LEGISLATIVE COUNCIL

Wednesday 24 October 1990

The PRESIDENT (Hon. G.L. Bruce) took the Chair at 2.15 p.m. and read prayers.

QUESTIONS

LPG

The Hon. R.I. LUCAS: I seek leave to make an explanation before asking the Minister of Consumer Affairs a question about liquefied petroleum gas prices.

Leave granted.

The Hon. R.I. LUCAS: I refer to recent media coverage about the rising cost of liquefied petroleum gas (LPG). As members might be aware the Prices Surveillance Authority this week approved a 3c a litre increase in the price of LPG, taking the price of this fuel in Adelaide to about 33c a litre. This is almost double the price motorists had to pay for the fuel in Adelaide seven or eight weeks ago, when one could often buy LPG at 17c to 18c a litre. The 33c a litre is still a quite substantial rise, even for the 23c a litre some of the outlets not involved with discounting were charging.

The effect this rise has had is most disturbing to motorists and particularly taxi drivers. Almost 20 000 vehicles in South Australia, or about 2 per cent of vehicles on this State's roads run on LPG, and a good part of that number are taxis. Many drivers have made a substantial investment in converting their vehicles to run on gas—at present such a conversion costs between $1 500 to $1 900—with the hope they will recoup that investment after running 25 000 to 30 000 kilometres on the cheaper fuel.

I am informed that LPG is not only highly beneficial for powering cars from a cost-saving point of view but is also better from an environmental point of view. The recent hike in LPG prices has caused the South Australian Taxi Association to say that a price rise in fares is almost inevitable. The association's President, Mr Wally Sievers, was quoted in the *Advertiser* this week as saying:

> [It] effectively means a 33 per cent increase in running costs for the industry over the past year. Up until the most recent rise, we thought we could absorb the rise in costs . . . but when you relate it to such a large running-cost increase, I don't think any business could be asked to absorb that.

An unnamed rank and file cab driver was more specific (reported in the press recently) when asked about the shortening gap in prices for petrol and LPG. He said:

> The move is totally unjustified; the only reason LPG has increased is because petrol prices have increased. Too many people are getting greedy and trying to make as much money as they can while they can. My cabs are losing hundreds of dollars a week; it's crippling me.

In view of this situation my questions to the Minister are:

1. Does the Minister believe that the recent rises in LPG prices in Adelaide from about 18c a litre eight weeks ago to the current 33c a litre are justified?

2. If so, why, and, if not, will her department investigate the justification for the recent hefty rises, given her department does have responsibility for price monitoring of petroleum products?

The Hon. BARBARA WIESE: I am not in a position to say whether or not the increase in the price of liquefied petroleum gas is justified. As I understand it, the control of prices is not a matter that comes within the purview of the Department of Public and Consumer Affairs. However, I will seek a report on the recent movements that have taken place in this area, and I hope to bring back some sort of information that might satisfy the honourable member.

NATIONAL CRIME AUTHORITY

The Hon. K.T. GRIFFIN: I seek leave to make a brief explanation before asking the Attorney-General a question about the National Crime Authority.

Leave granted.

The Hon. K.T. GRIFFIN: In the report from the Commonwealth Parliamentary Committee on the National Crime Authority, tabled last week in Federal Parliament, paragraph 34 is as follows:

> Upon receipt of the 'proposed report' of Mr Justice Stewart, forwarded to Mr Sumner by Mr Faris on 30 January 1990, Commissioner of Police Mr David Hunt provided Mr Sumner with a response on behalf of the South Australia Police Department.

My question to the Attorney-General is: what was that response and will that response be tabled?

The Hon. C.J. SUMNER: The response has already been made public.

SOUTH AUSTRALIAN FILM CORPORATION

The Hon. DIANA LAIDLAW: I seek leave to make an explanation before asking the Minister for the Arts a question on the subject of the South Australian Film Corporation.

Leave granted.

The Hon. DIANA LAIDLAW: I have received a copy of a letter written by the Director of the Department for the Arts, Mr Amadio—

Members interjecting:

The Hon. DIANA LAIDLAW: No; this is a letter that has been circulated by Mr Amadio to independent film directors, informing them of the decision by the Minister to reallocate Government film committee funds to the *Ultraman* deficit. The letter states, in part:

> The effect of that decision on Government produced films will, we hope, only be temporary as it has been stated that once the current financial situation has been addressed funds will be made available again.
>
> Where possible SAFC will continue with preliminary research together with script and project development, but at this stage it means that the following projects will be delayed until sufficient production funds can be put in place.

The letter names eight projects, and goes on to state:

> While the Documentary Division will be seeking finances from a range of alternative sources to offset this reallocation, it is estimated that it will be 8 to 12 months before the next concept tender meeting of local independent producers can be organised.

With some justification, members of the independent film sector, from producers to technicians and actors, are incensed at the Minister's decision, for it means they are to be deprived of work opportunities for at least 8 to 12 months in order to pay for the budget overruns incurred by the Government funded Film Corporation. In other words, the Minister has deprived them of their livelihood to prop up the Film Corporation.

This king hit comes on top of a decision in 1988-89 to cut funding to the Government Film Committee and therefore to the independent film producers by $250 000 to $500 000. I ask the Minister:

1. Was it her intention to use Government Film Committee funds when she made her statement in this place on 2 August that the Government would advance to the corporation $800 000 to complete its contractual obligations to Tsuburaya?

2. If so, why did the Director wait until 5 October—over three months—to advise the independent producers of this decision? If not, what other options were explored but subsequently dismissed?

3. As it is anticipated that the Government would normally have provided $500 000 to the Government Film Committee this financial year, what other additional sources has the corporation found to provide the extra $390 000 to make up the balance of the deficit of $890 000 required to complete the 13-episode *Ultraman* series?

4. Finally, in respect of Mr Amadio's letter, from what other alternative sources does the Documentary Division propose to seek funds to offset the reallocation of the Government Film Committee funds to the corporation this financial year?

The Hon. ANNE LEVY: I am sorry; I did not catch the last question; what other sources—

The Hon. DIANA LAIDLAW: The Director indicates in the last paragraph of his letter that the Documentary Division will be seeking finances from a range of alternative sources to offset this reallocation. What sources is the Minister exploring?

The Hon. ANNE LEVY: To answer the last question first, the promise has been made that any money received from sales of *Ultraman* will be put into the documentary fund. That will be first call on any sales of the *Ultraman* series.

The Hon. Diana Laidlaw interjecting:

The Hon. ANNE LEVY: The Film Corporation had $890 000 to meet its commitments on *Ultraman*. That was made up of various components. The source of that $890 000 came from various sectors, one of which was a straight grant from the Government of $400 000. I do not know the exact amount, but there was money from the documentary fund and the effect of it was to deplete that fund for a period of eight to 12 months. As indicated in the Director's letter, all activity certainly does not cease; productions which are already under way certainly will continue; and there will be funds available for script development and preliminary preparation of future productions.

Certainly, if the *Ultraman* series is sold anywhere in Australia and New Zealand, this will be a recoupment of some of the funds expended on *Ultraman*, and it has been promised that the first call on any moneys recouped will be to the documentary film production. For that reason the time is vague for the winding down of the program. One cannot be more precise than to say that we expect it to be between eight and 12 months. I hope that it can resume at the earliest possible opportunity.

One of the questions asked by the honourable member referred to a concern that the documentary film fund was having to suffer as a result of the overruns on *Ultraman*. I can assure the honourable member and anyone involved in the documentary film production that I also very much regret it. There was this overrun for which finances had to be found. The alternative is completely closing down the Film Corporation if it is not able to pay its bills. Some of the money was found by reallocation, some was obtained as a one-off grant from Treasury, and some was found from the Government documentary fund. There were several sources of that money and, as I say, any recoupment through the sale of *Ultraman* will go first to the documentary fund. I certainly hope that the slowing down of the documentary film fund will be for as short a time as possible.

The Hon. Diana Laidlaw: There is no guarantee that *Ultraman* will recoup funds.

The Hon. ANNE LEVY: There is no guarantee that *Ultraman* will recoup any funds, but the South Australian Film Corporation, as I am sure the honourable member knows, as she was talking about it only yesterday, has the distribution rights only for Australia and New Zealand. In consequence, it can recoup money only if it manages to sell the series anywhere within Australia and New Zealand. The honourable member does not need to ask me that question, as she quoted it yesterday. I can assure the honourable member that if any sales are made the money recouped will go first to repaying the documentary film fund.

The Hon. DIANA LAIDLAW: As a supplementary question, will the Minister confirm that the decision, apparently made earlier this month, that any funds recouped from the sale of *Ultraman* in Australia and New Zealand will go into topping up the documentary film fund overrides the original commitment by the Government, and approved by the Treasury, that any funds recouped would be returned to the South Australian Film Corporation to offset its original commitments to *Ultraman*?

The Hon. ANNE LEVY: I am not quite sure what the honourable member means; I do not get the drift. The documentary film fund is administered by the South Australian Film Corporation, so recoupment of money obviously goes to the Film Corporation. If it is successful in selling the *Ultraman* series, which, as I indicated yesterday, is receiving enormous praise from anyone who has seen it as being a superb example of film making and a great credit to those who have produced it, any recoupment which the South Australian Film Corporation makes will go to repaying the documentary film fund which it administers.

NATIONAL CRIME AUTHORITY

The Hon. C.J. SUMNER: I seek leave to make a further response to the question asked of me by the Hon. Mr Griffin.

Leave granted.

The Hon. C.J. SUMNER: I misunderstood the question asked by the Hon. Mr Griffin, which related to the proposed report of Justice Stewart, which was forwarded to me by Mr Faris on 30 January 1990. The Hon. Mr Griffin referred to the Commissioner of Police, Mr David Hunt, providing Mr Sumner with a response on behalf of the South Australian Police Department. That response was provided to me. That response has not been made public, because the proposed report of Justice Stewart has not been made public, either. Suffice to say that Commissioner Hunt made comments on the proposed report, and it should also be said that he did not agree with a number of the findings of Justice Stewart. But, to clarify the position, that response has not been made public. The response that has been made public is the Police Commissioner's response to the official Ark report, which was released by me on 25 January. That is referred to in the joint parliamentary committee report as well, which states:

> Mr Sumner publicly released the NCA's report and the Government's response on 25 January 1990.

If the Hon. Mr Griffin does not have a copy of that response, I have one here. That has been made public.

OPPOSITION MEMBERS' QUESTIONS

The Hon. T. CROTHERS: I seek leave to make a brief explanation before asking the Leader of the Government in this place about the subject of Question Time.

Leave granted.

The Hon. T. CROTHERS: As a backbench member of this South Australian Parliament, I constantly get fed up with the non-creative, repetitive, Cassandra-type carpings of the Opposition during Question Time. Indeed, I suppose I could say that it seems an awful waste of Question Time in this Council. It further seems to display—

The Hon. K.T. GRIFFIN: On a point of order, Mr President, that is comment and contrary to the Standing Orders.

The Hon. T. Crothers: I am talking collectively and not individually.

The PRESIDENT: A point of order has been called. The honourable member sought leave to explain the question. I ask the honourable member to confine himself to an explanation of the question rather than commenting on the content of the question.

The Hon. T. CROTHERS: Question Time would seem to display a lack of interest by the Opposition in using it as it should be used.

The Hon. R.J. RITSON: On a point of order, that is a matter of opinion, Mr President.

The PRESIDENT: The point of order is upheld. The explanation is to the question. I would ask the honourable member to confine himself to explaining the question.

The Hon. T. CROTHERS: I accept your ruling, Sir, and the fact that the Opposition seeks to guide me. I accept that. Indeed, Mr President, if I were a cynic—which I am not—I might be tempted to suggest that the only interest that the Opposition has in the use of Question Time—

Members interjecting:

The PRESIDENT: Order!

The Hon. T. CROTHERS: —is to use it to try to advance its electoral well-being. I would not mind that, except to say that this repetitive, Cassandra-type carping serves only to harm the interests of South Australia. In a South Australian business journal which I recently read, the Chairman of the group which publishes it had this to say:

> We may be conservative in some ways, but we're also the lowest geared State in terms of debt. We don't have entrepreneurial cowboys with extravagant lifestyles. We don't make claims that can't be fulfilled. We don't have colossal mismanagement which has led other States into losses running into the billions.

The Hon. Diana Laidlaw interjecting:

The Hon. T. CROTHERS: I direct the Hon. Ms Laidlaw's attention to the Harlin company if she wants to learn a little bit about what I am saying. The article continues:

> What we do have is stability, and in these times that's priceless.

That comes from the Chairman of a State organisation which has almost 700 South Australian enterprises as its members. In view of the elements contained in my brief statement, I direct the following questions to the Leader of the Government, the Hon. Chris. Sumner. First, does the Minister believe that the type of questions generated by the Opposition during Question Time act to the detriment of South Australia and its citizens? Secondly, does the Minister believe that the type of questions asked by the Opposition—

Members interjecting:

The Hon. T. CROTHERS: —show a distinct lack of creative flair, which is being exhibited again by the Hon. Ms Laidlaw, with her inane interjections and which is also extremely damaging to South Australia?

Thirdly, does the Minister believe that the main use of Question Time by Opposition members is simply designed by them for their own selfish electoral enhancement and, if this is so, in his view, does it act contrary to Westminster traditions? Finally, does the Minister believe that these attitudes act detrimentally against South Australian industry and, if so, would he enlighten the Council as to the way in which the questions are detrimental to South Australian industry?

The Hon. C.J. SUMNER: I think I could give clearly an affirmative answer to each of those questions asked by the honourable member in his very perceptive series of questions and explanation. In addition, I think I could agree whole-heartedly with the statements of fact made by the honourable member in the explanation which he gave to the Council prior to asking his questions.

Regrettably, the habit has developed in this Chamber—and, of course, the Opposition has been well known for this over many years—of opposing the Government for the sake of opposing it, and opposing the Government to try to advance their own political interests, irrespective of the rights or wrongs of a particular issue. There are many examples of that which one could reiterate today if one had time. The fact of the matter is that the Liberal Opposition has severely downgraded the Legislative Council as a House of Parliament. It has reached the stage where there is virtually no point in establishing select committees in this Chamber. They are all highly political initiatives designed to advance the political interests of the Democrats and the Opposition, irrespective of the rights or wrongs of an issue.

The sensible issues that we used to deal with by way of referring matters to select committee have gone completely out the window. As far as the Government is concerned, there was some merit in the Upper House select committee system. By tradition, we had six members, and a committee was evenly balanced between Government and Opposition. That tradition, which existed for about 15 years, has been thrown out the window since the last election—to the detriment, I think, of the select committee process.

As to Question Time, it is true that members, having objected to the comments of the Hon. Mr Crothers in his lead-up to his question, do that with virtually every question asked in this Chamber, as a prelude to their questions. They always express opinions about various things. In effect, the questions are mini grievance debates, and are often long and filled with political comment.

Members interjecting:

The PRESIDENT: Order! The Council will come to order. The honourable Attorney-General.

An honourable member interjecting:

The Hon. C.J. SUMNER: Nothing at all. The question has been asked and I am answering it. Question Time, in fact, is not particularly consistent with the Westminster tradition, particularly in recent years. There are long, politically loaded explanations and, almost inevitably, comments in the explanations.

The Hon. R.I. Lucas: What about the answers?

The Hon. C.J. SUMNER: Of course, and the answers are similar, because they respond to those explanations. The other thing that is contrary to the Westminster tradition—

Members interjecting:

The PRESIDENT: Order! There is too much audible conversation.

The Hon. C.J. SUMNER: —is that four, five or six questions are often asked in one big batch—again, something that is not permitted in the Standing Orders of most Parliaments. So, Opposition members have considerable liberty during Question Time. There is evidence that they abuse it in the manner in which they ask their questions and, if they complain about lengthy answers from the Ministry, it is because those answers need generally to be lengthy to respond to the large number of questions and the comments that have been put into the explanations.

While I am on my feet, the other tactic that members opposite have tended to use is to ask questions quoting totally out of context something that a Minister might have said earlier, putting a completely different interpretation on

it from that of the Minister when he or she first made the statement. That tactic was used yesterday by the Hon. Mr Griffin in a question he asked me. It happens regularly. It is another tactic: deliberate misrepresentation of what Ministers or others have said on previous occasions, so that members opposite can put the question to the Minister. They know it is wrong, but what they are trying to do is curry favour and create an impression in the media about a particular matter. In short, I think I can say 'Yes' to each of the questions asked by the honourable member.

The PRESIDENT: Before we go any further, when 'Order!' was called I referred to Standing Order 109 and used that when a point of order was made. That point of order procedure is open to any member of the Council. Of course, Question Time is in the hands of members to the extent that any member who objects to how it is going can call 'question' at any time. The honourable Mr Elliott.

LANGUAGES IN SCHOOLS

The Hon. M.J. ELLIOTT: I seek leave to make an explanation before asking the Minister of Local Government, representing the Minister of Education, a question about languages in schools.

Leave granted.

The Hon. M.J. ELLIOTT: The State Government has made much of its program for providing second languages to all children in our schools—a program which, I believe, has strong community support. The primary school that my children attend is participating in the program. At junior primary year levels the children are being offered Italian, and in the middle and upper year levels they are being offered French. The lessons range from infrequently—sometimes one lesson every three or four weeks—in the junior grades, and up to an hour a week, and no more, in the primary school.

This is a common scenario in many primary schools throughout South Australia, with the languages offered varying greatly. Many frustrations about the current program have been expressed to me by both parents and teachers. They tell me that there is a feeling that the exposure to the language is so meagre that it is far from meaningful or lasting in its effect and that the languages offered depend more on the availability of teachers than on the wishes of the school staff or parents and largely reflect the traditional languages that were taught in schools a generation ago rather than the ones that may be important for the future of the State.

Often when a particular teacher leaves a school, the language lessons taken by that teacher are discontinued. For instance, at the junior primary school that my son attends, he is being taught Italian because there happens to be a teacher of Italian origin there; but should she leave the Italian lessons will be discontinued, and I have been told of this happening on a number of occasions throughout the State. The lack of coherence or continuity through the school, the integration between schools, and the apparent lack of commitment on the part of the Government in developing an integrated and coordinated language program for primary schools has caused a great deal of frustration to parents and teachers. My questions are:

1. Does the Minister acknowledge that the language programs presently in place as a result of Government policy are disjointed and lack any long-term strategy?

2. What value is there in exposing a child to several languages for up to one hour per week for a limited time span on each? Would resources be better expended in concentrating the lessons on one language over a shorter time span; in other words, rather than an hour a week for five years in primary school, perhaps two or three hours a week in the last couple of years of primary school?

3. Are there any plans to coordinate the language programs between primary schools and high schools in each area? Quite often the languages change.

4. Are there any plans to increase the availability of language teachers, particularly in Asian languages?

The Hon. ANNE LEVY: I will refer that series of questions to my colleague in another place and bring back a reply.

LOCAL GOVERNMENT RESTRUCTURING

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

Leave granted.

The Hon. J.C. IRWIN: I have learnt of two matters recently where the Minister's answers to questions may have been at variance with what the Minister had told Parliament. First, I heard at a recent Local Government Association meeting that discussions had been taking place with local government over the restructuring of the Department of Local Government before the budget was presented, despite the Minister's unequivocal reply to me last Thursday that there had been no such discussion prior to that time—the time of the budget presentation. Further, notwithstanding the fact that the Premier is to make an announcement on Friday to the AGM of the Local Government Association, we are told that a negotiating team of four from Treasury and four from the Local Government Association will plan the wind down of the department—that is in fairly broad terms—with the task to be completed by 1992. Several people have spoken to me in the past few days to tell me that certain officers of the Department of Local Government have already packed up and left—this is prior to the negotiating team even starting.

The second matter I have been told about is that, despite several assurances from the Minister to the contrary, funding for public libraries is threatened and that the State Library lending service is to cease. The community in South Australia will be outraged if the outcome of the Minister's submission to Cabinet last Monday results in any library services being closed down. I was heartened by the Minister's response to a question on library funding during the Estimates Committee when she said, in answer to the member for Light, Dr Eastick, who raised the question of the public perception that a number of library services would be wound back:

> If there is any such perception throughout the local government community it is an erroneous one, and I hope it can be laid to rest. The Government made a commitment that the subsidy for public libraries would be maintained in real terms throughout the period of this Government.

In the light of these persistent rumours, I ask the Minister to again confirm the State Government's financial commitment to South Australian libraries will remain such that there will be no need for a reduction in service if local government maintains its present commitment in real dollar terms. Does the Minister feel that she must now qualify her Estimates Committee answer, in the light of the restructuring negotiations, by saying that a reduction in service will only occur if local government reduces its present funding from the 1990-91 dollar terms? If the Minister cannot reaffirm her previous commitment, why is the Government moving to reduce library services before the negotiating

team has got off the ground and breaking another election promise?

The Hon. ANNE LEVY: First, I would like to categorically refute that any election promise is being broken or that there is any contemplation of breaking any election promise. The election promise was that subsidies to local government for public libraries would be maintained in real terms for the term of this Government. I have said that on several occasions and I will say it again if there are people who have not yet heard it: for the life of this Government, the Government is committed to maintaining the subsidies to local government for the maintenance of public libraries in real terms.

This was certainly adhered to in the budget which this Council still has not passed and there is the commitment that it will continue in future budgets through the life of this Government. I know that it was not part of the numerous questions asked by the honourable member, but in his explanation he did talk about discussions on restructuring. I think the honourable member is confused. There has been talk of restructuring the Department of Local Government, and such conversations have been occurring sporadically for quite some period of time.

This obviously is a matter for Government; it is its own department. Proposals or ideas for restructuring the organisation of the Department of Local Government have certainly surfaced on several occasions. I would not be the least bit surprised if officers of my department had mentioned this to the Local Government Association at any time over quite a period. But, I think the honourable member is confusing this with the announcement by the Premier in his budget speech of a complete restructuring of State/local government relationships.

That is a quite different matter from how the Government happens to organise its own department. Certainly, the Premier announced that there would be a complete review of the relationships between State and local governments. The negotiating team to which he refers (and which is certainly one of the matters that is being discussed between the Government and the Local Government Association) if established, will be looking at the relationship between State and local governments. That is what such a team, if agreed upon, would be looking at and that is quite different from restructuring the Department of Local Government. I am sorry if the honourable member cannot see the distinction; I have tried to explain it on several occasions. I have answered the questions asked by the honourable member and corrected misconceptions that were apparent in his explanation.

The Hon. J.C. IRWIN: As a supplementary question, do I take it from the Minister that she is saying that subsidies to public libraries do not include those to the State Library lending service?

The Hon. ANNE LEVY: The lending service of the State Library has nothing to do with local government. The State Library is entirely funded by the State Government; that is, its only Government funds come from the State Government. It does receive money through Friends of the State Library, public subscriptions, foundations, and so on, but it is not a public library; it is not funded by local government. The State Library's entire public funding comes from the State Government. It has nothing to do with public libraries. I would agree that it is under the control of the Libraries Board, but the Libraries Board has responsibility for both the State Library and the public libraries' part of the Government's responsibilities for libraries.

WOOL

The Hon. T.G. ROBERTS: I seek leave to make a brief explanation before asking the Minister of Tourism, representing the Minister of Industry, Trade and Technology, a question relating to the nation's wool clip.

Leave granted.

The Hon. T.G. ROBERTS: I understand that current sales of our wool clip at the moment are running at about 30 per cent, which means that the Wool Commission is buying about 70 per cent of the clip. The current floor price is a contestable matter and the commission is currently negotiating about the levy with growers. There are divisions among the growers about whether the levy should increase or remain as it is. Will the Minister use his influence with the Federal Government to investigate ways of attracting investment into wool washing, processing and manufacturing to utilise a larger percentage of the wool clip in Australia, giving greater certainty about the future price of wool and providing investment and jobs in Australia and protecting wool from competition from other fibres?

The Hon. BARBARA WIESE: I know that the current state of the wool industry is a matter of considerable concern to my colleague, the Minister of Industry, Trade and Technology, and I will be happy to refer those questions to him for a reply.

NATIONAL CRIME AUTHORITY

The Hon. I. GILFILLAN: I seek leave to make a brief explanation before asking the Attorney-General a question relating to the National Crime Authority Inter-governmental Committee Report.

Leave granted.

The Hon. I. GILFILLAN: On Monday, 16 October this year, ABC journalist Chris Nicholls made public a claim of alleged discrepancies between the National Crime Authority's Inter-governmental Committee Report of 7 March 1990 and what he had uncovered through independent inquiries. Mr Nicholls aired his allegations on the Keith Conlon program on the ABC's 5AN. He claimed that he is currently in possession of evidence which would contradict the findings as presented in that report, a report written by present South Australian NCA member, Gerald Dempsey and Sydney member, Greg Cusack and presented to the inter-governmental committee meeting in Darwin in March this year.

Members interjecting:

The Hon. I. GILFILLAN: It is the National Crime Authority Inter-governmental Committee Report, dated 7 March, into the Faris event. I have read a copy of the report, provided to me by Mr Nicholls at my request. I also have a statutory declaration confirming this copy as a true and accurate copy of the report, signed by Mr Nicholls in the presence of a justice of the peace and dated 22 October.

