further strengthen the provisions of the Act.

The Hon. M.J. ELLIOTT secured the adjournment of the debate.

STATUTE LAW REVISION BILL

Adjourned debate on second reading.
(Continued from 27 February. Page 662.)

The Hon. K.T. GRIFFIN: This Bill facilitates the consolidation of various statutes, namely, the Adoption of Children Act, the Building Act, the Children's Protection and Young Offenders Act, the Community Welfare Act, the Mining Act and the Parliamentary Superannuation Act. If this Bill passes it will mean that those Acts will be printed over the next few months and available in pamphlet form, thus providing a much better facility for reference to those Statutes than the principal Statute and a variety of amendments that have been passed over recent years.

The Opposition supports the second reading and does not want to hold it up. The Opposition is checking the substantial amendments which have been proposed in the schedule essentially because, when the Statute Law Revision Bill came before us in the last Parliament, rather than matters of mere drafting, I was of the view that several amendments dealt with matters of substance and that they would not have been picked up if the Bill had been allowed to pass without that checking.

In relation to the numerous amendments set out in the schedules to this Bill, I expect that we will finish checking them some time today or early tomorrow and, unless there are matters of substance, the Opposition has no objection to the Bill passing through all its remaining stages tomorrow so that it can then be transmitted to the other place and considered there. In indicating that the Opposition supports the second reading of the Bill, I ask that, in the Committee stage, progress be reported and that the Committee have leave to sit again in the hope that the detailed checking of the amendments can be completed at the earliest opportunity.

Bill read a second time.

In Committee.

Clause 1 passed.

Clause 2—'Commencement.'

The Hon. K.T. GRIFFIN: I ask the Minister to report progress. I wish to finish my rather lengthy examination of the amendments.

Progress reported; Committee to sit again.

BEVERAGE CONTAINER ACT AMENDMENT BILL

Adjourned debate on second reading.
(Continued from 27 February. Page 705.)

The Hon. M.B. CAMERON (Leader of the Opposition): This Bill has arisen as a result of difficulties that are faced by the South Australian Brewing Company. The Act that it seeks to amend is the Beverage Container Act. If that Act has caused the problems that have necessitated these amendments, then there must be something dramatically wrong with it now and I believe that this Bill can only be described as a bandaid measure, because it really does not address the problems that have arisen with the beverage container deposit legislation.

This is a very difficult subject which has arisen in this place over a number of years. It started when the Government decided to impose a deposit on cans and that legislation had a rather tough battle through the Parliament, particularly through this Council, and there are not many members present now who were here during that era. At that time I attempted to move an amendment which would enable an equal deposit to be imposed on all containers. That amendment almost succeeded. Unfortunately, it did not make the grade. Of course, at that time there was a dramatic growth in the use of the can as a container. It appeared to most people in the industry that the can would become the principal container for beverages and for beer. Of course, the end result of the legislation was that the South Australian Brewing Company and others found themselves with a reversing trend which led back towards the use of returnable and reusable bottles.

Over the years, quite properly, they have followed the market trend and turned their industry towards the use of refillable bottles. They have put large capital funds into the various areas of industry where these bottles have to be collected, washed, refilled and used again. There is absolutely nothing wrong with that. From my observation, in any action that they have taken they have attempted to do the right thing. They have provided money for advertising to ensure that there is a good rate of return of bottles. Everything that the Government has asked them to do over the years they have done.

They have now increased the deposit, which is the amount of money paid on the return of bottles by marine dealers, to 5c. I note that the Bill reduced the amount to 48c a dozen. I wonder whether that is sensible and whether it would not be better to leave that amount at 50c, which is an easy amount for marine dealers to handle. I will be asking later why that amount has been set. The South Australian Brewing Company, because of interstate companies bringing in one way bottles, has found itself in a difficult position indeed. It is bound by State legislation, but interstate brewers do not face the same problem.

The South Australian Brewing Company has provided facilities for container reuse but interstate brewers are not doing that and are using a lighterweight bottle, one that I understand cannot be returned and reused in many cases because if it passes through a caustic wash all sorts of problems arise with the outside of the bottle. Therefore, some real difficulties exist in forcing any reuse of such containers. The South Australian Brewing Company is faced with a financial problem caused by interstate brewers being able to compete at a better level. It is a great pity that in

this country of ours all things cannot be equal in relation to these containers. It is a great pity that all States are not using the same bottles and methods. It would be, I suppose, an ideal world if that did happen. It is a great pity that we have not got to that stage.

The Hon. T.G. Roberts: We have a good federal policy.

The Hon. M.B. CAMERON: The honourable member's Party is in Government, so why does he not do something about it? It would be good if the honourable member could persuade his Victorian, New South Wales and Western Australian friends to do just that. I say to the Hon. Mr Roberts that in many areas his Party has policies that I notice are not necessarily carried out at the federal level even though they might be Party policy. I do not need to draw his attention to some of those policies and it would be quite wrong of me to do so at this time.

Members interjecting:

The Hon. M.B. CAMERON: Yes, it is the Government that is a problem for the honourable member. That aside, this particular Act is a problem. I do not think that in the long run this legislation will work. It will work in the short term but, if one sets up a protectionist system against unfair trading advantages of others (and I use those words carefully because that is what it is) whereby people are curtailed in their activities by State legislation because they exist within that State, then eventually we will have another problem and this whole matter will arise again. This will not be the last time that we see this occurring.

In the long run it will not work. This does not mean that we do not support the moves being made at the moment. I think that it is important, at least in the short term, that the South Australian Brewing Company be given the opportunity of facing this competition on as near as possible an equal basis. I am concerned about cans. One of the greatest problems we have on beaches in this State is the broken bottle menace. That is where some of the problems arise with the bottles used by some interstate brewers because those bottles, being lightweight, break more easily than the bottles being used by the South Australian Brewing Company, yet even the South Australian Brewing Company bottles are a problem.

Again, I have got into problems in relation to this matter at certain stages in this place when I have attempted to have a straight deposit placed on beer bottles. I can well remember having an altercation with the Minister of Health, both publicly and otherwise, about that particular issue. That was not successful, but I accept that the South Australian Brewing Company recognised the problem and lifted the deposit, the return amount, at that time and has lifted it again since. It has done the right thing. It deserves all credit for what it has done in this area.

There was another area of concern about the sale of coolers. This is a drink that has a potential for wiping out the problem of surplus grapes in the Riverland. The South Australian Brewing Company was using a bottle for its cooler—the same bottle as it was using for beer. There was a problem with some companies being disadvantaged in relation to the brewing company. The potential for that to be corrected was moved and accepted in the Lower House, so that is not a problem that we have to face in this Chamber. The matter of cans is a problem because, as I understand, this Bill raises the deposit on beer cans from 5c to 15c. That is a fairly dramatic increase. There will be questions asked about the reasons for that as I do not think it is fully understood by the public (and some members on this side are curious to know) why in this legislation the deposit on cans is to be increased by that amount.

Cans are a better container for beer in certain areas. I would rather see cans used on beaches. Cans are certainly a much better container, as the Hon. Mr Dunn would know, for use in the north of the State where transport problems exist. They are far easier to return and do not have the same weight problem, or the problem associated with being transported over rough country roads.

Bottles are a problem on our beaches. However, I think that a deposit level of this amount will provide a disincentive for the use of cans. No doubt if we cross-examine the Minister during the Committee stage as to just why that rise in the deposit level is necessary she will be able to give an answer.

The can industry left the State after the change in legislation. Gadsen and Company took their factory from this State to Melbourne. That was a great pity because it led to some unemployment. I understand that the South Australian Brewing Company's wholesale direction has moved towards bottles because of public demand and the effect of the can legislation. Perhaps the Minister can indicate that, because they did and have continued to place their capital works in the bottle area, the can area is no longer as competitive as it was.

Perhaps the Minister can make absolutely clear why that is necessary. The Opposition will certainly be interested to hear her reply to that question. I do not think that there are any other issues at the moment. I hope that the Government will look at this whole question of deposit legislation. I do not care how it is done, but the time has come when we have to revise and review it to see where we can go so that this sort of measure is not necessary and so that our industry here is able to compete. Other people coming into the State will then know exactly what the rules are before they come, and we will not change the rules afterwards, because that is not fair. Any protectionist legislation can only be regarded as a temporary measure. In the long run we have to make the rules fair, square and clear to everyone. The Opposition supports the second reading at this stage.

The Hon. PETER DUNN: I support this Bill, but with many reservations, of which the Hon. Mr Cameron has outlined several. It is ridiculous that we have so many different costs for containers in this State. The cure, which might be simplistic but which could work, is for there to be a common fee for all drinks containers. It would not matter whether it was four, five or 10 cents, but the fact is that can deposits have been at 5c for a long time. They are picked up by children who act as automatic vacuum cleaners, so they are not around. The children take them into the marine offices and get their pocket money from them, and rightly so. If that is effective and if they get enjoyment from it, why can we not do that with every container? If there is a problem with interstate glass containers coming in without a deposit, why can we not impose one, so that the company bringing them into the State pays its five or 10 cents or whatever the arbitrary figure is?

Those bottles will be picked up and returned to the marine dealers or to the people who distribute them in the first instance. That would cure the problem overnight. We have a Bill of cause and effect here. We put a price on one type of container and another price on another, with the result that companies will duck from one container to the other. I stand corrected here, but I understand that the South Australian Brewing Company installed a canning outfit some years ago which was at that time very up-to-date: it had an enormous capacity. However, we imposed a 5c deposit on each aluminium or steel container yet only 2c was imposed on bottles at that time. Naturally, the company would not proceed in that light, so it withdrew. I believe that to have been the case some years ago, but I stand corrected.

Since then bottle deposits have been increased somewhat to 5c. So, there is not a great deal of difference at the

moment, but in the meantime the canning machinery at the brewery has run down. It has not been kept up-to-date, so interstate people with a canning capacity now have a great advantage. Cans are a far better proposition than stubbies for people who live a long way from where the product is manufactured. Breakages of stubbies are considerable.

I cite a small incident which occurred at Oodnadatta when I was there in December. When I arrived people were unloading a pallett of stubbies. That pallett happened to drop off the front-end loader and about 90 per cent of the containers broke. About an hour later the indigenes were scooping the liquid out of the potholes in the road. Had the beer been in cans, that would not have happened. There would have been some breakages and loss but it would have been much less severe.

Cans are very easy to chill: glass containers take considerably longer. In the bush cooling is very expensive, so a can is much better and easier to handle. Secondly, it is very easy to demolish cans and return them to the city. Most places either put them through a wringer, tread on them or put them in a wool bale. They are baled up and sent back to the city. One can get many hundreds of those cans in a very small volume and the cost of freighting them back is much less, whereas glass containers are totally impractical.

In the North or some distance from the city many stubbies are being left on the road. Although they have a deposit on them they are too expensive to bring back. In my area the local football club, in trying to cure this problem, has been smashing ordinary bottles and stubbies, putting them into 44 gallon containers and returning them in that fashion. That is much more expensive.

The Hon. Diana Laidlaw: It's dangerous.

The Hon. PETER DUNN: It is dangerous; we have had several eye injuries in the process. It must surely be a less cost-effective way than washing and reusing bottles. The disadvantages of glass containers in the North are quite considerable. If we have 15c on a beer can and 5c on a cool drink can it will not be very long before enterprising youths and other people learn how to remove the outside advertising on the can, and that will make it very difficult to determine which is a beer can and which is a cool drink can. So, there will be a problem there.

I ask the Minister whether she can tell me why they want a 15c deposit. I am aware that at the moment there is a disadvantage to the South Australian Brewing Company, and I would not wish to let that progress. However, I think that adding such enormous imposts to metal containers is to our disadvantage and to interstate producers' advantage, because a large amount of beer and drink is coming across the border from the north on the railway line and all those stations just north of Port Augusta are importing Queensland and Northern Territory beer. They will bring it in, but certainly not with 15c on a can. That will disadvantage those people. In the country, where it is hot, people have great thirsts, I assure honourable members. This is only a bandaid measure: it has been played around with from year to year.

It needs looking at very carefully. Some sensible legislation needs to be brought in at least to bring all containers into line so that we do not have the stupid situation where one producer of cool drinks is able to put them on the market in non-returnable bottles and others have to pay 4c or 5c. With those questions to the Minister, I support the Bill.

The Hon. M.J. ELLIOTT: The Democrats will certainly support this Bill. If we have any reservations, they probably are that it could go further than it already has. The debate so far has addressed only one of the two reasons why the Bill was introduced in the first place. The legislation for deposits was brought in, first, to control litter. It certainly has been successful in that regard, although lately there has been some failure due to interstate bottles in particular.

The second reason for introducing the legislation relates to the non-wastage of resources. The packaging industry generally in Australia is responsible for a great deal of waste of resources. What sort of resources am I talking about? First, I am talking about beach sands used in making glass. I am talking about fuel—the burning of coal, oil or whatever—which is used in making bottles, or the smelting of metals which eventually make cans. If we can encourage people to use returnable containers we conserve the resources of this planet.

That is something about which people seem to have forgotten over recent years and that was one of the reasons for bringing in such legislation. The earth cannot be mined forever. We have a limited amount of deposits of resources, a limited amount of coal and oil and for us just to waste a resource and throw it in the rubbish bin, which happens so often, is not healthy. Anything we can do to discourage waste is a good thing.

I believe that it was for that reason, as much as for the litter factor, that this legislation was first introduced. Arguments about jobs being preserved in the canning industry are not particularly pertinent, because if it is simply rubbish that is being manufactured in the way of cans, why not start up businesses everywhere just making rubbish which can simply be thrown away. The payment of a 15c deposit on a can of beer does not make the beer any more expensive, unless of course the person throws the can away. So, a person who complains about the high deposit would be the sort of person who throws the can out of the window or into the rubbish bin, and I suggest that in that instance the problem lies with the person concerned.

Nevertheless, there is a short term problem, as has been suggested. I agree that this is a bandaid solution to the problems which have arisen due to the non-returnable bottles coming in from interstate. I do not see this measure as necessarily being just for the good of the South Australian Brewing Company but rather for the good of the legislation as a whole, which I believe was good legislation in the first instance. I believe that the Government is reviewing the entire legislation at this stage, as a consequence of which, hopefully, we will have a better solution to the overall problem. The Democrats will support the second reading of this Bill.

The Hon. R.J. RITSON secured the adjournment of the debate.

AUSTRALIAN FORMULA ONE GRAND PRIX ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 27 February. Page 703.)

The Hon. M.B. CAMERON (Leader of the Opposition): This Bill clarifies matters related to the naming rights and logo for the Grand Prix. Some matters in this regard were in dispute last year, as the board sought to gain rights to some phrases after businesses had spent money manufacturing T shirts and other articles. On this occasion the matter is being dealt with well in advance, and the Opposition does not object to this move by the Government. Much of the rest of the Bill is technical and relates to the protection of names and phrases relating to the race.

The Bill gives more flexibility to the previous lack of suspension of the Road Traffic Act, so where sections of

the track are intermittently opened to the public during the race period those sections will be public road. Again, this is a sensible move. The Bill also provides for 24 hour liquor trading during the race period, as was the case last year. The liquor trading provision was controversial and it may well be again on this occasion, but members on this side, as a Party, do not oppose that provision. I support the second reading.

The Hon. K.T. GRIFFIN: I want to make some observations on the Bill. I had the opportunity of being briefed by an officer of the Crown Law Office on the technical reasons for the amendment to section 3 of the principal Act in relation to the way in which the Australian Formula One Grand Prix was to be described. I was told of the important reasons why Grand Prix insignia ought to be defined, that the logo be defined, and that references be included on official Grand Prix insignia, the official symbol and the official title. I was satisfied that the amendments then proposed were consistent with the object of the principal Act, as amended before the last election.

On the last occasion that the matter was before us I raised some basic objections to a number of the names that were being reserved for the use of the State. As a result of the discussions at a conference certain compromises were achieved, and those names are still part of the legislation, notwithstanding the passage of this Bill. So, in respect of the technical aspects of the legislation I am prepared to support it in so far as the name changes are concerned.

Clause 5 of the Bill deals with annual reports, and instead of stipulating a financial year reporting date the provision relates to the end of the motor racing event, and the report must be made available to the Minister within six months of the conduct of the motor racing event. I am satisfied that that is an appropriate way to deal with the matter. However, I am disappointed that while this Bill is before us we still do not have the report from the board in respect of the October 1985 motor racing event.

Will the Minister indicate to the Council when that report will be tabled in Parliament? Presumably we have only two more days within which that report can be tabled in Parliament. Parliament will be in recess until July, unless the Government accepts our invitation to return in April or May for the purposes of considering workers rehabilitation and compensation. If the report is not to be tabled this week, can the Minister indicate whether or not it will be made available publically prior to the next occasion on which Parliament sits? If the report is not to be made available publically, will the Minister say why?

With respect to clause 6 of the Bill, I made the point previously when the principal legislation was before us that I thought that there were difficulties in seeking to withdraw the declared area, that is, the motor racing track and the area within the boundary of that track, from the operation of the Road Traffic Act, the Motor Vehicles Act, and other legislation and then to seek to reimpose the provisions of those Acts during the declared period of the Grand Prix on that part of the declared area which was reopened on a temporary basis to members of the public. I know that it was sought to be achieved by regulation but I do not think that they were legally valid. It is interesting to note that the Government and its advisers have at last recognised that that was not an appropriate way to handle the matter. So, during the declared period of four or five days (with a maximum of five days) when the declared area, the motor racing track and the area within the motor racing track, is to be closed for the purposes of the Grand Prix, parts can be opened, and when they are opened temporarily the Road Traffic Act and the Motor Vehicles Act apply. The real difficulty is that had there been some challenges, legally I doubt whether the imposing of the Road Traffic Act and the Motor Vehicles Act by regulation would have withstood careful scrutiny. The difficulty is that motor vehicles using Bartels Road may not have been legally required to keep to the left hand side of the road or abide by speed limit restrictions.

Even provisions about driving an unregistered and uninsured vehicle under the Motor Vehicles Act might not have applied to that area. The Bill now provides that the board may open any road within the declared area in a particular year to ordinary pedestrian and vehicular traffic and to that extent, while it is open, it will be a public road.

I want to raise technical questions about the drafting of the Bill, and perhaps the Minister can reply either in response to the second reading stage or in Committee. What does 'the opening of any road to ordinary pedestrian and vehicular traffic' mean? Parts of the track are used by ordinary pedestrians throughout the period of the Grand Prix, and I wonder whether that is within the description of 'ordinary pedestrian traffic'. What is 'ordinary vehicular traffic'? There may be some difficulty in definition of terminology and it would be helpful to have that matter clarified before the Bill passes in this place.

I refer now to clause 8, which deals with the removal of certain restrictions relating to the sale and consumption of liquor. This clause is almost identical to the clause which passed last year, only 3½ weeks prior to the Grand Prix. A sunset provision was imposed that had the effect of applying the unlimited liquor trading provisions for only the first Grand Prix. This Bill does not contain a sunset clause: it seeks to make it open slather for licensing, 24 hours a day for each of the days of the Grand Prix without restriction. That provision is not to be reviewed at any time in the future.

I expressed concern at that time about unlimited trading applying across the State during the period of the Grand Prix. While I recognised that there might be venues where unlimited trading was important in order to cater for visitors to Adelaide, I was not persuaded that it was appropriate to allow unlimited trading in all licensed premises across the State. Nothing has been indicated to me to make me change my mind. There should be a careful review, case by case, of liquor licensing outlets to ascertain whether or not it is appropriate to allow unlimited trading hours during the period of the Grand Prix.

Therefore, I register my dissent from clause 8. I have no doubt that members opposite and some of my colleagues will support that clause, and in that context I will not call for a division on that clause, but I register my protest, as did the Hon. Lynn Arnold in the other place. I wish to put on record yet again that I have very considerable difficulty with this provision of the Bill. Apart from that, I am prepared to support the provisions of the Bill at the second reading stage notwithstanding the questions which I raised.

The Hon. R.J. RITSON: I wish to begin with comments in support of the Hon. Mr Griffin's latter remarks concerning trading hours. I expressed similar views last year when this matter was before the Parliament. It seemed to me then that it was rather strange that a Parliament that paid so much attention to two long and involved select committees on the question of random breath testing and drink driving should approve totally unrestricted trading during the period of an international motor race when the whole psychology of the Adelaide population would be conditioned by the fast car image. However, we, as a Party, have decided not to oppose that provision, so I submit myself to the wishes of the Party. As I can count numbers, I will not call for a division. Like the two speakers before me, I support the other provisions.

Madam President, I take this opportunity to make a couple of general comments about the Grand Prix and that may require a bit of latitude from the Chair. I thought it better to make general comments rather than draft amendments to get an excuse to speak. The Grand Prix was, of course, a great success and the board did a marvellous job with its complex organisation and management. However, a few constituent grizzles have been brought to my attention and I want to give my constituents a chance to have these matters mentioned. They are small matters in the overall scheme of management of this event but they are perhaps matters which, if improved upon, would make the excellent management of the event perfect.

A question of great concern was raised with me concerning the insurance of medical specialists, such as specialist anaesthetists and resuscitationists, who volunteer to serve in the fast intervention vehicles which carry a doctor, an ambulance attendant and a fireman and which are driven by a qualified racing driver. I understand that there was a great deal of doubt as to the validity of ordinary life assurance policies covering these people. There was doubt about the compensability of any injuries they suffered considering that they were volunteers, and I understand that in the end those who had either part-time or full-time appointments at public hospitals were rostered on duty and then seconded, thus turning their voluntary work into unpaid duty and rendering them subject to the provisions of the workers compensation legislation. However, the people concerned felt rather hurt that their voluntary work was apparently under-appreciated, even to the extent where the special suits which they wore and which they had hoped to keep as souvenirs could not be kept unless paid for, although the people concerned had been giving voluntary specialist medical labour worth thousands of dollars per doctor.

Several other small matters were raised with me mainly concerning the psychology of relationships between people working for the Grand Prix Board and people immediately affected. People whose business premises or homes adjoin the track felt that in some cases they were dealt with officiously and that the correspondence from the board was delayed or aloof or failed to be of a sympathetic character. That is probably something that is easily avoidable with a little more attention to the type of language used in correspondence and perhaps with a little patience on the part of people who have to manage and deal with citizens whose lives are being disturbed. I wanted to make those general comments even though they do not relate to a specific clause.

I thank the Council for permitting me to do so and not calling upon the relevance to the Bill of those remarks, and that indicates that the Council has recognised the legitimacy of this place as a representative of grievances for the average citizen. Having said that, I support the second reading.

The Hon. M.J. ELLIOTT secured the adjournment of the debate.

RACING ACT AMENDMENT BILL

Adjourned debate on second reading.
(Continued from 27 February. Page 702.)

The Hon. M.B. CAMERON (Leader of the Opposition): This Bill is aimed at rectifying a situation with certain codes of racing that have been slowly disadvantaged in relation to the percentage of TAB profits that they receive, and it also sets out to recognise what is known as cross-code betting. That is a situation where a race meeting is held but there are other events held on that particular day in a different place of a different type, and it enables people at that particular race meeting or whatever is being conducted to bet on those events.

It is a sensible change. These things do not always please everybody, and in this instance not everybody is going to be happy. I can imagine the South Australian Jockey Club not being totally happy with the situation that will occur in relation to their percentage which, as I understand, goes from 75 to 73½ per cent. It is a cost to that club of between $50 000 and $60 000, as I understand it.

I forecast that I will be moving an amendment to this Bill which may again make the South Australian Jockey Club not happy, because it is my intention to move for a fixed percentage—a percentage that has been agreed to over some considerable period of time—in relation to the amount that the South Australian Jockey Club has received, and that is that a percentage of 11½ per cent be directed to the Country Racing Association.

This, again, is a problem that has arisen from time to time in this Council, and I must say that I have appreciated the support I have received from some Government members in relation to this matter when it has come up previously, because there were some very real difficulties in persuading the South Australian Jockey Club that the Country Racing Association had needs that should be recognised, and should be recognised at a reasonable level. There were some difficult interviews, I think would be the way to describe it, before the South Australian Jockey Club finally agreed to this percentage being transferred to the South Australian Country Racing Association for its needs. That association and the constituent parts of it have very real needs, and it is necessary, in my opinion, to protect their interests.

It could well be that the next time this agreement they have at the moment—which I think was a two year agreement—comes round, further agreement will be reached between these two organisations, and there will be no problem in all this. Quite frankly, it has reached the stage where the agreement has worked for this period of time and is, obviously, a satisfactory agreement. I have had absolutely no complaint from either side since that agreement was reached—under pressure from the people in this Council—therefore it is my view that the time has come to put it into the legislation and so ensure that we do not have to go through the exercise in future of trying to persuade the two sides to come together and reach an agreement.

