LEGISLATIVE COUNCIL

Tuesday 24 March 1992

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

QUESTIONS ON NOTICE

The PRESIDENT: I direct that the written answers to the following questions, as detailed in the schedule I now table, be distributed and printed in *Hansard*: Nos 21, 42, 46, 48, 93, 95, 101, 102, 104 and 105.

DEPARTMENTAL REDEPLOYMENT LISTS

21. **The Hon. L.H. DAVIS** asked the Attorney-General, representing the Premier: What are the numbers of persons on the redeployment list of each of the Minister's departments and Government agencies and how many of these persons have been on the redeployment list for:

(1) longer than 12 months and (2) longer than six months?

The Hon. C.J. SUMNER: The replies are as follows:

- Department of Premier and Cabinet—There are two persons on the redeployment list:
  1. One longer than 12 months
  2. One longer than six months.
- Grand Prix Office—There are no persons on the redeployment list.
- Treasury Department—There is one person on the redeployment list and has been on the list for less than six months.

CONSULTANCIES

42. **The Hon. R.I. LUCAS** asked the Attorney-General: For each of the years 1990-91 and 1991-92 (estimated):

1. What market research studies and consultancies (of any type) were commissioned by departments and bodies which report to the Minister of Emergency Services?
2. For each consultancy:
   (a) Who undertook the consultancy;
   (b) Was the consultancy commissioned after an open tender and, if not, why not?
   (c) What was the cost?
   (d) What were the terms of reference?
   (e) Has a report been prepared and, if yes, is a copy of that report publicly available?

The Hon. C.J. SUMNER: The responses provided by the agencies under my control are too lengthy to have printed in *Hansard* and I will therefore arrange for a copy of the responses to be forwarded to the honourable member under separate cover.

MINISTERIAL STAFF

46. **The Hon. R.I. LUCAS** asked the Attorney-General:

1. What were the names of all officers working in the offices of the Attorney-General, Minister of Crime Prevention and Minister of Corporate Affairs as of 1 August 1991 and 1 February 1992?
2. Which officers were 'ministerial' assistants and which officers had tenure and were appointed under the GME Act?
3. What salary and other remuneration was payable for each officer? (February 12)

The Hon. C.J. SUMNER: The replies are as follows:

Ministerial/GME as at 1 August 1991

Ministerial/GME	Name	Salary $
Ministerial	M. Duigan	62 500
Ministerial	J. Bottrall	47 079
GME	—	41 454
GME	—	26 519
GME	—	31 249
GME	—	23 375
GME	—	21 211
GME*	—	10 120
GME*	—	15 180

Ministerial/GME as at 1 February 1992

Ministerial/GME	Name	Salary $
Ministerial	J. Bottrall	51 404
GME	—	43 460
GME	—	28 682
GME	—	33 313
GME	—	24 908
GME	—	22 305
GME*	—	11 583

* Denotes part-time employment.

The current Labor Government and the previous Liberal Government adopted the practice of employing a number of personal staff to the Minister on a contract basis. Given the nature of that public employment it is considered appropriate to disclose the name of the person involved and details as to remuneration.

In addition to contract staff, ministerial offices are also serviced by officers employed under the Government Management and Employment Act. These officers are often seconded from departments under the Minister's control and are periodically rotated or otherwise moved into and from positions within the mainstream of Public Service. It is therefore not considered appropriate to identify officers who happen to be located in a ministerial office at a particular point in time.

48. **The Hon. R.I. LUCAS** asked the Attorney-General:

1. What were the names of all officers working in the offices of the Minister of Labour, Occupational Health and Safety and Minister of Marine as of 1 August 1991 and 1 February 1992?
2. Which officers were 'ministerial' assistants and which officers had tenure and were appointed under the G.M.E. Act?
3. What salary and other remuneration was payable for each officer?

The Hon. C.J. SUMNER: The replies are as follows:

Ministerial/GME as at 1.8.91	Name	Salary $
Ministerial	S. Halliday	46 080
Ministerial	G. Williamson	43 078
Ministerial*	L. Wright	61 906
GME	—	27 008
GME	—	26 519
GME	—	22 311
GME	—	18 481
GME	—	40 565

* Plus sessional fees for committee work where applicable.