The inter-governmental report concerned the investigation by Mr Dempsey, the current head of NCA-Adelaide who is presently on indefinite sick leave, and Mr Cusack, a possible replacement for Mr Dempsey, of an incident involving the former NCA Chairman, Mr Peter Faris. The incident occurred on the night of 19 September last year at a brothel in Melbourne at which, according to the report, Mr Faris was apprehended by five members of the Victorian police. The details of the incident were made public by the media approximately four months later in Melbourne, which prompted an internal investigation within the National Crime Authority, resulting in the inter-governmental committee report.

However, according to Mr Nicholls there are serious discrepancies in the report. He says the Dempsey/Cusack account of what happened that night differs considerably from what he has subsequently uncovered himself, after conversations with people involved. For example, the report states that Mr Faris was there on personal business, with no explanation of that personal business, and was apprehended outside a brothel with a quantity of cash in his hand, said to be approximately $170.

However, Mr Nicholls has found, by visiting the same place, that Mr Faris had been into the brothel and was known to be a regular customer. The report makes no mention of this. In fact, the investigators did not interview anyone connected with the brothel.

Nicholls claims that Mr Faris, eventually identifying himself, made an officer involved in the incident swear an oath not to reveal the incident publicly, again an aspect omitted from the report. He also claims that Victorian police records of the incident on 19 September 1989 differ from that of the findings by Mr Dempsey and Mr Cusack. In the light of these allegations I ask the Attorney:

1. Has he read the IGC report on the Faris affair, dated 7 March 1990?

2. Will he seek the information referred to by Mr Nicholls from Mr Nicholls so that the inter-governmental committee can consider the accuracy of the original report?

3. Will he urge the inter-governmental committee to review the report and the method of reporting the Faris affair by Mr Dempsey and Mr Cusack?

4. Will he also refer the matter to the Federal joint parliamentary committee overseeing the NCA?

The Hon. C.J. SUMNER: The first thing I want to say is that I would not believe anything Mr Chris Nicholls, supposed investigative reporter, says about anything, frankly. He is a person for whom I have very little regard and whom I do not particularly believe to be an honest journalist. I say that from my experience of my dealings with him, and, as I said, I would not believe what Nicholls had to say about anything, unless it was verified by some independent, credible source. As to this particular matter, it has already been discussed in the media. Long articles have been written about this particular incident, if not in the South Australian press, certainly in the interstate press. A report was prepared which I read at the time it was delivered. But I do not intend to take the matter any further.

As everyone knows, it was Mr Faris who resigned from the chair of the National Crime Authority, undoubtedly in circumstances that were considerably distressing to him. I do not see that there is anything to be gained by pursuing this matter, unless, of course, it is to try to create as much dissatisfaction around the National Crime Authority as possible, or unless it is to undermine the capacity that the authority now has to investigate crime in this country.

Frankly, the tactics used by people like Nicholls are disgraceful. I have a number of examples of his behaviour which are assisting to undermine the fight against crime in this country. Regrettably, in law enforcement agencies, including the NCA, there are some people whose morals and standards of ethics are no better than the criminals they are supposed to be chasing, because they involve themselves in leaking documents to journalists.

Journalists attempt to curry favour with some of these operatives in the law enforcement agencies and, regrettably, some of the operatives succumb to leaking documents of a sensitive nature to these journalists. For what purpose? Often because, within those organisations, there are factions; certain factions do not agree with what other factions are doing. So, rather than combining and getting on with the job of pursuing crime, pursuing wrongdoing in this community, they fight factional wars and they leak documents in order to try to support their own particular positions on issues. They have the ready agents such as investigative journalists, so called, like Nicholls, who are prepared, I believe, to use their position to the great detriment, in the long run, of the fight against crime in this country.

The fact that there have been problems within the National Crime Authority is obvious to anyone who has had anything to do with it and because of matters that have been raised in this place over a long period of time. It is obvious that there were differences of opinion about priorities and, of course, about the Ark report, but I do not think that the interests of law enforcement in this nation are enhanced by the sort of tactics engaged in by some of the people involved in law enforcement agencies in this country—the police and the NCA. It is time that those people took stock of the situation and looked at their personal consciences, their personal standards of ethics, and stopped behaving in the manner in which many of them have been behaving in recent years.

They get an unscrupulous politician and they leak stuff to him; they get an unscrupulous journalist and they leak stuff to him. Frankly, it has reached the stage where we, as a community, have to take stock of the very, very serious situation we are in in this country with the continual denigration of our law enforcement agencies. In 1988, in this Parliament there was a continual program of denigration against the South Australian Police Force. We get the NCA in here and, as soon as we do, there is an attempt by journalists, the media and members of Parliament, to denigrate it. The only people who are winning out of this are the criminal elements in our community.

What purpose can be served by raising this matter, as Mr Gilfillan has? Mr Faris has resigned as Chairman of the NCA, in what were undoubtedly extraordinarily distressing personal circumstances. That was months ago. Yet, he has to put up with questions such as this from the Hon. Mr Gilfillan in circumstances which have been publicly canvassed, if not in this State, at least in the Eastern State papers in lengthy articles, to which I can only refer the honourable member. He can take his own action on the matter, if he likes. I have no intention of raising the matters with Mr Nicholls or anyone else. If Mr Nicholls wants to take them up with other people, that is a matter for him.

COMMERCIAL AND PRIVATE AGENTS ACT

The Hon. J.C. BURDETT: I seek leave to make a brief explanation before asking the Minister of Consumer Affairs a question about the Commercial and Private Agents Act.

Leave granted.

The Hon. J.C. BURDETT: In this explanation there will be no opinions, no distortion of what a Minister has said—because she has not said anything—and no knocking. I just want information. In several editions of the *Advertiser* recently—Monday of this week, Saturday of last week and earlier—there have been reports of assaults by bouncers in licensed premises, people who are euphemistically called 'crowd control engineers'.

In the reports in the *Advertiser*, it was suggested that about half of them are unlicensed. It was pointed out that, in general, they have no special powers. It was stated that the Department of Public and Consumer Affairs was said to be undertaking an inquiry as to how the Act was to be policed, and that at the time the Minister could not be contacted, I expect because she was carrying out her numer-

ous duties. It has been known for some time that the licensing requirement would come into force. My questions are as follows:

1. Can the Minister comment on the suggestion that up to half the agents in this are unlicensed?

2. What steps are being taken to take action against unlicensed operators?

3. What steps are being taken to investigate the allegations of assault by agents?

The Hon. BARBARA WIESE: To take the last question first, where allegations of assault by crowd controllers against members of the public have been reported, they are being investigated by the police. The police, of course, are the appropriate authorities to investigate such allegations. The Commissioner for Consumer Affairs is monitoring those investigations and, if it is necessary under the powers of the Act to take action at any stage, then of course that action will be taken. Suggestions have come from members of the crowd controlling industry which would suggest that many crowd controllers are currently practising without a licence. The people responsible to the Commissioner for Consumer Affairs have asked members of the industry to put forward information that can be acted upon by the Commissioner in those circumstances.

So far, the Commissioner has not received any information which is sufficient to prosecute persons for unlicensed activities, but, of course, those inquiries will continue. I remind the honourable member and the Council that it has been only since 1 September that people in this industry have been required to be licensed, and of course large numbers of people have applied for licences. Under the powers of the legislation, whereby the Commissioner for Consumer Affairs, the Commissioner of Police and others have the power to object to individuals obtaining licences, there has also been some action.

The Commissioner for Consumer Affairs and the Commissioner of Police have lodged objections to a number of individuals. Some of those cases have been heard by the Commercial Tribunal and others are listed for hearing. As a result of that process, some people have not been licensed. The matter is being monitored. The police investigations about particular allegations are also being monitored, and methods for future policing of the industry are also matters to which the Commissioner for Consumer Affairs and his officers are giving further consideration. I hope that, if unlicensed people are operating in this industry, we may soon be able to identify them and take appropriate action. The licensing process will not of itself prevent unscrupulous people from committing acts of assault. What we hope to achieve through a licensing process is the elimination of some of the less savoury elements of the industry.

NATIONAL CRIME AUTHORITY

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

1. That the Legislative Council invite Mr Justice Stewart, Mr P.M. Le Grand, Mr L.P. Robberds, QC, Mr P. Faris, QC and Mr P.H. Clark to appear before the bar of the Legislative Council to provide to the Legislative Council information as to the status of the report on Operation Ark prepared by Mr Justice Stewart for which a letter of transmittal was signed by him on 30 June 1989 and to answer such questions as may be relevant to the preparation of that report and, subsequently to 30 June 1989, the refusal or failure by the National Crime Authority to officially transmit that report to the South Australian Government until 30 January 1990.

2. That Mr Justice Stewart, Mr Le Grand, Mr Robberds, QC, Mr Faris, QC and Mr Clark be offered reasonable travel and accommodation expenses to attend before the Legislative Council, such expenses to be approved by the President,

3. That Mr Justice Stewart, Mr Le Grand, Mr Robberds, QC, Mr Faris, QC and Mr Clark be invited to respond to this invitation by 10 November 1990 and that, if they be willing to accept the invitation, the Clerk, in consultation with the President, fix a date and time for their attendance separately or together at the bar of the Legislative Council.

Contrary to the headline in today's *Advertiser*, the motion does not look to 'carpet' former National Crime Authority members. Rather, if members applied their minds to it, they would realise that a carpeting would require a summons to require attendance. This motion invites Mr Justice Stewart, Mr Le Grand, Mr Robberds, QC, Mr Faris, QC and Mr Clark to appear at the bar to give evidence.

It provides a forum, under absolute parliamentary privilege, for former members of the National Crime Authority, several of whom were not given the opportunity to appear before the Federal Joint Parliamentary Committee on the National Crime Authority, to help South Australians to understand what happened with the NCA's Operation Ark investigation of South Australia's Operation Noah drug phone-in in 1989. It will ensure that what appears to be damaging conflict within the NCA is examined for its effect on law enforcement and crime fighting in South Australia. South Australians are spending $10 million on the Adelaide office of the National Crime Authority—$4.6 million last year and $5.6 million this year—to get to the bottom of organised crime, and we have not got too far yet.

Let me outline the history of the Stewart NCA report. Operation Noah in 1989 had 13 phone calls alleging police corruption. One only was referred to the Police Commissioner and none to the NCA. On 17 March 1989 the NCA, under Mr Justice Stewart, in conjunction with Mr Le Grand of the Adelaide office of the NCA, began an investigation of the allegations and the procedures adopted by the police for handling them. Mr Justice Stewart prepared a 140-page report and signed a letter on 30 June 1989 transmitting the report to the South Australian Attorney-General. The report was not sent until the Faris NCA forwarded it to the South Australian Attorney-General on 30 January 1990. Mr Justice Stewart contends that the document is an official report of the NCA. Mr Faris, QC, his successor as Chairman, says that it was only a draft or, as described in other terms, an 'internal document'.

Mr Faris prepared an 11-page report on Operation Noah and forwarded it to the South Australian Attorney-General. The existence of the Stewart report was not known publicly until the *7.30 Report* on ABC television on 12 December 1989 reported on its existence and some of its alleged contents. According to a report by the Federal Joint Parliamentary Committee on the NCA, tabled last week in Federal Parliament, the Stewart report was not rejected by the Faris NCA until 16 December 1989—four days after its existence became known publicly.

A new report on Operation Ark, comprising 11 pages, was forwarded by the Faris NCA to the South Australian Attorney-General on 21 December 1989. That report was released publicly by the South Australian Attorney-General on 25 January 1990.

On 16 February 1990 the Solicitor-General gave advice to the Attorney-General that up to half the Stewart report could be released publicly. On 30 January 1990 Mr Faris, in writing to the Attorney-General, criticised the Stewart NCA report, and said:

> Although prepared before 1 July the proposed report was not sent. The authority as newly constituted, (namely, myself and Messrs Cusack, Leckie and Le Grand), carefully considered the proposed report and decided that it should not be delivered as a report of the authority. Mr Le Grand dissented. It should be made absolutely clear that the authority rejected the proposed report.

The authority rejected it for a number of reasons, in particular, because the proposed report:

(a) dealt unfairly with a number of police officers;

(b) did not make any sufficient findings of fact;

(c) had conclusions and recommendations that were often not supported by the evidence;

(d) failed to accord natural justice to the persons it criticised;

(e) had a style of authorship that was offensive and sarcastic towards persons and lacked objectivity; and

(f) did not appear to apply the proper standard of proof.

The authority proceeded to reconsider the matter and you have received what we regard to be a proper report.

Mr Le Grand dissented.

It should be noted that the letter says the Stewart report was rejected and then the authority proceeded to reconsider the matter. The Federal joint parliamentary committee report makes it clear that the Stewart report was not rejected until 16 December 1989, and five days later a new report by Mr Faris was prepared. One can only observe that that was very quick reconsideration.

Mr Justice Stewart was rightly incensed by the claim that his report was not a formal report of the NCA. He wrote to the South Australian Attorney-General on 8 February 1990 for himself and Messrs Robberds, QC, Clark and Le Grand, as follows:

The document which Mr Faris describes as 'certain internal documents' and 'the proposed report' is in fact a report of the authority pursuant to section 59 (5) of the National Crime Authority Act. It was prepared by Mr Le Grand and myself on behalf of the authority and duly authorised for transmittal to the South Australian Government by Messrs Robberds, QC, Le Grand and myself. Mr Clark was on leave at the time pending the expiration of his term of office. When I last saw the report, on its face it was described as the 'first interim report to the Government of South Australia' and this is what it is in fact.

I signed a letter of transmittal on 30 June 1989 which was reproduced in the report itself. I suggest that you read the report as this will suffice to show that it is the authority's report made pursuant to section 59 (5) of the Act and not a proposed report as claimed by Mr Faris.

It is clear from Mr Faris' letter that the newly constituted authority under his chairmanship prohibited the delivery of the report of the previously constituted authority to the South Australian Government. I am aware that there were media reports touching upon the matter towards the end of 1989, and I conclude that after these media reports appeared the then constituted authority substituted a report and watered down the original report almost completely.

In Mr Faris' letter there are a number of criticisms made of the report and as they are to be made public I consider I am obliged to deal with them and in the little time available do so as follows:

(a) We reject this assertion. All police officers criticised in the report were heard on the matters canvassed therein, and were not dealt with unfairly.

(b) We reject this assertion. The report reviewed the facts at length, both in the body of the report and in the extensive annexures contained within the second part. Detailed findings are contained within chapters three and four under the heading 'Conclusions' and in the body of the report dealing with the various investigations reviewed.

(c) We reject this assertion. The report is carefully drafted and, where the evidence was inconclusive, the report made findings in favour of the persons whose actions were the subject of inquiry.

(d) We reject this assertion. All persons criticised were examined before the authority and the matters reported upon canvassed with them.

(e) We reject this assertion. The report is properly and appropriately written and scrupulously objective. Indeed, as the report makes clear, a deliberate decision was taken to couch the report in the words of the persons who appeared before the authority to retain objectivity and to avoid importing the subjective views of the authority.

(f) The report made no final findings adverse to any person, It did, however, exonerate some and criticise investigational standards. It recommended an internal review of the performance of three police officers. The appropriate evidentiary standard where no final findings are made nor prosecutions recommended is the civil standard, namely, the balance of probabilities which was the standard applied.

The assertion contained in the penultimate paragraph that the recommendations in respect of the police officers named in recommendations 15, 16 and 17 are unfair and are not supported by any findings of fact patently are wrong. The report contains numerous findings throughout in respect of these persons. We agree that the naming of these persons would be unfair pending the recommended review of each person's performance.

We reject the assertion that the report is written in an unsatisfactory manner. Subject to appropriate safeguards, we urge that it be tabled in Parliament and released so that the people of South Australia may draw their own conclusions.

Last week, something of a bombshell exploded with the tabling of the report of the Joint Parliamentary Committee on the National Crime Authority. It referred to the following matters, and I quote from the report:

1. The committee is also aware of evidence showing that Mr Faris was anxious about the contents of the report in May or June of that year [1989], and that he asked Mr Le Grand to delay the report until he (Mr Faris) took office.

The Hon. C.J. Sumner: Is this from the minority report?

The Hon. K.T. GRIFFIN: It is a qualifying report but it is part of the report, yes.

The Hon. C.J. Sumner: By the Liberal/Country Party?

The Hon. K.T. GRIFFIN: No, it is a qualifying report, isn't it.

The Hon. C.J. Sumner: By the Liberal/Country Party.

The Hon. K.T. GRIFFIN: It is by Liberal members, because the Labor majority members stopped—

The Hon. C.J. Sumner: So, it is not part of the report?

The Hon. K.T. GRIFFIN: It is part of the report.

The Hon. C.J. Sumner: It is the minority report.

The Hon. K.T. GRIFFIN: No, it is part of the report; it is all tabled together.

The Hon. C.J. Sumner: It's a minority report.

The Hon. K.T. GRIFFIN: It is all tabled together. It's a qualifying report. They tabled it because the Labor majority would not allow the proceedings to continue to enable—

The Hon. C.J. Sumner interjecting:

The Hon. K.T. GRIFFIN: That is right. The Labor members stopped it contrary to the earlier deliberations and agreements made by the committee.

The Hon. C.J. Sumner: I just wanted to clear it.

The Hon. K.T. GRIFFIN: That's fine.

The Hon. C.J. Sumner: Let us know whether you are talking about the majority report, the official report, or—

The Hon. K.T. GRIFFIN: They are both official reports, because the minority did not agree that the ALP majority had adequately reported on the issues before the committee. It is as simple as that.

The Hon. C.J. Sumner: Don't refer to it as the report.

The Hon. K.T. GRIFFIN: Well, it was the report. You will get your chance to talk about that. Two documents were tabled in the Senate: the report of the majority of the committee and a qualifying report which was prepared by the minority because of their frustration at the inability of the committee to pursue the matters which related to Operation Ark and to give all persons who were referred to in the report an opportunity to respond. I will continue with a quote from the report, or should I say the qualifying report to satisfy the Attorney-General. This purports to quote evidence given before the committee, as follows:

In a telephone conversation in May or June you told me something about the report which caused me to reply that I did not want the report to be delivered without my first seeing it. I asked that you attempt to delay the report until I took office.

The second matter in the report referred to attempts during the latter part of 1989 by Mr Gerald Dempsey, while he was general counsel assisting the NCA, to have the then Adelaide member of the authority, Mr Le Grand, removed from the NCA. As all would know, Mr Le Grand presided

over most of the hearings conducted in the NCA's Operation Ark investigation and dissented from decisions of the Faris NCA not to transmit the Stewart report to the South Australian Parliament. That report, tabled in the Parliament (again, the qualifying report) states as follows:

Mr Le Grand's appointment as the Adelaide member of the NCA was called into question by an advice rendered by Mr Dempsey some nine months after his appointment. The effect of that advice was that Mr Le Grand was not permitted to attend the next meeting of the authority but rather was only granted observer status. The validity of Mr Le Grand's appointment was subsequently supported by an opinion of Mr Ray Finkelstein, QC.

The third matter to come from the papers tabled in the Federal Parliament last week was information that two advices were prepared during the latter part of 1989 by Mr Dempsey which were highly critical of the Stewart report. The fourth matter to be identified was that there were attempts to assert that the report had not been within the NCA's reference, and again I quote from the papers tabled in the Federal Parliament, as follows:

On 25 October the Chairman advised Mr Le Grand that while Mr Dempsey had not finalised an opinion he was of the view that the report may not have been within the NCA's reference. He asserted it may therefore have been illegal. He was also of the view that its conclusions were not supported by the evidence.

Mr Faris advised Mr Le Grand that the report would probably go forward with the present members' observations on it, to which Dempsey's view would be annexed. He thought Mr Le Grand had until the middle of November to finalise his views. The NCA received advice dated 27 October that the Operation Ark was within the power of the NCA.

The fifth matter to be identified was the internal conflict in the NCA over an attempt to prevent Mr Le Grand from giving evidence to the Federal parliamentary committee and a suggestion of a threat by the NCA to seek an immediate injunction in the High Court to prevent his passing on any information to the committee.

The sixth matter was a reference to a brief discussion with the Federal Attorney-General, who expressed the view that there was nothing to be gained from the committee's pursuing, amongst other matters, the Operation Ark matter.

The seventh matter was the voting last month of the ALP members of the Federal parliamentary committee to stifle, effectively, the proceedings, to prevent Mr Justice Stewart, Mr Robberds and Mr Le Grand from giving their version of events to the committee, even though Mr Faris had given his version of them.

The eighth matter to be revealed was that there had been a meeting on 4 August 1989 involving Mr Faris and the South Australian Police Commissioner, Mr Hunt, during which Mr Faris told Mr Hunt that the Stewart report was being vetted, even though the Attorney-General and the Government persist in claiming that they did not know of the existence of the Stewart report until mid-December 1989. The Federal parliamentary party is meant to be a watchdog committee.

The Hon. C.J. Sumner: I was officially advised of it on 21 December.

The Hon. K.T. GRIFFIN: That is what you kept saying, but we kept asking—

The Hon. C.J. Sumner: It is classic misrepresentation.

The Hon. K.T. GRIFFIN: It is not a classic; we kept asking the Attorney when he became aware of it.

The Hon. C.J. Sumner interjecting:

The PRESIDENT: Order!

The Hon. K.T. GRIFFIN: All that he kept saying was 'I officially became aware'—

The Hon. C.J. Sumner: I was officially advised in December.

The Hon. K.T. GRIFFIN: That is right, but we kept asking you when you became aware of it. There are two things—

The Hon. C.J. Sumner: You are a fool.

The Hon. K.T. GRIFFIN: You're the fool! There are two aspects to this.

Members interjecting:

The PRESIDENT: Order! The honourable member will address the Chair.

The Hon. K.T. GRIFFIN: Mr President, there are two aspects to this. One is when the Government became aware of it, formally or informally, and we asked the Government that question. The Government keeps channelling back to us and shovelling up this business about 'We first became officially aware.' There is a distinction, and it is all very well for the Attorney-General to object to my making that statement, but the fact is that, notwithstanding our questions about when this Government became aware, formally or informally, all we get dragged back is the fact that it officially became aware in December 1989. If the Attorney-General were to indicate when it first became aware of the matter—officially or unofficially—then we would be getting somewhere.

The Hon. C.J. Sumner: I was aware of the review of the Ark matter on 19 July.

The Hon. K.T. GRIFFIN: Well, that's the first time you have said that.

Members interjecting:

The Hon. C.J. Sumner: I said it yesterday about three times.

The Hon. K.T. GRIFFIN: Well, then you knew that the Operation Ark report was around.

The Hon. C.J. Sumner: You totally misrepresent—

The PRESIDENT: Order!

The Hon. K.T. GRIFFIN: I have not misrepresented it. You have been hedging all the time.

The PRESIDENT: Order!

Members interjecting:

The PRESIDENT: Order! The Attorney-General will come to order.

Members interjecting:

The PRESIDENT: Order! The Attorney-General will come to order and the honourable member will address the Chair.

The Hon. K.T. GRIFFIN: The Federal parliamentary committee is meant to be a watchdog committee but, in failing to investigate properly the events surrounding the Ark report, it has failed in its public duty. The Liberal Party has supported the NCA as a body with wide powers which can dig out organised crime, but the NCA needs to be accountable and its actions, internally and externally, need to be beyond reproach. The resignation of Mr Faris in controversial circumstances, the absence on long service leave of—

The Hon. C.J. Sumner: Are you going to ask him about his resignation when he comes in?

The Hon. K.T. GRIFFIN: I have not said anything about that, have I? I am just saying—

The PRESIDENT: Order! The Attorney-General will have his turn to enter into the debate.

The Hon. C.J. Sumner interjecting:

The Hon. K.T. GRIFFIN: That may be a possibility. We are focusing—

The PRESIDENT: Order! The honourable member will address the Chair, and the honourable Attorney-General will have his chance to enter the debate.

The Hon. K.T. GRIFFIN: Well, Mr President—

The Hon. C.J. Sumner: You heard what he said. I asked if he is going to ask about his resignation.

The Hon. K.T. GRIFFIN: That's a possibility.

Members interjecting:

The PRESIDENT: Order!

The Hon. K.T. GRIFFIN: As I have said, the object of my motion is to find out what happened about Operation—

The Hon. C.J. Sumner: It's a stunt!

The Hon. K.T. GRIFFIN: It is not a stunt. The Attorney-General is constantly interjecting because he cannot face up to the reality of the fact that questions need to be asked about the way the whole of the Operation Ark investigation and reporting was conducted. That is the focus of this motion. All I have said is focused upon that, because this constant conflict is undermining the activities of the NCA. As representatives of the taxpayers of South Australia, the Parliament has a right to know what is going on behind the scenes in relation to Operation Ark.

The Hon. T. Crothers: Did you think Parliament knew today, when you took your point of order?

The PRESIDENT: Order! The Hon. Mr Griffin has the floor.

The Hon. K.T. GRIFFIN: The resignation of Mr Faris in controversial circumstances, the absence of Mr Dempsey on long sick leave and the controversy over the Stewart report create a crisis of confidence and undermine the work of the NCA.

The Hon. C.J. Sumner: You've helped in that.

The Hon. K.T. GRIFFIN: I have not. I have asked legitimate questions about the state of knowledge of this State Government, what it has been doing about it and about what is happening in the NCA—and the Attorney-General knows it. As part of the process of gaining the truth, if the Federal parliamentary committee cuts off its hearings and does not get to the bottom of the conflict, other ways must be found.