The Country Racing Association does have very real needs: it has had difficulties in the past. There have been far too many country race tracks closed through lack of finance, and I suppose they do not always bring in the money they were getting back, but there are many things that are subsidised one way or another by various constituent parts of the community: this is one that I think should be.

It is a very necessary part of the racing scene, and I trust that that particular amendment will mean that we will not have to go through this whole exercise again in the future. Apart from that, I think that the other situations that have been occurring under this Bill have been discussed by the various groups which will be receiving benefits or demerits, according to where they lie in the percentages, and I realise that not everybody has agreed to it. However, I guess that it has reached the stage where the Government has decided that there should be an agreement reached; there should be some return to a reasonable level for harness racing and for the greyhounds, and that is what the Government is doing and the Opposition supports it. As I said, I will be moving an amendment in the Committee stage.

The Hon. J.C. IRWIN secured the adjournment of the debate.

STATUTE LAW REVISION BILL

Adjourned debate in Committee (resumed on motion).
(Continued from page 765.)

Clauses 2 and 3 passed.

First and second schedules passed.

Third schedule.

The Hon. K.T. GRIFFIN: I was able to complete my review of the 100 or so amendments in the Bill, and it all looks to be clear except that in relation to the third schedule there is a typographical error. After section 14 (3) there is a reference to striking out the words 'of time'. The next one refers to section 2, and it should be section 20 subsection (1). In relation to section 92 (2) the words 'bona fide' are deleted and the word 'genuine' is inserted in its place.

My recollection is that on the last occasion that the Statute Law Revision Bill was before us there was some debate about whether '*bona fide*' actually meant genuine and whether the word 'genuine' was an accurate reflection of all the connotations of the Latin word '*bona fide*'. My recollection is that, at that stage, we decided not to proceed but, since then, there has been other legislation in which the word 'genuine' has been used from the beginning rather than the word '*bona fide*'. I think that '*bona fide*' is a commonly accepted well understood word—

The Hon. Diana Laidlaw: You have done law.

The Hon. K.T. GRIFFIN: —whether or not you have done law. I think everyone in the community knows what '*bona fide*' means and I therefore wonder whether it is necessary to amend it. I will not move any amendment to the schedule, but I doubt that the word 'genuine' covers all the connotations of '*bona fide*'.

Third schedule passed.

Fourth, fifth and sixth schedules and title passed.

Bill read a third time and passed.

CATTLE COMPENSATION ACT AMENDMENT BILL

The House of Assembly intimated that it had agreed to the Legislative Council's amendments.

LOCAL GOVERNMENT ACT AMENDMENT BILL

Adjourned debate in Committee (resumed on motion).
(Continued from page 762.)

Clause 3—'The Local Government Association of South Australia.'

The Hon. BARBARA WIESE: I move:

Page 1, line 23—After 'councils' insert 'and any other prescribed body'.

As I indicated in my closing remarks in the second reading debate, this amendment was suggested by the Local Government Association which was concerned that the clause as it was drafted in the Bill would not be sufficiently broad enough to cover all local government authorities who may wish to enter into workers compensation agreements. I therefore put forward this amendment, which I believe will make the position perfectly clear and will enable those other organisations, which are not obviously local government organisations but which would nevertheless qualify to be included in such an arrangement, to be included. The proposed wording for this amendment as revised is acceptable to the Local Government Association and I hope that it will be acceptable to honourable members.

The Hon. DIANA LAIDLAW: The Opposition supports this amendment. Recognising that it was called for by the Local Government Association, members on this side are pleased to see that the Government has seen fit to move the amendment.

Amendment carried; clause as amended passed.

Clauses 4 to 10 passed.

New clause 10a—'The voters roll.'

The Hon. DIANA LAIDLAW: I move:

Page 3, after line 2—Insert new clause as follows:

10a. Section 92 of the principal Act is amended—

(a) by striking out from subsection (2) the passage 'The' and substituting the passage 'Subject to subregulation (2a), the';

and

(b) by inserting after subsection (2) the following subsection:

(2a) Where the chief executive officer is satisfied that the inclusion on the voters roll of the address of the place of residence of a person entitled to be enrolled to vote or the address of a place of residence or rateable property (as the case may be) by virtue of which a person is entitled to be enrolled would place at risk the personal safety of that person, a member of that person's family or any other person, the chief executive officer may suppress the address from the voters roll.

This new clause seeks to bring the Local Government Act into line with the Federal and State Electoral Acts. Both Acts provide that a returning officer, upon application, can remove a person's address from the roll if that person is in danger of violence, or if a person at that address may be in danger of violence. I believe that it is important that the three are brought into line and, accordingly, I have moved to insert this new clause, which varies only mildly from the Federal and State amendments in the Acts to which I have referred.

In this instance the chief executive officer rather than the returning officer is mentioned and, because of the requirements of the Local Government Act, the new clause seeks to remove the address of both the place of residence and the address of the rateable property. From the Minister's reply in the second reading debate, I understand that the Government is prepared to accept the new clause and I welcome that acknowledgement.

The Hon. BARBARA WIESE: The Government accepts this amendment. I would have expected that an amendment similar to this would probably be included in the rats and mice Bill for the Local Government Act that would be brought forward by the Government next year following recommendations which I anticipate will be made by the Electoral Review Working Party which was established by the former Minister of Local Government following the amendments that were made in 1984 to the electoral provisions contained in the Local Government Act.

That committee was established to review whether or not the new provisions were working adequately and to make relevant recommendations to the Government in those areas where those provisions could be improved. That report will be presented to me in the near future. I anticipate that a suggestion along the lines of the amendment proposed by the Hon. Miss Laidlaw will be among the recommendations that they make. I have no objection to hastening that process and including that amendment in this current Bill, so the Government will be supporting the amendment.

New clause inserted.

Clauses 11 to 18 passed.

Clause 19—'Temporary control or prohibition of traffic or closure of streets or roads.'

The Hon. DIANA LAIDLAW: Clause 19 replaces section 679, which is to be struck out by clause 32 of this Bill. What is the rationale behind that? What will the impact be when the closure of particular streets for some time has been referred to in the Act?

The Hon. BARBARA WIESE: This clause seeks to provide that a council may by resolution exclude vehicles generally, or vehicles of a particular class, from a particular street, road or public place. The provision does not actually change the current powers of councils: it merely recognises an existing practice that is taking place in some councils and makes the procedure to be followed by councils, if they want to close a road for a particular purpose, simpler than the current procedure.

At the moment, in order to close a road temporarily, a council has to first make a by-law and then must carry a resolution following the making of that by-law before a road can be closed. This amendment will make it a much simpler procedure, because a council can merely, by resolution, temporarily close a road. Some councils have already passed resolutions along these lines so that they can make their closures quickly, if they want to. This amendment merely provides a less cumbersome procedure than that currently existing in the Act.

Clause passed.

Clauses 20 and 21 passed.

Clause 22—'Insertion of new part XVIIIA.'

The Hon. DIANA LAIDLAW: During the second reading debate I raised a concern that has been expressed to me in relation to new part XVIIIA, which provides for a council to propose new schemes for services and facilities. In implementing those proposals, one of the steps that the council is required to go through is to advise interested members of the public, allowing them to make submissions and later calling a meeting of interested persons. It has been put to me that there is no reference in respect of this meeting that a certain number of people must attend. It has been suggested that this seems to be a mere gesture only, with little commitment required of the council. Will the Minister respond to these comments?

The Hon. BARBARA WIESE: In this provision we are talking about a meeting of the council at which members of the public may attend, make submissions and express opinions about a particular proposal, following the other provisions for the matter to be publicly displayed and advertised and people being made aware of it. The matter will then be discussed at a formally constituted council meeting at which there must be a quorum present and at which members of the public will have an opportunity to put their case directly to council. A council decision would be made following receipt of submissions in that way, by personal application, letter, or whatever way members of the community chose to put their view.

The Hon. Diana Laidlaw interjecting:

The Hon. BARBARA WIESE: Yes.

The Hon. DIANA LAIDLAW: In relation to new section 383a (10) *(b)*, I have a query. It says that the Minister may make amendments to the scheme that are, in the opinion of the Minister, appropriate. I accused the Government during the second reading debate of being patronising towards local government in respect to this whole part. I maintain that view. I suggest that in respect of paragraph *(b)* the Minister could be accused of being rather autocratic, because there is no stipulation that, if the Minister decides to make an amendment to the scheme, that scheme must be referred back to the council or people with an interest in the area for them to make further submissions on the alteration. Will the Minister comment on that?

The Hon. BARBARA WIESE: I can only speak for myself as Minister in relation to this matter. If a scheme came to me as Minister of Local Government and for one reason or another I thought that it should be varied I would do so only after close consultation with the local government authority. The sorts of considerations that I would be taking into account would not be my own personal views of a scheme but rather whether or not the matter conflicted with State Government policy and whether or not it appeared that the council had paid due regard to points of view put by members of its own community. At that point I would suggest variations to a scheme if that seemed appropriate. Those variations would be communicated to the council prior to any gazettal of a new scheme. So, I do not think in practice that this matter will work in the autocratic way that the honourable member suggests.

The Hon. DIANA LAIDLAW: Further to that point, does the Minister believe that, having outlined how she may operate in the portfolio of local government, there may be other Ministers in future who may not necessarily be so sympathetic to the interests of local government and, therefore, does she believe that it is an omission on the part of the Government at this stage not to state that the Minister must refer matters back to local government prior to making these amendments?

I raise the point because it seems that requirements under this part in respect of local government are quite clear about the steps that councils must take in respect to the community, yet in respect to the Minister's position there is simply the reference that the Minister can make amendments without any consideration, other than possibly the scheme being contrary to Government policy, even though it may be popular with the council and with local people who are interested. I wonder whether the Minister believes there is some omission in respect to requirements of the Government in terms of this part and requirements of local government.

The Hon. BARBARA WIESE: No. I do not think there is an omission at all, because it seems to me that this final power must rest with the Minister in the interests of the community. Although I cannot speak for future Ministers of Local Government as to how they might conduct their business, I do not think any reasonable Minister would proceed to implement or gazette a scheme of this nature without having consulted with a local government authority and without having tried to reach some sort of compromise on an issue.

The Hon. Diana Laidlaw interjecting:

The Hon. BARBARA WIESE: We do not seem to have very much trouble in most instances at the moment with local government authorities and ALP policy. In fact, we have a very good relationship with the Local Government Association and with most local government authorities in South Australia. It seems to me that the ultimate power must rest with the Minister as the final arbiter in these matters, because if there is any division of opinion it is much more likely to have occurred at the local level between a local community and the council.

The power that the Minister has is much more likely to be used in trying to resolve a difference of opinion between those two bodies rather than between the Minister or the Government and the local government authority. I might add that, if the local government authority did not agree with the proposal or the variations being put by the Minister, it is not obliged to implement the scheme.

Clause passed.

Remaining clauses (23 to 43) and title passed.

Bill read a third time and passed.

STATE GOVERNMENT INSURANCE COMMISSION ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 26 February. Page 579.)

The Hon. M.J. ELLIOTT: We will support the proposed amendments.

Bill read a second time.

In Committee.

Clauses 1 to 3 passed.

Clause 4—'Delegation.'

The Hon. L.H. DAVIS: I move:

> Page 1, line 23—Leave out 'person' and insert 'officer or employee of the commission or to any body corporate in which the commission holds shares'.

New section 12b (1) seems unnecessarily broad in the sense that the commission may, by instrument in writing, delegate to any person any of its powers, functions or authorities. This amendment simply seeks to narrow the power to delegate to an officer or employee of the commission or to any body corporate in which the commission holds shares.

The Hon. C.J. SUMNER: The Government does not see the need for this restriction on the person to whom the delegation may be given by the SGIC. Parliament has given the commission wide powers to conduct its business efficiently and effectively. It is a basic principle of delegation that the delegator can delegate authority to do things but retains full responsibility for the effective discharge of the relevant functions and can withdraw the delegation at any time.

Within that framework, it does not seem sensible to set limitations on the SGIC's authority to delegate, given that those limitations would necessarily be in principle limitations based upon hypotheses about approaches SGIC might take. One would have expected there would not be a problem with a broad capacity to delegate to any person, given that the ultimate authority rests with the SGIC and given the circumstances which are not specified at this stage that the SGIC might wish to use its delegation.

The Hon. L.H. DAVIS: Have there been any examples in the past where the SGIC has delegated its powers to someone other than an officer or employee of the commission or to a body corporate in which the commission holds shares?

The Hon. C.J. SUMNER: I am advised that Treasury officials do not know of any circumstances on which that has occurred.

The Hon. M.J. ELLIOTT: Can the Hon. Mr Davis instance an example of where the word 'person' could create problems?

The Hon. L.H. DAVIS: The Attorney's response I think has indicated what I had believed to be the case, namely, that normally the power of delegation would be confined to an officer or employee of the commission. I think that the amendment is reasonable and prudent. The Attorney has already confirmed that Treasury officers, having studied this matter, cannot cite one example of where the SGIC has delegated its powers to anyone other than an officer or employee of the commission. The SGIC has been in existence for some 14 or 15 years, and the power we are proposing is demonstrably adequate to cope with any power of delegation that it may require.

The Hon. M.J. ELLIOTT: I still have a problem which has not been addressed yet: no-one has said why the provision should be changed or why it should not be changed. Where are the problems in either case that necessitate the change or require the provision to stay as it is? I have not heard anyone say anything in either direction.

The Hon. L.H. DAVIS: The State Government Insurance Commission is a statutory authority. There is public interest in it and public funds are invested by the commission. It is a statutory authority, which operates under an Act of Parliament. Therefore, it is reasonable to expect that the powers of delegation vested in the SGIC be no more than one would reasonably expect it to need. To provide that delegation of any of its powers, functions or authorities can be to any person would seem to be casting the net too wide altogether.

The Hon. J.C. Burdett: It could be a person outside the State.

The Hon. L.H. DAVIS: Indeed, as the Hon. John Burdett has noted, it could be someone outside the State. I have already indicated in my second reading speech that management within the SGIC has been excellent. I have no criticism at all of the existing management. However, I do not believe that legislation should be cast in an unnecessarily wide fashion when the need to do so has not been demonstrated.

The Hon. C.J. SUMNER: The need is to ensure that the SGIC has the capacity, through delegations to its employees, to carry out the functions that are confirmed in the amending Bill, namely, the power to invest in companies. This is considered to be a necessary concomitant of that. That is the basic reason for clause 4 of the Bill. The only argument is whether or not this should be restricted to employees of the SGIC or whether there ought to be a capacity for it to go broader than that. I do not see a difficulty with the provision. If the SGIC does delegate to someone outside the commission, protections are provided. In any event, the Bill provides expressly that the Minister (that is, the Treasurer) may require the SGIC to revoke a delegation, and this gives an opportunity to review any decisions taken by the commission. There is a control mechanism, and surely that ought to be sufficient.

As explained in the second reading explanation, the SGIC may wish to promote the creation of a company or join with others in doing so in order to carry out part of its business more effectively. A computer service company, established jointly by the GIOs (Government insurance offices in other States) could be an example. An inability to delegate its powers to such a company would defeat that part of the purpose of the amendments. It would be difficult to confine a restriction to those companies in which the SGIC has a purely investment interest, since the relationship might change.

In summary, the circumstances in which the board of SGIC is likely to use its power of delegation inappropriately are very remote, and the power of the Minister to require the commission to revoke a delegation is regarded as being an effective approach to control. In other words, we wish to give the SGIC the capacity to delegate such that it can get properly involved in the creation of companies that may be to the benefit of its business. This delegation is seen as being an important and necessary concomitant of that power.

The Hon. L.H. DAVIS: For the first time the Attorney has attempted to justify the reason for the breadth of the power of delegation as proposed.

The Hon. C.J. Sumner: It is in the second reading speech.

The Hon. L.H. DAVIS: The second reading explanation says:

> The Bill also provides the commission with the power to delegate. This power is necessary in the event of the formation of a company through which the commission will carry out any of its activities.

One would imagine that if the commission is associated with the formation of a company it would have an investment in that company. In fact, to date this has been its pattern in every joint venture that it has set up. I have

instanced an example during the second reading debate: the SGIC together with the GIO of New South Wales, and quite possibly other State Government insurance offices, have formed a corporation to provide insurance services to the insurance industry. I believe that, if the SGIC is going to use another vehicle for its objectives, it is preferable for it to have a shareholding in that company; there is an argument to say that the SGIC, because of its special position in the community, should continue to have an interest in a company which may be carrying out activities on behalf of the SGIC. The amendment provides that delegation may take place to any body corporate in which the commission holds shares. That covers any existing situation, and I believe that the amendment is quite reasonable.

The Hon. J.C. BURDETT: I support the amendment. The Government has made clear in this debate that in the past a wider power has not been necessary. So, why give it at this stage? The power provided in the Bill is completely wide. It would mean (and the Hon. Mr Elliott has been asking about this) that the delegation could be to, say, any member of this Chamber, or any other person in or outside South Australia, and, of course, 'person' includes an artificial person, namely, a corporation. There does not seem to be any reason for the power to be so wide. Why not confine it in the Bill to the way in which it has been exercised in the past, as acknowledged by the Attorney? As the Hon. Mr Davis has pointed out, in regard to investments and to setting up new companies, the practice in the past has been for the commission to have investment in those companies. In such cases the power of delegation has been covered in the Hon. Mr Davis's amendment. I support the amendment.

The Hon. M.J. ELLIOTT: We support the amendment.

The Hon. C.J. SUMNER: There is no point in calling for a division. The Government has a view of the matter as a result of discussions with the SGIC and, in fact, these amendments were produced at the request of the SGIC. However, the SGIC apparently sees no problem with the amendment, although it is somewhat restrictive of the delegations that can be made. In principle, the arguments that the Government put forward still stand. There is no point in restriction, because the SGIC can withdraw its delegation at any stage and the Minister can supervise any delegation made, so basically the Hon. Mr Davis is nitpicking with very little substance. If no-one is particularly concerned about the issue, obviously there is no point in pushing opposition to it.

Amendment carried; clause as amended passed.

Clause 5 passed.

Clause 6—'Powers in respect of bodies corporate.'

The Hon. L.H. DAVIS: I move:

Page 2, after line 34—Insert new paragraph as follows:
(b) the commission holds, at the end of a financial year, any shares in a body corporate which is a public company;.

Proposed new section 16a (4) *(a)* requires the commission to set out in its annual report the holdings in any body corporate that exceed 9.9 per cent of the share capital, and that requirement applies irrespective of whether the SGIC has such holding at the end of a financial year. The amendment simply requires the SGIC to set down not only major holdings where it owns in excess of 9.9 per cent of the issued capital of a body corporate but also shares in any body corporate that is a public company. Of course, that requirement applies only for shares held at the end of a financial year, and the balance date for the SGIC is 30 June of each year.

That is not an unreasonable or onerous requirement. Indeed, Madam Chairperson, members would be well aware that the SGIC invariably buys, in its own name, shares in public companies listed on the Stock Exchange and there is no secrecy attached to that: it is a matter of public record.

Any member of the public, if they wish, can scrutinise every register of public companies in South Australia or in any other State of Australia and establish, admittedly by a long process, the holdings held by the SGIC in a public listed company. There is nothing terribly onerous about this proposal. Indeed, it is a convention adopted by many life offices. For example, the AMP always sets out in some detail its holdings in many public companies, both listed on the Stock Exchange and otherwise.

I am reliably informed that the State Government Insurance Office of Queensland already follows this procedure. That office, which is far larger than the SGIC in South Australia, sets down the number of shares in each company and the value of those shareholdings as at the balance date. This is not an unreasonable requirement. It may perhaps be onerous for the SGIC to have to perform this task, but I am sure (as I said in the second reading stage) that it prepares such a summary for both the board and the Treasurer. There is nothing secret about it. No disadvantage will be suffered by the SGIC because of its being required to present this information. If one looks at the 1985 annual report of the SGIC one sees that it makes specific reference to its major property investments. Therefore, the proposition in this amendment is not unusual or burdensome, and I would have thought it would be readily acceptable to the Government.

The Hon. C.J. SUMNER: Madam Chairperson, it is not acceptable. It is strange that the honourable member wishes to impose an obligation on the SGIC that is not imposed on any other insurance company or private company.

The Hon. L.H. Davis: I have just mentioned—

The Hon. C.J. SUMNER: The honourable member mentioned life companies.

The Hon. L.H. Davis: And the State Government Insurance Office of Queensland.

The Hon. C.J. SUMNER: Any other private company—

The Hon. L.H. Davis: The National Mutual and the AMP list their investments.

The Hon. C.J. SUMNER: The AMP is a provident organisation. The private companies do not have to declare. Why do you not make every insurance company operating in South Australia in competition with the SGIC do the same thing? The honourable member will not do that, because he does not consider it is reasonable in the case of the private sector. So the private sector can have shareholdings no matter what they are. We cannot find out about beneficial shareholdings without a team of corporate investigators working for years. So any company can hide its shares, around the country or overseas—

The Hon. L.H. Davis: It is not a matter of hiding.

The Hon. C.J. SUMNER: That is what happens in the private sector, and the honourable member knows that as well as I do. But the honourable members wants the SGIC to list its shares every year in its annual report. If there was to be some consistency, the honourable member would say that every insurance company in the State in competition with SGIC ought to do the same thing.

The Hon. I. Gilfillan: Hear, hear!

The Hon. C.J. SUMNER: There we are. Perhaps the Hon. Mr Davis might like to move an amendment to that effect. Why is he picking out share investments? Why should not the SGIC have to list all the real estate that it holds and every other investment no matter what, including shares, real estate, Government bonds, bonds, and so on? The honourable member has picked out shares; what is the point of doing that? That is absurd. It may well be that confidential commercial information may be involved in SGIC investments, but the honourable member wants all bared to the commercial world because it happens to be the State Government Insurance Commission. However, he will not

impose the same obligation on his friends in the private sector, yet they are in direct competition with the SGIC.

The other thing is that I am not quite sure what use the information would be at a particular point in time. The SGIC's holdings in companies change constantly. It holds some shares as long-term investments, but the shares of a company that is thought of as a long-term investment at one point in time may be sold if the right opportunity arises. Therefore, it is doubtful whether a listing of the commission's holdings on any particular date would be useful information. It is difficult to see why this form of investment is to be singled out for legislative attention. Is it any more significant that the SGIC's investments in real estate? I would not have thought it was, but the honourable member has not put on file an amendment to provide that the SGIC should list all its investments in real estate. This amendment will add to the administrative costs of the SGIC and will be of little practical value. In any event, it imposes an obligation on the SGIC that is not imposed on other insurance companies in South Australia or certainly on other companies in Australia.

One cannot find out for love or money what investments half the companies in Australia have, or what the shareholdings in those companies are, so there is a cloud of secrecy over them but, as far as the SGIC is concerned, we are being asked to insist on this obligation applying.

The Hon. M.J. ELLIOTT: Madam Chairperson, I see that there may be some nuisance value to SGIC. However, I also think that, since it is a semi-government instrumentality, it does have some responsibility to be open as to its actions, so I support the listing of any shares that SGIC holds in public companies. I would probably go further and agree with what was almost suggested by the Attorney-General: perhaps it should list some of its other investments as well. I also would have been more than happy for private companies to be listing where they held shares, but that is not what is before us at this time. I will be supporting the amendment.

The Hon. I. GILFILLAN: Were the legislative power available to this Chamber, would the Hon. Mr Davis be in favour of moving such an amendment to apply to private insurance companies in South Australia?

The Hon. L.H. DAVIS: The SGIC is based in South Australia with its activities confined to South Australia. Certainly, it may invest in companies with an interest in South Australia but which are domiciled interstate. I am not immediately aware of any other insurance company which is domiciled in South Australia. They tend to be national companies, and one immediately has a difficulty that if one imposes legislation in one State which is not similar in other States there will be administrative difficulties and some confusion.

It is not fair to compare private life offices with semi-governmental insurance commissions such as SGIC. I should point out to the Hon. Mr Sumner that, although he made quite a fancy speech, he did not necessarily present the full facts because, although there may, indeed, not be a requirement of life offices, whether we are talking of the cooperative variety such as the AMP or of the private variety such as FAI (which is known as Larry Adler's company)—that indeed, is a listed public company—one will find, as I remember, in both cases a full listing of the shares in public companies. It is not as if they have anything to hide. Those registers of public companies are open for journalists who want to write a story about particular holdings at any time, and they often do, so it is not as if we are stopping the SGIC—

The Hon. C.J.Sumner interjecting:

The Hon. L.H. DAVIS: They are not obliged to, but are quite happy to because there is no great secrecy about holding shares in a public company. Certainly, the Hon. Mr Sumner alludes to the fact that in some cases in takeover situations corporations go to great lengths to hide their involvement in a company. We had a recent instance of that, where North Broken Hill was being pursued by Mr Ron Brierley, and it chased him around the world several times in an effort to track down the identity of the secret holder of shares in North Broken Hill—but that is not the issue at hand. We are simply talking about SGIC as being a statutory authority which is well managed, well run but serving the public interest in South Australia. It is not unreasonable to suggest that there should be a minimum disclosure requirement such as that proposed in the amendment.