Ministerial/GME as at 1.2.92	Name	Salary $
Ministerial	S. Halliday	51 404
Ministerial	G. Williamson	44 155
GME	—	27 683
GME	—	27 182
GME	—	18 943
GME	—	41 579

The current Labor Government and the previous Liberal Government adopted the practice of employing a number of personal staff to the Minister on a contract basis. Given the nature of that public employment it is considered appropriate to disclose the name of the person involved and details as to remuneration.

In addition to contract staff, ministerial offices are also serviced by officers employed under the Government Management and Employment Act. These officers are often seconded from departments under the Minister's control and are periodically rotated or otherwise moved into and from positions within the mainstream of Public Service. It is therefore not considered appropriate to identify officers who happened to be located in a ministerial office at a particular point in time.

GOVERNMENT MOTOR VEHICLES

93. **The Hon. R.I. LUCAS** asked the Attorney-General:

1. What is the total number of vehicles with private plates attached to the Minister of Finance and Correctional Service's Department as of 1 March 1992?
2. What was the corresponding number of vehicles with private plates as at 1 March 1991?

3. What is the classification of each officer with access to a car with a private place and what is the reason for the provision?

The Hon. C.J. SUMNER: The replies are as follows:

1. The Department of Correctional Services currently has two employees who have exclusive use of a private plated vehicle. Both of these vehicles are leased from the State Fleet.

2. Two.

3. The officers are classified at EO-5 and EL-3. Chief Executive Officers and Executive Officers, Level 3 are allocated a privately registered and number plated vehicle for business and private use as directed by the Department of Labour guidelines.

95. **The Hon. R.I. LUCAS** asked the Attorney-General:

1. What is the total number of vehicles with private plates attached to the Minister of Labour, Occupational Health and Safety and Marine's Departments as of 1 March 1992?

2. What was the corresponding number of vehicles with private places as at 1 March 1991?

3. What is the classification of each officer with access to a car with a private plate and what is the reason for the provision?

The Hon. C.J. SUMNER: The replies are as follows:

Department of Marine and Harbors

1. Seven.

2. Seven.

3. One—Chief Executive Officer, Two—EL-3, Four—EL-2

Vehicles are allocated as a 'Condition of Employment' in accordance with Government Policy.

Department of Labour

1. Seven.

An additional three vehicles with private plates are allocated to Executives in unattached positions.

2. The Department of Personnel and Industrial Relations was abolished and staff amalgamated with the Department of Labour on 22 July 1991. As of 1 March 1991 the Department of Personnel and Industrial Relations had four private plated vehicles and the Department of Labour had five vehicles with private plates. Therefore in terms of comparison with 1 March 1992, there were nine vehicles in 1991 compared to seven vehicles with private plates in 1992. There were four vehicles with private plates allocated to executives in unattached positions.

3. Department Vehicles

One—Chief Executive Officer, One—Judiciary, Four—Executives Classified at Level 2 or 3, One—Emergency Call Out Vehicle—on 'Roster' Basis—Occupational Health Division

Unattached Executive

One—Statutory Office Holder Equivalent, Two—Executives Classified at Level 2 or 3.

Vehicles are allocated to Executives in accordance with Government Policy. One vehicle is allocated to a member of the Judiciary (CEO level) by determination of the Remuneration Tribunal, and one other is allocated to an emergency 'call out' vehicle for chemical spills and has Cabinet approval to carry private plates.

South Australian Occupational Health and Safety Commission

The South Australian Occupational Health and Safety Commission has no private plated vehicles in its possession as at 1 March 1991 and 1992.

101. **The Hon. R.I. LUCAS** asked the Minister for the Arts and Cultural Heritage:

1. What is the total number of vehicles with private plates attached to the Minister of Environment and Planning, Water Resources and Lands departments as of 1 March 1992?

2. What was the corresponding number of vehicles with private plates as at 1 March 1991?

3. What is the classification of each officer, with access to a car with a private plate and what is the reason for the provision?

The Hon. ANNE LEVY: The replies are as follows:

Department of Environment and Planning

1. Six.

2. Seven.

3. 1 Acting Director-General
Four EL-2
One Acting EL-2.

Private plated vehicles are provided to the above officers as it is part of their condition of engagement.

Engineering and Water Supply Department

1. Ten.

2. Nine.

3. One Chief Executive
One EL-3+
Four EL-3
Four EL-2.

In accordance with the guidelines for provision of a motor vehicle to executive officers, level 2 and level 3 officers are entitled to be allocated a privately registered vehicle.