An invitation to the bar of the Legislative Council is one way. It creates an opportunity to get the facts about the Stewart report and to determine who in the State Government knew what was going on, and when that knowledge was obtained. It is some 20 years since anyone has been brought to the bar of the Legislative Council; then it was by summons. My objective in moving this motion is to issue an invitation to provide a forum to the persons to whom I have already referred, the former members of the National Crime Authority, to give their version of the events surrounding Operation Ark.

The Legislative Council, as a democratically elected House, may still be the only forum in which the truth may come out, and the taxpayers of South Australia have a right to know what is going on with respect to that Operation Ark report. I commend the motion to members.

The Hon. C.J. SUMNER (Attorney-General): I will not canvass the matters that have been dealt with in this Council at great length on a number of occasions as to the facts of this matter, except to say two things. First, the Hon. Mr Griffin, as usual, was selective in his quotation from the joint parliamentary committee Operation Ark report, and sought to give the impression to the Council that the matters he referred to were matters of a majority report from the committee when, clearly, they were the political statements of the minority—the Liberal and National Party members.

Of course, he further conveniently forgot the majority report in relation to certain matters, in particular, paragraph 29, which stated:

> In this respect, the committee has been advised that, contrary to the claims of Mr Justice Stewart that the proposed report was 'duly authorised for transmittal to the South Australian Government', there is no record of a minuted meeting of the authority as constituted prior to 1 July 1989, at which the draft report was adopted as the report of the authority for transmittal to the South Australian Government.

Any concept of fairness, I should have thought, would require the Hon. Mr Griffin at least to have referred to the majority report and, in particular, to that quotation. The Hon. Mr Griffin has once again misrepresented the Government's position, and I should like to place that on record, as I did by way of interjection. I will read it again, and I just ask the Hon. Mr Griffin to listen carefully, because he obviously has not done so on previous occasions. On 8 February, the Hon. Mr Davis asked me a question in this Council and on 14 February I replied as follows:

> The Government was officially advised of the earlier document on 21 December 1989. The Attorney-General had become aware that Operation Ark was the subject of discussion and review within the authority in July 1989. The Attorney-General was certainly aware of it by 19 July 1989, but there is a possibility that Mr Le Grand had advised Mr Kelly, the Chief Executive Officer of the Attorney-General's Department, that there was to be a review of the Operation Ark matter early in July.

That was in February.

The Hon. K.T. Griffin: That's not a review of the Stewart report.

The Hon. C.J. SUMNER: What I said yesterday is that the whole problem in this area is whether or not we are talking about a report. I will not repeat what I said yesterday on that point. However, I will repeat that on 14 February that answer was given which would have cleared—

The Hon. K.T. Griffin interjecting:

The Hon. C.J. SUMNER: The review of the Operation Ark was the subject of review. I cannot be any more explicit about that, and I have explained the situation. I took the opportunity to meet informally with Messrs Le Grand, Leckie and Tobin over dinner; we did that. This is in an answer I gave on 15 February. We discussed a number of matters relating to the authority's operation in South Australia. So far as I can recall, and I cannot recall the details of all the discussions, the Operation Ark matter was discussed and there was an indication that there would be a review of that matter by the Faris authority.

Obviously, there is still doubt as to whether it is a report, and I would have thought that that is the reason why the matter has been dealt with in that particular way. But, I said on 14 February that I was aware of the Operation Ark review that Mr Faris intended to carry out. There is a distinction between that and becoming officially aware of it, which I was, by its transmission to me on 21 December. But, I dealt with all that in detail yesterday, and it was dealt with in detail in February and March of this year. I cannot say anything more about it. I do not intend to repeat the matters relating to the facts; they are all on the record.

It is extremely difficult to take this motion seriously. It is, as they say in the trade, a 'stunt', and regrettably a very dangerous one. I believe it further diminishes the reputation of the shadow Attorney-General, who is its architect. If it is passed it will also diminish significantly the respect in which this Legislative Council should be held. It has the potential for high farce in the best comedy tradition. The results could be quite bizarre.

Members opposite have simply forgotten the basic aim which I would have thought we all ought to be involved in here—to ensure that allegations are investigated and, if there is nothing in them, cleared off the plate for the health of our society and community in this State, or if there are allegations that are justified that the perpetrators are brought to justice. Regrettably, with members opposite in pursuit of their own political interests and, I suspect, in pursuit of the need to attempt to continually upstage the Democrats with whom they are competing for publicity in this area, this has meant that the basic aims that everyone should be involved

in have been lost. The reality is that the Liberal Party and the Democrats have been competing for publicity in this area since 1988 when the allegations relating to corruption in South Australia first surfaced to any great extent.

The only people who are winning out of this are the criminal elements. The problems of the direction of the NCA which are obvious, and the internal disputes within it, have also obviously played into the hands of criminal elements. But, there is no doubt that the political interests that are being pursued by members opposite have also played into the hands of the criminal elements. They are asking for this motion to be passed in circumstances where the Government, at all stages, has acted completely properly—and there is no evidence to suggest otherwise. This motion has no other purpose than to advance the political interests of the mover.

The idea of having the people mentioned called before the Bar of the Legislative Council, appearing before the House and being questioned by 22 politicians, with their own political agendas, concerned only with one thing—advancing their own political interests—is, in my view, quite bizarre. The suggestion, put in that way, ought to bring that home to members. They have little interest in whether crime in this country is being pursued properly as long as they can get their particular political barrow pushed. The prospect of Mr Justice Stewart, Mr Faris, Mr Le Grand and whoever else the Hon. Mr Griffin wants to attend—

The Hon. I. Gilfillan: Mr Clark.

The Hon. C.J. SUMNER: —and Mr Clark, with all their lawyers, at the Bar of this Council being questioned by these 22 politicians here is, Mr President, if anyone cannot see it, a recipe for an absolute fiasco—a circus of the worst possible kind which could only bring the Parliament into disrepute.

The fact of the matter is that Operation Ark is not particularly important in the scheme of things. I have repeated that there was no corruption, and I will repeat it again: there was no corruption found in relation to the Operation Noah reporting. In the final analysis, there was nothing found in the 13 complaints. There is no evidence of any improper behaviour by the Government. There is a dispute over the findings in the report between Mr Justice Stewart and Mr Faris.

Now, no matter what you ask these people when you get them to the Bar of the Legislative Council, you will not be able to determine who was right or who was wrong with respect to the findings of Operation Ark without doing a complete reassessment of the evidence. So, the farce gets even worse. Not only do you question them but you then decide to set yourselves up, in effect, as a court or an authority, to determine the veracity or otherwise of the findings of Mr Justice Stewart as opposed to the findings of Mr Faris.

Clearly, Parliament is not an appropriate body for that. Nothing of use can be achieved and no sensible findings can be made by doing that. How would this Council, having got these people before it, make any findings on what these people tell this House? Are we all going to sit around and say, 'We agree with Mr Faris,' or 'We agree with Mr Leckie,' or 'We agree with Mr Justice Stewart,' or 'We agree with Mr Le Grand.'? How will we make those findings without conducting an inquiry, which could go on for weeks, and reviewing all the evidence?

Why are we confining it to the people mentioned in the motion? Why are we confining it to Mr Justice Stewart, Mr Le Grand, Mr Robberds, Mr Faris and Mr Clark? Why do we not try Mr Mengler, Mr Leckie or Mr Cusack? Why do we not try some of the journalists who have been involved in reporting on this particular matter and who seem to have all sorts of information about what is happening? Why do we not get Mr Nicholls before the Bar of this Council? Why do we not ask Mr Gilfillan to appear and give us evidence about the sources of his information in relation to matters he has brought before the Parliament from time to time? It is, as I said, a bizarre proposal.

The Hon. Mr Griffin has made much of the fact that it is only an invitation, and I think that that gives the lie to the fact that it is a political—

The Hon. K.T. Griffin interjecting:

The Hon. C.J. SUMNER: Of course you can't. That is why it is a stunt.

The Hon. K.T. Griffin: It is not a stunt.

The Hon. C.J. SUMNER: It is a stunt. You have issued an invitation (that is what you called it) to get these people before the Bar of the Legislative Council. What happens if they refuse? Nothing. Does the Council then attempt to compel them, or are we just going to say, 'All these people have refused our invitation, we will just ignore it'? But, even if they accept the invitation, what are the consequences? First, you have the problem of the National Crime Authority Act. There are strong arguments that if you get them before the House they cannot answer any questions, anyhow.

That obviously has not been examined by the Hon. Mr Griffin in his desire to upstage the Hon. Mr Gilfillan in this area. He has not looked at the question at all of whether the National Crime Authority Act would permit questions to be answered by the people who appear. I believe that there are strong arguments that they could not answer questions. There has already been the debate in the Federal Parliament as to the conflict between parliamentary privilege and the National Crime Authority Act, and the opinion of the Solicitor-General of the Commonwealth Parliament is that the National Crime Authority Act secrecy provisions cannot be overridden by parliamentary privilege. The National Crime Authority Act does in fact provide, in section 51, for strict conditions relating to disclosure.

The Crown Solicitor is of the view—and, admittedly it is an opinion that has been obtained quickly because of the need to deal with this matter and to put on the record the circumstances—that the powers of the Legislative Council are untouched except to the extent that a witness cannot be required to answer questions which would be in contravention of section 51 (2) of the National Crime Authority Act.

So, how many questions can be asked? What questions can be asked? None of that has been looked at. The fact of the matter is that section 109 of the Federal constitution, which deals with inconsistency, applies, in the Crown Solicitor's view, and this law of the Commonwealth (that is, the National Crime Authority Act) renders the Legislative Council's power to require that witnesses answer questions when appearing before the Council inoperative, to the extent that the answers would involve the witness in committing an offence under section 51 (2). What will we do when they arrive? What if they say, 'I am sorry, I cannot answer questions, because I am bound by the provisions of the National Crime Authority Act.'? What are the costs? What do we do then? We would say, 'In our view, you are in contempt of the Parliament, because we want you to answer the questions now that you are here.' They would say, 'We will not answer the questions; we cannot answer them because of the National Crime Authority Act.'

Are we going to gaol them—send them off to Mobilong—because they have been in contempt of the Parliament? On the other hand, if they then decide to answer the questions

to this Parliament, where do they stand in relation to the National Crime Authority Act? Will they then be subject to prosecution by the Federal DPP for being in breach of a Federal Act? I would have thought that just an outlining of that situation is enough to put to the public of South Australia—certainly, I would have thought to the sensible people in this Chamber—that the thing is nothing more than a stunt. It clearly has not been thought through.

There are also significant civil liberties and natural justice implications. We are aware of circumstances in the past where members of the public have been hauled before the Bar of the Parliament. Such cases are the Bankstown Observer case, the so-called Browne and Fitzpatrick case in the House of Representatives in the 1950s, the Klaebe case in this Council in 1968 and the loans affair in the Federal Senate when Mr Karidis, a South Australian citizen, was hauled before the Bar of the Federal Senate.

In all those cases, very strong criticisms were made of the behaviour of Parliament, because of the potential breach of civil liberties of the citizens who could be involved. I think that needs to be considered. What about the civil liberties, the rights to due process and natural justice which have to be accorded to people who appear in situations where adjudications may be made on the evidence that they give? How will we resolve that matter in this Chamber? So, what happens, for instance, if on the natural justice points, one person accepts the invitation to attend and others do not? Will we then make findings on the basis of hearing just one side of the story, or will we not? Clearly, it would be unfair.

In any event, I repeat the point: how can a House of 22 members make findings, even if all the people mentioned in Mr Griffin's motion decide to attend? What mechanism do we have for making those findings? None whatsoever. What is the purpose of it? Just to provide a platform for people to speak their mind; that is all. We cannot make any findings about it. How will we be better off? We know Mr Faris's view and we know Mr Justice Stewart's view; it is all on the record. Will we make findings as to who is right and who is wrong? Clearly, it is stupid. Then what happens when they want legal representation, as they all undoubtedly will, if they are called before the Bar of the Legislative Council, because they will be under threat of having Parliament deal with them in a particular manner? They will all turn up. Who will pay for their legal representation, at $5 000 a day for a Sydney silk?

Let us look at the next situation. We issue the invitation and they refuse to attend. I suspect that no-one will attend if we issue the invitation, because who would want to be involved with what would be a three-ring circus, which the Legislative Council has increasingly tended to become in recent years? What will happen then, if the Council is serious about its invitation, is that it will issue a summons for those people to appear but, because that summons will have no extra-territorial effect, they will not have to appear. So, then what can be done? Under Standing Orders, we can issue a warrant for their arrest, but it would only be applicable—because it would not have any effect outside the State of South Australia—if any of these poor benighted individuals entered the jurisdiction.

So, we have the spectre of Black Rod, in company with the Hon. Mr Griffin, no doubt with the enthusiastic volunteers from the South Australian Police Force, waiting to pounce on Justice Stewart if he ever gets the opportunity to enter the jurisdiction of South Australia. That scenario is bizarre, but that is where you end up if you are serious about wanting to get these people before the Parliament.

It is an extremely poorly thought out motion. Its implications have not been considered. The ability to call people before the House should be used only in extreme circumstances, and with care. It is like privilege; if it is abused, attempts will be made to take away the power to do that. To suggest that this matter is of such consequence as to require these people to appear before the Council is ridiculous.

More importantly, it overlooks the elaborate procedures that are already in place for accountability of the NCA. I think, in retrospect, the procedures are too elaborate, because the fact of the matter is that members of Parliament cannot be trusted with information dealing with the NCA; particularly, certain members of the joint parliamentary committee have undoubtedly used information they have obtained through that committee in such a way as to push their own particular barrows.

We have a joint parliamentary committee and we have the inter-govermental committee. There are already procedures in place to deal with National Crime Authority accountability. It is after all a national authority; it is not a South Australian authority; it was invited in here because it had the coercive powers that were necessary to investigate allegations made in 1988, no matter how fanciful or stupid those allegations might have been. Honourable members who were in the Parliament and the State at that time will recall an almost McCarthyist hysteria surrounding those allegations in this State. The Government has absolutely nothing to hide in this area. I do not care whether the Federal Joint Parliamentary Committee—the national committee that has the oversight of the National Crime Authority—wants to examine these matters.

Certainly, if it does, it will find no evidence of impropriety or improper behaviour on the part of the Government. That is the Government position. If the joint parliamentary committee wants to conduct an inquiry, we have absolutely no objection.

However, the majority has obviously taken the view not to proceed. Why? Because—what can be resolved; what good can come of such an inquiry? Nothing. It is specifically prohibited under the National Crime Authority Act from re-investigating matters that the authority has determined. Without re-investigating them—and as I have just indicated to Parliament this would be quite an impossible task for a parliamentary committee—how would it be able to resolve the different points of view in relation to the Stewart and Faris documents?

Therefore, the joint parliamentary committee has taken the view that, even if it has an inquiry, it cannot resolve the issue. Mr Faris has resigned as Chairman of the National Crime Authority. Mr Justice Stewart is no longer Chairman of the National Crime Authority. There is a new Chairman. What earthly purpose can be served by the Parliament wasting its time investigating these matters? I suspect, nothing. Nothing sensible or useful can come out of it. The only thing that can come out of it is that there will be a reaffirmation of a difference of opinion between Mr Faris and Mr Justice Stewart, both of whom are now off the scene. They are gone.

If there is a responsibility to deal with this matter, it rests with the joint parliamentary committee. I suspect it has decided not to proceed for the reasons I have outlined, but I repeat that the Government has absolutely no objection if it decides to examine them because we have nothing to hide in relation to this matter and we have behaved properly at all times.

Calling people before the Council is the ultimate Star Chamber. I repeat: the notion of having 22 politicians com-

peting for publicity on the day, competing for political kudos, by asking questions of the people who attend, would be a fiasco. It is a bizarre proposition in these circumstances.

Furthermore, after it had gone through this circus, what would the Council be expected to do with the results? How would we make findings? It is difficult enough getting a parliamentary select committee to make findings about evidence that comes before it. How are 22 members of this Council going to make findings about the evidence that is given to it by these people whom Mr Griffin wants to carpet, wants to haul before Parliament.

Any sensible person in this Council whom has any consideration for the reputation of Parliament, and, I suggest, for any basic concepts of civil liberties or natural justice, will not be involved in this exercise.

The Hon. I. GILFILLAN: I must commend the Attorney on what I thought was a constructive analysis of the difficulties of drawing people before the bar of the Chamber, and it behoves all members to take those criticisms seriously. It is also important to remind the Attorney of some history which he very conveniently forgets. When I originally moved for an Independent Commission against Crime and Corruption in this place, the Attorney spent a lot of time, if not shouting at me, certainly making plain that there were no allegations or information upon which to base an argument. He goaded me to produce material. Now, that having been done, and then a process set in train which eventually got the NCA into South Australia, he alleges that I was involved in waving spurious allegations about. All those allegations, incidentally, were fed to the NCA: all of them were investigated and some of them finished up with prosecutions.

So, it is a very convenient lapse of memory by the Attorney when he, for his own purposes, wants to portray the history of this matter as if I personally came in here looking for sensational headlines!

The Hon. C.J. Sumner: Of course you don't.

The PRESIDENT: Order!

The Hon. I. GILFILLAN: I resisted it for some time. I suggest to the Attorney that to refresh his memory he look back at *Hansard* and he will find that that is true.

I also make an observation that the Attorney seems to be obsessed, first, that the whole of this exercise about the questioning of the NCA is a pointed attack on the Government, and I consider that to be a rather small-minded view. There are members in this place who have interests other than purely to shaft the Government. I personally do not have any particular motive for criticising the Government either in its involvement with the NCA or as an ongoing scapegoat in any way involved with the NCA's investigations.

That is not the issue in which I am particuarly interested. I do resent, however, being referred to as an unscrupulous politician, as the Attorney did earlier, when mentioning the release of a report to me by the ABC journalist, Mr Nicholl's. As I indicated in my explanation to the question, the fact is that, having heard the ABC report I asked Mr Nicholls. He did not 'pump' the document, as the Attorney would like to have it, to the 'unscrupulous politician'. I will not attempt to defend whether I am scrupulous or unscrupulous. However, for Mr Nicholls' sake it is very important that that be put into context.

That particular report is one of the matters I would like to canvass briefly in these remarks. One of the reasons why I view this motion seriously, and certainly sympathetically, is that members will recall that I asked the Attorney whether he would refer the allegations of Chris Nicholls to both the intergovernmental committee and the parliamentary committee. He refused to do that. He has claimed that there are those two bodies which will undertake these investigations. Whatever his personal view on Mr Nicholls, and he made that quite clear, I believe it is an abnegation of his responsibility if he will not refer the matter—

The Hon. C.J. Sumner: Why didn't you do it? Write them a letter.

The Hon. I. GILFILLAN: For one thing, I am not a member of the inter-governmental committee, as is the Attorney-General.

Members interjecting:

The PRESIDENT: Order!

The Hon. I. GILFILLAN: He was a member of the committee and he admitted he had read the report. Why should he not read it? If the Attorney was looking at his responsibilities fairly, the serious challenges to parts of that report should be raised, even if the Attorney has doubts about the integrity of the person who raised the matter.

The Hon. C.J. Sumner: What purpose can be served?

The Hon. I. GILFILLAN: Because the main aim of this exercise is to establish what can be retained of integrity and admiration for the NCA as an investigative body.

The other area where the Attorney spent a lot of time denigrating this motion was on the alleged partisanship of the qualifying statement. I do not see any point in quibbling over whether it is part of the report. It is entitled 'qualifying statement'. As such, it is signed by four members of Parliament. They do not happen to be in my Party, but that does not mean I belittle their integrity in signing the document. It behoves us to take seriously what they said. I quote one paragraph in their introduction:

> The committee's decision not to pursue this matter to a final report stage and the subsequent ruling out of order of a motion to call certain other witnesses means that cross-checking of the evidence available is impossible, as is the resolution of the many questions the material before the committee raises.

I do not have to be an arch enemy of the Government to see good reason to have that disquiet, that concern, by this minority group of the committee followed through. It is a concern to me and it should be a concern to the Attorney if he is caring about the integrity of the NCA and its inquiries in this State.

The Hon. C.J. Sumner: What possible point can be served?

The Hon. I. GILFILLAN: I am sure the Attorney knows as well as anyone in the Chamber that the reputation of the NCA is in tatters.

Members interjecting:

The PRESIDENT: Order!

The Hon. I. GILFILLAN: It is in tatters because of the public revelation of facts.

The Hon. C.J. Sumner: How is this going to help?

The Hon. I. GILFILLAN: There has to be a satisfactory inquiry into issues that are unresolved. The Attorney asks, 'How can this help?' I have indicated outside this Chamber, and I will indicate again, that I am not persuaded that the motion as framed is supportable, because it is relatively narrow in its target, and I accept the Attorney's analysis of some of the practical difficulties of its being effective. However, a wide range of issues relating to the NCA still bear satisfactory inquiry, and the public, the media and the Parliament properly raise the issues and urge that they be investigated.

Allegations are raised in this place through frustration that there has not been any satisfactory pursuing of issues in the South Australian office. This resulted in chaos in the early part of the year. I believe that, if we are to draw people to this place or anywhere else for questioning, these matters

demand thorough investigation and public disclosure of what went on. The allegations that I raised earlier triggered off what I believed quite properly was a heightened interest in the NCA and activities by the parliamentary committee. Those allegations are thorns in the side of the NCA, regardless of who is there, unless they are resolved.

There are other questions which I think should be addressed. Whether they are addressed by this motion and the consequent action of the Hon. Trevor Griffin, I will not say. I believe that there are other avenues, as I have indicated before. The intergovernmental committee and, in particular, the parliamentary committee should be empowered to make these inquiries and investigations.

Before coming to the Faris report, with which I dealt earlier, I should like to put on record that I believe there should be an inquiry into what processes were involved in the prioritising of the investigations in South Australia. That is a vexing question, and up to date no satisfactory explanation has been given to me or to any others who have been curious about that matter. I believe that there are serious questions—

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

The Hon. I. GILFILLAN: If anyone cares about the surveillance of crime and corruption in South Australia, they care about the body that is undertaking the investigation.

The Hon. C.J. Sumner: What is the point that you are making?

The Hon. I. GILFILLAN: The point that I was making was what, if any, extraneous influences came into the South Australian office of the NCA to say that that investigation shall proceed now with that number of people and what was—

The Hon. C.J. Sumner: What do you mean by 'extraneous influences'?

The Hon. I. GILFILLAN: I do not know. All I want to know is what were the processes of decision making which gave certain lines of inquiry higher priority than others, much, I believe, to the dissatisfaction of some of the operators in the South Australian office of the NCA.

I am very disturbed at the circumstances surrounding the departure of Mr Mark Le Grand as the member of the authority here, and Mr Carl Mengler, who was the chief of operations. I consider that they were adequate and competent people to do the job. What I believe were reasonably accurate accounts of what happened in the office at that time and of the pressures demand satisfactory inquiry and explanation to the public and to this place.

The Hon. Mr Griffin read from this qualifying statement a remark relating to Mr Le Grand's appointment. I will read the paragraph again:

> Mr Le Grand's appointment as the Adelaide member of the NCA was called into question by an advice rendered by Mr Dempsey some nine months after his appointment. The effect of that advice was that Mr Le Grand was not permitted to attend the next meeting of the authority but rather was only granted observer status.

What is the background to that? It is a remarkable coincidence of events that Mr Le Grand was the odd one out on all the future discussions, we are led to believe, in relation to the Stewart report. In what other areas of investigation was Mr Le Grand the odd one out? On what basis was Mr Dempsey criticising him? It is remarkable that Mr Dempsey became his successor in the authority in this State.

The other matter that I wanted to raise in this address relates to this report—

The Hon. C.J. Sumner: You want to raise the circumstances of Faris' resignation?

The Hon. I. GILFILLAN: I am not so concerned about the circumstances, because they are not the relevant issue. What is and possibly could be disclosed in a proper investigation is what, if any, inaccuracies there are in the report the Attorney was given.

The Hon. C.J. Sumner: How can you find out about that without investigating the matter?

The Hon. I. GILFILLAN: I think it should be investigated.

The Hon. C.J. Sumner: So you will do that when he comes before the Council.

The Hon. I. GILFILLAN: I think that the Attorney is being petty. I am not making the argument that the only way that these investigations should take place is by having people at this bar.

The Hon. C.J. Sumner interjecting:

The PRESIDENT: Order!

The Hon. I. GILFILLAN: This is the only opportunity that we have had to canvass these matters wider than the limitations of a preamble to a question. Therefore, I am using this opportunity to make points and put them on the record for other members to deliberate on. For that reason, I would discuss briefly the report provided to the intergovernmental committee. I realise that some of this material has been made public before, but it does not mean that we should not consider it in the circumstances. A remarkable feature was disclosed in this report. Since late 1988 Mr Faris had been suffering from glandular fever. That is a cause for some sympathy and concern, and that is included in the report. On the night of 19 September 1989, there was the occasion of his questioning by police officers in Victoria in a well known brothel area. It was not until 7 and 8 February the next year—4¼ months later—that that information was passed to fellow members of the authority. At the very least, that seems to me to be a questionable way for the NCA to be operating.