The Hon. Mr Gilfillan has asked whether I would be in favour of a similar requirement being demanded of private insurance companies. I have already answered that. I do not believe that one can make an analogy with them, because they simply are not confined to one State. Indeed, as I have already mentioned, even though there may not be a legislative requirement, in my experience they do generally make disclosure. As far as the Attorney-General is concerned, it is also worth noting that in the 1985 annual report the commission has set down details of its major property holdings on page 8; there is nothing to hide there.

More often than not, one will see a media release about any major initiative that the corporation is making in the real estate area. As far as their remaining investments are concerned, they tend to be deposits with banks, investments with various Government and semi-governmental authorities—both at Commonwealth and at State level—and I simply do not see any need for them to be listed, because they would, quite clearly, take pages, and there is nothing terribly controversial about them.

The Hon. C.J. SUMNER: The Democrats seem to have me adopting one attitude for the public sector and another attitude for the private sector on this issue. In light of that and of their support for the Liberal amendment, I cannot see any point in dividing.

Amendment carried; clause as amended passed.

Title passed.

Bill read a third time and passed.

INDUSTRIAL CONCILIATION AND ARBITRATION ACT AMENDMENT BILL

Adjourned debate in Committee (resumed on motion).
(Continued from page 760.)

The Hon. K.T. GRIFFIN: I do not think I need to repeat the comments which I made previously. Essentially, my amendment gives more strength to the civil courts in dealing with industrial disputes by repealing section 143a of the Industrial Conciliation and Arbitration Act which was enacted in 1984, to be a much stronger provision to ensure that employers and others who suffer loss or damage as a result of industrial disruption are not constrained from resorting to the ordinary courts of the land by very significant hurdles placed in their way by the present section 143a.

The Hon. C.J. SUMNER: The Government opposes this amendment. The current section 143a of the Industrial Conciliation and Arbitration Act was inserted in the legislation as a result of the Cawthorne report. This was a report commissioned by the previous Liberal Government.

The Hon. K.T. Griffin: It does not matter who commissioned it.

The Hon. C.J. SUMNER: I am just saying that it was commissioned by a previous Liberal Government. Mr Caw-

thorne produced a report and it was as a result of that report that a number of initiatives were inserted in the legislation. One of those was the current section 143a which is now sought to be amended. The Industrial Relations Advisory Committee considered and agreed at that time to section 143a, which basically provides that, before a civil action in tort can be taken, the matter should be dealt with by the Industrial Commission, and that is all it says. It does not preclude an employer's right to take action at common law in tort. It says that, before that happens in an industrial circumstance, the Industrial Commission should be given the opportunity of conciliating on the issue. As I said, that is the effect of it and it was recommended by the Cawthorne report.

At that time it was considered and agreed to by IRAC. As far as the Government is aware, there have been no complaints about it since. In fact, in the BLF case, no person or organisation saw fit to make application under section 143a (3) *(b)*, so it cannot be claimed that section 143a is a delaying measure if no-one sought to invoke it. If the honourable member is referring to the BLF case, then it was not sought to be invoked. Furthermore, section 143a (4) provides that if any person makes an application to the Full Commission for it to determine that all means of conciliation and arbitration failed and there is no immediate prospect of resolution, the commission shall act as expeditiously as possible in dealing with that situation. It is interesting to note that in Victoria the BLF disruptions are continuing but no-one has sought to take a tort action in that State.

The Liberal Party claims that the amendment will be used only if secondary boycotts occur. This overlooks the fact that if a secondary boycott is implemented there is nothing to stop any party from invoking section 45D of the Trade Practices Act, which is federal law and is therefore not inhibited by any State legislation. It seems to me that there is no case for a review of this section at this stage. Following the Cawthorne report, it was fully debated a short time ago. Since that time there have been no complaints about that section and I ask members to oppose the amendment.

The Hon. I. GILFILLAN: We oppose the amendment. My recollection is that it was the subject of quite extensive debate in the Industrial Conciliation and Arbitration Amendment Bill and that the right for tort action was retained after conciliation had been exhausted. I think that may be ground which the Attorney has already covered.

Bearing in mind that it is obviously legislation that needs to be reviewed from time to time, I am not convinced that it needs to be amended and I feel that the current Act, if used vigorously, is adequate. Unfortunately, the processes of conciliation are often very frustrating and most of the participants involved are more concerned with confrontation than conciliation. However, in our opinion that is not justification for diminishing the scope for conciliation. We believe that, if there is more acceptance of conciliation in the industrial scene right across the board, it would do a lot to defuse the scope for this sort of ongoing antagonism that can be built up in a winner and a loser situation. We feel that, at this stage, the current legislation is adequate.

The Hon. K.T. GRIFFIN: I draw attention to the state of the Council.

A quorum having been formed:

The Hon. K.T. GRIFFIN: I do not accept what the Attorney-General has indicated in relation to this Bill and, even though the Hon. Mr Gilfillan has indicated that he does not support my amendment, if I am not successful on the voices, I intend to call for a division. The fact is that, in relation to the Builders Labourers Federation dispute, I was informed by employers that they proposed to initiate action for injunctions but were concerned that, because they could not take the action quickly in the Supreme Court and had to go through the rigmarole of the Industrial Commission, it would be counterproductive, because there would be delays which would frustrate their application to the Supreme Court.

The Attorney-General said that the present section 143a still allows applications for injunctions. To a certain extent, that is correct, but it ignores the reality of an industrial dispute. If anyone has been in the industrial jurisdiction where there is an industrial dispute, it is quite clear that there is so much toing and froing that no-one can get a resolution of the issues. Rather than anything being actively resolved, it is a talkfest. Generally speaking, it is a process of the employers being worn down and decisions being taken against them on most occasions rather than getting a reasonable resolution of industrial disputes. Of course, that all adds to the cost which is ultimately passed on to consumers. I feel very strongly that this amendment is necessary. It would assist in the resolution of industrial disputes rather than putting employers on the back foot, as they presently are with the current section 143a.

The Committee divided on the new clause:

Ayes (9)—The Hons J.C. Burdett, M.B. Cameron, Peter Dunn, K.T. Griffin (teller), C.M. Hill, J.C. Irwin, Diana Laidlaw, R.I. Lucas, and R.J. Ritson.

Noes (10)—The Hons G.L. Bruce, J.R. Cornwall, M.J. Elliott, M.S. Feleppa, I. Gilfillan, Carolyn Pickles, T.G. Roberts, C.J. Sumner (teller), G. Weatherill, and Barbara Wiese.

Pair—Aye—The Hon. L.H. Davis. No—The Hon. B.A. Chatterton.

Majority of 1 for the Noes.

New clause thus negatived.

Title passed.

Bill read a third time and passed.

[*Sitting suspended from 5.49 to 8.7 p.m.*]

AUSTRALIAN FORMULA ONE GRAND PRIX ACT AMENDMENT BILL

Adjourned debate on second reading (resumed on motion). (Continued from page 769.)

The Hon. M.J. ELLIOTT: While I will support the Bill, I express a couple of reservations in regard to it. I was rather tempted at one stage to suggest that we needed an amendment to instruct the Minister in relation to the naming of the Grand Prix. I notice that an allegation made by the Hon. Mr Gilfillan recently concerning the naming of the Grand Prix now appears to be coming true: we now seem to be getting the Fosters Lager Grand Prix held in Adelaide. That is highly unfortunate, as I do not see it being of any positive benefit to this State whatsoever in using that as a name for the Grand Prix. Certainly, it may be useful commercially for the Grand Prix itself but, as I see it, the original argument for bringing the Grand Prix to South Australia was about the gain it would give our State. Fosters Grand Prix does nothing for our State at all.

A little further into the *News* today was a rather large spread on Mitsubishi, which had the naming rights last year. I believe that it applied again but simply did not put forward quite enough money. I recall that Mitsubishi has been something of a success story for our State, particularly of late. Its latest model has been an absolute boon. The company employs 4 000 people in South Australia directly and is looking at a 10 per cent increase in its work force. It offers jobs to 100 small companies around South Aus-

tralia and is now looking at the very real possibility of exporting to Japan, the United States and even Britain.

Even if the Grand Prix did not get as much money, to have given the naming rights to Mitsubishi or another prominent South Australian company would have been of very real benefit to this State. It is unfortunate that it does not look as though that will occur. I would like to hear the Minister's response to that point.

The other matter, to which the Hon. Mr Griffin alluded, was the question of opening hours of places which sell alcoholic beverages in this State. If the Government really wants 24-hour-a-day liquor availability in South Australia it should simply legislate for that. First, we saw instead the tourist trade on Sundays, which meant that every hotel in South Australia became a tourist hotel immediately. Now we are seeing every liquor outlet in South Australia potentially having to be involved with the Grand Prix for some time before, during and after the Grand Prix.

We need complete honesty: if we want alcohol to be made available in South Australia 24 hours a day, why not legislate for that, rather than using the pitiful excuse of the Australian Formula One Grand Prix to bring it in? I am not just talking about the concept of alcohol being available 24 hours a day so much as the honesty of what is happening here. I do not believe that the international high fliers of this world are so desperate for their alcohol that that must occur. With those two rather major reservations, I will support the Bill.

The Hon. C.J. SUMNER (Attorney-General): I thank honourable members for their support for the Bill. The Hon. Mr Griffin raised a number of technical questions as to the drafting. I will respond to those during the Committee stage. The Hon. Mr Elliott referred to naming rights for the Grand Prix. I do not know whether reports in the newspapers over the past few days indicate that Fosters is the front runner to get the naming rights for the Grand Prix, but, as I said in answer to a question asked by the Hon. Mr Gilfillan, the Grand Prix Board was set up to promote the Grand Prix and to act as an entrepreneur in Adelaide and it basically has commercial considerations as one of the prime factors in its operation. That was evidenced from the last Grand Prix.

This organisation was established with the support of the South Australian community to engage, in effect, in commercial activity and over time it appears that it will be directly profitable, apart from the indirect spin-offs attributable to the running of the Grand Prix and the tourism that is attracted. It would seem that, with the capital cost largely covered, the Grand Prix should be profitable as an enterprise itself. So, it seems to me that the Government, having set the Grand Prix up as a commercial operation, ought to be very wary about intervening to say that the Grand Prix Board should or should not accept a particular sponsorship. I am not saying it cannot do that, but the reasons for it would have to be very compelling, particularly as I believe that at this stage the Grand Prix Board will make its decision on commercial considerations—those considerations which would enable the Grand Prix to get more money into its coffers to benefit the State.

However, as the Hon. Mr Gilfillan raised this matter previously, I have referred it to the Minister responsible (the Premier) and I will bring back a reply to that in due course. I have no information at this stage that Fosters has been given the naming rights for the Grand Prix.

The Hon. Mr Elliott then dealt with the question of 24 hour trading for the Grand Prix and somehow or other tried to inpugn the honesty of people in suggesting that there should be liquor trading for 24 hours during the period of the Grand Prix. I thought that that was hardly an appropriate comment. The Government has not said that it wants open slather 24 hour trading throughout the year. A comprehensive report into liquor licensing laws was undertaken in South Australia only two years ago, and the results of that report were incorporated in legislation. There is no intention to extend liquor trading hours beyond those which apply at present, except in the case of the Grand Prix. I do not see that that has anything to do with honesty or dishonesty, and I find those sorts of remarks made by the Hon. Mr Elliott offensive, to say the least. This matter concerns whether or not it is reasonable in that period of a week to enable liquor outlets to open to assist in the Grand Prix activities and in particular to provide an atmosphere for tourists which they find convivial and which will ensure that during that week in Adelaide they can enjoy to the full the Grand Prix and what Adelaide has to offer and, hopefully, return in the future.

The Hon. M.J. Elliott interjecting:

The Hon. C.J. SUMNER: I am not quite sure what the honourable member is suggesting.

The Hon. C.M. Hill: He's knocking; he's knocked the Grand Prix and now he's is knocking the casino.

The Hon. C.J. SUMNER: That's right. What was the honourable member suggesting by way of interjection?

The Hon. M.J. Elliott: I was suggesting that if you want to cater for the tourists, why not do it for the casino as well. That is applying the same sort of logic.

The Hon. C.J. SUMNER: The casino has 24 hour trading.

The Hon. M.J. Elliott: But what about in the vicinity? It is restricted to the casino itself; it is not state wide.

The Hon. C.J. SUMNER: That's right. I am not sure what the problem is with the honourable member; I am not sure whether he is a lush or a wowser, or a wet or a dry. I cannot work out whether he wants 24 hour trading for the whole of the State every day of the week, 365 days of the year, as one interpretation of his remarks suggests, or whether he wants more restrictive liquor licensing laws.

However, the Grand Prix has produced benefits for South Australia. It is a very important event for this State. Last year the extension of liquor hours worked, as far as I was concerned. I did not perceive any major complaints about the actions of people at that time, and I think most people enjoyed the opportunity of having those more liberalised hours in conjunction with the Grand Prix, given that the number of tourists who come to Adelaide in that week is more than at any other time. Surely that has nothing to do with honesty or dishonesty. It is a matter of common sense to say whether full liquor facilities ought to be offered to people during that period.

I point out that, when the Act was passed last year to extend liquor trading to 24 hours, strict provisions were written into the relevant legislation for that period, that gave the police greater powers than they would normally have to deal with any problems that might arise at licensed premises. Whether the liquor laws should be extended is a matter which, traditionally, has been considered as being a conscience vote in Parliament, in the House of Assembly as well as in the Legislative Council, and I anticipate that that will be the case again. I commend the Bill and that particular aspect of it to all members.

Bill read a second time.

In Committee.

Clause 1 passed.

Progress reported; Committee to sit again.

WORKERS REHABILITATION AND COMPENSATION BILL

In Committee.

(Continued from 27 February. Page 681.)

Clause 2—'Commencement.'

The Hon. C.J. SUMNER: I seek leave to table the report of the Auditor-General entitled 'Report on an examination of two costing studies. Proposed Workers Rehabilitation and Compensation Act 1986'.

Leave granted.

The Hon. R.J. RITSON: The Government, in providing the enormous flexibility for the date of proclamation, and the manner of proclamation is simply demonstrating the great deal of work that must be done between the passage of this Bill and the establishment of the working corporation, a process that will probably take a year or more. Therefore, I express my surprise that in recent days and weeks the Government has insisted on the passage of this Bill as a matter of urgency this week.

The Hon. C.J. Sumner: There is a clause like that in most Bills.

Clause passed.

Clause 3—'Interpretation.'

The Hon. K.T. GRIFFIN: Madam Chairperson, this appears to be the ideal time to make some observations about the whole concept of the Bill. The clause deals with definitions, and there are numerous proposed amendments to this clause, to be moved not only by me but also by the Attorney-General and the Hon. Mr Gilfillan. Those amendments, as well as the clause itself, go to the very heart of the Bill and the scheme for workers compensation that is envisaged. I want to make a few observations about the apparent haste with which this clause is to now be considered, together with subsequent clauses, in the Committee stage.

It is appropriate that the Government defer consideration of the Bill particularly on the basis of the Auditor-General's report that has just been tabled in this place and tabled in the other place at the commencement of today's sittings. I will ask the Attorney-General to report progress in Committee when some of us have had a chance to make observations and, if he is not prepared to do that, I will then move that motion. I will not move it at the moment; I want to canvass a few points and then invite the Attorney to address the question of reporting progress. The Auditor-General's report was called for on 5 February this year, a mere four weeks ago, as a result of a public call by the Australian Democrats and a number of employer groups, supported by the Liberal Party, that the Government refer to the Auditor-General a proposition, as follows:

> Undertake an examination of the two sets of costings to determine to what degree the two sets of results differ and, if so, whether the differences are of such a material nature as to put in doubt the reliability of the Government's costing study. It may be that any differences between the two studies can be explained or reconciled, in which case your views on these differences would also be appreciated.

At the outset, I commend the Auditor-General for having undertaken a most difficult study in such a short period and in such a complex area, but it is important to recognise that in his report the Auditor-General indicates quite clearly that there has not been sufficient time to fully consider all the issues that arise as a result of that reference. The two matters that were specifically referred were the costings study undertaken for the Government by Dr Mules and Mr Fedorovich and a costings study commissioned by the Employers Federation. Both of those studies are included as attachments to the Auditor-General's report. The Auditor-General makes a comparison of the two studies, and says:

> That comparison shows a net premium saving to the employer of:
> - 33 per cent under the Government study,
> - 3 per cent under the Employers Federation study.

But the Auditor-General goes on to say:

> That net premium saving needs to be adjusted for the following factors:
> - the assumed premium saving of 12 per cent as a result of the proposal that the employer meets the first five working days of any claim (excluding medical expenses) will be offset by an equivalent cost to the employer (see page 4 of the Government study).
> - the assumed net cost or saving as a result of the introduction of lump sum payments for non-economic loss has been incorrectly calculated in both studies:
>   — the net cost in the Government study was overstated by 1 per cent (see page 3 of that study);
>   — the net saving in the Employers Federation study was overstated by 1 per cent due to the incorrect use of the premiums for death and maiming percentage (refer pages 2 and 3 of that study—letter dated 30 January 1986).

The Auditor-General further states:

> Having regard to those factors:
> - the Government study would then show a likely net saving to the employer of 22 per cent.
> - the Employers Federation study would then show a likely net cost to the employer of 10 per cent.
>
> The details in Appendix 1 and the above results have been confirmed with the authors of those two costing studies.

Thus the reduction of the likely net savings estimated by the Government study has been reduced from the 44 per cent proposed in the Work Cover publicity prior to the last State election by half to 22 per cent, and the Employers Federation study on its figures, subject to those adjustments, would show an increase in cost to the employer under the Government proposals of 10 per cent. The Auditor-General goes on to talk about the integrity of the results of the two studies, and says:

> That examination [of the quality and consistency of each data base] recognised two basic features of employer liability insurance:
> 1. That insurers reserve the right to accept or reject business, in which case it would seem necessary to include a number of insurers in any data base in order to obtain a representative view of the industry.
> 2. That some claims take a number of years to settle and settlement usually involves significant amounts. This situation can distort single year results.
>
> On that basis, the quality of the data base used in both costing studies leaves room for doubt, given that:
>
> (a) while the report prepared for the Government states that the costing study 'was done in close collaboration with a sample of insurers who were willing and able to provide data on the changes costed in the report', it now seems that:
> - the data base used in the report related to one insurer only, being the only private insurer willing and able to provide the data in the detail required; and to one year only;
> - the administration expense, investment earnings and profit elements of the data base were modified in an effort to correct them for distortions of a one year sample—and in the case of the profit element, tended to reflect the level of profit aimed for by the industry.

At this point it is worth noting that, although the Government finally conceded that the Government study was based on only one private insurer, evidence has been adduced that all companies were prepared to make the information available and some were able to do that at short notice but only one was invited, and that was Heaths, a specialty insurer in any event. The Auditor-General makes some observations about the wider data base made available by the Insurance Council of Australia (SA Division) and makes clear that he does not criticise the Insurance Council and in fact says that it has been most cooperative in meeting

the request for information, but he also stresses the following:

> ... the data base shown in apendix II of this report could not be used with confidence without substantial verification of the information used to build up that data base, particularly the estimates of costs attributable to unpaid claims. This would be a time consuming task, possibly of some months.

Therefore, the Auditor-General has not been able to verify the data base, which has been drawn together hastily, to assist him in comparing the two costing studies. He further states:

> With respect to the assumptions incorporated in the Government costing study, detailed knowledge and experience of employer liability insurance would be needed in order to assess the validity of these assumptions. I have made no such assessment.

So quite obviously he has done the best he could in the limited time available, but in respect of both studies he has clearly indicated that there is information and there are assumptions that he has not been able to verify. His conclusions are very interesting. He says:

> The data base used in the Government costing study and in the Employers Federation costing study is considered to be too narrow to permit a confident opinion to be formed about the reliability of either costing study.

He then further says:

> Mr Gould's most recent view suggests that the overall saving to the employer which might be achieved by the introduction of the proposed scheme could be about 10 per cent, compared with an assumed saving of 22 per cent under the Government costing study. However, Mr Gould's view is a qualified one (see letter of 27 February attached) and reflects his view of the national situation.

He then goes on to make certain observations about the five year study which is referred to in appendix II of the report, which is based on South Australian information only. He makes reference to a possible underwriting loss of 17 per cent and makes a final observation that the information giving rise to the data base in appendix II—including the possible underwriting loss of 17 per cent—needs to be verified. That verification could not be completed within the life of the present parliamentary session.

There are other interesting observations in the report but, in essence, what is disclosed in the report—even on the basis of the Government's own report—is that the claimed savings are very much less than they were originally claimed by the Government to be; that the bases upon which those assessments have been made have not been able to be checked within the time; that the Employers Federation submission which was made available to the Auditor-General and has been released publicly also has some question marks about the information upon which it depends, although I should say here that it does rely on information from three insurers, not only one as covered in the Government report on funding.

What the Auditor-General makes clear is that, on the one hand, the Government claims a 22 per cent saving: on the other hand, it is possible that there might be an additional cost of some 10 per cent on average to employers. That is a remarkable difference in view, and identifies major problems in assessing the real cost of the Government's scheme. In light of that, it would be my proposal that the proper and responsible course would be for the Government to postpone consideration of the detail of this legislation with a view to coming to grips with the likely real cost. I think the last thing this Council and the Parliament as a whole ought to be doing is rushing through complex legislation which might have some savings but, equally, may well have considerable additional costs to employers which will obviously be passed on to the consuming public, because there is only one group of people who ultimately pay, and they are the consumers.

Governments are insulated from increases in cost: they just increase taxes. Employers are insulated to the very large extent that they also pass on increases to the consumer, although they cease to become competitive with their overseas competitors when the cost basis of producing goods and providing services is very much in excess of that for overseas-produced and supplied goods and services.

The proposition which I put to the Attorney-General, Madam Chairperson, is that there are a number of issues raised in the Bill which are affected by the Auditor-General's study; that we cannot effectively consider those issues without having detailed and reliable costings before us which will depict the real cost benefit or additional cost; and that the responsible course is to put it off for a month or two so that that additional study can be undertaken by the Auditor-General and proper assessments be made away from the heat of the controversy about this Bill at the present time. We on the Opposition side are prepared to come back in April or May. That will give about two months within which some more detailed work can be done by the Government, its advisers and by the Auditor-General, and it would give us a reasonable opportunity to consider then the full cost implications of moving to the Government scheme.

There may be some proposition that we can go through this Bill and deal with certain parts of it in the Committee stage and then, if the Government has not agreed to defer the final consideration of the Bill, we might defer it at the end of the Committee stage. Although that might be a useful debating proposition and might provide considerable work for *Hansard*—and require a few more trees to be chopped down to provide the paper upon which that debate is to be reported—I would suggest that there is no good sense in proceeding on a mishmash basis with the detailed consideration of the Bill.

There are a number of propositions even in clause 3 which might very much be impinged upon by the cost of the Government's proposed scheme, and it seems to me that the Committee stage is not the place where we pick out bits and pieces and say that we can deal with these but cannot deal with those. The procedures do not allow it where each concept is very much interwoven with other concepts in the legislation. It is not also, I might say, a matter only of benefits: there is a question of whether or not the corporation proposed in the Bill—a Government bureaucratic monopoly—is the best mechanism for providing reductions in levies or premiums to employers. That is inextricably bound up with the Auditor-General's report, the further information to which he should undoubtedly have access, and the further consideration which he ought to be able to give to the figures already supplied by the Government, employers and insurers.

I do not believe that one can effectively debate certain provisions of the Bill during the Committee stage and then say, 'Put others to one side and we will deal with them later.' It is a waste of everybody's time, including the time of all those behind the scenes who are working to report the debate, and I do not think we will find any enlightenment at the end of the tunnel until we have a comprehensive, detailed and final assessment from the Auditor-General, prepared on an independent basis—as he has prepared the report which the Attorney-General has tabled.

Rather than getting into the detail of clause 3, I wanted to put that position at this stage to give the Committee an opportunity to consider it, and to invite the Attorney-General to report progress and put the debate off until another day—hopefully until some time later in an extended session, which would give everybody an opportunity adequately to deal with the very real problems which are highlighted by the Auditor-General's report.