Department of Lands

1. Six.

2. Six.

3. 1 X Chief Executive
Five EL-2.

Vehicles are provided under salary package in accordance with Government approved policy.

102. **The Hon. R.I. LUCAS** asked the Minister for the Arts and Cultural Heritage:

1. What is the total number of vehicles with private plates attached to the Minister of Employment, Further Education, Youth Affairs and Aboriginal Affairs departments as of 1 March 1992?

2. What was the corresponding number of vehicles with private plates as at 1 March 1991?

3. What is the classification of each officer with access to a car with a private plate and what is the reason for the provision?

The Hon. ANNE LEVY: The replies are as follows:

Department of Employment and TAFE

1. Nine.

2. Nine.

3. 1 March 1991—Privately Plated Government Vehicles

Position	Classification
Chief Executive Officer	
Deputy Chief Executive Officer	EL-3
Director (Administration and Finance)	EL-2
Director (Employment and Training Division)	EL-2
Director (Planning and Systems)	EL-2
Director (Curriculum Services)	EL-2
SAtech officers* (3)	

1 March 1992—Privately Plated Government Vehicles

Position	Classification
Chief Executive Officer	
Acting Deputy Chief Executive Officer	EL-3
Director (Employment and Training Division)	EL-2
Director (Planning and Systems)	EL-2
Director (Curriculum Services)	EL-2
SAtech officers* (4)	

The Commissioner for Public Employment has determined that all Government employees in positions approved as level 2 (EL-2) or level 3 (EL-3) have the right to a privately registered and number plated vehicle as part of their employment conditions. Cabinet has set charges for the provision of these private plated vehicles which are met by the employee.

*SAtech is the commercial arm of the Department of Employment and TAFE which promotes curriculum design, training programs, educational media and consulting on a fee for service basis. The four private plated vehicles are provided to these SAtech officers as part of their employment contract when appointed by the Minister of Employment and Further Education. This number will be reduced to three at the end of March 1992.

*All costs associated with SAtech vehicles are covered from business enterprise funds.

Office of Tertiary Education

1. One.

2. One.

3. Chief Executive Officer. The reason for the provision is a contract of employment.

State Aboriginal Affairs

1. One.

2. One.

3. EL-3. The vehicle is incorporated into the officer's salary package under terms and conditions determined by the Commissioner for Public Employment.

104. **The Hon. R.I. LUCAS** asked the Minister for the Arts and Cultural Heritage, Local Government Relations and State Services:

1. What is the total number of vehicles with private plates attached to the Minister's departments as of 1 March 1992?

2. What was the corresponding number of vehicles with private plates as at 1 March 1991?

3. What is the classification of each officer with access to a car with a private plate and what is the reason for the provision?

The Hon. ANNE LEVY: The replies are as follows:

1. and 2. Allocation of Private Plated Vehicles

Department	As at 1 March 1992	As at 1 March 1991
Arts and Cultural Heritage	5	6
State Services	4	4
Total	9	10

The number of private plated vehicles allocated to the Department for the Arts and Cultural Heritage was reduced by one vehicle in the 12 months ended 1 March 1992 following the

resignation of the Director, Local Government Services Bureau to whom a private plated vehicle was provided as part of an EL-2 salary package. State Fleet, a business unit of State Services, has private plated vehicles for lease to other agencies as part of their operations, however these vehicles are not included in the figures under State Services as they will be accounted for by the responses of the respective agencies.

3. Officers with Access to a Private Plated Vehicle

Department	Classification	Number of Officers	Reason for Provision
Arts and Cultural Heritage	EO-5	1	Salary package
	EL-2	2	Salary package
	EL-1 (plus allowance)	1	Salary package
	—	1	Chair, Libraries Board and Chair, Local Government Services Bureau Management Committee
State Services	EO-5	1	Salary package
	EL-2	3	Salary package
Total (as at 1 March 1992)		9	

105. The **Hon. R.I. LUCAS** asked the Minister of Tourism:

1. What is the total number of vehicles with private plates attached to the Minister of Industry, Trade and Technology, Agriculture, Fisheries and Ethnic Affairs departments as of 1 March 1992?