Mr Leckie and Mr Cusack, after some deliberation, were considered to be the people to conduct the investigation into that event. The authority, although giving the opinion that it was not the appropriate body to conduct the investigation, decided that it was the only one that could do it, and, therefore, it undertook to investigate the events of that night. Mr Leckie and Mr Cusack, who were members of the authority, declared that they had an interest through professional assocation and therefore should not take part in the investigation. Mr Leckie added to that saying that he was a personal friend of Mr Faris and he quite emphatically declined to take part. That left the one remaining member of the authority, Mr Cusack, and, as Mr Dempsey was sort of queued to join the authority, he and Mr Dempsey conducted the inquiry.

The conclusions of the report are claimed to have met the standard of proof—beyond reasonable doubt. I claim that 'beyond reasonable doubt' should involve a more detailed investigation of the matters by people who were involved—police and residents of the brothels in the area. It is interesting to note that the running sheet which was compiled at the end of the evening by the police officers involved has subsequently disappeared. I am not making too great a point on that, except to say that, if this is the case, surely there are grounds for anyone who wants to have confidence in this report to undertake a confirming inquiry to check its accounts, check whether there was a deficiency in the way that it was compiled and how thorough was the investigation involved.

I asked questions about that, and I believe that Christopher Nicholls was maligned by the Attorney during Question Time. I want to read into *Hansard* the statutory

declaration of Arthur Christopher Nicholls, which he provided to me when I asked him to verify the contents of the report that he had shown me. The declaration states:

I, Arthur Christopher Nicholls of 3 Stone Road, Happy Valley, in the State of South Australia, do solemnly and sincerely declare:

1. I am a person 184 centimetres tall and a senior journalist with the Australian Broadcasting Corporation which resides at the above address.

2. That on Wednesday, 18 October 1990 in the presence of Mr Kym Dewhurst and the State Parliamentary Leader of the Australian Democrats, Mr Ian Gilfillan, MLC, I presented for reading at the request of the mentioned a true and accurate copy of the National Crime Authority's inter-governmental committee report dated 7 March.

3. That this true and accurate copy of the inter-governmental committee report contained information on the subject of the former National Crime Authority Chairman, namely, Mr Peter Faris, QC, and events outlining his resignation from the mentioned authority.

4. That on Monday, 16 October 1990 I made public a claim of alleged discrepancies within the inter-governmental committee report dated 7 March which was aired on the Keith Conlon program on ABC 5AN/Adelaide.

5. That I am presently in possession of evidence which would contradict findings presented in the inter-governmental committee report dated 7 March 1990 and compiled by Mr Gerald Dempsey and Mr Greg Cusack.

6. That this statutory declaration verifies the accuracy and integrity of the copy of the inter-governmental committee report dated 7 March 1990 as witnessed by Mr Ian Gilfillan and Mr Kym Dewhurst on Wednesday, 18 October 1990.

AND I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Oaths Act 1936.

It was declared at Adelaide on 22 October 1990 before M. Gehan, a justice of the peace. The declaration is signed by Arthur Christopher Nicholls.

I believe that the matters raised require further consideration before any final drafting of this motion and further discussions that could take place. With that in mind, I seek leave to conclude my remarks later.

The PRESIDENT: Is leave granted?

The Hon. C.J. SUMNER: No.

The PRESIDENT: Leave is not granted. The Hon. Mr Gilfillan.

The Hon. I. GILFILLAN: I am sorry that the Attorney appears to have pursued this course of being stubborn and uncooperative in an area where I believe there is very good reason for us to look constructively at dealing with the issues that have been raised, both by the Hon. Trevor Griffin and by me. To push the matter to a vote at this stage is, I believe, quite unjustified. For the Attorney's sake, his being a member of the inter-governmental committee, it seems to me to be appropriate that the matters which I have raised should be considered before any termination of the debate on this matter.

The amendments that I would move would open up paragraph 1 of the motion so that it could virtually embrace any of the issues which, up to date, I have been unable to stir the Attorney to take any interest in at all, except to respond in personal abuse. I do not find that very satisfactory. I also believe that there are very good reasons for looking constructively at the observations made by the Attorney as to the effectiveness of proceeding with this motion. So, if he is to prevent me from having time to deliberate, I have no other choice but to move the following amendment to the motion:

After paragraph 1 insert ', and any other matters raised by honourable members of the Legislative Council relating to the NCA and its affairs'.

The PRESIDENT: The amendment will have to be in writing.

The Hon. I. GILFILLAN: In that case, I seek your indulgence, Sir, to give me time to write it.

The PRESIDENT: The Hon. Mr Gilfillan has moved an amendment. Is it seconded? The amendment is not seconded.

The Hon. I. GILFILLAN: I am sorry that the Opposition has not had time to deliberate on that matter because, in hindsight, it may regret not having extended the terms of reference for the motion. I conclude my remarks by repeating that, although there may be quite serious deficiencies in the process, many of which were outlined by the Attorney-General, this action has been taken because of what I consider to be the totally unacceptable accountability of the NCA in public or parliamentary form, the obstinate lack of cooperation by the Attorney to any proper and serious concerns raised about the NCA, and an almost paranoid reaction to protect the Government, quite unnecessarily in this matter. I am sorry to be in a position where I feel that this motion must be viewed sympathetically because there is no other effective alternative.

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

That the debate be now adjourned.

The Council divided on the motion:

Ayes (12)—The Hons J.C. Burdett (teller), L.H. Davis, Peter Dunn, M.J. Elliott, I. Gilfillan, K.T. Griffin, J.C. Irwin, Diana Laidlaw, R.I. Lucas, Bernice Pfitzner, R.J. Ritson and J.F. Stefani.

Noes (9)—The Hons T. Crothers, M.S. Feleppa, Anne Levy, Carolyn Pickles, R.R. Roberts, T.G. Roberts, C.J. Sumner (teller), G. Weatherill and Barbara Wiese.

Majority of 3 for the Ayes.

Motion thus carried.

TOBACCO PRODUCTS CONTROL ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 17 October. Page 1084.)

The Hon. M.J. ELLIOTT: I rise to support this Bill, although I do not agree with a large number of the sentiments that have been expressed about the need for it or with some of the concerns expressed about Foundation SA. The Bill simply asks that Foundation SA should be subject to review by the Public Accounts Committee, particularly in relation to the operations and activities undertaken by the trust, and the policies and practices applied by the trust in relation to management and use of the fund.

I do not see any great difficulty with that, and do not believe that it would have any drastic impact on Foundation SA itself. I am extremely concerned by some of the allegations that have been made about Foundation SA which, I believe, are largely unsupportable. I question the motivation of some of the people who have gone whimpering in some directions, making all sorts of allegations about Foundation SA. I believe that only one allegation that I have heard made about Foundation SA is supportable, that is, that it is perhaps spending too long on self-promotion.

I can understand why the Foundation SA logo was for some time put around the place, because I think it was important that the body established that it was in place and that the money which was being taken by way of a levy (which was being used to substitute for tobacco advertising) was, in fact, doing just that. Many people would not realise that the diverse range of health messages now appearing around the place are being funded by Foundation SA.

I think that it was important that it did establish a public profile for itself, and that people were aware of its existence. I think, however, that Foundation SA probably continued

that phase for longer than was necessary. That is a reasonable criticism, I think. It is unfortunate that everyone who goes to Foundation SA looking for money thinks that they have a very good case. I guess that they would not have gone there otherwise.

Although Foundation SA has a very large pool of money, it is not a bottomless pit and, ultimately, it must make decisions about allocation. It really should be noted that the money that is coming via Foundation SA into sport, the arts and health promotion generally is an enormous sum—much larger than that which was being put into advertising by the tobacco companies and, indeed, much larger than the money being put in in terms of sponsorships.

When sports bodies and arts bodies complain about the amount of money coming in, they fail to realise the massive increase in applications that has occurred. I fail to see why bodies, particularly arts bodies, complain that there is a requirement that a health message be displayed at the place where they are performing, whether this be simply a small message on their brochure or whatever. I do not think that that is unreasonable.

I would be very disappointed if Foundation SA did not make the most of its opportunities to push health messages as long as that does not interfere with the artistic event or whatever. If Foundation SA determined whether or not to fund a body by some sort of political decision, I would be most disappointed. If it decided that certain things were or were not acceptable in a play, I would be disappointed. But, if it said, 'In return for our funding we want a health message carried on your brochures', as long as that message is not overly large, then I really do not think that the arts bodies can complain.

In fact, such bodies do not need to go to Foundation SA to ask for the money in the first place; they have a choice of other sponsors if they do not want to use Foundation SA. Foundation SA is supplying a much larger pool of money than was ever available to these bodies previously, and if they chose not to use it, that is their right. But if they choose to use it, I do not think they should complain because nothing I have seen has indicated that Foundation SA has abused its position in terms of asking for health messages.

To the best of my recollection, I do not think that specific examples of problems were raised. We had vague and general allegations about Foundation SA, but not one body said that such and such happened to us and it should not have happened. It makes it very hard to believe that there is a problem when you cannot find one sound, substantiated problem put before this place.

The Hon. Diana Laidlaw: I can certainly provide them to the honourable member. I was not prepared to put them on public record because some of those organisations are worried they will not be successful in the future in their funding applications.

The Hon. M.J. ELLIOTT: As I said, I do not want to take up a great deal of the time of this place, but I do want to put on record that I have a great deal of trust and faith in Foundation SA. People are putting in enormous amounts of hours voluntarily. I think I would find it very difficult to work on the board of Foundation SA or on many of the other committees if I found that I was being roundly criticised all the time, when I was working to the best of my ability. I really believe that that is the case. The people who are doing this voluntary work for Foundation SA and who are making the decisions are people of very high repute in our community and while it is one thing to attack them collectively, individually I do not have doubts about any of them. Collectively, I have no doubts about them either.

I am not quite sure how much longer some of those people will continue to give up their time while they are under the sorts of attacks that have occurred. I believe that there has been enough of that. I can only hope that this proposed amendment will help quash the sorts of rumours that are going around. If it does that, I think it will have served a real purpose. It is difficult to understand what is motivating some people. I think it could have been a fit of pique on the part of people who applied for money and did not get it, or those who felt they should have got more or that their case was better than someone else's, arguing for a greater share for their particular organisations, their sector, whether that be sports or the arts.

Perhaps it is the fault of this Parliament for not setting a percentage. Perhaps this Parliament should have said that 'X' per cent was to go to sports bodies and 'Y' per cent was to go to arts bodies. Then, Foundation SA would not have been left in the position of having to make the decisions with which it was left.

The Hon. Diana Laidlaw: It would have to be a recommendation from the Public Accounts Committee.

The Hon. M.J. ELLIOTT: It could indeed be. That is why I have said that it is of some value that the Public Accounts Committee does look at it, so that the heat that is unfairly falling on Foundation SA does not continue. The Democrats will support the Bill, not for all the stated reasons that the Opposition has put forward, but simply because I hope that the capacity for the Public Accounts Committee to review may clear the air somewhat.

The Hon. DIANA LAIDLAW: I thank the members who have contributed to debate on this Bill, which simply seeks to make Foundation South Australia more accountable to the Parliament. I emphasise the intention of the Bill—to make Foundation South Australia more accountable to the Parliament—because Minister Levy's response on behalf of the Government certainly seemed to confuse, possibly deliberately, the issue by making repeated reference and inference to the idea that what this Bill sought to do was to make Foundation South Australia accountable to the Government. That is far from the intention of the Bill, and that was certainly emphasised in my second reading explanation.

I agree with the sentiments that were expressed by the Hon. Mr Elliott, that a review by the Public Accounts Committee may well settle many of the concerns that have been expressed in the community from time to time about the operations of Foundation South Australia. I also point out that when I addressed this matter some eight or so weeks ago I deliberately did not refer to the circumstances or sentiments of particular groups but confined my remarks to policy issues—and it is on those policy issues that I believe Foundation South Australia would appreciate the assistance of members of Parliament.

I highlight that I acknowledge, as I did when introducing the Bill, that the Public Accounts Committee already has the capacity on an *ad hoc* basis, to look at the operations of any statutory authority. The intention of this Bill is to provide a permanent rather than an *ad hoc* oversight of the operations of Foundation South Australia—and that is a very clear distinction of 'permanent' rather than an *'ad hoc'* oversight.

However, the Bill does incorporate a four-year sunset clause because it would be my earnest hope that within that four-year period many of the concerns in the community that are relevant to particular bodies, including the policy issues I have raised, will be addressed by the Public Accounts Committee. That committee would have made recommendations for some potential change to the Act and this per-

manent oversight by the Public Accounts Committee would no longer be seen as necessary. I make that point because I recognise that it may not be a desirable trend to require the Public Accounts Committee to review annually the operations of every statutory authority in this State. There are so many that it would be physically and mentally impossible to undertake such a task. I am very pleased to learn that this Bill will have the support of the majority of members in this place. I thank all members for their contributions.

The Council divided on the second reading:

Ayes (12)—The Hons J.C. Burdett, L.H. Davis, Peter Dunn, M.J. Elliott, I. Gilfillan, K.T. Griffin, J.C. Irwin, Diana Laidlaw (teller), R.I. Lucas, Bernice Pfitzner, R.J. Ritson and J.F. Stefani.

Noes (9)—The Hons T. Crothers, M.S. Feleppa, Anne Levy (teller), Carolyn Pickles, R.R. Roberts, T.G. Roberts, C.J. Sumner, G. Weatherill and Barbara Wiese.

Majority of 3 for the Ayes.

Second reading thus carried.

In Committee.

Clause 1 passed.

Clause 2—'Review by Public Accounts Committee.'

The Hon. R.J. RITSON: I support this Bill for the obvious reasons on which all members on this side and the Democrats seem to agree: they are, that the statutory authorities like all statutory authorities require a means of parliamentary oversight that can go a little further than the report to Parliament or the Auditor-General's Report. It may be that between those events some matters arise of which the Parliament would wish to be informed. Indeed, I believe the Public Accounts Committee examined Foundation South Australia this year, even without this Bill and that the foundation—

The Hon. Anne Levy: It has always had the right.

The Hon. R.J. RITSON: Yes, and I understand that the foundation is not inconvenienced at all by the process of examination by that body, So, for want of something better, such as a statutory authorities review Bill, I must agree with the principle behind this Bill. If the Public Accounts Committee confines its activities simply to reporting on where the money goes, it will not be very busy at all, because I am sure it will quickly discover that the Auditor-General's Report and the annual report are fairly accurate. But it may want to look beyond that to see what accountability applies to the recipients of grants. It may want to recommend some changes to the principal Act if it continues to be felt that there is a major imbalance between the arts and other bodies.

I did express the anxiety, which I still have, that if the Public Accounts Committee were able to interfere with actual management decisions in terms of the balance between artistic and sporting activities, I think the arts would have more to fear, rather than less. In addition, if, after several years of operation of this Act, there is an obvious erosion of the arts as a result of the interests of sporting bodies becoming more prominent in the view of that committee and in the event of that committee having some effect, it is always open to this Parliament to bring back the Act and to enshrine a percentage for the arts.

In those broad terms, as time goes by, the Parliament will have to decide what it wants and make changes accordingly. That is what I call parliamentary oversight but, as I said previously, members on this side even more than the Government insisted on the arm's-length administration of this fund and, as a consequence, the criticisms were inevitable. As the Hon. Mr Elliott says, and I share his sympathy for this fact, the fund will also be subject to community bickering as to who should get what and, in Victoria at least the fund has promoted itself in an educational fashion and is protected by parliamentarians of all Parties from unfair and unreasonable criticism, but time will tell. I foreshadow an amendment which would sunset the legislation, either on the expiration of the time set and proposed by Ms Laidlaw or upon the enactment of a statutory authorities review committee law that embraced the foundation. I do not think that that would diminish parliamentary control.

It is true that the statutory authorities committee may choose not to look at this fund, but the council can ask it to look at the fund. In terms of parliamentary accountability, if there is a Statutory Authorities Review Act in force, then *(a)* the Parliament can at any time by resolution refer the matter to that committee and require a report—so the accountability is there—and *(b)* there is not the overkill effect of two different committees, one simply a money committee of the other House, and the other the new statutory authorities committee. As I have not had time to distribute my amendment to members, I will not move it now.

Progress reported: Committee to sit again.

VIDEO MACHINES

Adjourned debate on motion of Hon. M.J. Elliott:

That the regulations under the Casino Act 1983 relating to video machines, made on 20 March 1990 and laid on the table of this Council on 3 April 1990, be disallowed.

(Continued from 17 October. Page 1087).

The Hon. L.H. DAVIS: I do not support the Hon. Mr Elliott's motion. My colleague, the Hon. Mr Lucas, has already indicated his opposition to the motion.

Before I deal with the substance of the matter, I want to reflect briefly on the history and forms of gambling in South Australia. I declare the mildest interest in gambling. As is the case with my colleague, the Hon. Mr Lucas, I would not describe myself as a gambler. I have been to the casino on a handful of occasions: I do not bet on the horses: and I have had an occasional X-Lotto ticket. So, I can hardly be declared to have a heavy interest in this matter.

I want to briefly review gambling in this country. The first sweeps that were conducted in Australia were in fact introduced by George Adams in New South Wales and Queensland, but anti-gambling legislation which was introduced forced him to move to Tasmania. There, in the nineteenth century, George Adams operated Tattersalls, with the support of the Tasmanian Government, which even in those days was battling for business. It in fact passed legislation to enable George Adams' Tattersalls to operate officially.

Then, in 1916, the Queensland Government established a Golden Casket, which is better known today as the Art Union. In fact, that had a charitable purpose, the provision of cottages for widows of First World War servicemen. Western Australia also aided ex-servicemen in the First World War and, in 1917, through the very extraordinary vehicle called the Ugly Men's Association, it conducted small lotteries to raise money for ex-servicemen.

New South Wales introduced legislation in the early 1930s, along with Western Australia, and Victoria finally agreed to conduct Tattersalls and granted a licence to that organisation to run a lottery in 1954. That was introduced in response to a public opinion poll in 1952 which showed that 79 per cent of people in Victoria supported the introduction of a lottery.

It was not in fact until 1966 that South Australia had a referendum to decide whether or not a lottery should be introduced. The result was that a majority of three to one supported a lottery at that referendum. At about the same time, in the mid-'60s, the South Australian Totalisator Agency Board was established and that enabled legal off-course betting on a variety of galloping codes.

So, today we have a range of vehicles for gambling. Before I discuss that, I want to state my views on the notion of gambling and on social matters generally. It is true to say that each generation believes its social values, its social standards, are perhaps deteriorating and are not as good as those of the preceding generations. Particularly as people grow older, perhaps there is a belief that the 'good old days' were better, certainly in social matters.

I want to highlight, not only in dealing with gambling but also in a range of social issues, that I do not think that is necessarily the case. Prostitution has little to do with gambling. However, it is worth noting that in Adelaide in 1867—and I quote from the parliamentary debates of 19 July 1867—during discussion on a report on prostitution there were questions and answers on the seriousness of prostitution in South Australia:

> It is frightful the amount of prostitution now. There are young girls coming on the town of 14 years of age. It is on the increase. There are young girls of tender age knocking about at all hours. I know it is a fact, and all the policemen will tell you the same. Do you think we can do nothing more than is done at the present time to put down this state of things! I think you might prevent them walking the streets as they do—confine them to their houses.
>
> A great deal had been said about the vice known to prevail in this city, and any member of the House who knew the English seaport towns would be aware that scenes occurred every day in the public thoroughfares of Adelaide that would not be tolerated for one moment in the back slums of Plymouth, Portsmouth, or other seaport towns there.

There were 'Hear, hears' to those sorts of comments. It is clear that, even in the early history of South Australia, we were far from pure. There is plenty of evidence in the social history of South Australia in the nineteenth century of illegal gambling, something which we are inclined to forget.

We can also look at other statistics. The number of murders per head in recent years has not gone up; it has diminished slightly. In 1965, which is about the time that the Lotteries Commission and the South Australian TAB were established, there were 13 murders, and there were 16 murders in 1989. Given the significant population increase of about 40 per cent over the past 25 years, it means that murders on a per head basis have diminished.

It is also true that, with the introduction of random breath testing, safety belt legislation and a greater awareness of road safety measures, particularly relating to young drivers, there has been a significant reduction in the number of drink-driving accidents. In terms of road deaths per head in the 25 years, 1965 to 1989, there has been a reduction of 30 per cent.

It is interesting to note that I have taken a period which coincides with a more liberal framework for drinking in South Australia. The 6 o'clock swill, which was a feature of South Australian life until the mid-1960s, was replaced by much more liberal drinking hours which meant that people could obtain a drink until 10 o'clock. Of course, legislation also enabled clubs and restaurants to have liquor more freely available than had previously been the case. In other words, I am developing an argument to show that, through education and civilised legislation, the community has demonstrated that it can handle issues which, if abused, can have harmful social and economic consequences. I am talking about road deaths, drink-driving and now gambling.

I do not believe that gambling is basically evil. I recognise immediately that some people say that gambling is evil. I come from a generation which, in the 1950s and early 1960s, was told that gambling was evil, that drinking was evil, that the bodily contact of dancing had dangerous consequences and that going to the beach on Sunday was not a good idea. Talk about such matters in 1990 brings cries of disbelief from the younger generation, but it shows how much society has progressed in its attitude. Some people may argue that we have regressed; that is a value judgment. However, I believe that there is arguably less hypocrisy and more honesty in society now not only in relation to the matters that I have mentioned, but also in relation to the social issues that I have canvassed. I have touched on prostitution, which remains a difficult issue in society today.

I believe that South Australia has the most civilised and sensible liquor laws in the nation. Great credit is due to all the people who have been involved directly and indirectly. We have been very fortunate with the leadership that we have had in the liquor industry, not only by the Australian Hotels Association and the licensed clubs, but also by all Parties of the Parliament and the public servants who have the control and management of the liquor laws. South Australia should be very proud and satisfied with the progress that has been made in that respect in the past decade or so. We have civilised drinking laws, and they are increasingly important as we look to increase the tourism dollar in South Australia.

Another criticism of gambling was that it can involve organised crime. That argument was raised at the time that we debated the casino legislation in 1983. I am pleased to say that, in the seven years since that legislation was passed, no serious allegation about impropriety in gambling has been sustained, whether we are talking about the casino, the Lotteries Commission, the Totalizator Agency Board or, indeed, gambling in licensed premises. I instance the recent significant developments which have introduced gambling into hotels and other venues.

There is the argument that gambling in itself is an industry and that economic benefits flow from it. I would not put too strong a point on that, although I believe that the casino in South Australia is a unique facility. I have not been to many casinos in Australia. I have been to Jupiters Casino, and to the Alice Springs, Darwin and Launceston casinos, as much out of interest as anything else, to see how their facilities measured up against the casino on North Terrace. I think that our casino is an adornment. It has been developed and furbished very sensitively, and obviously there is some tourism attraction associated with it.

I accept that there are harmful social and economic consequences with gambling, but one can say that about so many things in life. One can instance the fact that there is danger in swimming. We do not ban people from swimming in the sea; we educate them about the harmful consequences of swimming beyond their capacity. Similarly, that is true of gambling.

I want to reflect on the state of the licensed gambling facilities which are available in South Australia today. First, the South Australian Totalizator Agency Board annual report for 1989-90, which was tabled recently, shows a turnover of $465 million. Last year additional TAB facilities were established in 80 locations, so there are now 251 TAB outlets in South Australia. I suspect that the significant increase last year was associated with the development of TAB facilities in licensed premises.

One initiative that has been undertaken in this shrinking world of ours is, by satellite, to link up racing around Australia and, through the Sky Network, provide betting facilities in hotels. In 1989-90, an additional 15 TAB staffed agencies were opened, offering the Sky Network facilities,

and now there are 86 outlets for the Sky Network. So, one can see that there is an enormous number of TAB agencies, not only in TAB outlets but also in licensed premises, in metropolitan and country South Australia.

The South Australian Totalizator Agency Board is a statutory authority. It is accountable to Parliament ultimately, and its profit record is very satisfactory. In fact, it achieved a surplus of $46 million in the year 1989-90 and distributed 50 per cent to the Government and 50 per cent to the controlling authorities for galloping, harness racing and the greyhound codes.

At the same time that the South Australian Totalizator Agency Board was established, we also saw in 1966 the establishment of the Lotteries Commission of South Australia. In its annual report for 1989-90, the Lotteries Commission indicated that it had achieved an income of $203 million. About 60 per cent, or $122 million, of that income was distributed in prize money, and 35 per cent, or about $70 million, went to the State Government for the Hospitals Fund and the Recreation and Sports Fund.

The Lotteries Commission of South Australia has come a long way since its early days in 1966, when its 50c lotteries offered a first prize of $14 000. People who remember those days in the 1960s would remember the product was what would be regarded today as a fairly boring product. It was simply a straight lottery. Apart from the 50c lotteries, I think there were $1 lotteries, $2 lotteries, and so on, but that was the fashion in those days. I am seeking to develop an important point, in that the nature of gambling changes with improved technology and with differing tastes in the community, along with new ideas.

Today, the Lotteries Commission of South Australia is a vastly different creature from that which was established in 1966, offering quite a different array of games. In fact, in 1989-90, it increased its network of agents from 440 to 496. There are 348 outlets in the metropolitan area and 148 in country areas. With the on line equipment that is available to agencies both in the metropolitan and country areas, quite clearly there is an increased ability to service consumers right up until the last minute before a X-Lotto draw on the same day, for instance. The improvement in technology has assisted the Lotteries Commission.