The Hon. I. GILFILLAN: We do not have any reluctance to proceed to the Committee stage and, in fact, it would seem to us worthwhile to proceed through the Bill. The indication we give is that until there is some satisfactory material extra to the Auditor-General's report which he has, I think, very efficiently and effectively put before us in a remarkably short period of time, it does leave the question that more material should be before both him and then, obviously, the Parliament before answers to the original questions which the Government wrote, requesting him to address, and with my additional terms of reference sent by letter. That material, the response to the filling of the gap which the Auditor-General has recognised, is essential before the Democrats would feel able to support the third reading. However, it seems quite feasible to proceed through the Bill and, when this material is in hand, if need be certain clauses can be recommitted.

The Hon. K.T. Griffin interjecting:

The Hon. I. GILFILLAN: I have heard Parliament do some remarkable things.

The Hon. C.M. Hill: How are you going to delay at the third reading? You can't. You've either got to agree to it, or you've got to vote it out.

The Hon. I. GILFILLAN: I believe that there are ways and means. In the meantime, I am advised that, if we land on thorny ground, it can be resurrected, but the issue is that we must not delay the Bill. In my opinion, many ingredients of the Bill do not have a particular relationship to the costings or whatever would be potential extra findings from a widened Auditor-General report. We are perfectly happy and ready to proceed in the Committee stage and I am therefore prepared to carry on at the Government's pleasure to deal with the Committee stage.

The Hon. R.J. RITSON: I am deeply grieved about what I have just heard. For some time the Hon. Mr Gilfillan has said how important this legislation is to this State and that the matter must not proceed until it has been properly costed. One of the things that the Auditor-General's report has done is to demonstrate that, when the matter is looked at on the limited data base that caused the Government to make the early pronouncements of a great saving, there is grave doubt that those great savings will eventuate. His remarks of qualification indicate that it is really extremely difficult to cost, that people just do not know enough about it to say what will happen and now the Democrats, in their usual form, have gone to water. They have made a great hue and cry about costing and threatened all sorts of things if the report is unsatisfactory, but in the end the matter will proceed through the Council with all the unknown things still unknown. The Government will be very satisfied that it has the Bill passed in accordance with its schedule and the disaster will be upon us.

In support of some of the remarks made by the Hon. Mr Griffin, the very fundamental question as to whether a giant quango is the efficient way to manage this must be questioned. By allowing this Bill to go into Committee, the Hon. Mr Gilfillan has just closed his mind to further consideration of that fundamental question. The earlier costings of this whole package made certain assumptions about the administrative costs of the quango and that they would be less than certain alternative profit-making organisations, but administrative costs are quite famous for blowing out. The much smaller Victorian quango—smaller because it is not a claims paid organisation but merely a policeman and a broker—is 28 per cent over budget in its first year of operation due to unforeseen administrative expenses.

Obviously, the people doing these costings now are doing them on face value of the data that they have. They are not expected to predict unforeseen administrative costs and yet unforeseen administrative costs tend—

The Hon. C.J. Sumner: Where did you get the information about 28 per cent over budget?

The Hon. R.J. RITSON: It is in the Victorian *Hansard.* The Liberal Opposition accused the Government of having it hundreds of per cent over budget and the Minister in his reply said, 'No, only 28 per cent' and proceeded to detail the administrative costs that had caused it. Can we assume, as the Hon. Mr Griffin rightly questions, that a Government quango will fulfil the administrative savings that are expected of it and is that the best way to manage it?

An item in the Auditor-General's report assesses the cost of the first week to be borne by the employers at 12 per cent. That may very well indeed be the cost of those claims, but what has happened in Victoria (and I think that we must look to other people's experiences) is that insurers are charging a good deal more. Perhaps they are now determined not to lose on this type of insurance and, for employers to gain cover against that first week, they pay in the order of 17 per cent. So, whilst it is one thing to assess the estimated cost of claims in that first week in South Australia, that may be different from the cost of taking out insurance cover to meet those claims.

In the end it will be the cost of that insurance cover that will be imposed as an impost on the cost of producing goods in this State. Quite obviously, the Auditor-General has only had the opportunity of costing the primary pillars of essentially the Byrne proposals, as it were, and he has done so with qualification. There are a number of unknowables at which he could not possibly have looked, partly because of the very short time in which he has had to study this matter, and partly because the answer to them depends on human behaviour in a situation, which aspect has not yet been tested. If I refer briefly to the question of the people who used to receive a lump sum settlement for permanent disability after a period of weekly payments, a number of those people will now be admitted to the pension system. Whilst we can look backwards and tell what the old system cost, we have no idea as to the cost of the new system of pensions, because nobody has any statistics relating to the salary base from which those pensions will be paid, the longevity of the recipients of those pensions, the whole demographic pattern of these people, or their morbidity and mortality rates. One would not expect anyone to be able to cost that because it is so iffy.

In my view the report is at best conservative. It is likely that insurers will charge more than 12 per cent for the first week. There is a whole new group of people being admitted to the pension system and we do not know how they will behave on the pensions. I might add that most of my medical colleagues who are actively involved in rehabilitation are terribly fearful that this Bill will actively militate against rehabilitation at every twist and turn. It creates a boss-worker climate of conflict—not that that is not already in existence.

To give people a pension instead of a final monetary lump sum settlement is to reward them continuously for remaining ill. That is not an accusation of malingering (nothing could be further from the truth) but it is discouraging, it entrenches the sick role and, as I pointed out in my second reading speech, the Commonwealth Government had such a system set up at St Margarets on Payneham Road in an attempt to rehabilitate invalid pensioners and that establishment has been closed as a failure.

No-one can cost that because the data is not there and even if it was it would be several months before any sort of assessment of costs could be done. At best, this report is skeletal, but it is all credit to the Auditor-General that he has done what he can for us in a short time. I think the Hon. Mr Gilfillan will go down in history over this Bill if he takes this course. Once we get into this Bill with multiple

amendments it will become a legislative nightmare unless, of course, he refuses to support any amendments and it passes in its present form.

The fate of Bills that have been multiply amended is that they have difficulties in the courts with interpretation and then they come back the next year and the year after for more multiple amendments. For the honourable member, after all his huff, puff and promises given to the community in the past few weeks, to turn around now and essentially say to us 'Pick through this Bill in the remaining two days of the session' (all 100 and something clauses of it) and at the end, 'If I do not like it then we will consider knocking it out at the third reading' (and I gather that that would be one of the options he would consider), surprises me when he has kept saying, 'We have to have something in place.'

Having disappointed most of the thinking people in South Australia, what will we do if he says, 'We will let it through to the third reading'? What will he do at the third reading stage? Will he oppose the third reading and put us back to square one? The best service he can do the Parliament, workers and people of South Australia is to delay the Bill by supporting a motion for a further reporting of progress so that potential amendments and improvements to the Bill can be thought about by honourable members for several weeks and so that various interested parties who are just now coming to understand the Bill, and who are just now starting to talk to their actuaries and accountants, can take part in the democratic process by continuing to talk to members of Parliament about what sorts of amendments they would like.

I really thought when Mr Gilfillan was glorying in the various media interviews that he was getting on the subject that he might actually be going to do something. I thought he might delay this matter for a month or two so that other things could be taking place: further costings; further representations; more consideration and more careful drafting of amendments. One of the saddest things is that from time to time courts and lawyers criticise drafting when Parliamentary Counsel are under enormous pressure in this sort of circumstance: they are kept up late at night and into the small hours of the morning with various honourable members rushing to them with hastily drafted amendments because of the pressure of time—completely unnecessary pressures.

I say again that it does not matter whether or not this Bill is passed now or in three months. I will lay any money that anyone likes that the Government will not have a functional quango on the ground short of 12 months, so the only urgency about it has been political: it has been a political emergency to sneak it past the special interest groups and the Democrats and to legislate by exhaustion. I am absolutely disgusted and disappointed that the people who call themselves the balance of power in this place are now going to water and, in effect, doing nothing. If they do not support a motion to report progress they will have done nothing and we will end up, I bet, with this Bill passing in its unsatisfactory form by the end of this week. Thank you, Democrats!

The CHAIRPERSON: This is a broad-ranging discussion as to whether the Committee is to continue. The first amendment on file is from the Hon. Mr Griffin, but he did not speak to it. I think that wide-ranging discussions are permissible at this point. However, I think that when this has been settled then, if we are to continue, we should move on to the amendments and speak to them and not involve ourselves in excess prolixities as defined by Standing Orders.

The Hon. L.H. DAVIS: The Employers Federation was the group that first called for a review of the costing of the proposed workers compensation legislation. They and other employer groups were then joined by the Australian Democrats and the Liberal Party Opposition in expressing grave concern about the credibility of the costings. We now have received the Auditor-General's report. That was brought down and some members on this side of the Council received copies by courtesy of the Attorney-General at lunch time, but others did not receive a copy until later.

However, we should all ask ourselves what the Auditor-General's report said and, more importantly, what was the Auditor-General asked exactly to do. The letter sent to the Auditor-General by the Minister of Labour states:

> As you may be aware, the Australian Democrats and a number of employer groups have called for an examination by yourself of the costing study undertaken for the Government by Dr T. Mules and Mr T. Fedorovich, particularly in the light of the findings of an independent costing study undertaken by a New South Wales Actuary, Mr Jim Gould, and commissioned by the South Australian Employers Federation. The Government would therefore appreciate if you could undertake an examination of the two sets of costings to determine to what degree the two sets of results differ and, if so, whether the differences are of such a material nature as to put in doubt the reliability of the Government's costing study. It may be that any differences between the two studies can be explained or reconciled, in which case your views on these differences would also be appreciated. Every assistance will be provided to enable you to undertake your assessment of this matter.

Quite clearly, the Auditor-General was asked to undertake a very special examination of two particular sets of costings. The Liberal Party Opposition supported the nature of the inquiry initiated by the Employers Federation and other groups, but that is not to say that the answer from the Auditor-General is the be all and end all of costings of this scheme.

The Attorney-General would be well aware that in the second reading debates both here and in the other place the Opposition made it quite clear that it was far from satisfied by the Mules and Fedorovich inquiry, given that it was a very academic inquiry relying in many ways on stale data and that it has been cobbled and updated like a tired camel to take into account changes that have occurred to this workers compensation scheme now before us. The Auditor-General, as my collegue, the Hon. Trevor Griffin has rightly said, has done a splendid job at very short notice, but only in a narrow area of this admittedly broad and complex subject.

I want to put on the public record that the answer from the Auditor-General, notwithstanding the fact that it corroborates the argument that has been advanced by this side consistently over the last few weeks, is by no means the full answer to this important matter.

Let us look at some of the detail which has been spelt out by the Auditor-General, remembering that when we started this debate on workers compensation with WorkCover mark 1 back in August 1985 the Government, using taxpayers' money, was advertising that there would be savings in workers compensation premiums of 44 per cent. That was spread over the daily papers of Adelaide in rather a monotonous fashion in August and September 1985—savings advertised at 44 per cent.

After the election the Government, of course, with control of the Lower House and with the unions in tow modified the Work Cover proposal to the benefit of the union lobbyists. On 31 January the *Advertiser* in an article headed 'New deal for injured workers' had the Minister of Labour stating that the savings in premium costs were between 27 per cent and 37 per cent. In other words, there had been a reduction from 44 per cent advertised as rock solid savings down to 27 per cent to 37 per cent by 31 January. That was the Minister of Labour being quoted.

Now we go to the Auditor-General's statement at page 2 in which he says that (after making adjustments for the premium saving as a result of the proposal that the employer

meets the first five working days of any claim and for the assumed net cost or saving as a result of the introduction of lump sum payments for non-economic loss) the Government study would then show a likely net saving to the employer of 22 per cent. That is using the Government's own figures—the Mules and Fedorovich figures—which, to use a 1950s phrase, are bodgie figures. So, the saving on the calculation of the Auditor-General using the Government's figures is down to 22 per cent.

Finally, if one actually accepts the data from the Insurance Council of Australia—and that was five year data—and uses the Government methodology, applying it to the Insurance Council of Australia data over the last five years, one actually discovers that the introduction of the scheme will result in a loss of 5 per cent. So, one can see how rubbery the figures are.

It has given a new meaning to the word 'rubbery' when it comes to examining financial statements, figures and costings. 'Rubbery' is spelt in this context with a very big 'R' indeed. Let us look further at the Auditor-General's report, because Mr Tom Sheridan, the Auditor-General, is a gentleman if nothing else.

The Hon. C.J. Sumner: That's faint praise.

The Hon. L.H. DAVIS: He is a gentleman. Whilst the Government quite clearly is not very gruntled with the Auditor-General's report it should be aware of the lashing he has given the Government at the bottom of page 2 of his report. Bearing in mind that Mules and Fedorovich have formed the basis of the costings of this big scheme introducing a new workers compensation scheme into South Australia, one would have thought that Mules and Fedorovich would make their costings publicly available. Notwithstanding persistent inquiries from genuinely interested people, including employer groups, those costings have not been made available. It is very easy to see why. The truth is contained in black and white at the bottom of page 2, as follows:

> On that basis, the quality of the data base used in both costing studies leaves room for doubt—

that is admitted, I think, by all concerned—

> given that—

and this is what I particularly want to quote—

> (a) while the report prepared for the Government states that the costing study 'was done in close collaboration with a sample of insurers . . .'

'sample of insurers' (underlining plural)—

> who were willing and able to provide data on the changes costed in the report,' it now seems that:

this part should be particularly underlined—

> the data base used in the report related to one insurer only, being the only private insurer willing and able to provide the data in the detail required, and to one year only.

In other words, this Government has based its costings on a bodgie study done two or three years ago by Mules and Fedorovich who claimed they were using a sample of insurers and it turned out that the sample was one.

That is a bit like the Minister of Tourism going out to the Flinders Ranges and picking out a tourist saying, 'What do you think of the Flinders Ranges' and coming back, and reporting to Parliament that a sample has been undertaken of tourism in the Flinders Ranges and the answer was as follows. A bodgie survey like that is disgusting: it is unprofessional and unacceptable. For Mules and Fedorovich to claim that they used a sample of insurers when indeed they used only one insurer is unforgivable. The Auditor-General has let them off very lightly indeed in his comment on that point.

The Insurance Council of Australia (South Australian Division) gave information to the Auditor-General. He commented that the council had been cooperative in meeting his request for information. He used the information provided by the council to establish a five year weighted average for a data base which was applied to the Government figures. He makes the point that there was difficulty in being confident about relying on this data because employers used different approaches when applying their information to workers compensation. For example, premium reserves under employer liability insurance are generally not readily identifiable from other investment funds of private insurers. Administration expenses applicable to various funds and classes of insurance undertaken by a private insurer are also difficult to identify. That again underlines the admitted complexity of this matter but, when one sees that the claims that have been made by the Government only as little as a few months ago have been more than halved by the Auditor-General's inquiry, one wonders what else can be discovered because, as I said, the Auditor-General was asked only to comment on Mules, Fedorovich and Gould, and Gould has admitted that his is a hasty analysis and that with more time there could be better information. There could be more accurate and more reliable information available. So, in discussing the Auditor-General's report which was tabled a few hours ago I am disappointed (like my colleagues) that the Australian Democrats have not seen fit to follow the lead of the Hon. Trevor Griffin because they, after all, called for the Auditor-General's inquiry. Presumably, they were anxious to find out what the Auditor-General thought of those two costings, given that the two costings are not the last word on the subject.

The Hon. I. Gilfillan interjecting:

The Hon. L.H. DAVIS: The Hon. Ian Gilfillan was quoted in the paper as saying 'Time is not so important as getting it right'. What has the Auditor-General done if nothing else: he has brought the blind down on the credibility of the Government's costings. Surely, the Australian Democrats must accept that fact. If they do accept that fact that the Government Bill does not have a clean bill of health from the Auditor-General who admittedly is working on very imperfect data and that with more time he says more reliable information would be available, surely they must accept that time is not of the essence in this matter and that it will be far better to report progress and have the matter addressed properly.

I want to mention briefly some other concerns that I have in relation to costing. The comment has been made that this scheme is less expensive than the Victorian scheme—that the level of workers compensation premiums is pitched slightly below that of the Victorian scheme. One would presume that the corollary of that is that the benefits are pitched slightly below the Victorian scale of benefits. I would like the Government to set out in black and white how the level of benefits in South Australia can be said to be lower than that in Victoria. I have grave doubts about that. Also, in his response I would like the Attorney-General to indicate whether the Auditor-General took into full account all the additional costs that are necessarily involved in Work Cover mark II. Did he take into account the increase in lump sum? Did he take into account the inclusion of overtime in calculating average weekly earnings? Did he take into account the adjustment to the provision relating to medical stabilisation, and so on? It is not clear to me whether such an adjustment has been made.

Again, the Government's credibility must be in question, if one looks at the analysis in the second reading explanation of the benefits of the savings to flow from the introduction of new workers compensation in Victoria and in South Australia. The second reading explanation specifically says that the work care scheme in Victoria will reduce premiums in that State by $600 million per annum. We were told in

the same breath that the introduction of Work Cover in South Australia will produce savings in workers compensation premiums in excess of $50 million. In other words, the savings in Victoria will be $600 million—12 times the estimated savings in South Australia—and yet it is claimed that the Victorian benefits are less. It is hard to correlate that.

More pertinent is the fact that the Victorian work force comprises about 1.8 million people compared with South Australia's .6 million people. Therefore, in the second reading explanation the Government argued that the Victorian workforce, which is three times the size of the South Australian workforce, would be 12 times better off in terms of savings from workers compensation premiums. Those are the figures in black and white, and from my understanding of the existing workers compensation scheme in South Australia, as against the old scheme that existed in Victoria, it is simply not possible to say that there would be such a variation in savings between Victoria and South Australia. I would like an answer to that matter.

In Ontario, Canada, for example, benefits provided are less; the maximum benefit level is 75 per cent. My inquiries (admittedly, hurried) have indicated that the premium payments in line with the benefits are roughly comparable, but there is a $1.6 billion unfunded liability. However, in South Australia the scheme to be established is supposed to be a fully funded one. Can the Attorney comment on that?

I would be interested to know whether the Government can publicly give examples of industries where premiums will straight away be lower than the premiums that already exist in relation to those industries. No specific detail has been given about such a basic matter. I readily understand that the Government does not set the premiums, but the Government has done the sums, and it should have the answers. Surely, the main issue is one of costs; the cost to industry and commerce and to the South Australian economy, remembering that, according to fairly recent CAI surveys, oncosts represent some 43 per cent of total direct wage payments and that workers compensation premiums represent between 25 per cent and 50 per cent of oncosts. Finally, why did the Government again change its mind on consultation, remembering that consultation and not coercion was one of the catchcries before the last election? On 2 December 1985 Premier Bannon assured a deputation of private insurers that the Work Cover mark II scheme would be submitted to IRAC for review. That did not occur, and I ask 'Why not?' A number of questions are involved, and I believe that the Government must answer those questions in order to justify its desire to ram through this important piece of legislation, notwithstanding the credibility gap which has been there for the Opposition to see in recent weeks and which is now there for the public to see, following the release of the Auditor-General's report today.

The Hon. M.J. ELLIOTT: I do not intend to waffle on at this stage. I will not mention other members. In his report, the Auditor-General has certainly placed the costings in sufficient doubt to warrant further inquiries being made in that regard. However, after careful reading of his report I have no doubts about or any problems with the underlying principles of the Bill.

The Democrats have always been consistent in our general support for the concept of no blame insurance, etc. We have also insisted that costings must be such that we can be confident that the Government will not create a scheme that is too expensive for the State to afford.

The Auditor-General has shown that both Government and employer data were questionable. Both sides have been guilty of overstatement. I only wish that in this Council such overstatement would cease. We must get it right, and we will take as long as is necessary to do so before allowing the Bill to pass. However, as I see it, that should not preclude us from considering the clauses of the Bill which are not related to costs—and a significant number of clauses have no effect on the costs involved. By the same token, I would not be disturbed if the Government decided to wait and to consider the Bill as a whole at a later date. I am quite easy in either regard.

I see no reason why this Council could not reconvene after more detailed costings have been prepared. The Democrats have been consistent; we will allow this Bill to pass only after we are absolutely certain that in totality the measure will provide the right thing for the people of this State. However, as I said before, I believe that the Bill, in essence, is correct. It is the finer points that need fixing up, and it is in relation to those that we want to wait and engage in debate at a later time.

The Hon. C.M. HILL: I was very heartened to hear the last speaker from the Australian Democrats who put his case quite clearly. I believe that this Committee should not proceed with the Bill at present.

The Hon. C.J. Sumner: We know that.

The Hon. C.M. HILL: The Attorney agrees that we should not proceed?

The Hon. C.J. Sumner: We know that is your view.

The Hon. C.M. HILL: I base my opinion on the Auditor-General's report, which we now have before us. Some of us received it earlier today. We note that it was addressed to the Minister of Labour (Hon. Mr Blevins) and not to either the Speaker or the President, as the Hon. Mr Sumner earlier today said would be the case. However, that is another point. The two relevant paragraphs as I read the report appear at page 5 and state:

> If the underwriting loss of 17 per cent reasonably reflects the position in South Australia over the last five years, then an increase in premiums would seem inevitable.
>
> It is stressed that the information giving rise to the data base in appendix II, including the possible underwriting loss of 17 per cent, needs to be verified. That verification could not be completed within the life of the present parliamentary session.

The two relevant points are, first, that obviously the Auditor-General is saying that on the information before him it appears that premiums will inevitably increase and, secondly, that he needs more time to complete his total investigation. The fact that he goes so far as to talk about the inevitability of an increase in premiums is damning on the Government. This Government that came forward from time to time talking about decreases in premiums of 10 per cent, 15 per cent, 20 per cent, 33 per cent and 44 per cent now has this independent document in front of it which talks about the inevitability of an increase in premiums.

The Hon. C.J. Sumner: That's ridiculous. It doesn't say that.

The Hon. C.M. HILL: Yes, it does say that. It states:

> . . . an increase in premiums would seem inevitable.

The Hon. C.J. Sumner: That's under the existing system.

The Hon. C.M. HILL: I received this report only at 8 o'clock tonight and I am very concerned about that. I come to the question of the tactics involved so that the Democrats, who have stated their case, can in effect put these tactics successfully into effect. If we go through Committee, we are then faced with a contingent notice of motion, which endeavours to ram the Bill through the third reading stage.

The Hon. C.J. Sumner: We could stop at the last clause. What's wrong with that?

The Hon. C.M. HILL: What does the Attorney mean by that?

The Hon. C.J. Sumner: Gilfillan could move that progress be reported then.

The Hon. C.M. HILL: I am making my speech: if the Attorney wants to give Mr Gilfillan any advice, he should do it at the right time.

The Hon. C.J. Sumner: Don't make a silly speech.

The Hon. C.M. HILL: I am not making a silly speech. I do not want to see the Democrats like putty in the palm of the Government's hands. That is what I am trying to avoid. If we go through to the contingent notice of motion stage and if the Council successfully resists that motion, then the third reading stage is listed on the Notice Paper for tomorrow. The Democrats must face up to that as a measure that must either be passed or rejected. The only other alternative that has been considered by the Democrats, that is, recommittal of the Bill back into Committee—

The Hon. C.J. Sumner: We need not come out of Committee.

The Hon. C.M. HILL: I know that we need not come out of Committee, but let me finish.

The Hon. C.J. Sumner: What's the point then?

The Hon. C.M. HILL: I am talking about the point that the Hon. Mr Gilfillan says that we should take the Bill through Committee and then delay it, and I am concerned about the machinery that he intends to invoke.

The Hon. C.J. Sumner: I'll tell him that.

The Hon. C.M. HILL: No, you will not: the Attorney will give the Hon. Mr Gilfillan advice, but it will be slanted his way. We come to the question of recommittal, and what happens then? If the Bill is recommitted back into Committee, at that moment the Democrats will be faced with the decision whether to adjourn. Whichever way they look at it, they are faced with the need to adjourn. They can either agree to adjourn now or they can do it later, on the last clause in Committee, but I hope that they will not proceed right down the track and in the end find themselves in such a fix that they will not achieve their goal. Neither of the Democrats has disclosed what strategy he intends to invoke.

The Hon. C.J. Sumner: Now you're giving them some advice.

The Hon. C.M. HILL: Yes, I am, and why should I not? That is the situation, and it seems strange to me that neither of the Democrats, having made a speech, has stated how he will achieve the aim. They have told us their aim and I applaud them for that, but they must be very careful about their strategy for achieving that aim.