Interestingly enough, those agents are distributed across a wide range of outlets, with 35 per cent of the 496 agents located in newsagencies, 28 per cent in delicatessens, 7.8 per cent in clubs, 5.3 per cent in chemists, 5.3 per cent in general stores, 4.8 per cent in hotels and 4.2 per cent in supermarkets. So, there is a comprehensive network of agents throughout South Australia, offering a wide range of games, including the recently introduced Club Keno, which offers a draw every five minutes and which has been a major development. That facility is now available in many hotels.

The traditional lottery has all but disappeared. One may be held every now and again for novelty value. Even Instant Money, which was all the rage when it was introduced perhaps five or six years ago, is perhaps losing ground in terms of the percentage contribution that it makes to the overall revenue. Today we have Super 66 and the Pools, but the big drawcard is X-Lotto, which accounts for 66 or 67 per cent of the total income of the Lotteries Commission of South Australia. X-Lotto is a product that was introduced, from my memory, within the last decade, and it indicates the changing nature of gambling and the differing products available to and tastes in the community.

In addition to those statutory authorities, namely, the South Australian Totalizator Agency Board and the Lotteries Commission of South Australia, there is the ability to gamble using bookmakers on greyhound racing and trotting meetings. From my observations, obviously the percentage of betting carried out on course has shrunk dramatically. No longer do the racing codes make available the attendances at their meetings. I understand that sometimes the major weekend race meeting in Adelaide may have fewer than 2 000 people in attendance. That is in sharp contrast to the 1960s and perhaps the early 1970s. That is not surprising, because punters can watch a race and have a beer at the local pub.

There is also a range of other gambling outlets, including the basic beer tickets, lotteries and licensed raffles. It is true to say that the percentage of illegal gambling in South Australia probably would be a much smaller figure of the total gambling pool than was the case before 1965, for instance, when off course gambling was illegal.

I turn now to the Casino as an outlet for gambling. The Parliament of South Australia debated the Casino legislation in 1973, 1981 and 1982, but on those occasions there was a rejection of that legislation. It was left to the Hon. Frank Blevins to introduce a private member's Bill in 1983, and we finally saw the passage of casino legislation in South Australia. The Casino in South Australia joins the two casinos in the Northern Territory, one in Western Australia, two in Queensland and the two in Tasmania. I understand there has been serious discussion concerning the introduction of casinos into Victoria and New South Wales. So, it was no great novelty when South Australia finally decided to introduce a casino in 1983. Certainly, the legislation passed this House on a conscience vote by a margin of 15 votes to six. As I have said, I respect the fact that gambling, along with other social matters, is very much a conscience issue.

I have absolute respect for people who happen to believe that gambling is intrinsically bad, that we have enough gambling outlets already, or that there is no need to introduce additional gambling in the Adelaide Casino. As I respect other people's views, I hope that they will respect mine. On the facts that have been presented to me, I must say that there is a very persuasive case indeed for introducing video machines in the Adelaide Casino. The fact is that there are video machines in all the established casinos of Australia. South Australia is an exception and that, in itself, is an anachronism.

The second point I make is that the proposal to introduce blackjack and draw poker machines into the Adelaide Casino, with a cost to the player of 20c or $1 initially, with some suggestion that it may in time go to $2, is in line with video machine operations in other States. I accept also that these machines can be kept secure; that the program board will be kept under Government seal; that random checks will be made; that the program chips will be compared with a master; that the Government will have an inspectorate on location; and that there is a coin comparator which measures the conductivity of the coin and checks the weight, size and electrical conductivity. In other words, it would not be easy to use dud coins in the machine.

I accept also that some element of skill is involved in playing blackjack, keno and draw poker on videos, and I will comment on that in a moment. I understand that the intention would be to set the machines so that there will be a 10 per cent retention of revenue. That is typical of casinos around the country. Certainly, there are advantages associated with video machines in the sense that they are not as labour intensive as floor games where, fairly typically, there is a 25 per cent retention rate.

Jupiters and Burswood are said to be the most similar casinos in size to Adelaide. They have 1 200 to 1 500 machines on the floor, but it is not the intention of Adelaide

to have that many. Initially, there may be about 800. Certainly, there has been a change in tastes. Many people, according to the anecdotal evidence that has been received from interstate, are tending to move away from floor tables to the video machines. That has been the experience in Tasmania, which has recently introduced additional video machines. I understand that there has been a distinct switch in Tasmanian casinos away from floor machines.

Certainly, there is an embarrassment factor. With a video machine, you are not showing your ignorance and you are not competing with other players or associating with other people, and I respect that that a social factor is involved. There is also an economic factor. I have been unable at this stage actually to establish what the figure is but, quite clearly, the pokies buses that leave every week in large numbers for Broken Hill or across the border are a significant factor.

They see potential income going out of South Australia. All in all, there is an argument for video machines. From the observations I have made, having inspected the machines at the Adelaide Casino, video blackjack, for example, has very similar rules to the table game. The table game has eight decks of cards, whereas the video game is a one deck game, shuffled after each hand. I am also told that the video draw poker game has an element of skill and that the expected range, when referring to the return to the player of a particular game, is 10 per cent. As I have said, a game may have a 70 per cent return on average to an unskilled player, but it may be a 92 per cent return for skilled players, which means that a skilled player could have a 20 per cent advantage over an unskilled player.

The last matter I want to address is that of how far we extend this level of gambling. Obviously, the Adelaide Casino is a very substantial profit earner for the Government. In the past financial year, the State Government received nearly $12 million as a return from the Adelaide Casino. The Casino is a big employer of labour and, obviously, a strong competitor for the gambling dollar. Organisations with an interest in the matter quite obviously include the Australian Hotels Association and the Licensed Clubs Association of South Australia.

One of the most exciting developments in the 1980s which really has not been commented on enough is the extraordinary improvement in the quality and range of services offered by South Australian hotels, particularly in the metropolitan area, and the way in which bluestone city hotels have been refurbished has been one of the outstanding and most exciting aspects of urban redevelopment in the past decade.

The sensitivity with which those developments have taken place, together with the range of food and beverages offered, with a very civilised, high standard of hospitality, has been an adornment to the city of Adelaide and has, obviously, been a great attraction for tourism. I believe that this matter could be publicised much more, and I am pleased that the Minister of Tourism is present to hear that point, as I think that it is one of the attractions of Adelaide. I hope that this will in time extend to country hotels.

I was privileged on Sunday to be at the opening of extensions to a country hotel which were in very similar style to the developments we have seen in metropolitan Adelaide. I am in receipt of a letter dated 26 September from both Mr Basheer (President of the Australian Hotels Association) and Mr Beck (President of the Licensed Clubs Association) with respect to the introduction of video game machines. The letter reads as follows:

Dear member of Parliament,

We write to seek your support for a joint proposal by the Licensed Clubs Association of South Australia and the Australian Hotels Association (South Australian Branch), to allow the introduction of video gaming machines into clubs and hotels in South Australia.

Both organisations are concerned with the potential impact on the businesses of operators if the Adelaide Casino gains exclusive access to video gaming machines, particularly when the turnover for 1 000 machines will exceed $250 million per annum.

Both the Licensed Clubs Association and the Australian Hotels Association believe:

- that clubs and hotels provide a suitable network within this State for the broader availability of this 'soft gaming' entertainment;
- that clubs and hotels in South Australia are already providing increasing services in gambling, such as TAB and Club Keno, and that gaming machines are a natural extension of that service;
- that technology is such that the new generation of machines offer control and accountability but, most of all, another entertainment option for our customers, that we believe has wide acceptance;
- that the availability of video gaming machines to clubs and hotels will generate additional employment opportunities because of the subsequent increase in levels of business, whilst maintaining the balance in our industry;
- that because of the decentralised nature of the club and hotel industry, significant benefits will be available for all communities and regions through increased business activities; and
- that excluding clubs and hotels from the provision of this service will reduce operators' ability to compete, which will, in turn, impact on their current levels of service and facilities.

Both the Licensed Clubs Association of South Australia and the Australian Hotels Association (South Australian Branch) are determined to ensure that our industries are given every opportunity to compete with the Adelaide Casino and interstate operations providing similar gaming machines.

Our industries collectively employ more than 16 000 South Australians and provide extensive services in the areas of food and beverage, accommodation, entertainment, sporting facilities and act as focal points for many communities.

The hotel and club industries represent a turnover in excess of $600 million per annum and contribute significantly to the State through taxation. Our industries deserve to be treated fairly and equitably. We look forward to your support.

I think that that letter is reasonable; it is well considered. I accept the points that are made in it which, I guess, have been traditionally sticking points when it comes to discussing the introduction of gambling equipment outside a casino setting.

In the past the argument could have been easily mounted that these machines could be tampered with, that they were accessible to criminal elements and that they could be manipulated. Quite clearly, there is now sophisticated equipment and technology which can ensure that machines that are not in a casino setting can be on-line for security purposes; that there can be alarms and devices to minimise tampering, interference and abuse.

As I understand it, in New South Wales, hotels and clubs have equipment such as this; Queensland is actively looking at it; and in Darwin, I think the clubs have an option which is not quite the same. Instead of getting money out of the machines they clock up credits—chooks and whatever it might be. Labor members might be more familiar with that aspect of chook raffles than I am. I think it is a matter which is not immediately open for further discussion in this debate because we are focusing on regulations designed to introduce video machines in the casino.

Certainly, with the sophistication of equipment that is now available and with our much more realistic attitudes and open approach to social issues that have characterised the development of gambling in the past 25 years, it is a matter that warrants serious concern by the Government. With those remarks I indicate that I do not support the Hon. Mr Elliott's motion.

The Hon. DIANA LAIDLAW: I, too, indicate that I will not support the Hon. Mr Elliott's motion to disallow the

regulations under the Casino Act. I note that a similar disallowance motion was moved by the Hon. Trevor Griffin. I have read both the Hon. Mr Elliott's and the Hon. Mr Griffin's comments with considerable interest. I candidly admit that many of their sentiments about the horrors and impacts of gambling and the move to extend those facilities in this State are ones that I have some sympathy for, particularly following my experiences when working within the community welfare portfolio as the shadow Minister for some four years.

I also share the considerable concerns expressed by members on this side of the Council that the Government has not honoured a commitment that it made some seven years ago when the Casino Bill was being debated that it would hold an inquiry into the social impact of gambling in our State. I think that that is a particularly disappointing and irresponsible act on the part of the Government because it well knows that there is a division of opinion not only in this Parliament but also in the community about the issue of gambling. In respect of the decision to initially support the casino and now the move to introduce video gaming machines, I believe the Government should have honoured that commitment. I hope that members on this side of the Council will be doing something further to draw attention to that failing of the Government.

I would also like to acknowledge that I was very angry some two or three years ago when the Lotteries Commission decided, by stealth, to introduce club keno facilities in South Australia. The first anyone heard of that move was a chance reading of the annual report of the Chairman, Mr Wright, indicating that the Lotteries Commission would be introducing club keno facilities in selected licensed clubs in South Australia. No reference was made at that time by the Lotteries Commission to the charities in this State which are very dependent on small lotteries for their revenue to provide their invaluable services to this State. Certainly, no reference was made to the Australian Hotels Association at the time the Lotteries Commission chose to introduce club keno facilities into licensed clubs.

It was my view, which I expressed loudly at the time, that the Lotteries Commission was acting in a shameful way. I also protested about the fact that it had ignored the charitable sector of this State and that it had sought to divide and rule the AHA and the licensed clubs. Subsequently, the Lotteries Commission did agree, on a trial basis, to see the introduction of club keno facilities in hotels. Perhaps it had always intended to act in this way, to introduce them in one sector so that it generated a demand in other sectors, rather than to move over the broad spectrum immediately. Whatever its intentions, I believe that it did act shamefully, and I remain of that view.

I make those statements at this time because I welcome the fact that, in respect of the Government's intention to introduce video gaming machines at the casino, that move will be by regulation and, therefore, there will be an opportunity for members of Parliament to consider the issue and also to receive feedback from the community. In relation to feedback, I have not received one letter from a member of the community protesting against this move.

I have received strong representations from the Australian Hotels Association and the licensed clubs, both in person and by letter, and I have considered their representations thoroughly. Notwithstanding the representations from the AHA and the licensed clubs, I feel that it would be inconsistent of me to argue for disallowance of these regulations when I was one of a few Liberals some years ago in 1983 to support the establishment of the casino in this State. In fact, earlier this afternoon, I again read the speech that I gave on 20 April 1983, and I noted that I not only supported the establishment of the casino in South Australia but I also indicated that I would support amendments to be moved at the time by the Hon. Ren DeGaris that would facilitate the establishment of more than one casino in South Australia. I would remain of that view if there was a move at any time to extend facilities of casinos in this State.

So, I indicate that I have no qualms about the establishment of the casinos; I have no qualms personally about the use of video gaming machines. However, I remain strongly of the view that these machines should not be confined to the casino if they are to be introduced in this State and that they should be available in the wider community, in hotels and licensed clubs. It has been this concern that I have sought to address. I have had to determine whether I would seek to disallow these regulations in the belief that regulations should be introduced under both the Casino Act and the Lotteries and Gaming Act at the same time to ensure that the machines were available in the casino and in hotels and licensed clubs. However, I have decided that that is not a course over which I have any control and that it would be better to support these regulations at this time and to lobby in the meantime for the extension of these machines to licensed clubs and hotels.

[*Sitting suspended from 6 to 7.45 p.m.*]

The Hon. DIANA LAIDLAW: Before the dinner adjournment I outlined my reasons for not supporting the Hon. Mr Elliott's motion. I indicated that I had given considerable thought to the representations that I have received from the Australian Hotels Association and the licensed clubs, including whether I should respect those representations by voting to disallow these regulations, therefore hoping that in time the Government would move to introduce regulations to the Casino Act and also to amend regulations to the Lotteries and Gaming Act that would allow these machines to also be installed in hotels and licensed clubs in South Australia. I understand that such machines are available or are an option to hotels and licensed clubs in New South Wales. Certainly, not all the hotels have taken up that option of installing the machines—relatively few—but I do believe that it is an option that should be available to hotels and licensed clubs in this State.

For that reason I was rather alarmed to learn—second-hand, I must admit—that the casino was keen to see that it has exclusive rights to the operation of these machines in South Australia for periods, I am advised, of between five and 10 years. I find such efforts by the casino quite unacceptable and, in fact, rather offensive. Accordingly, I wrote to the Minister of Finance, Mr Blevins, indicating that, in terms of determining my vote on this issue, I would like to learn the Government's view on ensuring or providing that the casino have exclusive rights to operate these machines in South Australia for some period of time. In his reply to me, the Minister stated:

> Finally, the Government is aware of and understands the position taken by the Australian Hotels and Licensed Clubs Associations on the question of video machines and their request that they be allowed in clubs and hotels.
>
> However, the Government's current focus is with the introduction of these machines into the casino. This is considered appropriate at this stage for a range of reasons, not the least of which include the existence of established regulatory and surveillance mechanisms through which the use of machines can be adequately monitored.
>
> In addition to the casino being the appropriate venue for the initial installation of video gaming machines, there is no doubt that the competitive position of the Adelaide Casino compared with its interstate, and indeed international, competitors, is an added reason for allowing the introduction of video machines.

With these prior considerations in mind, it is not, however, the Government's intention, should Parliament approve the regulation, that the casino should have exclusive rights in this area for a particular period.

The Government is well aware of the need for clubs and hotels to ensure their viability. We will therefore continue to assess the effects of video gaming machines on clubs and hotels. We remain prepared to consider appropriate changes in future should the community demonstrate a desire to have video gaming machines permitted in clubs and hotels.

There are a number of points I want to raise in respect of that letter from the Minister for Finance. The first is that the Government has no intention of ensuring that the casino has exclusive rights for any particular time, and I believe the Australian Hotels Association and the Licensed Clubs Association should take note of that. They should also take note of the Minister's view that, if the community demonstrates a desire to have these video gaming machines permitted in clubs and hotels, the Government is prepared to listen to the community in that respect. In my view, that statement by the Minister provides the hotels and licensed clubs with ample opportunity to lobby Government members opposite and in the other place to have these machines in hotels and licensed clubs. I suspect that many members on the opposite benches and also members of various unions, the Liquor Trades Union and the like are members of licensed clubs and are also frequent users of hotels would be keen to see the viability of those licensed clubs and hotels in South Australia. It is certainly a view that I would share and support if Government members can persuade the Minister of the need for such an extension.

In that respect, I would also say that one of the frustrations of being in Opposition is highlighted at this stage when I can simply talk and refer to my views in respect of these machines, but can do little to act to help the Australian Hotels Association and the Licensed Clubs Association gain access to these machines at the present time.

The Hon. M.J. Elliott: Why don't you block this until they put them everywhere?

The Hon. DIANA LAIDLAW: I suggested that that was one of the options that I could canvass seriously, but believed it would be entirely hypocritical of me to block access to the machines to those South Australians and people from interstate who may wish to use them. The machines in the casino would perhaps provide a lever for the Australian Hotels Association and the Licensed Clubs Association to lobby the Government more effectively than they were able to do when there were no such machines operating in the State. I would hasten to add that my views are certainly not those shared by a number, if not the vast majority, of my colleagues, but this is a conscience issue for Liberal members.

I would also emphasise the point about the viability of hotels and licensed clubs. When I held the Community Welfare portfolio, I was made very aware, particularly in the area of ethnic—

An honourable member: Shadow Minister.

The Hon. DIANA LAIDLAW: Yes, shadow Minister. Some of my colleagues do accuse me of being a bit above myself at times. Perhaps, with slips like that, they are correct. My experience as shadow Minister for Community Welfare highlighted to me the wonderful work that clubs do within the community, particularly the ethnic clubs that I visit from time to time, which help their communities in many respects. I believe we should be careful not to jeopardise that work by undermining the viability of those clubs with a measure such as placing those machines in the casino.

In respect of my shadow portfolio of tourism, I am also at present very conscious of the importance of hotels, both as a venue and as an architectural feature in Adelaide, in particular, and also in the rural areas. In recent years vast sums have been spent by operators to modernise and renovate the hotels on many street corners in Adelaide and throughout South Australia to ensure that we can boast that we care for and have pride in our eighteenth century architecture. It would be an enormous pity if any move made by members tonight to see the installation of video gaming machines in the casino did undermine the confidence of hotel operators and licensees to further invest in hotels in this State.

Finally, when questions were raised with the Minister of Tourism during the Estimates Committee on 20 September, relating to the Australian Hotels Association and the Licensed Clubs Association and the impact of this measure on their operations, the Minister said:

I do not necessarily believe that members of the AHA will be seriously adversely affected by the introduction of these machines, but I do recall when the debate was taking place in South Australia about whether or not we should have a casino that the same sorts of arguments were put forward by members of the AHA, the Licensed Clubs Association and various other people within the hospitality sector. They suggested that the casino would draw enormous amounts of business away from their operations and would probably mean that many people would be ruined.

I would indicate to the Minister that her memory was not correct, that the AHA, the Licensed Clubs Association and the hospitality sector in general did not oppose the establishment of the casino in this State. They believed it would be an asset and would not provide the competition in terms of denying business from patrons of licensed clubs and hotels.

It is important that the record is corrected in this matter, because the Minister gave the impression that the AHA, the Licensed Clubs Association and others in the hospitality industry were agin competition in general and, in particular, from the casino, and that is not correct. They are concerned, however, about the introduction of these video gaming machines. It is a concern that I share and it can be best addressed by the passage of these regulations, which would then in future provide further opportunity for those associations to lobby the Government and members of the Liberal Party and the Democrats.

There is one further matter I would like to place on record in relation to the concerns of those associations—the fear that income generated from those video gaming machines would be used by the casino to offer discounted prices on food and beverages and further undermine the operations of hotels and licensed clubs, not only by drawing away patrons but offering discounted food and beverages. This was a matter I raised with the Minister, and I now place on record the Minister's reply:

The Adelaide Casino has not made it a practice in the past five years of operation to discount food and beverage prices. The casino's past track record quite clearly shows that it disbanded the idea of a discount drinks 'happy hour' session as it was not commercially viable.

During the past years they have continued to increase the price of their food and beverage items in accordance with CPI increases. Their board's policy is that food and beverage activities are to be run as profit centres in their own right. The casino advises me that they have no intention of changing that stance with the introduction of video gaming machines and will not be discounting food and beverage services.

In respect of the casino, it will certainly be my intention to oversight that policy and ensure that discounting practices are not introduced which would undermine the operations of licensed clubs and hotels in the near vicinity and further afield. I oppose the motion.

The Hon. BARBARA WIESE (Minister of Tourism): I oppose the Hon. Mr Elliott's motion not only for myself, but also for my colleagues on this side of the Chamber.

Members interjecting:

The Hon. BARBARA WIESE: No, it is not. The matter of gambling issues always raises considerable interest in the Parliament and in our community generally, but I strongly believe that during this past decade in particular opinions on gambling have shifted considerably. It would be very difficult to imagine, even 10 years ago, that there would be broad community support for a casino in South Australia, but now we have a casino which has not only very broad community support, but South Australians are also very proud of the Adelaide Casino and feel that it has become an important community facility in South Australia. I think that many of the people who may have opposed the establishment of such a place a decade ago would now be amongst those who support it most. There has been a considerable shift in public opinion and I believe that community attitudes to video gaming machines and machines of that kind, too, have also shifted during that time.

I have always taken the view that, as a parliamentarian, it is not my role to impose my interests or preferences upon the community at large when considering issues of this kind. Personally, I am not particularly interested in gambling, but I know that many people in our community are, and I believe that they have a right to enjoy that activity. For that reason, I support the measure that the Government has introduced, and I would probably support similar measures were they to come before the Parliament.

The reason for the regulation is that currently the Act contains a very broad definition of poker machines and, therefore, a very wide range of electronic gambling devices are excluded from the casino. The casino would like to see these gambling devices introduced, and I believe that a good proportion of the South Australian community would like to see that happen as well.

Under the Casino Act 1983, a poker machine is defined as follows:

> a device designed or adapted for the purpose of gambling, the operation of which depends on the insertion of a coin or other token.

The definition as it stands encompasses video machines, which are a popular and widely used piece of equipment in all other Australian casinos and, indeed, worldwide. Acknowledging the breadth of the definition of poker machines, the Act, for convenience, provides that certain types of machines may be excluded by regulation from the ambit of the definition. The Casino Act defines an authorised game to be a game of chance, not being a game involving the use of a poker machine authorised under the terms and conditions of the casino licence. Because the casino licence does not currently specify games involving the use of video machines as authorised to be played in the casino, a further requirement is that the casino supervisory authority hold an inquiry into the proposal to vary the terms and conditions of the licence by notice published in the *Government Gazette* if this course is recommended. This regulatory change is subject to extensive consideration before it becomes effective. In addition, video gaming machines will be subject to the same regulatory and surveillance controls as all the other gambling activities in the casino. These controls have proved to be very successful in maintaining a trouble-free gambling environment for those who wish to use it.

For those sectors of our community which have concerns about gambling and its proliferation, one of the points that needs to be stressed is that this measure does not represent an unbridled introduction of these electronic gambling devices. I make that point because I believe that, if there were to be a greater extension of gambling facilities, perhaps some members of the community would expect more community debate on and input into the process. This proposal applies only to the casino. This ensures that the resultant gambling activities are well organised and controlled in the same way as existing gambling facilities in the casino are organised and controlled.

As I have already indicated, all other casinos in Australia have video machines, and their absence from the Adelaide Casino is increasingly being remarked upon unfavourably by visitors to Adelaide. If the Adelaide Casino is to preserve its reputation as a leader in the gambling industry and to maintain market share, it is necessary to allow it sufficient flexibility to keep pace with the demand for particular kinds of gambling activity. In making this point, it must be remembered that the Adelaide Casino is used not only by South Australians, but is an attraction which draws many people from interstate and overseas. It is apparent from experience interstate that there is solid demand for the gambling opportunities provided by video gaming machines; and their introduction into the casino, which is the purpose of the regulation, provides a sensible and well controlled means of satisfying demand for those people who choose to make use of these devices.

It should be noted, too, that demand for such machines is also very evident within the State. Indeed, for a number of years organised regular coach tours have taken large numbers of South Australians across the border to gamble on machines of this kind in other facilities. It is in our own interests to keep that revenue at home and to encourage those people who want to gamble to do so within South Australia, thereby keeping their money within our own State borders for the benefit of our own local economy.

Recently it has been suggested that the introduction of video gaming machines into the casino might have an adverse impact on other sectors of the tourism industry. For example, it was suggested that perhaps regional tourism in South Australia might suffer as a result of the introduction of video gaming machines into the State. This matter has not been raised with me by any representatives of the tourism industry in South Australia and, as far as I am aware, no-one within the industry has raised it with officers of Tourism South Australia.

However, that was suggested to me very recently, and I believe that these sorts of concerns are unfounded. The regional strengths of this State, and the capacity of various parts of the State to attract visitors, are highly unlikely to rely on whether or not video gaming machines exist in any one region of the State.

Our regional tourism strengths rely very much on the natural and rural experiences that exist within various parts of the State. The get-away retreats, the adventure holidays and the wildlife experiences—a whole range of activities that are unique to particular parts of the State—are much more likely to have an influence over people's travel decisions. Whether or not there are video gaming machines in the casino is not really likely to have a huge impact on someone's decision to travel to the South-East, to the outback regions or wherever. They will be making a decision whether or not to go to those places based on a very different set of criteria.

As a number of members have indicated, the Australian Hotels Association and the Licensed Clubs Association have indicated a strong desire for video gaming machines to be introduced into clubs and hotels within the State, and they have been lobbying very strongly for that to occur. Some people have suggested that, in the interests of licensed clubs and hotels, this measure, which seeks to introduce such

machines into the casino, should be opposed in favour of the introduction of these machines into hotels and clubs.

The Hon. L.H. Davis: Or at the same time and not just in the casino.

The Hon. BARBARA WIESE: Yes, that is right. At this point, I do not want to become involved in a debate about the merits of whether or not video gaming machines should be introduced into hotels and clubs, because I see this as being an issue which is separate from the measure that we are debating today. We ought to take these issues one step at a time and, in the first instance, look at the merits of the measure that is currently before us. The Government takes the view that, if there is sufficient interest in, and a community demand for, video machines in hotels and clubs throughout the State, that is a matter at which we should look separately, and we would certainly be prepared to consider it at an appropriate time.

The undertaking that was given by the Hon. Frank Blevins in his letter to the Hon. Diana Laidlaw, from which she quoted during her contribution in this debate, makes the position very clear. I believe that the monitoring process that the Minister has suggested will take place; it will be designed to assess the impact of the introduction of video gaming machines within the casino on licensed clubs and hotels in South Australia, and will give us very important information that will be capable of being used by people who wish to pursue this matter further. As I have said, I believe that that issue ought to be considered separately and should not influence the debate taking place currently within the Parliament as to whether or not we should support the introduction of video gaming machines into the Adelaide Casino.

I welcome the contributions in this debate made by the Hon. Mr Lucas, the Hon. Mr Davis and the Hon. Ms Laidlaw—

The Hon. M.J. Elliott: Because they agree with you.

The Hon. BARBARA WIESE: Yes, indeed, because they have supported the Government's position on this issue, and I recognise that there is a considerable difference of opinion amongst members of the Liberal Party on this question. Therefore, it is always a difficult decision to be made by individuals perhaps to depart from what might otherwise be a majority view. So, I welcome the contributions that they have made and the support that they are giving to this measure.

The Hon. M.J. ELLIOTT: There has been a deal of dishonesty from the beginning in this matter—dishonesty whereby we had a piece of legislation which provided quite clearly that poker machines would not be allowed. That was the intention. The mention of coin-in-the-slot was meant to pick those up in all their various guises. By way of regulation, an attempt was made to introduce poker machines with as little fuss as possible. At least one member of the Opposition (I believe it was the Hon. Mr Burdett) noted that the honest way to go would have been to bring this in by amendment to the legislation and not by a shonky change to the regulation which was tried and looks likely to succeed because three members of the Opposition say it is okay to work that way. That is what they will imply by opposing this motion. It has been a very dishonest move.

Clearly, the Government sees gambling as an easy milk cow. It is one issue that people generally do not scream too much about. It is worth noting that, for the 1989-90 year, the Government's return from gambling increased by 15.4 per cent. The Government's take from gambling for this year is $128 million. Is it any wonder that it is not a conscience vote? This is really a taxation measure in disguise—nothing more nor less. The Government started by doing something which I support, that is, allow gambling to occur in this State. I would bet on the TAB at least once every three years; I go to the casino about once a year; and I participate in X-Lotto about once every eight to 10 weeks. The State Government has decided that it will allow gambling and, in fact, it will control it. It decided that it did not want some of the shadier parts of bookmaking to continue in this State, so it introduced the TAB. It did not want to lose large amounts of revenue to interstate lotteries, which it could not stop, so it set up its own. That is fine.

What has concerned me is, that, rather than simply allowing gambling to occur and perhaps at times offering the services, it has promoted gambling, and that is a quite different situation. We have set up a series of empires in this State—the TAB is one and the Lotteries Commission is another. The casino is the third of these empires that have been set up. They work as corporations that are constantly into growth. The Government sees no problems with that because there is a kickback along the way into hospital funds or various other gambling taxes. These empires are constantly building themselves. If one looks at the racing codes, one sees that it starts off with a simple bet, followed by a double, a treble and a quadrella, with all sorts of other permutations.

Members interjecting:

The PRESIDENT: Order! I ask honourable members to resume their seats or to sit with the member with whom they are speaking.

The Hon. M.J. ELLIOTT: About the only thing that one cannot bet on presently are the flies crawling up the wall, and I believe that that is being introduced next week. In considering the Lotteries Commission and the various permutations of its lotteries, moving into X-Lottos, midweek X-Lottos and Super 66, one sees that it is constantly looking for the new game to drag in the extra dollar. The casino is following exactly the same path. It is constantly looking at new ways of growth. It is not growth for the good of anyone in particular: it is growth for its own sake.

The State Government has failed consistently to distinguish between allowing gambling and promoting gambling, and it has been caught up in the latter. As I said, it is even willing to take the backdoor method and, rather than legislate, it has attempted to use the regulations to expand further; and that is what it has done in relation to poker machines. Government members try to defend themselves by suggesting that what we have is a game of skill. If one plays the machines which are to be installed in the casino, and the optimum decision is taken every time—the best possible decision to make on the basis of probability alone—one would still lose.

The machines are constructed to work in that way. It is not a matter of the skilled player winning and the unskilled player losing. If you ask the people in the casino, they will tell you that. I asked them that very question. The machines are designed so that even the very skilled player will lose. The difference is that the mug will lose faster. There is a suggestion that this is a game of skill and, therefore, different from poker machines. As I said, the difference is that the skilled player loses a little less slowly.

The distinction drawn by the Premier as a way of promoting these machines was, I believe, a very dishonest one. Whether or not we think these machines are a good thing, that was a dishonest argument, and the Premier gains no credit whatsoever from that.

The Hon. Mr Lucas in this debate started to talk about the very low rate of loss that is made on these machines, and talked in percentage terms, comparing tables. What he

does not realise is the speed with which you can feed money through these machines. We are talking about $60 per hour which can go into the machines. In fact, once we get $2 machines, we are talking in terms of several hundred dollars per hour. You can put a coin in those machines and bet with them faster than you could with the old pull machines. I can guarantee that, because I have tried them.

The Hon. K.T. Griffin: Can they use more than one machine at a time?

The Hon. M.J. ELLIOTT: You cannot do that as easily, no, but the games that they are putting into the casino are identical to those in the clubs and hotels in New South Wales. You can walk into any pub in New South Wales now, and you find that they have a row of these flashing lights along one wall. If one watches the players playing, one sees that they play those machines very fast. I believe that the Hon. Mr Lucas's talking about the percentage loss per bet is irrelevant.

A more important thing is the capacity of these machines to turn over money. Although the percentage is small on each bet, the take in an hour is quite significant. For a person who has gone as far as honours maths, the Hon. Mr Lucas could have analysed the statistics in another way and come up with quite a different answer. As a mathematician, he should have realised that.

The question is worth asking: for what good purpose are these machines coming into the State? I have supported the legalisation of gambling; I have no problems with the legalisation of prostitution; and I have no problems with considering legalising many of the drugs about which people are concerned, as I believe that, in the long run, we will solve more problems than we solve by making these things illegal. However, I wonder in this case what is the good and what is the bad.

I argue that there is no good whatsoever in these machines and no good purpose to be gained. We do not have people marching in the streets, dying of overdoses or of corruption because they are not legal. We have no problems created by the fact that we do not have these things, and people are not missing out terribly. In relation to the bus trips that some people take to Wentworth, half the fun is in that bus trip. I have done one, and it is loads of fun. You load up a case of beer and you really enjoy yourself. However, it has little to do with poker machines and more to do with the excuse of getting on the bus, going for a trip and having a good weekend away, which is what people do.

An honourable member interjecting:

The Hon. M.J. ELLIOTT: Nothing to do with it whatsoever! The real reason—and it is a simple one—is that the casino is looking at its own bottom line. SASFIT, I guess, is always desperate for a few extra dollars, as are the other co-owners. I guess that the bosses of the casino can always see some value in overseeing a larger operation. As far as the Government is concerned, the casino should be good for another $10 million. Once the machines go into clubs and pubs, they are probably good for another $40 million or $50 million per year.

It is no surprise whatsoever that the Government is keen for this. It started planning for this move quite a while ago, when the poker trains started running the Mid North. The Government could have put in a protest, but it put in none whatsoever as it felt that that was the first toe in the door. The real harm in all this—and this is my real concern—is not the gambling itself because, as I say, I have no particular problem with gambling *per se*, but the ramifications for employment in South Australia.

The entertainment dollar largely goes into wages, probably more than in almost any other place where we spend a dollar. We probably would not find one that would give more employment value. When we put a coin in a poker machine, how many staff attend that machine? It is very few. In fact, one or two staff can cover a very large number of machines. It is a low employer that can take enormous amounts of dollars.

Even assuming that people do not use their food money, their kids' shoe money or anything else, and assuming that they use the entertainment dollar, that dollar goes into the machines, and the money that is creamed off after paying for the machine will pay very little in the way of wages but will simply go into profitability and taxes. It will not do anything useful for the entertainment industry, and I suggest that, in the short term, hotels, clubs, restaurants and probably picture theatres will all suffer some loss in response to it.

Of course, there is no doubt that the hotels and clubs will lobby very strongly to get these machines, and I can understand their wanting to do that. It concerns me that the Minister today misrepresented the position of the Australian Hotels Association. That association has never said that it wants video gaming machines in South Australia.

The AHA has said that, if they come into the casino, it wants them too, because it knows what damage the machines will do to it. That is its position and it should not be misrepresented. The association produces quite extensive documentation to show the sort of damage that poker machines can do.

The Hon. Barbara Wiese interjecting:

The Hon. M.J. ELLIOTT: I am sorry: you read *Hansard* and see what you said.

The Hon. Barbara Wiese interjecting:

The Hon. M.J. ELLIOTT: I will, and one of us will have to apologise. There is little doubt that the pressure will be put on hotels and clubs to get these machines, just as the hotels in New South Wales have got them. I recall when I went to Las Vegas some years ago that the first sound I heard as I walked down the alleyway from the plane was a tinkling in the distance. Of course, Las Vegas has video gaming machines in its airport—rows and rows of the things.

What surprised me even more was that at 11 o'clock at night I went down to the local store to pick up some things and, blow me down, they had video gaming machines operating there, with people playing them. People may say that that is a bit far-fetched and who would ever suggest that that would happen in South Australia. However, who would have suggested that our newsagents would turn into betting agencies? Who would have suggested that our hotels would turn into TAB agencies?

That has all happened, and I do not think it is unreasonable to expect that the video gaming machines would first extend to clubs and pubs and then be pushed into other places. I believe that some years down the track we will follow the path of France, which is moving in the opposite direction to us. France has had the machines and has banned them. It has just removed them, because it has decided that they do not do any great good for society but do a great deal of harm.

I believe that history will judge the decision to proceed with these video gaming machines as unnecessary, and a decision that we will regret. It will do no good, but it certainly has the capacity to do some harm. Something which has no good to offer really needs to be considered very carefully. I must say that I am disappointed that the Liberal Party, which at least allows people their conscience vote, so far has indicated that it will oppose this motion, thus voting that the Government can have these machines installed.

The Hon. K.T. Griffin interjecting:

The Hon. M.J. ELLIOTT: I appreciate that, Mr Griffin, but these machines will be in the casino very quickly. Despite repeated denials, the design work and a great deal of other work has been done in the casino for some time. The groundwork has all been done, and it will be interesting to see just how quickly these machines are operational. Perhaps denials from earlier times as to what is going on will look very different.

I suppose I am doubly disappointed because those three members of the Opposition who are going to support the Government are also talking about Government by deceptive regulation rather than going through the proper procedure, through both Houses of Parliament, and changing the legislation itself. I believe on those grounds alone they should support the motion and reject the Government's move, to make sure they do things the right way round, and subject things to proper scrutiny and public debate. I hope that those three members will reconsider, but I suspect that that is a very vain hope. I do not believe that this issue is finished yet; I think it will come back before us again.

The Council divided on the motion:

Ayes (8)—The Hons J.C. Burdett, Peter Dunn, M.J. Elliott (teller), I. Gilfillan, K.T. Griffin, J.C. Irwin, R.J. Ritson and J.F. Stefani.

Noes (11)—The Hons T. Crothers, L.H. Davis, M.S. Feleppa, Diana Laidlaw, R.I. Lucas, Carolyn Pickles, R.R. Roberts, T.G. Roberts, C.J. Sumner, G. Weatherill and Barbara Wiese (teller).

Majority of 3 for the Noes.

Motion thus negatived.

SOUTH AUSTRALIAN FILM CORPORATION

Adjourned debate on motion of Hon. Diana Laidlaw:

1. That a select committee of the Legislative Council be established to consider and report on—
   (a) the circumstances surrounding both the appointment and resignation of Mr Richard Watson as Managing Director of the South Australian Film Corporation;
   (b) options for the future of the corporation; and
   (c) all other matters and events relevant to the maintenance of an active film industry in South Australia.
2. That Standing Order 389 be so far suspended as to enable the Chairperson of the committee to have a deliberative vote only.
3. That this Council permits the select committee to authorise the disclosure or publication, as it thinks fit, of any evidence presented to the commitee prior to such evidence being reported to the Council.
4. That Standing Order 396 be suspended to enable strangers to be admitted when the select committee is examining witnesses unless the committee otherwise resolves, but they shall be excluded when the committee is deliberating.

(Continued from 17 October. Page 1092.)

The Hon. DIANA LAIDLAW: I originally moved this motion on 8 August. On 22 August the Minister for the Arts indicated that the Government would oppose setting up this select committee. I suppose that this decision did not surprise me and nor did the fact that the Minister strenuously ignored every one of the 47 questions that I had raised when moving this motion. I now indicate that I will be placing those same questions on notice. This head in the sand stand by the Minister is consistent with the Government's blanket refusal over the past eight months to be held accountable or to accept any responsibility for any of the recent upheavals and financial crises at the corporation.

I recognise that the Government's opposition to this motion is simply one further instance of its wish to deny South Australians the right to learn the facts behind the decision of Mr Richard Watson to step down as Managing Director of the corporation on 24 May; the facts behind the Premier's Department's involvement in the renegotiation of the *Ultraman* contract in February this year; the facts behind the $1.8 million overrun on the *Ultraman* budget; and the facts behind the Government's refusal to release the Milliken report of 1988, let alone act on its key recommendations.

While I am not surprised by the Government's wish to keep the lid on all the above facts, I have to admit that I am both disappointed and disgusted with the decision by the Hon. Ian Gilfillan, on behalf of the Australian Democrats, to deny an opportunity for those facts to be aired. Their decision demonstrates how far the Democrats have strayed from their original platform 'to keep the bastards honest'.

In summing up the debate on my motion, I wish initially to comment on a number of statements by the Minister, before placing on the public record another perspective of the events that have led to the current woes besetting the corporation and the film industry in South Australia. First, in reference to the Film Corporation's history of production during the mid to late 1980s, the Minister stated:

> . . . it was straight economics which weakened the ability of the Film Corporation to produce successfully.

I only wish it was as simple as the Minister would have us believe. However, it is clear the Minister has not looked at or digested the reflections of Sue Milliken in her report to the Government on the corporation. On page 25 of her report Sue Milliken notes:

> It is seven years since there has been any fresh blood in the Drama Department.

I must say that since the 1988 report that position has not changed to this date. She went on to note:

> . . . since 1980 the South Australian Film Corporation drama production policies had not proved to be, by and large, either critically or financially successful.

She also noted that since 1982 the corporation had attempted only two feature films during a period when feature films were produced by other Australians, notwithstanding the economic circumstances at the time.

The Minister also sought to suggest that there was no need for a select committee to look at options for the future of the corporation or for the revival of an active film industry in South Australia because:

> . . . the South Australian film industry is once again in regular production and the South Australian Film Corporation is again the State's leading film maker and hence a major employer of film personnel.

The sad irony of this statement is the fact that Mr Richard Watson, when serving as Managing Director of the corporation, was the catalyst for much of the revival of the film industry in this State, both in respect to the activities of the corporation and the independent sector. This is not my assessment but, rather, the assessment of the independent producers, technicians, film critics, actors and the like in South Australia. It is further amplified by the fact that the corporate plan prepared by Mr Watson, which was endorsed by the board and certainly supported by the Minister and Premier, envisaged and achieved a production budget of $20 million in its first year (1989-90), compared to a bare $2.5 million in the years 1987-88 and 1988-89.

Also, I should note, as I outlined in a question to the Minister earlier today, the Minister herself has now placed at risk the regular production by independent film makers, due to her decision to reallocate all the funds in the Government Film Committee Fund for this financial year to pay off the *Ultraman* deficit at the corporation. Even more

alarming, I would suggest, is her admission that any funds to offset this reallocation would come from recoupment funds from the distribution of *Ultraman* in Australia and New Zealand. This is a most unsound proposition and it is even more concerning when one considers that it was originally envisaged that those funds to be recouped from the distribution of *Ultraman* would be returned to the corporation to offset the initial expenditure on the *Ultraman* production. It is clear that if that does not happen now *Ultraman* will be further in deficit beyond the $1.8 million envisaged. I wish also to refer to the Minister's statement that

> . . . the corporation made a purely commercial decision to undertake the production of the *Ultraman* series, within the parameters of a budget negotiated by the General Manager and agreed by the Corporation and the major Japanese investor, Tsuburaya.

The statement appears to be at odds with a letter that Premier Bannon wrote to the Managing Director of Tsuburaya Productions, Mr Kooichi Takano on 4 August 1989, and supplied to the South Australian Film Corporation in respect of its bid for the *Ultraman* production. I quote from that letter, in which the Premier writes:

> Dear Mr Takano, I am pleased to extend an invitation on behalf of the South Australian Government to Bandai and the production company Tsuburaya Productions Co. Ltd to relocate the successful Japanese series of *Ultraman* to South Australia.
>
> As you are aware, the South Australian Government, following the introduction of direct flights between Adelaide and Tokyo, has initiated a major business drive to sponsor further development trade relations between this State and Japan.
>
> My Minister for the Arts, the Hon. Anne Levy MLC, and my Minister of Tourism, the Hon. Barbara Wiese MLC, have been briefed on the economic benefits to the State of this new film initiative.
>
> The South Australian Film Corporation, as a statutory authority, is in a position to be able to extend commercially favourable terms to secure this important initiative and it is doing so with the full backing of the South Australian Government.

In respect of this letter members should note the Premier's reference to the fact that both the Minister for the Arts and the Minister of Tourism were aware of the economic benefits to the State of the *Ultraman* initiative. Also, they should note the reference to the capacity of the corporation to extend commercially favourable terms to secure the series. Both references suggest that the initial *Ultraman* contract was not negotiated on 'purely commercial terms', as Minister Levy would now have us believe, but on terms which took account of the Government's perception of the potential for the State, as distinct from the Corporation, to negotiate further economic, trade and cultural relations with Japan, including further flights between Adelaide and Japan. Such considerations are not uncommon when a company is trying to capture a contract and I do not object to the Government's adopting this same course with *Ultraman*, but the Government should at least come clean about the facts and not seek to hoodwink the South Australian taxpayers that the *Ultraman* contract was negotiated as a purely commercial contract when clearly this was not the case.

Indeed, if the contract was negotiated on purely commercial terms as the Minister now states, I doubt that the Government would have encouraged or sanctioned a decision by the SA Film Financing Advisory Committee to override its long-standing funding guidelines to provide some $190 000 toward the corporation's share of the production costs of *Ultraman*. To this time SAFIAC had been confined to providing funds to support local film producers rather than underwriting foreign productions. The Government condoned this unusual exercise in the belief that the production of *Ultraman* would have a positive influence on employment for people involved in the film industry in this State. Again, the overriding factor was the perceived flow-on benefits to the film industry and other sectors of our economy, rather than the Government's consideration of the importance of the commercial viability of this film. Certainly, those considerations reflect the Premier's public endorsement of the corporation's association with Tsuburaya. The Minister stated in reply to the motion that:

> During my discussions with the Board of the corporation, it was admitted that it is apparent, with hindsight, that the budget for the series was unrealistic.

She immediately followed this statement with reference to the fact that the *Ultraman* series ran over budget by approximately $1.8 million. The inference from these statements is that the original budget for the series was 'unrealistic', (that is the Minister's word), but this does not appear to be so. Certainly at no time during the last 12 months since the Premier announced the contract between Tsuburaya and the Film Corporation has there been any suggestion from any source that the 13 episode *Ultraman* series would not be completed within the Corporation's original budget, until Tsuburaya itself made the decision to refilm the 'men in suits' sequence. Tsuburaya, not the corporation, made the decision to refilm this sequence and it has been this unilateral decision by the Japanese film company, coupled with the flow-on financial ramifications that has generated the corporation's current financial woes.

The corporation's current woes are not a consequence of the budget originally framed by former Managing Director, Mr Richard Watson, as the Minister and the Government's propaganda machine would now have us believe. I repeat, the corporation's current financial nightmare arises from Tsuburaya's decision to refilm the 'men in suits' sequence and the subsequent influence exerted upon board members from the Premier's Department on how best to handle the financial implications of Tsuburaya's insistence that the 'men in suits' sequence be refilmed. This consequence is amply supported by documentation that I have received in dribs and drabs from anonymous sources over the past eight months.

Mr President, when I moved for the establishment of the select committee it was my intention to present the papers in my possession to the committee for the assessment of that committee. As Government members and the Democrats have decided to oppose the establishment of the Select Committee, I now feel obliged to refer to the papers in my possession because they reveal an interesting new perspective on the financial negotiations in relation to *Ultraman*. First, I shall read from a briefing note to the Premier's office, and I understand this briefing note was sent to the Minister for the Arts, dated 7 February 1990 and, although unsigned, I suspect it was prepared by Mr Richard Watson as it contains a number of recommendations for action in respect to the financing of the 'men in suits' sequence. The briefing note states:

> The SAFC was 'asked' by Tsubaraya Productions in December to undertake new work for which no provision was made in the budget at a total cost of $718 000. We have proposed options for funding this additional expenditure on commercial grounds but whilst verbal assurances have been given no contractual undertaking has been reached.
>
> The apparent position taken by Tsuburaya Productions is that SAFC is accountable for this additional expenditure. We are therefore now in dispute over who should pay for this work and more importantly from the corporation's position must give notice to all those involved in the production as to the outcome by Friday if we are to responsibly manage the production shut down and behave according to film industry practice.
>
> Our independent legal advice is attached together with their draft of notice to be given to Tsubaraya Productions. I fully endorse the legal advice but given the high public profile of the *Ultraman* project and the Premier's personal endorsement, board members are uneasy with the recommended means of communication.

The objective is to quickly resolve this disagreement and complete the series. The outcome of this disagreement will determine the future relations and investment by Tsubaraya Productions with South Australia.

Our legal advice is that if we are to fully protect our position action must be taken within 24 hours.

We must also act decisively if we are to responsibly manage the industrial implication and contain SAFC costs.

The recommendations that follow state:

(1) That Tsubaraya Productions is formally advised of our position as recommended by Baker O'Loughlin.

(2) That the Premiers Department advise SAFC on the diplomatic means for communicating this position.

(3) That SAFC immediately takes appropriate measures in accordance with industrial practice to wind down the production and contain its financial risk.

I repeat that Mr Watson's advice to the Premier on 7 February this year was that the South Australian Film Corporation immediately take appropriate measures in accordance with industrial practice to wind down the production and contain its financial risk.

The legal advice referred to by Mr Watson in that memo to the Premier was provided by Baker O'Loughlin. It was advice that I referred to in this place in February this year and I do not intend to read from those letters again. I would note, however, that the advice was as follows:

The corporation insists that Tsuburaya honour clause 2.2 of the contract which requires that Tsuburaya pay any of the 'overages' or over-runs on budget for which insufficient allowance has been made in the budget, and if Tsuburaya did not honour this commitment that the corporation agree to terminate the contract and sue for damages.

It is clear from the briefing note that I have just read and from a letter to Mr Watson on 6 February from Baker O'Loughlin—and that letter, as I indicated, was leaked to me about 6 February—that Mr Watson, the corporation's in-house legal officer, Ms Janet Worth and the corporation's producer of the series, Mr Gus Howard, all endorsed the recommended course of action proposed by Baker O'Loughlin—which was that, if Tsuburaya did not agree to accept all the costs for the over-runs on refilming 'Men in Suits', the corporation should agree to terminate the contract and sue for damages.

Baker O'Loughlin's draft letter to Tsuburaya was discussed at a meeting of board members held at 50 Grenfell Street on Tuesday 6 February. Minutes of that meeting in my possession identify that the board members present were Mr John Burke, Mr Jim Jarvis and Mr Quinton Young. The minutes also identify the awkward position in which those members of the board and the management of the corporation had been placed in its negotiations with Tsubaraya over payment of the overages owing to the Minister's failure to appoint a chairman following the retirement of Mr Robert Jose at the end of his term of appointment. I think he had served for some six years as Chairman of the Film Corporation.

I want now to refer to those minutes that came in an unmarked envelope to me some months ago. They state:

(1) The board met to discuss the latest developments with *Ultraman*.