The only other point I want to make is that there is nothing wrong with this Chamber's delaying legislation. That is one of the clear functions of a second Chamber in regard to major issues. I am not talking about our being obstructive: I am talking about delaying. One can look back upon the basic functions of second Chambers and one sees that there is a right of delay when there is clearly a need to delay so that further opinions can be obtained, whether those opinions be the opinions of the community at large or whether, as in this instance, they are the opinions of an independent expert who has been asked to report and who, as in this case, has in effect given an interim report and obviously wants more time. It is my view that there is little purpose at this stage in this Committee's sitting here for hours and hours and arguing all the amendments—and it will take three or four hours at least—if the Bill is to be recommitted at a later date so that we have the same thing all over again.

If we think about some of the matters that will occur after this moment in time, we ought to be clear in our mind, and the responsibility is on the shoulders of the Australian Democrats. They have the right and the opportunity to delay this matter effectively (as I think they want to do, and I am sure that the community at large and this Committee wants them to do) and I hope that stage by stage we are efficient and effective in achieving this aim, which all members on this side want and which the Democrats, as stated tonight in their speeches want.

The Hon. R.I. LUCAS: As the Attorney is not in a position to respond at this stage, I want to take an hour or two to put my view point on this clause.

The CHAIRPERSON: We have already spent an hour without having one amendment moved.

The Hon. R.I. LUCAS: Ms Chair, I wish to refer to the way in which the Minister of Labour and the Government have misrepresented the Auditor-General's report in another place today and through the wider forums of the press and media. I do not intend to go into the detail of the specific criticisms that the Auditor-General has made of the Government's costings carried out by Mules and Fedorovich at an earlier date, as those criticisms have been canvassed well by other speakers. What we have seen today and tonight through the evening news and on television and heard on radio bulletins has been persistent misrepresentation by the Government and, in particular, by the Minister of Labour with respect to the points of substance made by the Auditor-General in his damning criticism of the Government's Bill.

The Minister of Labour has been on television bulletins this evening and on radio saying—and I paraphrase the Minister—that the Auditor-General's report has, in effect, validated what the Government has been saying all along about the costings of this scheme. In one interview, the Minister said that we could not afford to delay the passage of this Bill because it would cost employers $1 million in premiums for every week of delay. In saying that, the Minister is going back to his old figure: that the cut in premiums for employers in South Australia under the Government Bill would be $50 million per year.

The Minister was using that figure of the $50 million cut in premiums a year when the predicted cuts in percentage level for employers was going to be somewhere between 22 and 44 per cent, depending on which day of the week it was that the Minister plucked a figure or, in fact, which Minister may have been plucking a figure for cuts in premiums for employers.

However, now we have this independent analysis of the Auditor-General which is in effect the umpire's decision on the costing argument and which says in appendix II that the likely net saving to employers is minus 5 per cent. Thus, the effect of the Government's proposed scheme on employers will result in a likely increase in premiums of 5 per cent rather than the cut in premiums of between 22 per cent and 44 per cent as stipulated by the Government.

The Minister of Labour (and I presume we will see the same performance from the Attorney-General in this Chamber tonight, as they have similar advisors) has been trying to gloss over the damning criticisms of the Auditor-General. Moreover, we have had an inadequate assessment of the Auditor-General's report by the news media and, in particular, the television stations in South Australia. For example, tonight on one of the evening news bulletins the reporter indicated that the Government had predicted a 33 per cent cut in premiums, whereas the Auditor-General had disagreed and said that there would be a 22 per cent cut in premiums under the Government scheme. There is no way in the world that the Auditor-General's report can be viewed in that way by any representative of the Government or of the media, because that figure of 22 per cent is only a preliminary figure used in the first two or three pages of the report, indicating that the Government's predicted 33 per cent cut, even before we looked at the official analysis, needed to be reduced by about 11 per cent, primarily because the employers would still have to pay for workers compensation in a different way for the first five days for their employees, so it was in effect just a transfer cost.

So the Auditor-General was really only warming up in his analysis on the first two pages. What we have had fed from the Government and its advisors to the media is a persistent campaign over this afternoon and this evening of distortion of the Auditor-General's independent costing of this scheme.

The Hon. C.J. Sumner interjecting:

The Hon. R.I. LUCAS: I indicated my attitude to the UF & S and the Chamber of Commerce earlier, if the Attorney-General remembers my second reading contribution, I believe, as I said then, that they were duped by representatives of the Government such as Fedorovich who, in the minute (which I quoted in my second reading speech) of 15 or 18 August 1985 attended the meeting of the Chamber of Commerce, for example, and misrepresented the Mules-Fedorovich study by indicating that it had been done from a cross-section sample of insurers in South Australia. I will not repeat what I said in the second reading debate and what the Auditor-General has confirmed in this report, that the Government, through Mules and Fedorovich, misrepresented that report grossly because there was only one insurer in that particular analysis, and that was Heaths. As I said before, I make no criticism of Heaths, but there was only one insurer.

So the reason that bodies like the UF & S and the Chamber of Commerce supported the Government was that they were promised substantial cuts of 20 per cent to 40 per cent, and representatives of the Government—like Fedorovich and others whom I will not name—were feeding that story to those industry groups. They were duped, and I believe that they will see that they were duped when they have a proper analysis of this Auditor-General's report. The criticism I have at the moment is that the Government will still not learn. It will not accept an independent analysis of its costings. We still have the Minister claiming a $1 million a week cut in premiums for employers under the Government's proposed costings.

That is the only matter that I want to raise this evening in this contribution. Quite simply, I hope that the *Advertiser* and the morning radio stations, when they read the *Advertiser* in the morning and have a fuller opportunity to adequately look at the Auditor-General's report, will see that the fundamental criticism of the Auditor-General involves the 20 per cent to 44 per cent cut in premiums under the Government proposal. There must be a wider data base than just the one insurer the Government used. Seven insurers should be taken, insurers who cover 58 per cent of the workers compensation premium income in South Australia. That would be a good cross sectional sample of insurers. I know, with your interest in statistics, Ms Chair, that you will know the inadequacies of taking a sample of just one insurer, as opposed to the adequacy of taking seven insurers covering 58 per cent of the workers compensation premium income. So I know that I do not have to convince you, Ms Chair, in any way of the validity of the arguments I am putting here this evening. I only wish that on this occasion your expertise in this area could be brought to bear within the Caucus, and particularly with the Minister for Labour, to indicate the inadequacy of the Government's costings and the accuracy of the Auditor-General's costings in this area.

Quite simply, what we have now is a 5 per cent increase predicted by the Auditor-General, so that the fundamental basis of this whole scheme has disappeared. The only rationale we had from the Government for this Bill and this reform in the first place was that we would see lower workers compensation premiums for employers.

The Hon. C.J. Sumner interjecting:

The Hon. R.I. LUCAS: Read appendix II. The Attorney-General's grasp of economics is limited: we know that. We have had indications of that for three years. He is a fine lawyer, in my view, although some might not agree with me, but his grasp of matters of economics, statistics, mathematics and the whole range of that particular debate—

The Hon. C.J. Sumner interjecting:

The Hon. R.I. LUCAS: I will debate those matters with the Attorney-General on any occasion. If he looks at Appendix II he will see the fundamental criticism the Auditor-General has made of the scheme. If he takes the advice of his advisor, he may well playdown his comments in this area, because if he wants to argue in this area he will be found sadly wanting, I can assure him, because there is no basis at all for the view which the Minister of Labour has been pushing out to the media and which I am sure the Attorney-General, when he gets his chance, will attempt to push out this evening.

I warn the Attorney-General to be very careful with respect to the advice that he has been given. It has been proved to be wrong for the past 18 months. It has now been shown to be wrong by an independent umpire, and clearly the Government is not prepared to accept the decision of the independent umpire. It is now casting some doubt about the worth of the work of the umpire; that is the attitude that the Government will take.

The Attorney, as I have said, clearly has no grasp of what the report is saying if he is saying, 'Where is the 5 per cent?' Clearly, all that he has to do is look at appendix 2, which says to him, 'Take a wider data base of seven insurers and apply the same assumptions that Mules and Fedorovich used.' The Attorney is not on strong ground because he is double-checking what he has been saying and interjecting with his adviser.

When one widens the premium or sample base from one insurer—Heaths—to seven insurers, of 58 per cent, and uses the same assumptions that the Government's analysis used, instead of getting a 33 per cent cut one gets a 5 per cent increase. The whole basis for the Government's scheme disappears right up the chute or right out the window. We have no rationale at all for the Government's scheme.

If the Government had come to us and said, 'The reason for this scheme is that we want to improve the lot of workers and improve the range of benefits for workers, and hang the cost to the employers,' or 'We want to see it at least as neutral as possible,' we could possibly continue at this stage. However, I remind members that that was not its rationale. That was never mentioned: the rationale was a substantial cut in premiums to employers in South Australia of 20 per cent to 40 per cent.

Now that rationale is destroyed because the Auditor-General says that it is a 5 per cent increase. So, there is no rationale for the Government's Bill. I certainly will be interested to hear the Attorney's response and I hope, Ms Chair, that you will allow us the same discretion with interjections as has been permitted to the Attorney-General during our contribution.

The Hon. C.J. SUMNER: Honourable members opposite have finished their ramblings and repetitive speeches. The Hon. Mr Griffin said it all in a responsible contribution, although we may not agree with everything that he said. After he had said everything we then had five speakers from the Opposition saying exactly the same thing.

The Hon. R.I. Lucas: It is an important Bill.

The Hon. C.J. SUMNER: I know, but there is no excuse for virtually repeating word for word what the Hon. Mr Griffin said, except for the Hon. Dr Ritson, who rambled on in a fairly incomprehensible way, which seemed to be really not to the point at all. One can only assume that the Hon. Mr Lucas had something for dinner that disagreed with him in the light of his usual fairly abusive remarks.

The Hon. R.I. Lucas: I missed my basketball match.

The Hon. C.J. SUMNER: I knew that there had to be some reason for his temper. The Government believes that the Committee should proceed with consideration of this Bill. The second reading vote dealt with the question of whether we should opt for a single insurer system or whether we should proceed with the Liberal Party's proposal to maintain the multiple insurer system. Honourable members opposite divided on the second reading, and the principal point on which they divided was whether or not there should be a single insurer scheme. They put forward an alternative proposition, which in principle was rejected by the second reading vote. Having been rejected by the second reading vote, it seems that we can proceed with the matter, as the Australian Democrat Leader (the Hon. Mr Gilfillan) has pointed out.

The Hon. Murray Hill attempted to raise some red herrings about the procedure, but clearly we can go through the Bill tonight clause by clause with the amendments. If at the end of the Bill the Democrats are still dissatisfied with the costing exercise as they said they are, progress can be reported. The Hon. Mr Gilfillan presumably can then attempt to take the business away from the Government and move that progress be reported. No doubt the Liberal Party, on its attitude to date, would support him. So, there is no question, as the Hon. Mr Hill indicated, of getting stuck in the third reading and being unable to get out of it: that is a red herring.

The principle of a single insurer has been accepted by the second reading vote. In my view, we can proceed through the clauses and make some progress on this Bill during this week. It will then be a matter for the Democrats to determine what their ultimate position is on the Bill. The Hon. Mr Gilfillan has said that, unless the costings are clarified, he will not proceed. That is a matter that he can review again when we are near the conclusion of the Committee stage.

Honourable members have addressed at some length the question of costings. In my second reading reply I responded to most of the queries relating to costings in the second reading debate. The Auditor-General's report has correctly isolated current profitability of the insurance industry as being the main point of difference between the various costing studies. Indeed, if honourable members examine the Auditor-General's report (as apparently the Hon. Mr Lucas has not done) and if they go through a comparative analysis of the costing, they will see that the only major point of difference is the current level of profitability of the insurance industry: that is the major area of dispute. There does not seem to be much dispute about the cost of the level of benefits in the Bill. Almost everyone who has examined that has come out with a similar figure.

There does not seem to be much doubt about the savings from a single insurer system except on the question of profit and risk. As I have said, there does not seem to be any great doubt on the benefits side. There does not seem to be any great doubt on the employers meeting the first five working days of pay; and there does not seem to be much doubt, obviously, on the stamp duty and the elimination of the statutory reserve fund levy. So, that is the only line about which there is any dispute through the Government's study (Mules and Fedorovich), through the Employers Federation first study, through the adjusted Employers Federation study or the wider data base study suggested by the Auditor-General's report. So, the concentration must be on the question of profit.

The Hon. R.I. Lucas interjecting:

The Hon. C.J. SUMNER: The Hon. Mr Lucas interjects, and I suspect that he has not understood it, either. If he can point out to me where there is a difference in all of those areas, except on the question of profitability, I am happy for him to do it. However, he will not be able to do that: that is the clear situation. We have a dispute about profitability. The honourable member has failed to point out to the Committee that the Employers Federation study initially showed a loss factor that is a loss factor or a profit factor of minus 20 per cent profit (that is, a loss of 20 per cent). The adjusted figure from the Employers Federation in the Auditor-General's report, after the Auditor-General discussed it with the Employers Federation actuary, is that the insurance companies are presently making a 5 per cent profit.

The Hon. Mr Lucas has not mentioned that factor so, on that adjusted Employers Federation study, the profits of the insurance companies now amount to 5 per cent, compared to the original Government study of 9 per cent. The Employers Federation original study has now been adjusted on the available data from a loss situation of 20 per cent to a profit situation of 5 per cent. Apparently, that has been overlooked by the honourable member, so the only area of dispute is the current profitability. Even if you take, as has been pointed out, that the insurance companies have been making a loss, surely honourable members are not suggesting that that will continue; surely they are not suggesting that the insurance companies in South Australia are operating permanently at a loss. I am sure that even the Hon. Mr Lucas would not assert that proposition; it would be absurd of him to do so, because the insurance companies would not remain in the business if they were running at a loss.

It also might be worthwhile pointing out to the honourable member that the SGIC for a number of years has been in a competitive market and for the past four financial years has made profits on workers compensation insurance. The question now comes down to what additional data can be ascertained to deal with that central question of profitability. The Auditor-General has taken the figures from the Insurance Council of Australia (and those figures were indicated at a 17 per cent loss), but in his report the Auditor-General says that those figures are completely unreliable.

The Hon. K.T. Griffin interjecting:

The Hon. C.J. SUMNER: Just a minute! The data base resulting from the information provided by the Insurance Council of Australia is shown in appendix II. The report states:

> A five year weighted average has been used in establishing that base. That data base and any assumptions that might be made from it needs to be viewed with the utmost caution.

The Hon. R.I. Lucas: That is not unreliable. Look at page 5.

The Hon. C.J. SUMNER: The honourable member is being semantic. One would have thought that there was very little difference between 'utmost caution' and 'unreliable'. If you are supposed to treat data with the utmost caution, surely the implication is that that data of itself is unreliable. The next question is whether he can obtain that information. He states:

> Generally, it has been difficult to obtain data on employer liability insurance in this State. In many cases, it is not readily available in the form required and there could be some inconsistency between the information provided by insurers.

Where information has been collected, where there is data which the Government study was able to obtain and cross-check with the industry and where there is the SGIC evidence, you have a situation of profit. However, even if you get to the point—

The Hon. R.I. Lucas interjecting:

The CHAIRPERSON: Order!

The Hon. C.J. SUMNER: I did not say that the Government costing used it. The honourable member does not listen and, ever since he came into this Chamber, he has

never listened. I said that the Government study had reliable data from one insurer which was crosschecked with others; and, in addition, we had the experience of the SGIC profitability over the past four financial years. As the honourable member well knows, that is the situation. There is that firm data about which, when you examine all the reports, there seems to be very little difference of opinion. The only question to which we return is profitability. In any event, the Auditor-General says, 'I do not know how you obtain the extra data.' The Insurance Council of Australia has put up some data which he says has to be viewed with the utmost caution, that is, it is not reliable. He further asks, 'How can we in South Australia obtain reliable data?' And he is virtually saying—

The Hon. R.I. Lucas: Give him some time.

The Hon. C.J. SUMNER: First of all, he is not saying that he be given some time—

The Hon. R.I. Lucas: He is: he says that it has taken him some months to do it.

The Hon. C.J. SUMNER: The honourable member has not read the letter on the front page, which states:

In these circumstances, it may be more appropriate for another person (or persons) to be involved if further investigation of this matter is required.

In other words, he is not saying that he wants further time; he is saying that someone with actuarial experience ought to undertake the task, if it is to be done. However, he also says that he suspects that this reliable data is not available, so you return to what is agreed in the report. Everything except the area of profitability is agreed. The Employers Federation adjusted study now concedes a 5 per cent level of profitability compared to the 9 per cent level in the Government study.

We have the Insurance Council of Australia figures, which the Auditor-General says are to be viewed with utmost caution. The question then remains: what figures do you rely upon? If there are figures dealing with a loss situation, honourable members suggest that that will be maintained, that insurance companies will continue to make losses on workers compensation and that they are very philanthropic. I find that impossible to believe. The evidence at the present time is that insurance premiums are likely to rise quite dramatically. I think that, in assessing whether or not we ought to proceed with this Bill, that is another factor that should be taken into account.

I think that we can proceed. If the Democrats then wish to have their further studies done at the end of the Committee stage, that is something that they will have to consider at that time. However, there seems to be no case for delaying the consideration of the Bill, given that the question of the sole insurer versus multiple insurers has been resolved by the second reading debate.

The CHAIRPERSON: Before continuing, I would like to say that we have spent 1½ hours discussing whether or not we will continue. This has been strictly against Standing Orders, but I have permitted the eight or nine speakers to take part in this debate on the basis that the Auditor-General's report was only tabled this evening and the material being mentioned by honourable members, while more appropriate in the second reading debate, was not able to be part of that debate because the report was only tabled today. All those who wished to take part in that debate have had an opportunity to do so and from now on I will insist that Standing Orders are followed, in other words, either a motion must be moved, or the first of the indicated amendments put. From this point I will insist on Standing Orders whereby debate shall be confined to the motion or amendment before the Committee, and wideranging debates will have to wait until the third reading stage.

The Hon. R.J. RITSON: I ask a question of you, Madam Chairperson, for my guidance. Traditionally, in the Committee stage, whilst we must relate to the clause under consideration we have had the attitude of asking questions about the meaning of clauses even though a motion might not be put on that clause. Will you permit questions?

The CHAIRPERSON: Certainly: questions relating to a particular clause can be taken as relating to the motion 'that the clause stand as printed'. There are no problems there.

The Hon. K.T. GRIFFIN: Madam Chair, I can appreciate your wish not to prolong the general debate and I certainly have no intention of doing that. However, it is regrettable that we do not have an opportunity at least to respond to the appalling misrepresentations of the Attorney-General about the report and significance of the second reading. I do not think that anybody could believe that the second reading debate decided the issue of whether or not there would be a corporation and the other important issues in this Bill.

The CHAIRPERSON: We are not to continue in that vein.

The Hon. K.T. GRIFFIN: I am not, but I wanted to put that on the record. I still believe that it is important to have the matter not pursued in the Committee stage and, therefore, I move that the Committee report progress and seek leave to sit again.

The Committee divided on the motion:

Ayes (9)—The Hons J.C. Burdett, L.H. Davis, Peter Dunn, K.T. Griffin (teller), C.M. Hill, J.C. Irwin, Diana Laidlaw, R.I. Lucas, and R.J. Ritson.

Noes (10)—The Hons G.L. Bruce, B.A. Chatterton, M.J. Elliott, M.S. Feleppa, I. Gilfillan, Carolyn Pickles, T.G. Roberts, C.J. Sumner (teller), G. Weatherill, and Barbara Wiese.

Pair—Aye—The Hon. M.B. Cameron. No—The Hon. J.R. Cornwall.

Majority of 1 for the Noes.

Motion thus negatived.

The Hon. K.T. GRIFFIN: I move:

Page 1, lines 26 and 27—Leave out paragraph *(b)* of the definition of 'apprentice'.

We have no difficulty with paragraph *(a)* of the definition of 'apprentice', but to give the corporation the power to prescribe some other person to be within the definition of 'apprentice' seems to me to be giving excessive power to the corporation. Questions were raised in the other place about what the Government in fact had in mind with paragraph *(b)* and no reasonable and satisfactory answers were given.

Therefore, it does not appear that it is necessary to give the corporation, if there is to be a corporation, this power of determining who else should be included in the definition of apprentice. If there are to be others, they ought to be included specifically. If there are others and the Government does not want to identify them but to do it later, then that will undoubtedly be an additional cost to employers. I think that it is unreasonable for that to be the Government's attitude.

The Hon. C.J. SUMNER: I oppose the amendment. The definition of apprentice is relevant to clause 4 (6), which provides that a permanently incapacitated apprentice shall receive average weekly earnings as if the apprentice had completed the apprenticeship. The term as defined in *(b)* extends a recognised formal apprenticeship to include persons undertaking training schemes approved by the corporation, in other words, people who may be in a similar position as apprentices. If left out, the persons undertaking training schemes that are not technically apprenticeships would be disadvantaged in comparison to persons in formal apprenticeships and that is why I oppose the amendment.

The Hon. K.T. GRIFFIN: What sorts of training schemes does the Government envisage?

The Hon. C.J. SUMNER: Basically what is envisaged is that employment which does not constitute a formal apprenticeship but which is in the nature of a traineeship and where wages paid are less than what would be available to people who are not in a training situation, for instance, proposals at present under the youth employment package for traineeships which are not formal apprenticeships. It is considered that they should not be disadvantaged *vis-a-vis* those who are undertaking a formal apprenticeship.

The Hon. I. GILFILLAN: We oppose the amendment.

The Hon. K.T. GRIFFIN: In light of that indication, if I do not succeed on the voices I will not divide. That will be my attitude to some issues as we go through the Bill but there will be others, notwihstanding that intimation from the Australian Democrats, who hold the balance in this Council, upon which I will be seeking to divide. However, on this amendment if I do not succeed I will not call for a division.

Amendment negatived.

The Hon. K.T. GRIFFIN: I move:

Page 1, after line 28—Insert new definition as follows:
"approved insurer" means an insurer declared by the Treasurer to be an approved insurer for the purposes of this Act:.

I want to test the feeling of the Committee by moving a definition of approved insurer. This is one of those amendments which go to the heart of the workers compensation scheme proposed by the Government. It seeks to establish a basis upon which the corporation proposed in the Bill will not be a Government monopoly organised along bureaucratic lines, but that the workers compensation area will be available to insurers who are approved by the Treasurer.

The Liberal Party holds a very strong view that competition is important in the market place and that it can only be obtained by bodies such as private insurers and SGIC competing on an equal footing and providing workers compensation. We anticipate that if this amendment is supported there would need to be a number of other consequential amendments to the other parts of the Bill. So, to the extent that the question of approved insurers being involved is a matter upon which the Committee expresses a view we would regard this as a key amendment.

We envisage that the Treasurer would have the responsibility to examine insurers and to determine whether or not they should be approved for the purposes of carrying on workers compensation business. Part of the criticism of the current system is that there are some—not a significant number—insurers in the workers compensation field who might be described as those with not such financial strength or such expertise or such determination as would provide an ongoing workers compensation insurance capacity.

Among the criteria which we propose would be those which would, in effect, weed out the bottom end of the market but still leave a substantial number of insurers carrying on this sort of business. The Insurance Council of Australia was proposing fairly tight criteria which might have left only about 10 or 12 insurers in the field. We do not support that: we think there is room in the market place for a larger number of the 37 insurers, provided that they can meet certain criteria. The first must be that they would be an insurer authorised to operate in the Australian market in accordance with the authority of the Insurance Commissioner under the Commonwealth Insurance Act. We would expect SGIC to compete on an equal basis to meet those criteria.

We would also expect the applicant to be an insurer who intends actively to pursue workers compensation business in its own right; that the insurer must be competent to underwrite workers compensation insurance and to service policy holders throughout South Australia; that the insurer must satisfy the Treasurer that it will issue policies directly to customers; that an insurer must not surrender management of workers compensation business to another company with or without an agency fee; that the insurer must demonstrate to the satisfaction of the Treasurer an adequate and socially responsible claims handling capacity and that the insurer must demonstrate adequate financial resources or financial substance, which would ensure that its stability was beyond question in carrying on workers compensation insurance.

Those major broad criteria would provide adequate safeguards to ensure that reputable, responsible and stable insurers were involved in the field and that, having satisfied those criteria, there would then be adequate competition in the marketplace to ensure that premiums were kept as low as possible. That introduces a different scenario from that of a Government corporation which, as I indicated and as we all accept, is a Government monopoly run along bureaucratic lines—no competition and no incentive to keep costs down.

The corporation levies employers and has a capacity to impose supplementary levies. That really means that the corporation is in the same position as Government and when the budget cannot be satisfied taxes, charges or levies will go up and the employer in this instance will ultimately pay. So, the concept of an approved insurer is one which we would vigorously promote as the more effective way of ensuring reductions in the cost of workers compensation in South Australia.