(2) Miss Worth and Mr Howard had briefed Peter Myhill of Baker O'Loughlin on *Ultraman* developments during the last few months.

(3) The proposed leter to Tsuburaya withdrew the offer contained in Richard Watson's letter of 9 January and sought confirmation of Tsuburaya's intention to meet the overage. If this was not to be met by Tsuburaya then production would cease.

(4) Tsuburaya Productions had been advised of the projected overage in December. The overage would not be $850 000. Had the position been resolved in December some savings could have been made and the overage reduced.

As I indicated, there was no quorum for the board at that stage, because the Minister had not appointed a chairman, and it is noted in these minutes that, if there had been a quorum, a decision could have been made by the board earlier. The position could have been resolved with Tsuburaya much earlier, savings could have resulted and the overage would have been reduced. Of course, none of that eventuated because insufficient members were appointed to the board for a quorum to make such decisions. The minutes continue:

(7) Mr Watson reported that he had offered to finance the overage by borrowing but at the end of the day Tsuburaya would be accountable.

(9) To date the Japanese had refused to talk about the overage and had not responded to correspondence other than to acknowledge it.

(10) Mr Jarvis asked whether the intention of the letter was to make Tsuburaya talk or to secure the finance to complete the series.

(11) Miss Worth said it was hoped that it would do both. She had taken the best legal advice and believed that the corporation's position in this matter was strong and correct. The overage was an overage by definition of the contract and Tsuburaya was therefore responsible. The corporation's aim was to complete the production, but it could not do this without satisfactory financial arrangements on the overage.

(12) Mr Jarvis asked whether it would assist negotiations if the corporation chairman, if we had one, approached the Japanese.

(13) It was felt that introducing another person at this late stage would not advance the position. The matter had to be resolved as soon as possible because production funds would be exhausted within two or three weeks.

(15) Miss Worth said that time was crucial and if the production was to cease in an orderly fashion a decision from Tsuburaya was required by Friday morning. This would minimise Tsuburaya's expense.

(16) Messrs Jarvis and Young expressed concern about future relations. [That is an important reference.]

(17) Miss Worth said that whole elements of each episode had been completed. If a shut down were managed in an orderly fashion a different crew could easily pick it up in the future.

(21) Mr Jarvis remained concerned about South Australia/Japan relations. Mr Watson was concerned that the Premier had been involved with the production from its inception and felt that he should be briefed.

(22) Miss Worth thought that first priority was to the corporation and the film crew. It could best protect itself by sending the letter.

(23) It was asked whether the same result could be achieved without closing the production down.

(24) Efforts had been made since the beginning of December to achieve this result and the response both oral and written had been that it could be discussed later.

(25) Those members present said the corporation was at a disadvantage because no board decision could be made without a quorum and any advice given could only be in the nature of independent advice.

(26) Mr Watson said the *Ultraman* situation was now serious; it had been discussed and debated for too long and action must be taken now.

(27) Miss Worth said that there is no longer room for negotiation and that the corporation had to take an assertive position. The reality was that the production would come to an end when the cash flow ended, in two weeks.

(29) Mr Jarvis expressed concern about the political consequences of the project not being completed and the public reaction.

(30) Mr Watson was not concerned about the public debate because he felt confident that he could win it.

(31) Mr Young was concerned that if the production was not completed the corporation would be open to continued criticism for its lack of production.

(32) Mr Jarvis had to leave and asked that the letter not be sent until he had a chance to consider the matter further and undertook to telephone the next morning.

(34) Miss Worth asked what there was to lose in sending the letter. The overage was clearly Tsuburaya's responsibility and it was the corporations duty to make them acknowledge their responsibility.

(37) The meeting closed at approximately 5.30. The board members urged that no action be taken that night; that probably the letter should go to Tsuburaya but that the method of delivery should be further considered.

So the meeting on 6 February concluded in favour of the letter recommended by Baker O'Loughlin confirming that,

if Tsuburaya did not meet the full cost of the overages, the production be terminated and Tsuburaya be sued for damages. That was the very strong view of Mr Watson, Ms Worth, Mr Gus Howard, the producer, and certainly it was the conclusion of those board members present on 26 January, except that Mr Jarvis indicated that he wanted to consider the matter overnight and would phone the next day.

I wish to refer to a further briefing note from the corporation to the Premier's office (and I understand that this briefing note was sent to the Minister for the Arts), dated 9 February, three days after the minutes to which I have just referred. It identifies that intense negotiations had taken place between board members and the head of the Premier's Department, Mr Bruce Guerin, in the interval since the three board members met on 6 February to discuss the form and content of the proposed letter to Tsuburaya. In that interval it is apparent that the advice on 6 February from Baker O'Loughlin, endorsed at the time by Mr Watson, Ms Worth and Mr Howard, to inform Tsuburaya that the corporation was prepared to cease production of *Ultraman* if Tsuburaya did not meets its contractual commitments to pay the overages, had been radically overturned. The paper from the corporation reveals that the reason for this radical change of course was due to the fact that the Premier's Department had determined that *Ultraman* should be finished. I quote from this briefing note to the Premier and, I understand, the Minister for the Arts, dated 9 February:

> This is to confirm that I have today (5 p.m.) advised the *Ultraman* production unit that it is to proceed with the new work relating to 'men in suits' and complete the series as now scheduled.

That is a complete overturn of the board's consideration of this matter and Mr Watson's recommendations of 6 February. The briefing note continues:

> This decision has been reached based on the following assurances and considerations.
>
> (1) That all SAFC production responsibilities as contracted plus the new work now requested by Tsuburaya Productions will be delivered within a revised budget of $5.03 million. (an addition of $819 000).
>
> (2) That Tsuburaya Productions is cash flowing $3.7 million and has again assured (yesterday) that it will additionally cash flow $400 000 from its own resources for the new work plus $40 000 for an earlier delay.
>
> (3) Legal opinion that the total overage of $737 000 for the new work is the sole responsibility of Tsuburaya under clause 2.2 of the contract and in the event of non-payment could be recovered (at considerable legal costs) by suing for payment.
>
> (4) That SAFC will fund the remaining 'budget over-run' not related to 'men in suits' work of approximately $500 000.
>
> I now propose to assertively negotiate with Tsuburaya Productions from this position for the total cash flow of the overage for new work on the basis that their refusal to pay would constitute a breach of contract. In the event that a commitment to cash flow all the money or a satisfactory deal negotiated guaranteeing repayment is not reached within seven days I will again review SAFC's position as recommended by Baker O'Loughlin.
>
> The advantages of this course of action are:
>
> (A) The series will be completed without any break in production.
>
> (B)South Australia's initial investment, including an SAFC investment of $169 000, of $444 000 is more likely to be recouped.
>
> (C) Protect SAFC's reputation within the film industry by completing production and avoid giving notice to stand down crew.
>
> (D) the production for the new work for 'men in suits' will be relocated from Sydney to Hendon Studios and Adelaide locations engaging South Australians (with no financial benefit to SAFC).
>
> (E) It is more likely to preserve relations with Tsuburaya Productions.
>
> The disadvantages are:
>
> (A) The corporation and hence the Treasurer is exposed to an additional financial risk of approximately $750 000 of which only $400 000 is assured at this stage by Tsuburaya Productions.
>
> (B) The SAFC is further extending its involvement with no financial benefit by way of potential revenue.
>
> On balance my assessment and recommendation is that the financial, legal (and political) risks associated with cancellation of the production today are greater than the financial risks of proceeding.
>
> I have therefore today strongly written to Noboru Tsuburaya advising him of this decision and seeking an unequivocal assurance that these new costs constitute an 'overage' for which there is a liability on the part of Tsuburaya to pay (in cash as it is incurred in the absence of any other deal which may be negotiated for the benefit of Tsuburaya).
>
> I have also today advised the production that it is able to proceed with the 'men in suits' work on the assurance that the series is completed within the revised budget and in the assumption that the total funding required to pay the crew will be raised.
>
> This decision has been reached in consultation with board members and the head of the Premier's Department. In the absence of a Board quorum this week to ratify this decision I urgently request that the Minister and appropriate officers of the Premier's Department and Treasury are briefed.

The Hon. C.J. Sumner interjecting:

The Hon. DIANA LAIDLAW: I am just about to conclude in terms of the papers that I have in front of me. I refer to the minutes of the meeting on 15 February, attended by Mr John Burke and Quintin Young. It is reported in the minutes that Mr Watson was of the view that we should spend no more money until there was a resolution of the issue and that the Premier's office took the view that it was important to get the production finished and secure finance to do that. Further, Mr Watson reported that he understood that the department would apply for the supplementary grant because of his briefing and on advice from the Premier's Department that the production should be completed. Mr Young had been told by Mr Jarvis that the Premier's Department was determined that *Ultraman* should be finished. I repeat this reference from the minutes of 15 February:

> Mr Young had been told by Mr Jarvis that the Premier's Department was determined that *Ultraman* should be finished.

That advice came from phone calls by Mr Jarvis to Mr Guerin following that meeting on 6 February, to which I have referred.

Further into these minutes, Mr Young notes that:

> . . . there seemed to be a political overtone that it [*Ultraman*] should be completed. If that is the attitude, we have to accept it.

In effect, Mr Young is saying that the board's decision to accept responsibility for paying $400 000 towards the overages incurred on refilming the 'men in suits' sequence reflected the wishes of the Government as determined and conveyed to Acting Chairman Jarvis by the head of the Premier's Department, Mr Bruce Guerin. I suggest that no level-headed honourable member in this place would ever believe that Mr Guerin had made this momentous decision, overriding earlier board consideration and the recommendations of senior staff, without consulting and gaining the agreement of his boss, Premier Bannon.

Also, I remind members that it was the decision by the board, as directed by the head of the Premier's Department, to agree to Tsuburaya's request to refilm the 'men in suits' sequence and to pay $400 000 initially towards the overages that is the cause of the corporation's $1.8 million financial problem today. The corporation's current financial problems do not arise from the corporation's original budget for *Ultraman*. That is certainly what the Minister wanted us to believe in her contribution to this motion. The corporation's decision to proceed, not terminate, with the filming of the 'men in suits' sequence, following a request from Tsuburaya, was contrary to the initial recommendation from the Managing Director, Mr Watson, from the legal adviser and now current acting Managing Director, Ms Worth, and the SAFC producer, Mr Howard. The corporation's decision to contribute $400 000 towards the cost of the overages and the corporation's need subsequently to pick up $890 000 costs associated with the delays in producing and finalising the

series all arise from the board's unqualified understanding that the Premier's Department was determined that the *Ultraman* series should be finished.

This fact confirms that the responsibility for the current financial trauma facing the corporation and the film industry in general in South Australia rests fairly and squarely on the shoulders of Premier Bannon and his Government. I acknowledge that this is not the impression that the Minister, the Premier or the Government has sought to convey during the financial saga of *Ultraman*; nor is it the perspective that the Government wants the public to believe.

However, the blame for the $1.8 million financial problems now plaguing the corporation lies fairly and squarely on the Government's shoulders, and I regret that the Government and the Democrats have not seen fit to approve a select committee to inquire into this matter and ensure that there is some accountability, rather than simply seeking to ensure that Mr Richard Watson is made the villain in this whole exercise. Worse still, Mr Watson and others cannot let the South Australian taxpayers know why he resigned or relate the true facts beyond those which I have revealed tonight in relation to *Ultraman* because of secrecy contracts.

I indicate that this matter will not end with the statements and material that I revealed tonight about the Government's involvement in this issue and the Premier's directions to the board in respect of the payments to complete *Ultraman*. Since 2 August, the Minister has announced that an independent consultant will look into the matter of the Film Corporation. It will be interesting to see the report of that independent consultant. Many others than I will be keen to see the recommendations. However, it is particularly interesting to note that this Minister, who has never been prepared to release the Milliken report or to act on the majority of the key recommendations therein, has seen fit to ask this independent consultant to assess that report.

With respect to the Minister's recent actions in relation to *Ultraman* and the Film Corporation, it is absolutely disgusting and unacceptable that she, on behalf of the Government, would threaten the corporation with closure if it did not address its financial situation and get it under control. Its financial circumstances, as I have indicated in summing up the motion tonight, have been the responsibility of the Government, and the Premier's office in particular. They are not the responsibility of the board; nor are they the responsibility of the former Managing Director, Mr Richard Watson.

It is quite clear from the minutes of meetings that the corporation's management and board were acting under directions from the Premier's Department, and it is a very unhappy day in this Parliament when Government members are prepared to continue to hide the facts and avoid accountability in this matter. However, we have seen that happen with respect to Marineland and a variety of other examples, so it should not necessarily come as a surprise.

Motion negatived.

FREEDOM OF INFORMATION BILL

Adjourned debate on second reading.

(Continued from 17 October. Page 1093.)

The Hon. T. CROTHERS: When speaking to this Bill last week, I said that one of the problems confronting the Government in respect of its own Freedom of Information Bill was that it had a perception, and I believe a correct perception, that, in order to make the Bill as effective as possible for the citizens of this State, it ought to extend to local government areas. To that end, I indicated that discussions were ongoing between the Attorney-General and members of the Local Government Association. As I indicated at the time, they have been ongoing since May this year. I understand that the Opposition intends to put this matter to a vote this evening. When I look at the remarks of the original mover of the Bill (the Hon. Martin Cameron since retired), I see that he indicated that, if this Council could get its act together, it would be a much better Bill if it was able to march forward on the basis of consensus. The honourable member suggested that all parties covered by the Bill should have an input into the Bill in order to iron out any irregularities that it might contain or even make with respect to everyone having a say about its contents.

I understand from the Minister that discussions with local government have not reached a finite conclusion. That is through no fault of the Government. They have been ongoing for almost six months now. If the Opposition is determined to press this matter to a vote tonight, that will diminish the object that the Hon. Martin Cameron had in mind when he indicated that, if the Bill was to work to its maximum effectiveness, the legislation should be passed as a result of consensus amongst those involved. However, through no fault of the Government, we find that that is not possible. However, the Opposition has it in its hands, along with the Government, to achieve that consensus position. If they put the matter to the vote tonight—

The Hon. L.H. Davis: We are not.

The Hon. T. CROTHERS: You see, the Hon. Mr Davis interjects and says that it is not in their hands. If the Opposition determines to give the Government a further adjournment in this matter, the matter is indeed in the hands of the Opposition. Sometimes in this place one feels like a teacher addressing a class of infants, with some of the puerile comments one hears from time to time from leading members of the Opposition—from people who are shadow Ministers or, perhaps one should say, phantom Ministers, in the case of the Hon. Mr Davis.

The Hon. L.H. Davis: Did you hear what I said? We are not putting it to the vote.

The Hon. T. CROTHERS: I am gratified. For the first time today I am gratified by an interjection from the Hon. Mr Davis. It is the first sensible interjection he has made today, saying that we are not putting the matter to the vote and, for that, I am gratified. It indicates to me at least some measure of endeavour on the part of Opposition members to get in place a Bill which will work in a proper fashion, and to try to achieve what I know the leader of the Government in this place is endeavouring to achieve. I conclude my remarks on that note.

The Hon. CAROLYN PICKLES secured the adjournment of the debate.

PAY-ROLL TAX ACT AMENDMENT BILL

(Second reading debate adjourned on 23 October. Page 1244.)

Bill read a second time.

In Committee.

Clause 1 passed.

Clause 2—'Commencement.'

The Hon. R.I. LUCAS: I move:

Page 1, line 13—Leave out this clause and insert new clause as follows:

2. This Act will come into operation on 1 November 1990.

Last evening I spoke at some length during the second reading of this Bill, as did a number of other members. I outlined the reasons for the Liberal Party's two principal amendments to this Bill, and I do not intend going into detail about the reasons for those amendments. The Hon. Mr Elliott last evening indicated during the debate on one of the tax Bills (either this Bill or the Financial Institutions Duty Act Amendment Bill) that, although he supported the intention of the amendment that we were moving, he would not be voting for it. Having spoken again with the Hon. Mr Elliott in the past 24 hours, I am sure that a long speech during this Committee stage will not change his mind this evening. Once he has made up his mind, generally, the honourable member sticks to it. If the amendment were to be successful it would ensure that the Act came into operation on 1 November 1990 rather than on 1 October 1990.

The Hon. C.J. SUMNER: The Government opposes this amendment, for the same reasons that I outlined yesterday in the debate on the Financial Institutions Duty Act Amendment Bill.

The Hon. M.J. ELLIOTT: I clearly indicated during the second reading stage that I would oppose this amendment but that I did share the concerns of the Opposition about announcing that a tax is to be applied, informing the various people who are to be affected by it that they should be collecting for a particular month, assuming that at a later time the legislation would be passed. I do not think that that is the way to work, except in exceptional circumstances, where some sort of tax avoidance would occur, which clearly cannot happen with payroll tax or some of the other taxes, such as FID, in relation to which the Government has opted for the 1 October date. I ask the Government that, in future when introducing such legislation, it takes that into account, and perhaps also looks at the sitting dates. Part of the problem is that we have had very few sitting days between the introduction of the budget and the time now allocated for debate, and that is most unfortunate.

The CHAIRMAN: As this is a money Bill, all amendments will be in the form of suggested amendments to the House of Assembly.

Suggested amendment negatived; clause passed.

Clause 3—'Interpretation.'

The Hon. R.I. LUCAS: I move:

Page 1, lines 16 to 24—Leave out paragraph *(a)*.

Last night I spoke in some detail on the reasons for this particular amendment. I understand the Hon. Mr Elliott is not prepared to support the particular view that the Liberal Party put during the second reading debate of this Bill. Again, I do not intend to prolong the Committee stage of the debate by going over the same argument.

Suggested amendment negatived.

The Hon. R.I. LUCAS: The remaining amendments (some 2½ pages), so well drawn up by Parliamentary Counsel, are consequential upon my first two suggested amendments which were lost and so I do not intend to proceed with them.

Clause passed.

Remaining clauses (4 to 12) and title passed.

Bill read a third time and passed.

LAND TAX ACT AMENDMENT BILL

(Second reading debate adjourned on 23 October. Page 1250.)

Bill read a second time.

In Committee.

Clauses 1 to 3 passed.

New clause 3a—'Exemption from land tax.'

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

Page 1, after line 16—Insert new clause as follows:

3a. Section 10 of the principal Act is amended by inserting after paragraph (l) of subsection (1) the following paragraph:

(m) land that is within the areas affected by the Mount Lofty Ranges Supplementary Development Plan (as brought into operation on 14 September 1990) or the Angaston, Barossa, Light, Kapunda and Tanunda—Barossa Valley Area Supplementary Development Plan (as brought into operation on 18 September 1990), in respect of the 1990-91 financial year.

In my second reading contribution I made a passing reference to the fact that the Liberal Party was putting an amendment on file to recognise that there were areas affected by the Mount Lofty Ranges Supplementary Development Plan and the Barossa Valley Area Supplementary Development Plan, which both came into operation in mid-September 1990. The supplementary development plans in those two near metropolitan areas have devalued the land by estimates of between a quarter and a third, at the very least. Land tax, which of course is established at 30 June 1990 to take effect from 1 November 1990, will penalise people who have been affected by the introduction of these supplementary development plans. In other words, even though the valuation was set on 30 June, quite clearly the value of that land has been subsequently devalued significantly by the introduction of the supplementary development plans.

Even in cases where the value might be less than $80 000, which of course is the exemption level, that land still may attract land tax because the revision of land tax scales and legislation in South Australia did not do away with land tax on multiple holdings. So again you may have an extraordinary example of someone holding a block of land in the Hills, which may have been halved in value from, say, $80 000 to $40 000, which will be still attracting land tax at that old rate because it is part of the multiple holding.

I find that grossly unfair. So, it is a matter of justice that the devaluation, which occurred in the case of the Mount Lofty Ranges Supplementary Development Plan (on 14 September 1990) and in the case of the Barossa Valley Area Supplementary Development Plan (on 18 September 1990), both with respect to the 1990-91 financial year, is an example where the Government is reaping the benefit from people who have been disadvantaged in a very severe fashion.

In some cases there will be situations where persons may well have been wishing to use that land as their principal place of residence on which subsequently they would have been exempt from land tax. It may well be that they live in Adelaide and they have a block of land in one of these areas subject to a supplementary development plan brought in in mid September. They are now unable to move their principal place of residence from Adelaide to the Barossa Valley or the Mount Lofty Ranges, which would have exempted them from land tax in those areas. They will be forced to hold this land.

It has another spinoff, in the fact that persons holding land in the Barossa Valley and Mount Lofty Ranges may have difficulty selling it and so may be trapped into paying land tax over a period of time. Quite clearly, that is another issue. We believe that the Land Tax Act Amendment Bill should recognise this one-off situation.

The Hon. C.J. SUMNER: The Government opposes the amendment. I really find it a bit difficult to follow the logic of the honourable member, who wants to give an exemption from land tax for everyone within the areas subject to a supplementary development plan—whether or not there is anything in the allegations that the values of the properties have been affected. Clearly, I would suggest that it is not

the values of all properties that have been affected in those areas, in any event. I think this is completely unacceptable.

The Hon. M.J. ELLIOTT: I can agree with the Hon. Mr Davis about one thing: that the handling of the whole supplementary development plan process in the Mount Lofty Ranges was atrocious and it certainly has created difficulties. But I believe that those difficulties are short term. First, already a number of properties quite clearly have retained development rights and as such values have not dropped; if anything, they have increased. I suspect that, in the long run, most of those who have experienced a drop in values will find that it is temporary, because a great majority of those who have been prevented from building will eventually be allowed to do so.

Ultimately, there will be some holding titles who will be told they cannot build on them and, if the Government is sensible about this, it will probably use transferrable development rights as a way of transferring developmental rights and titles from places where they cannot build to where they can, and the titles and such can retain their full value. If anything, the likelihood that there will be a ceiling on the total number of developments possible in the Hills in the long run, will mean that this procedure will lead to increased values for everybody. That does not mean that some people are not in real difficulties, but that is not something that will be confronted by removing land tax. The difficulties can be removed in other ways and I have certainly made those suggestions to the Minister in the past. I will not support the amendment, not because I disagree with the Hon. Mr Davis that there are some difficulties but because I do not think this would solve the ones referred to.

The CHAIRMAN: As this is a money Bill, all amendments will be in the form of suggested amendments to the House of Assembly.

Suggested new clause negatived.

Clause 4—'Scale of Land Tax.'

The Hon. L.H. DAVIS: In my second reading speech I pointed out that the exemption level in South Australia started at $80 000 and that in the Eastern States, New South Wales, Queensland and Victoria, the exemption levels were considerably higher. Can the Attorney explain the rationale for having such a low exemption level and trapping so many people with land tax; many of whom are in small business and who would escape land tax in other States? The Attorney would recollect that, in New South Wales, the exemption level is $320 000; in Victoria and Queensland the exemption levels are $150 000 and $160 000, as I understand it. It may well be that the Attorney has had the chance to respond to my questions on this point. He may well have the exemption levels for Western Australia as well, but it is rather disappointing at this time when small business is haemorrhaging very badly in South Australia that the Government has not seen fit to move exemption levels upwards to a limit that is more comparable with those that exist in the Eastern States.

The Hon. C.J. SUMNER: The first thing is that the exemption level in Western Australia is $5 000; in Tasmania it is $1 000; in South Australia it is $80 000; in Victoria it is $150 000; in New South Wales it is $160 000 and in Queensland it is $150 000.

The Hon. L.H. Davis: NSW is $320 000.

The Hon. C.J. SUMNER: The table I have was in the Business Review Weekly of 28 September 1990 and it shows those figures I have outlined—Tasmania, $1 000; Western Australia, $5 000; South Australia, $80 000; Victoria, $150 000; New South Wales $160 000; and Queensland, $150 000. However, while the exemption rates are different in each State, if one looks at the actual land tax paid, for instance, on a property valued at $1 million in Queensland one pays more land tax than one does in South Australia; at least, one certainly did, from this source which is quoted from the Queensland Government.

In Queensland, it is 1.35 per cent; in South Australia it is 1.13 per cent. So, although the exemption level here is lower (in that sense, you pick up more payers of land tax) it also means that in this State the actual rate of land tax on the properties that are caught—at least, some of the properties, the million dollar properties, at any rate—is lower than in Queensland. It is lower on $10 million properties; it is lower on $50 million properties, and it is lower on $500 000 properties. So, what one loses on the swings one picks up on the roundabouts.

The Hon. L.H. DAVIS: The Attorney-General has missed the question about as comprehensively as he would miss a fast ball from Mervyn Hughes. I am disappointed to think that the Attorney-General is relying on information from a business magazine rather than data that is readily available from State budgets around Australia. I read into *Hansard* the very significant adjustments that occurred to exemption levels for land tax in the various States of Australia. I believe my sources were accurate. I instanced a doubling in the land tax exemption level in New South Wales and significant increases in both Victoria and Queensland. The answer by the Attorney may well have been appropriate in the debate on the 1989-90 measures, but he is a year out of date. That, of course, is probably par for the course with this Government.

I simply argue the point again. I am not concerned about rates of land tax. I am concerned about the fact that people are being forced to pay land tax at much earlier levels in South Australia than they are in the major eastern States. Our exemption level of $80 000 is puny; it is half the rate of Victoria and Queensland, and one quarter of the rate in New South Wales. Therefore, small business is bearing an additional burden. So that is a point I make: it is trapping a lot of people. I really do object to that, because it is generally that area of business that is feeling the hard times more particularly. The Minister of Small Business would confirm that with the Attorney-General.