In conjunction with that, there must also be a number of other reforms in the system. I have identified those at the second reading stage and I do not intend to repeat them now. There must, of course, be some reduction in benefits. If benefits are reduced and a different framework is proposed within which approved insurers can carry on workers compensation business, there will undoubtedly be reductions in premiums to employers in this area and thus benefits will ultimately be passed on to consumers.

In the context of an approved insurer we also propose that there be a review committee to comprise representatives of Government, employers, employees and self-insurers to monitor the progress of workers compensation, to collect statistical data from insurers and to provide advice to the Treasurer on the question of approving insurers and on those insurers who have been approved, and on premium levels although there is no proposition to fix premiums under the approved insurer concept which I promote. So, I move my amendment in the hope that it will be accepted as a proper and reasonable alternative to the single insurer concept of the corporation.

The Hon. C.J. SUMNER: They never seem to give up, having pitched the second reading debate substantially on whether or not there should a single insurer or multiple insurers. Having lost the second reading division they now attempt to amend the Bill to introduce the concept of multiple insurers having pitched their debate on that at the second reading stage. There is really not much point in our rehashing all the arguments; they have been gone through before. All I can indicate is that this is an attempt by the Opposition to get back into the Bill the concept of multiple insurers which, I would have thought, was clearly determined by the second reading vote.

The Hon. K.T. GRIFFIN: Once again the Attorney distorts quite significantly the Opposition's position. At the second reading stage we raised all sorts of questions as to the viability of the whole of the Government's scheme, not just the single insurer concept although that was a significant

part of it. There were many other issues on which we focused.

The Hon. C.J. Sumner: Read the policy.

The Hon. K.T. GRIFFIN: Of course, I read the policy. The second reading debate was not the time on which to make a decision on this question of whether multiple insurers or a single corporation, a Government bureaucracy, would be established. I am entitled to put my point of view now and have it voted on by the Committee. That is what I am doing, and I think it is appropriate to have the matter fully explained. The second reading stage was not the point at which to resolve this issue. If we went along the lines that the Attorney-General is arguing, it would mean that we might as well not move any amendments to the Bill, because we raised previously many issues that would be the subject of amendment. In putting that proposition the Attorney is ignoring the concept of the second reading debate and once again is seeking to stifle debate so that the Government can get its own way and finally achieve for the unions, its bosses, what they have directed.

The Hon. R.I. LUCAS: If the rules of debate under which we are to operate during the Committee stage of this Bill, as dictated by the Democrats, are that we cannot debate clauses that in any way impinge on costings, and that we should debate only clauses that do not impinge on costing matters, I point out that the Hon. Trevor Griffin has outlined how the proposition now before the Committee can quite clearly have an effect on costings. The Insurance Council has put an argument that, through an improved insurer system, as an industry, it will be able to bring down, to a degree, the premium levels in South Australia. I will not repeat the arguments advanced by the Insurance Council; I am sure that it has put them to the Hon. Mr Gilfillan.

All I ask for is a clarification of the rules of debate. In line with not debating matters that have a costing effect, I put to the Hon. Mr Gilfillan that the matter presently before the Committee perhaps should not be resolved now, because it does have a costing effect, if one accepts the proposition put forward by the Hon. Mr Griffin and representatives of the Insurance Council. It may well be that in the final wrap-up of the clauses that have cost effects it will be found that a significant reduction in premiums cannot be achieved unless some sort of scheme with approved insurers is accepted. It is an option that the Hon. Mr Gilfillan ought to consider.

The Hon. I. GILFILLAN: I will respond to the invitation to comment on the amendments. The Democrats believe that the Government has a mandate—that much maligned word—to introduce a single insurer scheme. I have said this on behalf of the Democrats on several occasions and, at the same time, have indicated that we do not have either a philosophical or a deliberate analysis giving a clear preference to one or the other. In fact, if there was a role for the private insurers, and we were in charge of setting it up, I feel reasonably certain that we would view that favourably. However, that commits the Democrats, and we quite cheerfully support the Government in establishing a single insurer.

On the other matter that the Hon. Rob Lucas has raised in relation to which clauses to debate, I indicate that we intend to discuss and debate all clauses. I am not sure that there has been any clear cut division between the Democrats in this. I see no problem with discussing any of the clauses where it seems appropriate. A couple of our amendments relate to the economics of the proposal. The assumption is—and I have had this confirmed in further discussions with authorities on the Standing Orders—that the whole Bill, or various clauses thereof, can be recommitted. It seems to me quite worth while to have constructive debate on the matter of costs as we proceed. There is no reason to assume that the costings that have been taken as the basis for benefits to be provided are wrong. We do not have irrefutable evidence before us to that extent. It seems to me to be ridiculous to play hop, step and jump over the clauses. It would be well worth our while to continue to discuss the clauses as they are put before us and not to be too sensitive about which ones we will discuss and which ones we will not discuss. Further, I indicate that this quite obviously puts the Democrats in opposition to the amendments presently before the Committee.

The Hon. L.H. DAVIS: Am I to take it that the Democrats are happy to discuss every clause in the Bill, irrespective of whether or not a clause involves a financial measure? That seems to be quite at variance with what the Democrats have said publicly on earlier occasions.

The Committee divided on the amendment:

Ayes (9)—The Hons J.C. Burdett, L.H. Davis, Peter Dunn, K.T. Griffin (teller), C.M. Hill, J.C. Irwin, Diana Laidlaw, R.I. Lucas, and R.I. Ritson.

Noes (10)—The Hons G.L. Bruce, B.A. Chatterton, M.J. Elliott, M.S. Feleppa, I. Gilfillan, Carolyn Pickles, T.G. Roberts, C.J. Sumner (teller), G. Weatherill, and Barbara Wiese.

Pair—Aye—The Hon. M.B. Cameron. No—The Hon. J.R. Cornwall.

Majority of 1 for the Noes.

Amendment thus negatived.

The Hon. I. GILFILLAN: I move:

Page 2, line 5—Leave out "an officer of the corporation" and insert "a person".

We can foresee that an authorised officer not necessarily being an officer of the corporation could be used by the corporation, and therefore the amendment allows that possibility.

The Hon. C.J. SUMNER: The Government accepts this amendment.

The Hon. K.T. GRIFFIN: I oppose the amendment. It means that the corporation can appoint any person who may be independent of the corporation, that is, a contract worker or anyone else outside the responsibility of the corporation, as the authorised officer to undertake a whole range of investigative responsibilities under the Bill. I take considerable exception to the proposition that the person who exercises the investigative powers conferred upon authorised officers need not necessarily be an employee or officer of the corporation and responsible to it. I am implacably opposed to the—

The Hon. C.J. Sumner: He still has to be responsible.

The Hon. K.T. GRIFFIN: On the periphery. There is no employment relationship and no binding responsibility between the corporation and the authorised officer, so the corporation can appoint any Tom, Dick or Harry in the community to go out and look at doctors' records and a whole range of other records and essentially not have the accountability that comes with the employment relationship. I oppose the amendment.

The Hon. L.H. DAVIS: I also oppose the amendment. It demonstrates the remarkable versatility of the Democrats. Only a few hours earlier they joined with the Liberal Party in supporting an amendment to the SGIC legislation that sought to limit the powers to delegate to approved officers or employees of SGIC rather than delegate to any person. The Democrats supported that amendment and, indeed, they spoke publicly in support of that proposition, but here we see them go the other way in regard to a statutory authority that has important responsibilities.

The Hon. K.T. Griffin interjecting:

The Hon. L.H. DAVIS: As my colleague said, perhaps that makes it 15 all. The left wing and the right wing I suppose need to be flying at the same speed if the Democrat bird is to stay in the air. I oppose this amendment. Clearly,

the clause as originally drafted is quite acceptable and gives the corporation all the power that it would ever need.

The Hon. I. GILFILLAN: This amendment was actually an attempt to mollify the Liberals and the Opposition who have great enthusiasm for tracking down the malefactors in this system who may be skirting behind hedges or in quiet corners indicating that they are really not sick after all: private investigators and people who are not necessarily full-time employees of the corporation would be ideal for the job. It is with that in mind that this variation has been taken on. The duties of an authorised officer under clause 12 are quite critical in assessing details of how the system is working, and we believe it is important that the corporation has whatever resources it needs to do that. Under those circumstances, authorised officers, if restricted to being officers of the corporation, could deprive it of very important means of policing the Act.

The Hon. K.T. GRIFFIN: I can assure the Hon. Mr Gilfillan that the amendment does not mollify members on this side. I cannot believe that it will be used so responsibly as to ensure that only reputable people will be employed or engaged as authorised officers.

The Hon. R.I. Lucas: Don't you trust the corporation?

The Hon. K.T. GRIFFIN: No, I do not. I can see that this corporation will be using a bludgeon and may well be manipulated by the Labor movement and by a Labor Administration as the Labor Administration has been manipulated so far by the trade union movement in putting down this extraordinary piece of legislation.

The Committee divided on the amendment.

Ayes (9)—The Hons G.L. Bruce, B.A. Chatterton, M.J. Elliott, M.S. Feleppa, I. Gilfillan (teller), Carolyn Pickles, T.G. Roberts, G. Weatherill, and Barbara Wiese.

Noes (8)—The Hons J.C. Burdett, L.H. Davis, Peter Dunn, K.T. Griffin (teller), C.M. Hill, J.C. Irwin, R.I. Lucas, and R.J. Ritson.

Pairs—Ayes—The Hons J.R. Cornwall and C.J. Sumner. Noes—The Hons M.B. Cameron and Diana Laidlaw.

Majority of 1 for the Ayes.

Amendment thus carried.

The Hon. K.T. GRIFFIN: I move:

Page 2, lines 30 to 34—Leave out paragraph *(b)* of the definition of "contract of service".

We have some difficulties with the concept of contract and subcontract workers being included within the definition. It is relevant in another part of the Bill. I recognise that to some extent there are provisions in the present Workers Compensation Act dealing with contract worker arrangements, but I really want to move the amendment now so that the matter can be aired. From time to time, there are debates about whether transport workers who are contractors or subcontractors should be brought under the Industrial Conciliation and Arbitration Act as employees for the purpose of industrial awards. The question that is always asked is 'Why cannot we also be regarded as employees or workers under the Workers Compensation Act?' In those instances, where certain contractors have been prescribed under the present Act, that was always the first point of argument in endeavouring to widen the ambit of the Industrial Conciliation and Aribtration Act.

The Hon. I. GILFILLAN: We have expressed concern along the lines outlined by the Hon. Trevor Griffin, that is, that there should be no expansion of the understanding of 'employee' to embrace contract or subcontract people. We have been assured by the Government that that is certainly not its intention. I understand that the legislation does not widen the current interpretation and application but, if there is an area in the Bill where the Hon. Trevor Griffin or any other member sees that as being the effect of the legislation, we will look very critically at it.

I hope that when the Attorney-General speaks to this clause he will make it very clear that the Government does not intend to expand the interpretation of the meaning of 'subcontractor-employee'. I agree that complication and confusion has arisen from time to time when we have discussed conciliation and arbitration (and also in this very Bill), where owner-drivers and so on have been caused great concern. I reassure them that my clear understanding is that the Government has said unequivocally that it does not intend in this legislation to in any way change the current interpretation. I hope that the Attorney-General, when he has been properly briefed, will say so clearly for *Hansard's* sake.

The CHAIRPERSON: I point out that the Hon. Mr Griffin is moving to leave out the whole of subparagraph *(b)*, whereas the Attorney-General has on file an amendment to the same subclause to leave out the last words of that same clause.

The Hon. I. GILFILLAN: With the assurance that we have sought from the Attorney-General, we will be opposing the amendment. That may help the order.

The CHAIRPERSON: They both have to be considered together because they relate to the same subclause.

The Hon. C.J. SUMNER: The Government opposes the Hon. Mr Griffin's amendment. The proposal of the honourable member is to delete in the definition of 'contract of service' what really is an expansion of the concept of contract of service to some forms of subcontracting. Section 8 (1) *(a)* of the principal Act already deals with certain subcontractors in the building trade who are covered by workers compensation. The Government's intention is not to proceed with regulations that would extend the coverage that is currently in the Workers Compensation Act. Basically, the Hon. Mr Griffin's amendment would withdraw workers compensation from some workers who are currently entitled to it. The Government wishes to maintain the status quo as far as those workers—albeit subcontractors—are concerned. I move:

Page 2, lines 32 to 34—Leave out "(being work or a class of work prescribed by regulation made on the recommendation of the Corporation)".

The Bill presently provides that regulations prescribing various classes of work that are to be covered by virtue of paragraph *(b)* of the definition of 'contract of service' may only be made on the recommendation of the corporation. That is the current drafting.

The Government accepts that this may limit Parliament's role in this matter and, accordingly, it is proposed to strike out that particular passage, which means that the contract, arrangement or understanding which goes beyond a strict contract of service can be prescribed by regulation without that being a recommendation of the corporation.

The Hon. K.T. GRIFFIN: Quite obviously, the Attorney-General's amendment will be put first, and I will be supporting that as achieving part of the objective of my amendment.

The CHAIRPERSON: If I can correct the honourable member, what I would put first is that the words proposed to be struck out by the honourable Mr Griffin from the beginning of paragraph *(b)* down to and including the word 'class' stand part of the clause.

The Hon. K.T. GRIFFIN: I stand corrected. Regardless of the order in which we deal with it, I accept the Attorney-General's amendment and will support it. I think that it is wrong, generally speaking, for regulations to be made only upon the recommendation of a particular body or group, and his amendment is consistent with my view on that. In relation to my own amendment, I recognise, as I indicated when I moved it, that I wanted to air the question as much as anything else. I certainly do not want to take away

benefits to which persons are presently entitled, and that may well be the effect of carrying my amendment.

Under current section 8 (1) *(a)* there is reference to a contractor or contractors agreeing to perform personally any prescribed work or work of a prescribed class. That word 'personally' seems to qualify and make it clear that you cannot have any person as a contractor who might have employees covered by the description; it applies only to that particular contractor. It is not contained in the present paragraph. In order to clarify it, is the Attorney prepared to consider including that description 'personally'?

The Hon. C.J. SUMNER: The Government's present intention is not to go beyond the provisions of the existing Act. I suppose that there may be some circumstances in which that situation could alter but, if it did, it would still be a matter for parliamentary surveillance because a regulation would have to be made.

The Hon. K.T. GRIFFIN: Is it possible to extend the ambit beyond the current Act?

The Hon. C.J. SUMNER: It is not the Government's current intention to do that. The Minister advised me that he intends that provision to be used to cover the same people who are currently covered by the existing Workers Compensation Act.

The Hon. R.I. LUCAS: I agree with the latter comments of the Hon. Mr Griffin. As was indicated by the Attorney-General, I do not believe that we ought to remove workers compensation benefits from persons who already have workers compensation cover. I think the Attorney-General instanced the building and trades area and I think that there are some other areas in the entertainment field where, if the provision was passed, we would be taking away workers compensation cover. I welcome also the Attorney-General's assurance in relation to the intention not to extend the cover. Members on this side have had a solid lobby from people employed in the courier industry. Under the current legislation, is the situation of a person working at home, sewing for a garment factory, covered and, if not, does the proposal change their situation in any way?

The Hon. C.J. SUMNER: It is not intended that the situation in relation to those people will be altered. They are currently covered by the Workers Compensation Act. If they came within the prescription, they could be covered.

The Hon. R.I. LUCAS: I appreciate that they could be covered by the regulations, as are certain industries such as the building and trades and portions of the entertainment industry. Under the current legislation, are they covered? If not, I would accept the Attorney-General's assurance that at this stage he will not extend the coverage of the Act to cover persons in that sort of employment situation.

The Hon. C.J. SUMNER: It depends on what factual situation the honourable member is postulating. If the people to whom he is referring are characterised as subcontractors, they are not covered by the existing Workers Compensation Act and they would not be covered by the Bill unless they were prescribed to be covered by virtue of the definition that we are currently discussing—contract of service. However, if they are characterised as employees, obviously they are covered by the workers compensation legislation, irrespective of whether they work at home. Whether they are characterised as employees or subcontractors, that is, people working under a contract of service for an employer, or whether they have a subcontract relationship, that is, a contract for services with an individual—

The Hon. R.I. Lucas: The difference between employee and subcontractor depends on whether you regulate them to be such.

The Hon. C.J. SUMNER: It depends on a whole lot of things that are determined by common law. As the honourable member says, one of the factors considered is the degree of control that the employer or a person has over the individual as to how the work is to be done. There could be people working at home determined by a court to be employees because of the nature of the relationship between them and the employer or the principal contractor. However, without knowing the full details of the individual circumstances, it is not possible to give a definitive answer. One can outline the legal principles that operate in determining who is an employee and who is a sub contractor but, unless I have the precise details and we measure the facts against the law, at this stage it is not possible to determine whether they are subcontractors or employees. If they are employees, they are covered. If they are characterised as subcontractors, they would be covered if they were prescribed as being workers under the definition of contract of service that we are currently discussing.

The Hon. R.I. Lucas: My question was directed specifically to the circumstance which must be familiar to the Attorney-General and his adviser, of persons in their own home sewing garments for garment factories. It is a very common employment situation, particularly for women in their own homes. As I understand it, they are either paid a piece rate, or perhaps even an hourly rate. That is a common circumstance and not hypothetical. Are those persons currently covered under present workers compensation legislation?

The Hon. C.J. SUMNER: Under existing legislation, if they are considered to be an out worker, they are not covered.

The Hon. R.I. Lucas: Under this proposal that does not change?

The Hon. C.J. SUMNER: If they were prescribed under the definition to be persons deemed to be in a relationship involving a contract of service with their employer, that would change.

The Hon. R.I. Lucas: The intention is not to broaden it at this stage?

The Hon. C.J. SUMNER: That is the advice that the Minister has given me. That is not to suggest that it may not be appropriate to extend it in some circumstances.

The Hon. R.J. RITSON: Will the question of whether a person is or is not an employee be determined by the tribunal finally, or will it be a point of law that can be taken on appeal to the courts as this Bill is constructed, because the dispute as to who is an employee or who is not is something that arises regularly in Victoria under their legislation and I imagine that it will surface here from time to time? Will the courts be able to determine that?

The Hon. C.J. SUMNER: I would think that they would be. Whether a particular person is an employee or an employer could involve questions of law that would mean that there would be an appeal to the Supreme Court.

The Hon. K.T. Griffin's amendment negatived.

The Hon. C.J. Sumner's amendment carried.

The Hon. K.T. GRIFFIN: I move:

Page 2, lines 43 and 44—Leave out the definition of 'the Corporation'.

To a large extent this question has been resolved. However, I want it put in a slightly different form. My amendment is to delete the definition of ' the corporation' on the basis that the Opposition does not believe that a single Government corporation is an appropriate mechanism for providing workers compensation to injured workers in South Australia.

The corporation is identified more specifically in clause 7 but, although there has been a vote on the concept of an approved insurer where I explored the reasons why multiple insurers were preferred to the corporation, I still think that it is important to clarify the Liberal Party's position on the basis of a vote on the corporation precisely.

The Hon. C.J. SUMNER: There is no point in responding to this matter at length as it has been debated sufficiently. I oppose the amendment.

The Hon. I. GILFILLAN: We oppose the amendment.

The Hon. K.T. GRIFFIN: Even though that has been indicated, I want a division on the concept of the corporation so, if I do not succeed on the voices, I will divide on this issue.

The Committee divided on the amendment:

Ayes (9)—The Hons J.C. Burdett, L.H. Davis, Peter Dunn, K.T. Griffin (teller), C.M. Hill, J.C. Irwin, Diana Laidlaw, R.I. Lucas, and R.J. Ritson.

Noes (10)—The Hons G.L. Bruce, B.A. Chatterton, M.J. Elliott, M.S. Feleppa, I. Gilfillan, Carolyn Pickles, T.G. Roberts, C.J. Sumner (teller), G. Weatherill, and Barbara Wiese.

Pair—Aye—The Hon. M.B. Cameron. No—The Hon. J.R. Cornwall.

Majority of 1 for the Noes.

Amendment thus negatived.

The Hon. K.T. GRIFFIN: I move:

Page 4, lines 27 to 37—Leave out all words in the definition of 'journey' after 'those places' in line 27.

One of the concerns that the Liberal Party has about the operation of the present Act is the breadth of cover given for injury which occurs at places other than the place of employment of the worker and, in fact, even to and from work—from the place of residence. The employer ordinarily has no authority over an employee while that employee is on the way to work if that employee diverts from that course, or on the way home diverts from the course and is injured on that journey. If the employer has no authority over the employee in those circumstances and the employee is not undertaking work in the course of that journey on behalf of the employer, it has always seemed to me to be unreasonable to suggest that the employer ought to have responsibility for the employee on those journeys.

The definition of 'journey' in the Bill is wide. We can go so far as to accept that it is between two places by a worker by any reasonable direct or convenient route between those places. We can accept also that, if the employee is driving in the course of his or her employment even on the way to work, the employer should have some responsibility. But, if there is no such journey in the course of employment then there is no reason at all to provide for the employer to have responsibility where there is a deviation from the route, or an interruption, or where the deviation is made for purposes other than purposes of the worker's employment. So, the Liberal Party wishes to limit the definition of journey, thus the liability of an employer, thus the liability of the corporation and thus minimise the prospect of levies to meet the liabilities of the corporation.

The CHAIRPERSON: The Hon. Mr Gilfillan has an amendment relating to the same definition, which perhaps should be moved at the same time.

The Hon. I. GILFILLAN: The amendments I have on file recognise that a journey to and from work can, on occasions, have a deviation which does not to any material extent alter the significance of the journey. Therefore, I move:

Page 4—
Afer line 31—Insert 'or'.
Lines 33 to 37—Leave out all words in the definition of 'journey' after 'worker's employment' in line 33.

The Hon. C.J. SUMNER: The Government opposes both these amendments. They reduce benefits that are currently in workers compensation legislation. The Hon. Mr Griffin's amendment really is designed virtually to do away with any deviation in a journey injury. The honourable member's proposition is at variance with the existing law and indeed the law that has been in place in this State now for some considerable time.

As to the Hon. Mr Gilfillan's amendment, this again is an attempt to write down the existing law with respect to journey injuries. I do not believe in any event that journey injuries are a major problem as far as workers compensation is concerned. A good number of journey injuries result in recovery from third party insurance in any event, because they involve motor vehicle accidents. I do not see that by doing this there will be any great cost savings, but what it does of course is to remove benefits that exist under the current legislation. Therefore, I oppose both amendments.

The Hon. K.T. GRIFFIN: My amendment has to be read in conjunction with a later amendment to clause 30 which seeks to clarify the liability for an injury to a worker who is injured in the course of a journey where the journey or part of a journey is made for a purpose connected with a worker's employment. For the purposes of this paragraph the journey of the worker includes any deviation or interruption to the journey that is made by the worker for a purpose connected with the worker's employment. In that context, I take the view that it is quite a reasonable proposition to limit the definition of journey to those injuries which occur whilst the worker is doing something for the employer.

Surely that is reasonable. As I said, under the Government's Bill it is quite possible for someone to deviate from a journey or even to journey to and from home, to and from work and to recover workers compensation. It is irrelevant whether or not there is a recovery under the compulsory third party bodily injury insurance attaching to the motor vehicle. The fact is that the employer has no authority over the employee in those circumstances. I indicate that I will want to support my amendment, but if I am not successful I would certainly support the amendment of the Hon. Ian Gilfillan because at least that improves the situation.

The Hon. L.H. DAVIS: I indicate that I would prefer the support of the Chamber for the amendment moved by the Hon. Trevor Griffin, but quite clearly the Government is not supporting that. As a fall back, I indicate my support for the Democrats' position. Paragraph *(a)* of the definition of journey refers to a deviation or interruption if the deviation or interruption is not, in the circumstances of the case, substantial. I find great difficulty in coming to grips with what is a substantial deviation. That would be wide open for abuse. The Attorney says that journey injuries are not big in the scheme of things in workers compensation claims. But, this is just another instance of a factor which will contribute to a build-up in costs and premiums. It will disadvantage the economic situation in South Australia.

The Committee divided on the Hon. K.T. Griffin's amendment:

Ayes (9)—The Hons J.C. Burdett, L.H. Davis, Peter Dunn, K.T. Griffin (teller), C.M. Hill, J.C. Irwin, Diana Laidlaw, R.I. Lucas, and R.J. Ritson.

Noes (10)—The Hons G.L. Bruce, B.A. Chatterton, M.J. Elliott, M.S. Feleppa, I. Gilfillan, Carolyn Pickles, T.G. Roberts, C.J. Sumner (teller), G. Weatherill and Barbara Wiese.

Pair—Aye—The Hon. M.B.Cameron. No—The Hon. J.R. Cornwall.

Majority of 1 for the Noes.

Amendment thus negatived.

The Committee divided on the Hon. I. Gilfillan's amendment:

Ayes (11)—The Hons J.C. Burdett, L.H. Davis, Peter Dunn, M.J. Elliott, I. Gilfillan (teller), K.T. Griffin, C.M. Hill, J.C. Irwin, Diana Laidlaw, R.I. Lucas, and R.J. Ritson.

Noes (8)—The Hons. G.L. Bruce, B.A. Chatterton, M.S. Feleppa, Carolyn Pickles, T.G. Roberts, C.J. Sumner (teller), G. Weatherill, and Barbara Wiese.

Pair—Aye—The Hon. M.B. Cameron. No—The Hon. J.R. Cornwall.

Majority of 2 for the Ayes.

Amendment thus carried.

The Hon. C.J. SUMNER: I move:

Page 4, after line 37—Insert new definition as follows:
'local government corporation' means—
(a) a council as defined in the Local Government Act, 1934;
(b) the Local Government Association of South Australia; or
(c) any other body—
(i) established for local government purposes; and
(ii) prescribed for the purposes of this definition:.

This is a technical amendment to include a definition of 'local government corporation' in the general definition clause instead of in clause 60. This amendment is necessary as the term 'local government corporation' is also used in the transitional provisions.

Amendment carried.

The Hon. I. GILFILLAN: I move:

Page 5, line 4—Leave out paragraph *(j)*.

This reflects the disquiet of the Democrats in leaving issues in any legislation open to regulation, and the operative words here are 'prescribed qualifications'. We feel that any extras to be included under this definition of 'medical expert' should be precisely defined in the Act.

The Hon. R.J. RITSON: I support the Hon. Mr Gilfillan. Over the years there has been a slow but gradual recognition of other health professionals. We have recently seen the registration of chiropractors in this State. I believe that before official blessing is given to other classes of healer a careful process of examination by Parliament should take place. I can envisage a situation in which a whole range of magic healing, which is sometimes sought by sick people—anything from psychic surgery to iridology, and so on—could be admitted under paragraph *(j)*. I have no reason to believe that that would not be the case, because people with surprisingly high levels of education sometimes from the heart rather than from the mind give blessing to untried or unsatisfactory forms of magic healing. Whilst I accept the rights of private citizens to seek all manner of fringe treatments, I do not think that any such treatment should be open to official blessing by a regulation. Therefore, I support the Hon. Mr Gilfillan.

The Hon. C.J. SUMNER: I oppose the amendment. It seeks to remove the ability to prescribe as a medical expert anyone other than in the categories specifically listed.

The Hon. K.T. Griffin interjecting:

The Hon. C.J. SUMNER: That's right. What is wrong with that? Obviously, making a regulation allows for greater flexibility, and regulations must come before Parliament. If the Parliament is dissatisfied with the Government prescription of general qualifications as being sufficient to bring the person within the definition of medical expert, it can disallow the regulation. The Government opposes the amendment but, in the light of the Opposition's intimation that it will support it, the Government will not divide on it.

Amendment carried.

The Hon. K.T. GRIFFIN: I move:

Page 5, line 6—Leave out paragraph *(a)* of the definition of 'Medical question' and insert—
(a) the existence, nature, extent or probable duration of a disability;.

This amendment is designed to limit the definition of 'medical question' and to provide for the description to be the existence, nature, extent or probable duration of a disability. The Opposition is concerned about the extent of the power of the medical review panel and the fact that for most practical purposes the decision of the panel is final and conclusive. The Bill as drafted allows the panel to determine a very wide range of matters—the nature, extent or probable duration of a disability. It does not deal with the question of whether or not a disability actually exists from a medical point of view, so the amendment is designed to clarify the issue.

The Hon. I. GILFILLAN: We are not persuaded that this amendment is necessary. There may be just a lack of understanding, in which case there may be cause to debate it further.

The Hon. M.J. ELLIOTT: This matter was considered by the Democrats in discussions, and we believed that existence could be considered to be zero extent, and thus the Bill covers the position. If it is of zero extent, it does not exist. It is only a matter of wording.

The Hon. R.J. RITSON: The Committee is missing the real point. Paragraph *(a)* is essentially the diagnosis and prognosis provision—that is the best way to describe it. It covers what is wrong with a person and what is the probable outcome of the illness or injury. The medical profession has always been reasonably happy to be made the final arbiter in those questions, and this Bill takes that position, but I ask the Democrats to listen for a moment because it was this Committee stage that the Democrats said they would consider (and they are clearly neither listening nor considering)—we are about to perpetrate an absurdity.

The medical profession has said that it is happy to accept the responsibility for diagnosis and prognosis as a medical question—the question on which the panel will be the final arbiter—but that the question of causation often includes a consideration of matters which are not purely medical but which are matters of history involving witnesses and which may have to be tested by other methods. We are endeavouring to ensure that when the cause—that is, the kind of trauma as expressed under paragraph *(b)*—is stated to be let us say slipping on oil or a hammer falling on someone's head and there is conflicting evidence—

The CHAIRPERSON: Order! I believe that the honourable member is talking about paragraph *(b)* of the definition of 'medical question'.

The Hon. R.J. RITSON: I wish to foreshadow an amendment that will solve the problem with which this amendment is trying to deal.

The CHAIRPERSON: The amendment on file deals only with paragraph *(a)*.

The Hon. R.J. RITSON: I must be allowed some latitude in explaining my position, Madam Chair, because I would like to see paragraph *(a)* remain as it is. It is a perfectly proper statement in relation to diagnosis and prognosis. It would even be better if the words 'diagnosis and prognosis' were used. In order to solve the problem, we really need to leave paragraph *(a)* and strike out paragraph *(b)* so that the doctors would be the final arbiters of what is wrong with someone or what the probable outcome is, but there would be open avenues of appeal against their view of how the accident happened. That is really how this question arose. In a medical lobby, the doctors said, 'We are happy to be the final arbiter of what is wrong with the fellow and what the probable outcome will be' (paragraph *(a)*); but the question of the accident can go beyond mere medical expertise. Thus, paragraph *(a)* should remain and paragraph *(b)* should be struck out. I seek the support of the Committee for that foreshadowed move should the Hon. Mr Griffin's amendment fail. Should it succeed, it does not say very much at all, and I still foreshadow my intention to move that paragraph *(b)* be struck out.

The Hon. C.J. SUMNER: The Government opposes the amendment.

Amendment negatived.

The Hon. R.J. RITSON: I move:

Page 5, lines 7 and 8—Leave out paragraph *(b)*.

As I pointed out earlier, paragraph *(a)* read in conjunction with the rest of the Bill makes the medical panel the final arbiter on the question of diagnosis and prognosis. If paragraph *(b)* was not deleted, the medical panel would be the final arbiter of the cause of the trauma. The definition of 'trauma' is very wide and unnatural. It is defined as:

An event, or series of events, out of which a compensable disability arises.

Medical practitioners who have spoken to me about this say that they should not be the final arbiters as to the mechanics of an accident; that, whilst they would have opinions and input, they did not want this Bill to make them the final arbiters of matters which will involve questioning of witnesses, testing of evidence of one witness against another, to determine the kind of trauma or sequence of events that led to an accident.

The point I am making is not one of ideology, nor of reducing the benefits; and it is nothing to which the Government should object; it is something which will remove somewhat of an absurdity that frankly, as it stands, would indicate that the Government has not really talked to any doctors on the question of what is a medical question. So it is almost propagating an absurdity here which is easily fixed without any detriment to the Government's view of the Bill. I ask the Attorney to consider that question. He would know from his legal training that, when you get medical witnesses in the witness box, whilst a lot of what they might say may be a matter of medical expertise, they will mix lay evidence with medical evidence.

When you get into causation, particularly with the definition of 'trauma' that we have later in the Bill, I really think—as do all the doctors—that doctors are not totally competent to be the final arbiters of the matters in paragraph *(b)*. For that reason, I ask the Government to support this point of view. It has nothing to lose by accepting that; it will then make sense.

The Hon. G.L. BRUCE: Paragraph *(b)* provides:

The medical cause of a disability and the kind of trauma with which the disability may be consistent.

If a person had a crushed foot or crushed arm and a doctor, in the course of his duties, had to amputate that foot or arm, and a medical opinion was sought in relation to the disability and the kind of trauma, the person to give the answer would be a doctor. The doctor would be familiar with it, even though it was perhaps as a result of an industrial accident. The doctor would know what the disability would be consistent with and the after-effects of it; and he would also know the trauma that that person would be going through. Surely, in those circumstances, the medical cause of a disability would be of great assistance in assessing a claim such as that?

The Hon. R.J. RITSON: Doctors would normally express opinions as to how an accident might have been caused as well as what damage was done by the accident.

The Hon. G.L. Bruce: And by the surgeon who operated.

The Hon. R.J. RITSON: Yes, but when you look at page 8 'Trauma' is:

An event, or series of events out of which a compensable disability arises.

When a doctor first sees an injured patient he says, 'How did this happen?' and the patient might say, 'A hammer fell on my hand from another floor.' The doctor will record that as the cause, but only because it was told to him. There may be other evidence later that it did not happen that way.

The Hon. G.L. BRUCE: What if the doctor took off that finger? Surely the doctor is entitled to give an opinion of the trauma attached to that because of his knowledge of previous cases.

The Hon. R.J. RITSON: Yes, but that is getting back to the diagnosis. Paragraph *(a)* deals with what is wrong with the person and what are the consequences or likely outcome of the injury, but paragraph *(b)* deals specifically with causation, and the word 'trauma' later is given an almost unnatural meaning—almost the opposite to its meaning in the minds of doctors. In fact, it is described as an event or series of events out of which a compensable disability arises.

The series of events are how it happened and all I am saying is that medical practitioners are very happy to express an opinion about how an accident came to cause a certain type of injury. However, there will be other evidence of people on the work site who saw it happen, and you would compare their story with the doctor's view, and doctors do not want to be the final unappellable arbiter of this causation issue. They do not want to be responsible for testing the evidence of the witnesses. They are happy to express opinions—whether or not that is part of the Bill—but paragraph *(b)* makes a medical panel the final, unappellable, unquestionable, arbiter of how the accident happened. For that reason, I think the Bill would make more sense to include the Hon. Mr Griffin's amendment and to delete paragraph *(b)*. I cannot see why the Government should resist that.

Amendment carried.

Progress reported; Committee to sit again.

BUSINESS FRANCHISE (TOBACCO) ACT AMENDMENT BILL

Received from the House of Assembly and read a first time.

The Hon. C.J. SUMNER (Attorney-General): I move:

That this Bill be now read a second time.

Due to the lateness of the hour, I ask that the second reading explanation be inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Bill

Modifications to the procedures for the licensing of tobacco retailers are necessary because of the opportunity which exists for the introduction into South Australia of tobacco products from interstate without payment of the appropriate licence fee. Existing legislation allows such products to be sold by a retailer for up to 12 months upon payment of only the nominal licence fee of $10.

Now that the majority of Australian States have adopted comparable licence fees, and the Commonwealth legislated in 1985 to levy a fee on tobacco products sold other than to Canberra residents, the avoidance/evasion of the licence fee is limited almost entirely to products brought in from Queensland. The Government is aware that there is some trafficking of tobacco products from Queensland but steps taken over the past 18 months following a substantial increase in the inspection resources of the State Taxation Office have curtailed these activities, and the measures proposed in this Bill will further enable the inspection staff to move against those operators attempting to defraud the revenue. None of the measures will impact upon those retailers who continue to purchase through regular channels from licensed wholesalers who are required to endorse each invoice issued by them with the words "sold by licensed wholesaler—Licence No. . . .".

At present retail tobacconists licences are issued on an annual basis. All retail licences taken out or renewed during any year are in force until 30 September following the date of issue. A licence fee of $10 is payable together with an amount equal to 25 per cent of the value of any tobacco sold which has been purchased during the preceding financial year from other than a licensed wholesaler. A retail tobacconist can therefore sell tobacco products purchased from an unlicensed person with immunity during the 12 month period of his licence because the Act does not vest in the Commissioner a power of revocation. The proposed amendments will enable the Commissioner to continue to grant and to renew annual retail tobacconists licences but such licences can be revoked and replaced by monthly licences. This will mean that the retailer will only be able to deal in illicit tobacco sales for a maximum of one month before facing revocation of his licence. The payment of a licence fee including 25 per cent of the value of these sales is a much less financially attractive proposition than the present situation.

The Bill also proposes substantial increases in penalties for offences under the Act. The existing penalties are inadequate and do not act as a sufficient deterrent to persons undertaking or considering illicit trafficking between the States. The penalties included in the Bill are more consistent with those applying interstate, and also with those provided in recent legislation such as the Financial Institutions Duty Act.

Increased inspection powers similar to those introduced in 1983 in the Financial Institutions Duty Act are needed to help combat illegal trafficking in tobacco products and to provide some uniformity in State taxation provisions. Inspectors should, for instance, be empowered to apply for and execute a search warrant. Reciprocal exchange of information between taxation authorities of all States, the Territories, and the Commonwealth will help counter tax avoidance and evasion and modified secrecy provisions similar to those included in the Bill are being adopted by all States. Legislation was adopted by the Commonwealth Parliament in 1985 to extend the provision of taxation information to State taxation authorities in those States where the legislation allowed information to be transmitted to the Commonwealth Taxation Commissioner.

Clauses 1 and 2 are formal.

Clause 3 divides retail tobacconists' licences into two categories, one being annual and the other being monthly. A retail licence in force at the commencement of the amending Act will be deemed to be an annual retail tobacconist's licence.

Clause 4 increases the penalty for hindering an inspector from $250 or imprisonment for three months plus a $50 default penalty, to a single monetary penalty of $5 000. The penalty for an inspector failing to produce his certificate of appointment is increased from $50 to $500.

Clause 5 inserts a new provision empowering an inspector to break into premises and seize certain records for inspection and copying. This power may only be exercised upon a warrant issued by a justice of the peace, and the offence of hindering a person in the execution of such a warrant carries a penalty of $10 000. This provision is virtually identical to its counterpart in the Financial Institutions Duty Act 1984.

Clause 6 increases the penalties for the two main offences against the Act of selling tobacco without a licence from $1 000 to $20 000. The default penalties are increased from $200 to $2 000.

Clause 7 increases the penalty for selling tobacco in the course of intrastate trade without a licence from $1 000 to $20 000. The penalty for the lesser offence of carrying on a tobacco selling business at unlicensed premises is increased from $250 to $2 000.

Clause 8 provides for the fees payable in respect of a monthly retail tobacconist's licence. On the grant of such a licence, a fee of $10 is payable, plus 25 per cent of the value of tobacco sold during the relevant period (as defined), being tobacco purchased otherwise than from a licensed wholesaler in this State. On the renewal of such a licence, a fee of $2 is payable, plus the 25 per cent described above.

Clause 9 increases the penalty for failing to furnish the Commissioner with certain particulars from $2 500 to $15 000.

Clause 10 effects consequential amendments.

Clause 11 gives the Commissioner, once he has decided to grant a retail tobacconist's licence, an absolute discretion to grant either an annual or a monthly licence, irrespective of the kind of licence sought in the particular application.

Clause 12 gives the Commissioner a similar discretion when considering an application for the renewal of a monthly licence. The Commissioner may 'convert' such a licence to an annual licence, but in doing so, must take into account, in assessing the fee payable for the annual licence, any amount already paid during the relevant period for that licence by way of the 25 per cent component of monthly licence fees.

Clause 13 gives the Commissioner an absolute discretion to revoke an annual retail tobacconist's licence at any time and to grant the person who held that licence a monthly licence in its place.

Clause 14 increases the penalty for failing to keep certain records of tobacco sales from $1 000 to $8 000.

Clause 15 makes it clear that no appeal lies against the exercise of the Commissioner's discretion to grant either an annual or a monthly retail tobacconist's licence.

Clause 16 is a consequential amendment.

Clause 17 replaces the secrecy provision with a provision virtually identical to that provided in the Financial Institutions Duty Act 1984. Information can be divulged to State or Commonwealth officers involved in administering laws relating to taxation or to licensing tobacco sellers. The penalty for offending against this new provisions is $10 000 (the existing penalty is $2 500).

Clause 18 increases the penalties for the offences relating to making false or misleading statements from $500 to $15 000.

Clause 19 increases the penalty for failing to endorse tobacco sale invoices with licensed wholesaler numbers from $500 to $8 000. For issuing an endorsed invoice without being a licensed wholesaler, the penalty is increased from $1 000 to $15 000.

Clause 20 increases the maximum penalty that may be prescribed for an offence against the regulations from $200 to $2 000.

Clause 21 makes a consequential amendment to Schedule 1.

The Hon. L.H. DAVIS secured the adjournment of the debate.

STAMP DUTIES ACT AMENDMENT BILL

Received from the House of Assembly and read a first time.

The Hon. C.J. SUMNER (Attorney-General): I move:

That this Bill be now read a second time.

In view of the lateness of the hour, I seek leave to have the second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Bill

Amendments to the Stamp Duties Act are necessary to recognise and facilitate changes which have taken place in several commercial activities. The Commonwealth Government has taken steps to make annuities more attractive with a view to encouraging people to take retirement benefits in income form rather than lump sum form. The retention of stamp duty on annuities would tend to frustrate this policy and the amendment now submitted is consistent with the action undertaken, or proposed, in other States.

It has been general practice for insurance companies since 1965 to identify on premium notices issued by them a figure representing a portion of the annual licence fee payable by the insurance company and to show it as 'stamp duty'. The inclusion of this amount in the total premium on which the annual licence fee is calculated is seen as imposing a tax upon a tax and it is now proposed to exempt any amount in respect of duty from the annual licence calculation. The Government has been aware for some time of delays in transacting stamp duty business and certain administrative and legislative changes are to be introduced. One of the activities which has contributed to the delays has been the high volume of mortgage transactions. This Bill provides for payment of mortgage duty by return and this measure is seen by banks to be of considerable benefit to them and will also reduce congestion at the public counter of the Stamp Duties Office.

A provision is also sought to allow impressing of stamp duty by cash register imprint on those instruments which are still required to be presented for stamping. Since July 1985 the Talisman system of computer settlement and transfer of Australian marketable securities on the London Stock Exchange has been in operation in Victoria. The UK Stock Exchange seeks to extend the Talisman system to all States and this will enable South Australia to receive the stamp duty revenue applicable to share transfers of companies incorporated or registered in S.A. A small amount of additional revenue will be accrued to S.A. which had been previously lost when transfers had taken place on the UK Exchange. The provisions apply somewhat similar conditions to those applicable to South Australian stock brokers but some variations are necessary to recognise the specific operations of the UK Exchange. Similar legislation has been introduced in all Australian States.

Secrecy provisions have been proposed for the stamp duties legislation. This is part of a rationalisation of such provisions in all State taxing legislation and is in line with action taken by all States, the Territories, and the Commonwealth in establishing opportunities for reducing tax avoidance and evasion by the interchange of information between taxing authorities. It is a specific requirement of extended Commonwealth legislation adopted in 1985 that information will only be supplied to those States which have reciprocal legislation allowing information to be forwarded to the Commonwealth Commissioner of Taxation.

Other amendments deal with matters intended to assist in the administration of the Act or to make limited concession, and include:

- the exemption from stamp duty on applications to register vehicles with a 'G' plate, i.e. those registered by Government authorities or by bodies which receive Government funding;
- the exemption of transfers of land designated as 'public parks' to local councils. This exemption is currently given as an *ex gratia* payment;
- a provision to encourage organisations which may not be required by law to register and to pay an annual licence fee, to elect to register and take out an annual licence. These organisations, such as certain Commonwealth Government instrumentalities, would then collect duty from their customers rather than have them maintain the necessary records and pay duty directy to the Commissioner of Stamps. This provision is consistent with action taken in the financial institutions duty legislation and has been introduced in three other Australian States.

Clause 1 is formal.

Clause 2 amends section 4 of the principal Act in order to provide that a cash register imprint will be an impressed stamp and to clarify the use of the terms defined.

Clause 3 inserts a new section 6a which provides for the use of information obtained pursuant to the principal Act. The new section is the same as section 12 of the Financial Institutions Duty Act 1983.

Clause 4 inserts a new section 42ab. Subsection (1) of the new section provides that the Commissioner and a company, person or firm which carries on assurance or insurance business but which is not required to be licensed under section 33 may enter into an agreement under which the insurer will pay duty as if it were so licensed. Subsection (3) of the new section provides that a person who deals with an unlicensed insurer must make a return and is liable to pay duty, except in the case where the insurer has entered into an agreement under subsection (1). Thus, the new section may encourage insurers to enter into agreements with the Commissioner and so relieve their clients of the liabilities otherwise imposed on them. Similar provisions may be found in sections 62 and 76 of the Financial Institutions Duty Act 1983.

Clause 5 inserts a new section 76a which provides for the payment by return of duty on mortgages. A financial institution may be authorised to endorse mortgages with the amount of duty payable, collect the duty and pay it on a weekly return basis. (Thus, it will not be necessary to present each mortgage at the Stamp Duties Office for assessment and stamping.) Similar arrangements operate under the Financial Institutions Duty Act 1983 and the Pay-roll Tax Act 1971.

Clause 6 inserts a new section 90g which relates to the Talisman system of centralised settlement and transfer of Australian marketable securities on the United Kingdom Stock Exchange. The new section will apply to marketable securities in companies or societies incorporated or registered in South Australia (see the definitions of 'Corporation' and 'marketable security'). A person, declared to be a trustee to whom the section applies, must furnish monthly statements of relevant transactions and pay duty on those transactions. Subsection (6) provides for certain exemptions. Similar legislation applies in Victoria (see section 59A of the Victorian Stamps Act 1958, as amended).

Clause 7 amends the second schedule of the principal Act. Paragraphs *(a)* and *(b)* relate to the assessment of duty on annual licenses for insurance companies and provide that, first, the part of the premiums which relates to that duty and, secondly, any premiums in respect of annuities are to be disregarded. Paragraphs *(c)* and *(d)* insert two new exemptions in respect of the registration of certain government vehicles and the insurance of such vehicles. Paragraphs *(e)* and *(f)* make amendments which are consequential to the insertion of the new section 90g. Paragraph *(g)* inserts a new general exemption relating to acquisitions of land for public parks.

The Hon. L.H. DAVIS secured the adjournment of the debate.

PUBLIC WORKS STANDING COMMITTEE ACT AMENDMENT BILL

Received from the House of Assembly and read a first time.

The Hon. C.J. SUMNER (Attorney-General): I move:

That this Bill be now read a second time.

In view of the lateness of the hour, I seek leave to have the second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Bill

The purpose of this Bill is to carry out some much needed reforms to the Public Works Standing Committee Act by these amendments. For the most part these are simply good housekeeping. I believe that this Bill will have the general support from all members of this House as it carries out reforms members on both sides have sought. Members will be aware that the previous Governments have considered changes to the Act, and this Government has reviewed those proposals in light of this Government's program to reduce red tape while ensuring effective Government administration. Accordingly, I believe this Bill will be supported.

The Bill has the following points:

(1) It raises the declared amount the Minister may appropriate to any project without going to the Public Works Standing Committee from $500 000 to $2 million. This figure is in line with the current Act's $500 000 after allowing for inflationary changes, in other words, this amendment carries out the intent of the original Act.

(2) Adding to this is a change to allow future Governments to adjust this figure for inflation by proclamation. I believe this makes good administrative sense in carrying out this Parliament's wishes.

(3) The Bill also strengthens the original intent of the Act to describe works as all the costs associated with finishing the project, including its fittings and furnishings. The Government believes this is important in todays technological environment, for instance, where a building to house computers may well be worth less than the computers.

(4) The Bill also tidies up the difficulty arising from the Appropriation Bills being passed by this House prior to all proposed projects being examined by the Public Works Standing Committee. In the need for long term Government planning for capital works, Governments need to make allocations in budgets, but most also ensure parliamentary accountability. The Bill achieves these aims.

(5) The Bill does not broaden the net for the Public Works Standing Committee, to include statutory authorities. The Government believes that statutory authorities have by and large been established to carry out tasks in the commercial environment unrestricted by Governmental red tape. Examples such as the State Bank, SGIC, ETSA, etc., spring to mind. Thus the Government believes that only where an organisation obtains funds directly appropriated by the House, should it be examined by the Public Works Standing Committee.

(6) The Government is also of the view that the Public Works Standing Committee should not encroach upon the work of the Public Accounts Committee. The roles are quite separate, one in examining purposed public works, the other in reviewing Government expenditure, Accordingly, the intent of the original Act will continue in this regard.

(7) Finally the Government belives the committee should have regard to all the associated costs of the proposed expenditure. Accordingly, this Bill seeks to ensure that the committee reviews the ongoing recurrent costs of a purposed public work.