Clause passed.

Title passed.

Bill read a third time and passed.

STATUTES AMENDMENT (SHOP TRADING HOURS AND LANDLORD AND TENANT) BILL

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

TECHNICAL AND FURTHER EDUCATION ACT AMENDMENT BILL

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

The Hon. BARBARA WIESE (Minister of Tourism): I move:

That this Bill be now read a second time.

This Bill is intended to achieve three things. First and foremost it amends the Act to provide wider opportunities for alternative employment for officers of the teaching service who became temporarily or permanently ill or disabled and are unable to perform the duties of their normal employment. The proposed amendments follow the more flexible and fairer approach contained in the Education Act and the Government Management and Employment Act, in that provision is made for transfer of such a teacher to

other employment with the Government. Provision is also made for leave without pay in some cases.

Secondly, the Bill seeks to extend the delegation power of the Minister of Employment and Further Education and of the Director-General of Technical and Further Education to permit delegation of the powers and functions contained within the Act to officers and employees appointed by the Minister under section 9 (6) of the Act.

The opportunity is also taken to reflect in the Act the new title of the Minister responsible for the administration of the Act. I seek leave to have incorporated without my reading it the explanation of the clauses.

Leave granted.

Explanation of Clauses

Clause 1 is formal.

Clause 2 provides for commencement of the Act on proclamation.

Clause 3 amends the definition of 'Minister' so that it now refers to the Minister of Employment and Further Education.

Clause 4 provides that the Minister may also delegate powers to a person who has been appointed to office by the Minister under section 9 of the Act, as well as to Departmental officers and members of the teaching service.

Clause 5 similarly provides that the Director-General may delegate powers to such a person.

Clause 6 re-enacts section 17 of the Act so as to include powers to transfer an incapacitated officer of the teaching service to any other position in the teaching service or to some other Government position, or to grant the officer unpaid leave. This section is now identical to section 17 of the Education Act.

The Hon. R.I. LUCAS secured the adjournment of the debate.

APPROPRIATION BILL

Adjourned debate on second reading.

(Continued from 23 October. Page 1231.)

The Hon. J.C. IRWIN: This is the first opportunity I have had to welcome our new colleague, the Hon. Bernice Pfitzner, and I hope that she enjoys her stay and is able to use her many talents for the advantage of the parliament and the people. When I asked her yesterday what she thought of the session, she said, 'Gosh you people can talk'. I said, 'I bet it won't be long before you're going as long as we are and being as vocal.' So time will tell.

I want to take this opportunity to make a few comments regarding the 1990-91 budget and its impact on the rural sector and the portfolios in which I have Opposition responsibility. Much has been said about the financial climate in Australia today. Inevitably, the blame for all our ills that we now have is laid at the feet of the banks, overseas market conditions and the now infamous Australian entrepreneurs. Reliable financial analyists have told us repeatedly that overseas market conditions have never been better than over the past three or four years. Commodity prices for rural products and mining product income, while not all high—and some have been up and some have been down—have had an exceptionally good run. One would have thought that in a year such as 1990 we would be well shielded by a buildup of large domestic, private and Government reserves and a razor sharp secondary industry sector, well prepared to take on the world in any sort of competition. But, no, profligate spending by Governments have seen to it that the till is bare.

The cold, hard, unpalatable facts are that we are clearly not prepared, and secondary industry is in no shape at all to make a dramatic contribution to Australia when rural produce, for one good reason or another, will not be able to make its usual contribution this year.

Worse than that, the secondary industry sector does not appear to be ready to replace to any large degree rural commodity returns into the foreseeable future. While rural producers tighten their belts once again and brace themselves for anything up to a 50 per cent reduction in income, wage and salary earners like us glibly go on taking rising incomes and perks out of the till. We go on living in a cuckooland dream world. There is no real move to match wages to income productivity, and excessive bad work practices still persist. The real wealth producers go backwards while the rest of us march happily on to where no-one is quite sure.

The biggest entrepreneurs and gamblers in Australia are Governments, both Federal and State. We boast that it is the private sector which does the borrowing, but big Governments, with their ever expanding unproductive work forces, bleed the productive sector with ever increasing taxes, excises and charges. If the Bonds, Holmes a'Courts, Elliotts, Spalvins and so on could tax like Governments, they would not have gone backwards over the past year or so. They have been judged by the cold light of competition and market forces and found wanting, not like Governments which can cover all their ill-conceived mistakes by feeding the monster Government more tax money taken from the people. Governments must learn, outside the essential services, to have the same flexibility as the private sector.

I can use no better point to illustrate this than the issue of rents for pastoral leases in South Australia. It was planned by legislation that something like an $8 million bureaucracy, to monitor the pastoral areas of South Australia, would be set up and funded by far the highest pastoral rents in Australia. I understand the state of play now is that the Government has still not worked out how to fleece the pastoral land-holders. It may just be dawning on some people that the philosophy and the sums do not add up. How on earth does this Government expect land-holders to pay greatly increased rents from a year when income will drop by 50 per cent per lease? This is not even a drought year. In a drought year, or a run of drought years—not uncommon to those who know the pastoral industry and the pastoral areas—the income may even be negative. How on earth will the proposed $8 million per annum bureaucracy be funded? When will Governments learn and listen to those who know what they are talking about? How long does it take to drag ALP Governments screaming to the barrier of economic reform and fairness? They keep talking about it over and over and do nothing about fairness. Governments must learn to be flexible and, not only that, but Governments must be more leaner so that input costs of production, over which producers have very little control, can be reduced not only in bad times, but permanently. In other words, individuals should be able to keep much more of their hard earned income so that they can make their own decisions.

I will not go over all the factors which have combined to produce the present wool dilemma in Australia. Not many people, including me, have complained about the recent run of good high wool prices. Not many people, again including me, have complained about the Australia wool marketing

support price scheme, even though it does for me philosophically break the theory of market signals and market forces. Some wise men and women correctly predicted that any artificial scheme must eventually have a day of reckoning. I salute those brave people, because they are right and will always be right. There is something terribly wrong if the time comes in a scheme when 20 million or 40 million sheep have to be slaughtered and put in ditches in order to bring the scheme back on track. Any tuning—and I do not mean fine tuning—needed to the present scheme must include consideration of harvesting of the very bodies which produce the golden fleece which funds this country.

If a reduction in sheep numbers is visualised and needed, then an orderly, well planned scheme should be able to be implemented quickly. The scheme could utilise existing under-used abattoirs, it could provide for mobile abattoirs and it could utilise the people to whom we pay unemployment benefits and who sit on their backsides doing nothing. I do not accept that fleeces, meat and bone meal cannot be stored and used. I do not accept that some prime carcases cannot be utilised for our own poor and those of other countries already in receipt of Australian aid.

I await with interest the decisions of the Federal Government and the National Farmers Federation on productive ways to use our present perception of the surplus of sheep. I say 'perception of the surplus of sheep' because one must remember that two years ago this country was not producing enough wool to supply the markets and the value of the dollar, when the wool support scheme was set at the high rate of over 800 cents per kilogram, was US 67 cents. It does not take too much imagination, when we produce enough wool to supply about 5 per cent of the apparel market of the world, to know that it will not be too long before things will turn and more sheep will be needed; there will then be a scramble to breed sheep. However, I cannot accept the unplanned wilful slaughtering of stock which have some other use to us in Australia or to the world. I hope that the so-called innovative people whom we have in this State will do something about it, and I think that they are doing something about it, especially on Eyre Peninsula. I heard only yesterday about a scheme for properly reducing these numbers in a productive way.

Of course, a number of unforeseen factors have come together at one time to produce the present crisis, and they always do. The common cry we hear when talking to people with generations of experience on the land is that no-one ever predicts the highs and the lows and there is always the excuse, 'We did not know that there was going to be a world war, we did not know that there was going to be a Gulf crisis or that Eastern Europe would suddenly come to its senses, and we did not know a whole lot of other factors.' They never will know or predict them. People who have farmed for generations know that only too well.

As regards wool and live sheep, the market has given its signals, but they have run into a brick wall. Artificial schemes are like big Governments: they cannot listen to signals and they cannot react quickly. They never work in the long run. The Federal Government is heeding the lessons of reality and Eastern Europe is heeding its lesson of reality. They are all collapsing now, because they have been built on dreams. They have been built on dogma, not on reality. Why not go back to the family experience that we all know about and use that as a guide: what you cannot afford you cannot have, and you build slowly, not in one great leap forward.

I turn now to some specific portfolio areas, and it is logical to consider local government in the context of micro-economic reform both from the Commonwealth level and from the State level. I suppose that local government must also address its own area of micro-economic reform. Like the farmer, it is at the end of the line, so to speak, and there is much more difficulty in tightening the belt as well as trying to fulfill the wishes of the electors, most of whom are the rate payers who provide the money to fund local government. I have never had any great trouble in enunciating that, like the wool industry at present, local government would inevitably have to face two things: one, that, following the halcyon days of Commonwealth grants to local government, started by the Whitlam Government and culminating in the 2 per cent of personal income tax at the end of the Fraser years, local government would have to face up to declining grants. This trend has been a fact of life since the Hawke Government came to power. We must remember that these grants were never intended as a replacement for adequate rate raising, but they were to an extent to compensate for a narrow local government tax base.

What really hurts taxpayers and ratepayers is that, while grants to local government have declined, the tax take by Commonwealth and State Governments has increased to a now alarming extent. Road funding for local government from State and Federal Governments is one obvious area where the motorists are being bled while fuel tax income goes increasingly to the welfare state.

I have always argued that, if local government is happy to extend its hand for grant money from other tiers of government, it should expect some intrusion from the funding sources into the way local government spends those funds. It is quite proper for any level of government to be held accountable by the electors for the way in which the funds are spent. That has been a common cry over the past few months. In fact, it has applied for the past 10 years. Certainly, exactly that same sentiment obtained in the Fraser years: if Governments are going to give money to other organisations, they should demand to know how it is being spent and even have some say in its spending, because the people who provide the money demand that that money is spent properly. In my view, there is not enough demand.

I have always argued for smaller government at every level. It is pleasing to see now that the Commonwealth and State Governments are being dragged screaming, if you like, by circumstances which they have created, into a real world realisation that there must be micro-economic reform, just as they have come to realise in the macro-economic reform area that tariff protection, for instance, for Australian manufacturing must be reduced. Featherbedding and dreamland socialist planning has hit a brick wall, just as wool has done. Everyone must see that parallel now.

The Hon. C.J. Sumner interjecting:

The Hon. J.C. IRWIN: It was, but I am saying that it is now glaringly obvious that that cannot continue happening in this world. I am delighted that Governments have seen the need for reform and restructuring. I am only sorry that so much damage has been done while people come to a collective decision to do something rather than sit on their hands. I am delighted that local government in this State will have a chance to negotiate a restructuring of relationships, both legislative and financial. There is a long way to go, and I reserve my judgment on what value the final proposals will reveal for local government. I sincerely hope that it is an exciting prospect for local government.

I have now had some experience in this Parliament of this Government's various attempts at decentralising or deregulating rural industries. While I have supported the notion of deregulation, I have found it very difficult to support this Government's motives and ham-fisted attempts

at deregulation. It only ever went half way, never deregulating labour costs and never attempting to deregulate other than rural pursuits. I must be excused for being very wary of what may be achieved by the now quite grand look at local government.

The Opposition has always supported local government in this State being master of its own destiny and having the taxing powers to allow it to achieve its aims. However, I am not convinced that large scale city or metropolitan amalgamations will do anything to achieve large scale economic benefits. I am supported in that statement by a number of areas in the academic world, where a population of approximately 20 000 people is seen to be the cut-off level for real economic gain by the power of numbers. I am supported in this view by recent statements from the mayors of the following five smallish metropolitan councils: St Peters, with a population of just over 8 000; Walkerville, with 7 000; Prospect, with 19 000; Payneham, with 16 000; and Kensington and Norwood, with 9 000.

In a letter to the Editor of the *Advertiser* yesterday, headed 'Cooperative cooperation keeps "local" in local government', the writer explained that, if those councils got together and shared resources while keeping their identity (hence the notion of cooperation), it would go a long way toward keeping the community of interest in smaller local government areas, rather than necessarily amalgamating those five councils to produce something like a 50 000 person city. Further, I am convinced that, if councils have greater taxing powers from areas vacated by other Governments, and other Governments reduce their tax take, leaving more money in the pockets of ratepayers, councils would see no more need for large scale amalgamation and, indeed, would be happy to keep close to the people (not only keep close, but keep local), which is one of the very basic reasons for their existence.

I have always been alarmed at what may be the down side of writing into the last revision of the Local Government Act the abilities of councils to pursue entrepreneurial activities. Except in very rare circumstances, I cannot cite too many examples of a profit-making type of enterprise. Local government could do better than the private sector, or do it without harming other private sector enterprise activities in their council area or in their neighbouring council area. This observation again raises the proposition that, as I said a moment ago, if local government had an expanded tax base, it would have no need to go into private enterprise ventures. The brake on local government would always be a small population per councillor telling its council in no uncertain terms just what it can afford and the services that the majority of its citizens wanted.

I will make one further observation from my experience this year and from my general local government experience. Elected councillors can no longer afford not to be fully informed on all matters before the council. They have the individual and collective responsibilities to represent their electors. The electors must have the confidence that the council and its councillors would use council income as if it were their own. Having a heap of someone else's money is no excuse to find innovative ways to spend it.

I look forward to the restructuring of local government and a fair outcome for that sector. The restructuring will not be fair and will not work for local government if it is subject to *ad hoc* decisions forced on it on the run. What a farce the budget exercise, including the Estimates Committee, would be if immediately after the budget speech by the Premier the Government sent departments and programs running all over the place.

The library system in South Australia appears already to be under attack and may be the first casualty of ad hockery decisions. It is all very well for the Minister of Local Government to explain to me and to other members the difference between what the Government can do with its own departments and the elements of cost sharing with the various areas of local government. It does not alter the fact that there is a hotchpotch of interwoven arrangements between the Local Government Department and local government in the field, just as there are many departments interacting with local councils.

If the soon to be announced negotiating team is to mean anything and to achieve a fair result, everything must be put on the table, and a cooperative, coordinated assessment must be undertaken before individual decisions are made. I firmly believe that, if the Minister of Local Government makes *ad hoc* decisions because of this division caused by the Minister's saying she will do what she likes with her own department, local government in the field is in for a torrid time and stands to be picked off by those *ad hoc* decision-making processes for which this Minister of Local Government has now quite a good reputation.

The Country Fire Service continues to be a concern to me and many voluntary firefighters in rural areas. Answers, and the lack of answers, from the Minister of Emergency Services in the Estimates Committee hearing have left me with no alternative than to have doubts about the independent future of this service. I have doubts about how those people in the field who make up the great bulk of volunteers will be used in any size fire outbreak up to an Ash Wednesday situation.

No amount of new equipment or formal training will prevent a small fire becoming a raging disaster without all the district's resources being utilised, and utilised very quickly. My information is that the ordinary volunteers are fragmented and less than happy with the CFS organisation. The harmonious relationship which, ideally, should exist between the CFS and local government appears to be well short of ideal. Undoubtedly, there is a stand-off, and one organisation is very wary of the other.

Local government has considerable funding responsibilities but very little ability to obtain accountability for the spending of the money. One council has reported to me in the past week that, because of the demands of the CFS board in Adelaide to purchase two trucks at a cost of about $200 000, it had to rationalise its budget by eliminating one person from its work force and dropping road funding by 18 per cent. I suspect that many other rural councils have this sort of problem, a problem beyond their own spending priorities.

The CFS capital fund has now reached $9.2 million, and I am happy to note that the Minister of Emergency Services indicated that the capital does need not be repaid. Of course, that promise may not last for very long. It is alarming to note that the CFS fire levy attaching to property insurance has risen by 28 per cent in just two years, and no-one other than the Treasurer has any control over this. Again, we see massive increases in outgoings with no control and no accountability to pay by the landholders who suddenly find that they must pay this enormous increase in levy on their fire insurance.

Many councils are expressing to me a concern about the CFS board's policy on decommissioning of fire appliances. The policy has recently changed so that units being retired by the CFS can no longer be sold to property owners. Some can be sold on a cab-chassis basis and some will be stripped and sold as parts. I find this a very childish exercise and a potential waste of taxpayers' money, especially when I am

told that the chassis will be cut in half to avoid anyone being able to use them.

I do not think that I can recall a time prior to the last two years when there has been so much unrest in rural areas about the CFS. I sincerely hope that it does not affect the forthcoming fire season, and that everyone will be able to pull together for the most effective protection of people and property.

I want to conclude with some comments on the police budget. It is hard to know where to start, but one must start with the crime figures in South Australia. A matter of strong public comment recently was the release of the 1990-91 statistics. The *Advertiser* this morning carried a front page article and an editorial, and the *News* tonight highlighted the increasing crime rate reported by the Australian Institute of Criminology. Highlights of the report concentrated on burglary, serious assaults, robbery, car stealing and general theft.

The report of the Police Commissioner, tabled here last week, also contains statistics and comments relating to those areas. The Australian Institute of Criminology report also stated that the clean-up rate in this State for breaking and entering was the worst of all the States other than New South Wales. Our record in South Australia of reporting breaking and entering per 100 000 people is the worst in Australia. Today's *Advertiser* editorial said in part:

> We have surrendered too many of our socialising institutions to the welfare State. Yet this is too big, too corporatist, too remote to deal with the little cracks in our lives of alienated urban desperation, the little cracks that, unattended, quickly grow into the gaping wounds of crime.
>
> This gulf between people and Government has led us, for example, into massive unemployment. Any Government that tolerates—let alone uses as an arm of economic policy—an unemployment rate of 7.5 per cent is too callously remote from the people to be fit to rule. There is little doubt that unemployment, combined often with the desperation fuelled by drugs prohibition, is behind much of the waste of crime.
>
> Governments have been too ready to take stopgap measures on crime rather than address the fundamentals of running an economy with consultative compassion for real people.

The editorial states further:

> We should not pretend we can ever be totally free of crime. The materialist greed of our era makes this seem even less likely. But yesterday's figures shockingly remind us that not enough is being done to bring back crime to a more secure and manageable scale by tackling its root causes.
>
> It may take some rethinking on prisons, on courts, on police and on legislation but chiefly it goes to the heart of the kind of society we are letting Governments make us. It means we have to demand politicians pay more than lip service to promoting such concepts fundamental to our social fabric as work, family and community.

Overall, the number of offences recorded by the South Australian Police in 1990-91 increased by almost 11 400 to over 199 000 offences, a 6 per cent increase on 1989-90. Some alarming trends were highlighted by the Commissioner, with some really bad spots emerging in country areas. Division G4, based in Berri, which covers the Riverland, had reported a crime increase of 20 per cent. Division G2, based at Nuriootpa and covering the Barossa Valley, had a reported increase of 17 per cent. I remind members that the State average increase was 6 per cent. We know that recently there has been increased activity in rural areas by gangs looting homes and churches. This trend should lay to rest the alleged plan, which surfaced about six weeks ago, to reduce by 22 the number of country police stations.

Wallaroo had the highest unemployment per head in the State, and increasing numbers of severe offences. There must always be a two-pronged attack on the crime rate. One must be in the area of prevention, including the whole range of social conditions which bring about the climate for an increase or a decrease in the crime rate. The *Advertiser* editorial addressed that topic.

I am not satisfied that nearly enough has been done in planning to enable us to be successful in this area. As we plunge forward into very harsh economic times in this country, there is nothing more sure than that the current crime rate will go on increasing, because there is an undeniable link between harsh economic times and crime. The economic climate that we now have in Australia can be laid squarely at the feet of Government, and it is strange that ALP Governments such as we have in this State, which used to pride themselves so much on representing the people, have now abandoned the people for their other agendas. All the committees, coalitions against crime and talking have done nothing to stem the tide in South Australia.

The second prong to any attack on crime is and always has been a strong Police Force—strong in facilities and in numbers. The much trumpeted police budget, with its $7.8 million increase in allocations, should be exposed as patently misleading. Unlike private enterprise, Governments can lump capital and recurrent expenditure into one lump sum. This in itself muddies the waters. The Federal Treasurer's prediction for inflation for Australia in 1990-91 is 6.5 per cent, but not many economic commentators believe that figure.

If the Middle East crisis goes on much longer the outcome for inflation is expected to be about 7 per cent. Further, inflation for the Police Force is not linked to a basket of household goods but more to salary outcomes and such things as fuel prices. The best that could be said of the Police Department budget is that it is in real terms, steady on 1989-90. We can be thankful for small mercies in the current economic times.

The Police Force is a vital community service—probably the most respected and vital service a Government can offer the community. In times when the crime rate is increasing, we must not be fobbed off and distracted by spurious comparisons with other States so far as staffing levels are concerned. If we look at the total police budget we see that recurrent expenditure containing the salaries and wages component is up 3.2 per cent—in real terms, a cut of about 3.5 per cent. Only when we add the welcome increase in capital expenditure of $11.9 million does total expenditure increase by the 7.8 per cent, or around the rate of inflation. But, this does not put more police feet on the ground.

Much of that increase is not funded by the Government through unrelated Consolidated Revenue but is the result of projected Police Department receipts for 1990-91, which will increase by 44 per cent, or $14 million to $45.8 million, in 1990-91. Total expenditure of the Police Department funded by the Government from external sources has risen from $204.9 million in 1989-90 to $209.8 million this year—a 2.4 per cent increase, or a cut of about 4.5 per cent in real terms. This is reduced further by $2 million, with the leasing of the two helicopters. The budget lines provided for the purchase of one helicopter for some $3 million.

So far as salary allowances in the Estimates are concerned, and the affect on crime prevention and general police services, there has been a 2 per cent cut in real terms; and in crime detection and investigative services a 1.3 per cent cut in real terms. One other figure that may be of interest concerns offences per police officer, which have risen from 47 in 1985-86 to 53 in 1990. The figures I have outlined are a far cry from what the ordinary policeman and the public is being fed about a net $18.5 million increase in Government outlays for the South Australian force.

I put it to members that the police have had enough of the old thimble and pea trick. Trying to tie down Police Force numbers is a difficult exercise. The Minister of Emergency Services has not replied to the questions asked in the Estimates Committee. He has given a partial answer, but has promised to give more figures. I expect that those figures will appear in the supplementary *Hansard* of the Estimates Committes. Every set of figures I have looked at are different, not only between full-time equivalents and police numbers as at 30 June but also between other sets of figures presented to us in various reports and budget papers. What I can say with some confidence is that police numbers in 1987 were 3 661 and, from an Estimates Committee part-answer from the Minister, the number is now 3 630.

So, the undeniable fact is that the force has actually decreased in the past three or four years, both in personnel terms and police per head of population. The point I wish to make again is that it does not matter how South Australia stands in comparison with other States, so far as police per head of population is concerned; if the crime rate in our State is increasing, that is the important point. Our Police Force—any Police Force—is the single most important service a State can provide. It should not be starved for funds and active police personnel.

The Hon. C.J. Sumner: interjecting;

The Hon. J.C. IRWIN: I have just gone over that point. Look at the crime rate.

The Hon. C.J. Sumner: Look at it in New South Wales, too.

The Hon. J.C. IRWIN: But the crime rate here is still going up.

The Hon. C.J. Sumner: And in Victoria, New South Wales—

The Hon. J.C. IRWIN: Well, get more police out there.

The Hon. C.J. Sumner: And then it would go up further.

The Hon. J.C. IRWIN: Is that your theory?

The Hon. C.J. Sumner: It is not a theory. Have a look at the United States; there are over a million people in gaol. The imprisonment rate in America is six times what it is here. And, they have a higher crime rate. Just think of that.

The PRESIDENT: Order!

The Hon. J.C. IRWIN: I will certainly think of that.

The Hon. L.H. Davis interjecting:

The PRESIDENT: Order! The honourable Mr Irwin has the floor.

The Hon. J.C. IRWIN: Where there has been enormous public pressure to do something about the outbreak of anti-social behaviour around the city, something has been done about it and those rates have decreased. Similarly, in the first years of Neighbourhood Watch there was a decrease in crime rates in the serious categories, such as murder.

An honourable member interjecting:

The Hon. J.C. IRWIN: Well, we are going to have a select committee looking at the prisons system, and no doubt it will look at other linking factors of why people are in prisons, the length of service, the courts and other things. I, for one, am looking forward to that because there needs to be a better understanding of it. I reiterate again: in the simple areas of community policing, where the 11 444 number is called, I know of two instances of the call not being answered. I do not know how widespread that is, but, I have also been told that when there is an answer it might take anything up to an hour for a patrol car to come and deal with a matter. If it was a robbery, say, by that time the robber has gone. If people are going to ring the 000 number for emergencies, they expect the police to be there immediately.

The point I want to make is that if there is any question about the sourcing of funds for more police, if they are required, then there is no excuse for not providing those dollars when there are so many examples that we can give (and have given) of excesses of this Government in wasting money in private enterprise ventures that have failed, and those millions of dollars have come from the public purse. I would certainly like to cover this whole matter more fully and will find an opportunity, I hope, to give it more attention at a later time. I support the second reading of the Bill.

Bill read a second time.

ADJOURNMENT

At 10.39 p.m. the Council adjourned until Thursday 25 October at 2.15 p.m.