These changes are the very concerns of the Bill. I believe they are necessary and timely, and I commend them to this House.

Clause 1 is formal.

Clause 2 provides that the measure is to come into operation on a day to be fixed by proclamation.

Clause 3 amends section 3 of the principal Act which provides definitions of expressions used in the Act. The clause inserts new definitions of 'work', 'construction' and 'public work'. 'Work' is defined to mean any building or structure or any improvements or other physical changes to any building, structure or land. 'Construction' is defined as including the making of improvements or other physical changes to any building, structure or land and the acquisition and installation of fixtures, plant or equipment when carried out as part of, or in conjunction with, the construction of work. 'Public work' is defined to mean any work that is proposed to be constructed where the whole or a part of the cost of construction of the work is to be met from moneys provided or to be provided by Parliament. The new definitions are intended to clarify and widen the scope of the Act in several respects.

(a) the present definition of 'public work' is limited to works that are constructed by the Government or any person or body on behalf of the Government—the new definition requires that it need only be shown that moneys provided or to be provided by Parliament are to be applied towards the work;

(b) the new definitions make it clear that a work is a public work although only part of the cost is to be met from moneys provided or to be provided by Parliament;

(c) the present definition includes only construction or the continuation, completion, reconstruction or extension of a work or any addition to a work—the new definitions make it clear that the Act extends to any improvements or physical changes to a building, structure or land and to the acquisition and installation of fixtures, plant and equipment when forming part of the overall project;

(d) the present definition excludes repair or maintenance—this exclusion is not retained but instead the Act will apply to any work that constitutes an improvement or physical change to a building, structure or land subject to the monetary limitation fixed by or under section 25.

Clause 4 amends section 24 of the principal Act which sets out the matters to which the Committee is to have regard when considering and reporting upon a public work referred to it. The clause adds to the matters presently listed the following matters:

(a) The recurrent costs (including costs arising out of any loan or other financial arrangements) associated with the construction of the work and its proposed use;

(b) the estimated net effect upon Consolidation Account of the construction of the work and its proposed use.

Clause 5 amends section 25 of the principal Act which contains the requirement for works to be referred to the committee. The requirement is presently imposed by rendering unlawful the introduction of a Bill either authorizing the construction of a public work estimated to cost when complete more than $500,000, or appropriating money for expenditure on a public work estimated to cost when com-

plete more than $500 000, unless the work has been first inquired into by the committee. Under the clause, no amount is to be applied for the actual construction of a public work from moneys provided by Parliament, where it is estimated that the total amount applied for the construction of the work out of moneys provided by Parliament will, when all stages of the work are complete, be more than the declared amount, unless the work has first been inquired into by the committee. The clause defines the declared amount as being $2 million or such greater amount as is fixed by proclamation. The power to increase the declared amount is limited so that any increases reflect changes in an appropriate price index. The clause inserts a transitional provision applying the present provisions of the section to any work where construction has commenced, or a contract for construction has been entered into, before the amendments come into force.

Clause 6 repeals section 25a of the principal Act which permits a Bill relating to a public work to be introduced without the work having been first inquired into by the committee in the circumstance of war or where the Bill itself provides that the Act is not to apply. This provision is no longer required in view of the changes proposed to section 25 under which the introduction of such a Bill will no longer be affected by the section.

Clause 7 substitutes a new provision for section 27 of the Act. Section 27 presently enables a newly constituted committee to take into account evidence on a public work presented to the committee as previously constituted. The new provision has that same effect but also makes it unneccessary to again refer a public work to a new constituted committee where the work had been referred to the committee as previously constituted but the committee had not completed its inquiry into and report upon the work.

The Hon. C.M. HILL secured the adjournment of the debate.

MOTOR VEHICLES ACT AMENDMENT BILL

Received from the House of Assembly and read a first time.

The Hon. C.J. SUMNER (Attorney-General): I move:

That this Bill be now read a second time.

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

Leave granted.

Explanation of Bill

The main purpose of these amendments to the Motor Vehicles Act is to improve services to the public and also the efficiency of the Motor Registration Division by—

(a) removing the limitation of 14 days currently placed on permits issued by the police to owners who have paid the required registration fees and compulsory third party premiums for their vehicles but because they live in remote areas are not able to be issued immediately with registration labels and plates. Because of limited postal services in the outer areas of the State these transactions invariably cannot be completed within a period of 14 days and therefore it is proposed that in consultation with the Police Commissioner the Registrar may fix by administrative action a longer period than 14 days for the operation of these special permits;

(b) by reducing the period for the completion of the transfer of the registration of vehicles from one owner to another from 14 days to seven days.

Considerable difficulty and embarrassment are being caused to registered owners especially where parking fines are involved when the transfer of vehicles are not effected as soon as practicable. It is proposed that one document be used for the transfer of vehicles with the onus being placed specifically on the purchaser to ensure that a vehicle is registered in his or her name within a seven day period of the sale and to impose a late fee penalty if that requirement is not met;

(c) changing the registration period for traders plates from a March expiry date to a calendar year to obviate the reissue of plates and allowing a self destructive label to be used on these plates. This proposal has the support of the industry;

(d) providing for a five year period of operation for drivers licences instead of three years. This action will reduce the number of transactions which the public have with the Motor Registration Division which in turn will affect some economies within the division also. It is also proposed by administrative action that licences will be issued to expire on a driver's birthday in multiple of five years commencing at 20 years and renewed every five years thereafter;

(e) provide for a driving instructor's licence to operate over the same period as the instructors ordinary driver's licence. This will allow the ordinary licence of a driver's instructor to include the additional classification of driving instructor licence. It also provides for a driving instructor's licence to operate over a five year period instead of three.

Clause 1 is formal.

Clause 2 makes an amendment to section 16 of the principal Act which provides for permits to drive pending registration. Provision is made for the determination of the period of a permit by the Registrar after consultation with the Commissioner of Police.

Clause 3 amends section 56 of the principal Act which sets out the duty of the transferor of a vehicle on transferring the vehicle to another person. The period within which the obligations imposed under the section is reduced from 14 to seven days.

Clause 4 amends section 57 of the principal Act which sets out the duty of the transferee of a vehicle on the transfer to him of the vehicle. The period prescribed in this section for the performance of obligations under the section is reduced from 14 to seven days. Further provision is made in new subsection (la) under which, where the transferee fails to apply for transfer within seven days of transfer and then applies to register the vehicle, or applies late to transfer the vehicle, the Registrar may charge a late payment fee.

Clause 5 provides for the repeal of section 65 of the principal Act and the substitution of new section 65 which provides that traders plates are issued for a period expiring on the thirty-first day of December following the date of issue and may be reissued for further 12 monthly periods.

Clause 6 provides for the amendment of section 79 of the principal Act which prescribes a theory examination to be undertaken by applicants for licences or learners permits. Applicants must undertake and pass an examination in the rules to be observed by drivers of motor vehicles unless they held a licence in the five years preceding the application or they satisfy the Registrar that within the five years preceding the application, they held a licence to drive a vehicle under the law of a State or Territory other than South Australia.

Clause 7 amends section 79a of the principal Act which deals with the requirement for persons to undertake practical driving tests. The amendment brings the section into

conformity with section 79 as amended by clause 6 of the measure.

Clause 8 amends section 84 of the principal Act which deals with the duration of drivers licences. The present period of a licence (three years) is extended to a period not exceeding five years. The effect of the amendment is to enable the introduction of a system under which licences expire on those birth dates of a driver that are divisible by five. The Registrar is enabled to extend the five year period for a period not exceeding 12 months. The purpose of the extension is to enable a licence expiring, for example, after five years and three months in the case of a person who renews his licence three months prior to a birthday divisible by five.

Clause 9 amends section 98a of the principal Act which deals with driving instructors licences. Provision is made for the Registrar to attach conditions to licences. The duration of the licences is extended to conform with the amendments to section 84 of the Act.

Clause 10 makes an amendment to section 145 of the principal Act which is the regulation making power. Provision is made to enable the promulgation of regulations which confer exemptions from the provisions of the Act in favour of persons, classes of persons, vehicles or classes of vehicles.

The Hon. K.T. GRIFFIN secured the adjournment of the debate.

MOTOR VEHICLES ACT AMENDMENT BILL (No. 2)

Received from the House of Assembly and read a first time.

The Hon. C.J. SUMNER (Attorney-General): I move:

That this Bill be now read a second time.

In view of the lateness of the hour, I seek leave to have the second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Bill

This Bill seeks to amend section 133 of the Motor Vehicles Act 1959, to limit expressly its operation to contracts which attempt to avoid compulsory third party bodily insurance. Section 133 of the Motor Vehicles Act provides:

> Any contract (whether under seal or not) by virtue of which a person contracts in advance out of any right to claim damages or any other remedy for the negligence of any other person in driving a motor vehicle shall to that extent be void.

This section falls within part IV of the Act entitled 'Third Party Insurance'. Since its enactment in 1938, transport operators have regarded its provisions as applicable only to contracts seeking to avoid liability for death and bodily injury, but not applicable to contracts related to damages for loss of, or damage to, property. This view is supported by *Hansard* reports of that time.

It has been common practice throughout Australia for carriers to specify in cartage contracts that goods being transported are carried at the risk of the owner of the goods. In such cases, the carrier has not insured the load and has proceeded on the basis that, if the load is lost, neither the carrier nor the driver can be sued for damages because of the provisions of the cartage contract. In a decision handed down by the High Court in August 1985 in the matter of *Lake City Freighters Pty Ltd* v. *Gordon and Gotch Pty Ltd,* 60 A.L.R. 509, the court ruled that the provisions of section 133 applied to third party claims for property damage as well as to those for death and bodily injury. The effect of this decision is that, in South Australia, the owner of the goods has a right of action against the carrier and/or the driver for damage to those goods, notwithstanding that the provisions of the cartage contract may be to the contrary. Carriers in South Australia are therefore financially disadvantaged in relation to carriers in the eastern States (where legislation governing compulsory third party insurance is only applicable to death and bodily injury) because they will need to arrange insurance cover in the event of loss of, or damage to, goods carried.

Representatives from the Australian Road Transport Federation, the Transport Workers Union, the South Australian Road Transport Association and the National Freight Forwarder Association have requested that section 133 be amended, to limit its operation to contracts seeking to avoid liability for death and bodily injury, operating retrospectively. This request is supported by the Department of State Development on the grounds that road transport companies operating wholly within South Australia are financially disadvantaged relative to road transport companies operating in Victoria and other States (except in Western Australia). It also disadvantages road transport companies relative to rail transport.

However, the Bill does not seek to affect the proceedings in the matter of *Lake City Freighters Pty Ltd.* v. Gordon and Gotch Pty Ltd.

Clause 1 is formal.

Clause 2 provides for the commencement of the measure, proposing that the amending Act be deemed to have come into operation at the time that the principal Act came into operation.

Clause 3 limits the operation of section 133 of the Motor Vehicles Act 1959 and any corresponding previous enactment to contractual provisions by which a person contracts in advance out of any right to claim damages for the negligence of any other person in driving a motor vehicle, where such negligence has resulted in death or bodily injury. (Section 133 renders such provisions void.) However, proceedings in Supreme Court Action No. 1239 of 1982 are not to be affected by the amending Bill.

The Hon. K.T. GRIFFIN secured the adjournment of the debate.

SECOND-HAND MOTOR VEHICLES ACT AMENDMENT BILL

Returned from the House of Assembly without amendment.

DOG FENCE ACT AMENDMENT BILL

Received from the House of Assembly and read a first time.

The Hon. C.J. SUMNER (Attorney-General): I move:

That this Bill be now read a second time.

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

Leave granted.

Explanation of Bill

This Bill amends the Dog Fence Act in two ways. Firstly, it rationalises the membership of the Dog Fence Board to reflect contemporary needs. Secondly, it clarifies that both the board and the local Dog Fence Boards can borrow funds with the approval of the Treasurer. The board is currently made up of four members:

- The Chairman, who must be the Chairman or member of the Pastoral Board at the time of appointment.
- Two members appointed on the nomination of the United Farmers and Stockowners of South Australia Inc.
- One member appointed on the nomination of the Vermin Districts Association.

The need for mandatory liaison between the Dog Fence and Pastoral Boards is anachronistic. Rapid advances in relevant technologies dictate the need for specialisation and separation. In this connection the Bill provides for the Director of Lands or his nominee to be a member and Chairman of the Dog Fence Board.

Local Dog Fence Boards established in terms of the provision of the Dog Fence Act have taken over the rights, duties and obligations previously vested in the boards of the various vermin fenced districts. It follows that the Dog Fence Board should include a representative or nominee of the local Dog Fence Boards rather than a nominee of the Vermin Districts Association. The Vertebrate Pests Control Authority is responsible for the control of dingoes while the board is responsible for maintaining the fence in dog proof condition. The need for coordination between the two bodies is recognised and this Bill provides for the membership of the board to be increased to five, the fifth member being a nominee of the authority.

Turning now to the second question, section 32a of the Dog Fence Act deals with borrowings by the board. The wording of that section however is not clear and can be construed as precluding the board from obtaining finance from any source other than the Treasurer. In addition, there is no power for local Dog Fence Boards to borrow. On several occasions over the years funds have been borrowed from private financial institutions to facilitate works authorised by the Dog Fence Act. The Bill provides for amendments to the Act which clarify the situation and facilitate continuation of current practice in this regard. It also formally extends this authority to local boards in whose names such loans have historically been taken.

Clauses 1 and 2 are formal. Clause 3 substitutes section 6 of the Act and alters the constitution of the Dog Fence Board. The substituted section provides that the board shall consist of five members: the chairman (an *ex officio* member) being the Director of Lands or the director's nominee as approved by the Minister, and four other members appointed by the Governor as follows:

(a) two (being occupiers of rateable land and at least one of the two being an occupier of rateable land adjoining the dog fence) on the nomination of the United Farmers and Stockowners Ltd Inc.;

(b) one (being an occupier of rateable land but not being an officer of the Public Service) on the nomination of the Vertebrate Pests Control Authority; and

(c) one on the nomination of the Minister from a panel to which each local dog fence board has nominated a person.

Where a nominating body fails to make a nomination, there is provision for the Minister to nominate for appointment such person as the Minister thinks fit. The section provides that the offices of all current members of the board are vacated on the commencement of the measure to enable new appointments to be made.

Clause 4 repeals section 9 of the Act which deals with the power of the Minister to nominate a member in default of nomination by any association. This matter is dealt with in the substituted section 6. Clauses 5 to 8 are consequential amendments. Clause 5 amends section 10 of the Act to make it clear that each nominating body is entitled to replace, in accordance with the Act, its nominated member when a vacancy in the office of that member occurs. Clause 6 amends section 11 (2) of the Act which gives power to any nominating association to request that the appointment of its nominated member be determined before the expiration of that member's term of office. The amendment provides that all nominating bodies except local boards have this power.

The amendments in clauses 6 to 8 also limit the application of the following sections to appointed members: section 11 (casual vacancies), section 12 (dismissal of members) and section 17 (member's remuneration, though both appointed members and the *ex officio* member receive out-of-pocket expenses pursuant to subsection (2)). Clause 9 substitutes section 32a of the Act. The section provides for the borrowing and investment powers of the board. It ensures that the board may, for the purposes of the Act, borrow both from the Treasurer or, with the Treasurer's approval, from any other person and it provides that loans on the latter basis are guaranteed by the Treasurer. The section also provides that the board may invest money in such manner as the Treasurer may approve. Clause 10 inserts a new section 35a. The section gives the local boards borrowing and investment powers similar to that of the board. There is an additional requirement that local boards obtain the consent of the board to each loan.

The Hon. J.C. IRWIN secured the adjournment of the debate.

POULTRY MEAT HYGIENE BILL

Received from the House of Assembly and read a first time.

The Hon. C.J. SUMNER (Attorney-General): I move:

That this Bill be now read a second time.

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

Leave granted.

Explanation of Bill

The Poultry Meat Hygiene Bill 1986 was introduced into Parliament during the last session but lapsed. The present Bill is the same as before except that clauses 28 and 29 of the previous Bill and references to the declared day have been deleted. Since the passing of the Meat Hygiene Act 1980, poultry processing is the only significant item of food not covered by specific legislation. Poultry naturally carry more organisms capable of producing food poisoning than other food animals, and the nature of poultry processing is such that there is a far higher risk of cross-contamination.

Meat carcasses can be kept separate during the slaughtering process until after post-mortem inspection, but during poultry processing mixing is unavoidable. This applies to large or small processing works, regardless of the speed of operation. Works that operate at high speed, up to 4 000 birds an hour, have a further problem in that it is difficult to sanitise effectively processing equipment between each bird. Consequently, hygiene and construction standards are essential to reduce the spread of food-poisoning organisms. There are about 39 poultry processing works, of which four process about 90 per cent of the poultry produced in South Australia. Standards of construction and hygiene at many of the smaller works are low and represent a health risk to the community and to the employees.

This Bill is similar to the Meat Hygiene Act 1980 but it will apply to poultry meat instead of red meat. It sets standards of construction and hygiene at poultry processing works and will bring to the industry the same standards

that apply to the red meat industry. These standards have been prepared in consultation with the Poultry Meat Industry Committee which represents growers and the major producers. The committee recommended that hygiene standards should apply equally to all processing works, regardless of size, but that construction standards should be applied flexibly to the smaller works. This will be done.

As the Bill will also apply to ducks, geese, turkeys, etc., processors of these species have also been consulted. As part of a national agreement, dating back to 1976, South Australia has been committed to a phased schedule for the introduction of standards of construction, hygiene and poultry meat inspection. Some States have implemented this schedule to the point where they now insist on inspecting and approving individual processors in South Australia, at the processor's expense, prior to granting entry to their products. The proposed standards in this Bill will eliminate this discrimination.

The national agreement culminated in full-time poultry meat inspections and clause 28 of the original Bill made provision for this. However, since the Bill was drafted, the national agreement has been reviewed and it is now accepted that on-plant inspection is unlikely to be as practical and as effective as random spot checks. Consequently, clauses 28 and 29 of the previous Bill have been deleted.

The Bill will bring poultry processing under the control of the Meat Hygiene Authority as presently constituted under section 6 of the Meat Hygiene Act 1980. The authority consists of the chairman, who is the Chief Inspector of Meat Hygiene and who must be a veterinary surgeon, a nominee of the South Australian Health Commission and a nominee from the Local Government Association Incorporated. In February 1981, when the meat hygiene legislation came into force, the standards of construction and hygiene at many of the slaughtering works in South Australia were very low. The authority had the difficult task of ensuring that upgrading programs were implemented. Now 16 abattoirs and more than 70 slaughterhouses substantially comply with the legislation.

The authority will be given power to issue licences for poultry processing works but will not be concerned with marketing of poultry meat products. The Bill will not apply to the production or sale of eggs. A Poultry Meat Hygiene Consultative Committee will be set up, similar to the Meat Hygiene Consultative Committee, to advise the authority on any matter relative to its functions under the Act or the administration of the Act. The committee will comprise representatives of the various bodies concerned with poultry processing.

Clause 1 is formal. Clause 2 provides for the commencement of the measure. Clause 3 provides that the Poultry Meat Industry Act 1969 is amended as shown in the schedule. Clause 4 sets out definitions of expressions used in the measure. Part II, comprising clauses 5 to 11, provides for administrative matters.

Clause 5 provides that the Meat Hygiene Authority established under the Meat Hygiene Act 1980 shall be responsible, subject to the control and directions of the Minister, for the administration of the measure. Clause 6 sets out the functions that the authority is to have for the purposes of this measure, in addition to its functions under the Meat Hygiene Act. These functions principally relate to the licensing of poultry processing works. The authority is also to keep under review and report to the Minister on the killing and processing of birds and the production of poultry meat and poultry meat products, the standards of hygiene and sanitation at poultry processing works and poultry meat inspection procedures.

Clause 7 provides that the authority shall incorporate in its annual report to Parliament (that is, its report under the Meat Hygiene Act) a report on its operations under this measure during the year to which the report relates. Clause 8 provides that the Minister may appoint a 'Poultry Meat Hygiene Consultative Committee' to advise the authority on any matter relating to its functions under the measure or the administration of the measure. Clause 9 provides for the appointment under the Public Service Act of staff for the purposes of the measure and enables the authority to make use of the services of officers of departments of the Public Service. Clause 10 provides that the person for the time being holding or acting in the office of the Chief Inspector of Meat Hygiene under the Meat Hygiene Act shall be the Chief Inspector of Poultry Meat Hygiene for the purposes of the measure. Under the clause, the Governor is empowered to appoint inspectors.

Clause 11 protects members of the authority and inspectors from personal liability for any act done or omission made in good faith in the exercise, performance or discharge, or purported exercise, performance or discharge, of a power, function or duty under the measure. Part III, comprising clauses 12 to 25, deals with the licensing of poultry processing works. Clause 12 is one of the basic provisions of the measure, prohibiting the killing of birds for the production for sale of poultry meat or any poultry meat product except at a licensed poultry processing works. Clause 13 regulates applications for licences. Clause 14 regulates the grant of licences in respect of poultry processing works not in operation at commencement of this measure and sets out the criteria which the authority is to have regard to in determining whether or not a licence should be granted.

Clause 15 provides for the automatic licensing of poultry processing works in operation during the period of three months preceding the commencement of the provision, notwithstanding that a particular works may not conform to the prescribed standards of construction, plant and equipment for licensed poultry processing works. Subclauses (3) and (4) provide for exemptions from compliance with the prescribed standards for a maximum period of three years. Clause 16 permits the authority to attach conditions to licences. Subclause (2) makes it clear that conditions may be attached to licences limiting the maximum throughput of the works or requiring the upgrading of works that are exempt from compliance with a prescribed standard pursuant to clause 15 (3). Clause 17 provides for review by the Minister of any refusal by the authority to grant a licence or any licence condition imposed by the authority. Clause 18 prohibits operation of a poultry processing works if it does not conform to a prescribed standard or in contravention of a condition attached to the licence in respect of the works.

Clause 19 provides for the renewal of licences. Clause 20 provides for the surrender, suspension and cancellation of licences. Clause 21 provides for a right of appeal to a district court against the suspension or cancellation of a licence. Clause 22 requires holders of licences to keep certain records which are to be available for inspection at any reasonable time by an inspector. Clause 23 requires the authority to keep a register of licences. Clause 24 prohibits the carrying out of structural alterations to a poultry pro-cessing works without the approval of the authority.

Clause 25 provides for the recognition of poultry processing works outside the State, if they are of a standard equivalent to the standard required under this measure for licensed poultry processing works. Part IV, comprising clauses 26 to 29, relates to the inspection, branding and sale of poultry meat and poultry meat products. Clause 26 provides the powers necessary for an effective system of inspection and the particular attention of honourable members is drawn to this clause. Included in this clause is the power of an

inspector to dispose of any poultry meat or poultry meat product that in his opinion was derived from a diseased bird or is unfit for human consumption for any other reason. Clause 27 empowers an inspector to direct that steps be taken to remedy defects in a poultry processing works that in the inspector's opinion render it insanitary or unhygienic and to order the works to close down, wholly or partially, in the meantime. Provision is made in this clause for an appeal to the Minister against such requirements of an inspector.

Clause 28 prohibits the sale of poultry meat or a poultry meat product unless it was produced at a licensed poultry processing works or at a poultry processing works located outside the State that is recognised under clause 25. Clause 29 prohibits the sale of poultry meat or any poultry meat product that is unfit for human consumption. Part V, comprising clauses 30 to 38, provides for miscellaneous matters. Clause 30 empowers the Minister to exempt any person from compliance with all or any of the provisions of the measure or to exempt a poultry processing works from all or any of the provisions of the measure. Clause 31 makes provision for the service of documents. Clause 32 prohibits the furnishing of information, or the keeping of records containing information, that is false or misleading in a material particular.

Clause 33 is an evidentiary provision. Clause 34 provides for general defences to offences created by the measure. Clause 35 provides for a summary procedure in respect of offences against the measure. Clause 36 is the usual provision subjecting officers of bodies corporate convicted of offences to personal liability in certain circumstances. Clause 37 provides for the imposition of penalties for continuing offences. Clause 38 empowers the making of regulations.

The schedule sets out the amendments to the Poultry Meat Industry Act 1969 that are consequential to this measure. The amendments remove all provisions dealing with weight gain and the quality and packaging of poultry meat—matters which will be dealt with by regulations under this measure. That Act will, as a result, be confined in its scope to the regulation of the relationship between the operators of processing plants and the operators of chicken farms.

The Hon. J.C. IRWIN secured the adjournment of the debate.

ADJOURNMENT

At 12.5 a.m. the Council adjourned until Wednesday 5 March at 2.15 p.m.