2. What was the corresponding number of vehicles with private plates as at 1 March 1991?

3. What is the classification of each officer with access to a car with a private plate and what is the reason for the provision?

The Hon. BARBARA WIESE: The replies are as follows:

Department of Industry, Trade and Technology

1. Four.
2. Five.
3. The motor vehicles are allocated to the Director, one EL-3, two EL-2.

Technology Development Corporation

1. One.
2. One.
3. The motor vehicle is allocated to the Chief Executive Officer as an element of his employment contract.

Department of Agriculture

1. Seventeen.
2. Ten.
3. Five of the motor vehicles are allocated to officers at executive level of classification as per Cabinet approval. The details are as follows:

Chief Executive Officer: The Department of Agriculture has one permanent long-term hire vehicle with private plates allocated to the Chief Executive Officer.

Senior Officers: The Department of Agriculture has four officers at EL-2/EL-3 level using personally allocated long-term hire vehicles with private plates.

Ten are for rural counsellors which have obtained Cabinet approval for the hiring of private plated vehicles. The Rural Counselling Program was established by the Commonwealth Government in 1986 to provide financial counselling to farmers and their families in financial difficulties.

Fifty per cent of each service's funding is provided by way of a grant from the Commonwealth Government while the South Australian Rural Counselling Trust Fund attempts to provide approximately a quarter of the funds with the services raising the remainder (in cash and in kind) from their local communities.

There are 10 rural counselling services operating in South Australia—three on Eyre Peninsula and one each in the Riverland, Murray-Mallee, Lower North, Mid and Upper North, Kangaroo Island, South-East and Yorke Peninsula. The South-East Rural Counselling Service Inc. employs two part-time rural counsellors while the Eastern Eyre Rural Counselling Service Inc. and the Riverland Rural Counselling Service Inc. both have two full-time counsellors.

The primary role of the rural counsellors employed by the rural counselling services is to counsel rural families experiencing financial difficulties, social and family problems and to examine options for financial management, including adjustment out of the industry and survival during periods of low or nil income.

It is considered that the use of these private plated vehicles protects their clients from embarrassment from friends and neighbours.

There is no cost to the Government as the rural counselling services pay the rates (set on a cost recovery basis) for the long-term hire of vehicles. It should be noted that the Rural Counselling Services are autonomous bodies and are independent from the Department of Agriculture or State Government.

Department of Fisheries

1. Six.
2. Six.
3. Chief Executive Officer—One.

Surveillance Purposes:

MAS1—One vehicle
OPS5—Two vehicles
OPS4—One vehicle
OPS3—One vehicle

Office of Multicultural and Ethnic Affairs

1. Two.
2. Two.
3. Chief Executive Officer, Office of Multicultural and Ethnic Affairs; Chairman, South Australian Multicultural and Ethnic Affairs Commission.

All vehicles with private plates are on lease from State Fleet.

PAPERS TABLED

The following papers were laid on the table:

By the Attorney-General (Hon. C.J. Sumner)—

Local and District Criminal Courts Act 1926—Local Court Rules.

By the Minister of Tourism (Hon. Barbara Wiese)—

Drugs Act 1908;
Fisheries Act 1982;
Occupational Therapists Act 1974;
Australian Health Commission Act 1976.

By the Minister for the Arts and Cultural Heritage (Hon. Anne Levy)—

Geographical Names Board—Report, 1990-91;
Teachers Registration Board of South Australia—Report, 1990-91;
Metropolitan Taxi Cab Act 1956—Applications to Lease.

MINISTERIAL STATEMENT: GAMING MACHINES

The Hon. BARBARA WIESE (Minister of Tourism): I seek leave to make a statement on allegations of impropriety.

Leave granted.

The Hon. BARBARA WIESE: Last Thursday I made a statement to Parliament totally rejecting slurs cast upon my reputation in relation to the introduction of the gaming machines legislation. It has been suggested that sums of money have come to me through the companies of my partner Mr Jim Stitt and as part of his involvement with the Hotel and Hospitality Industry Association, and that he has influenced me in relation to the legislation.

There is no substance to these imputations but battling them has been like boxing with shadows because the Opposition, which claims to have material to substantiate the allegations, has refused to present it to me or to the Government.

What the ABC journalist and members of Parliament have done is piece together a ragbag of unrelated documents and information in a shabby attempt to discredit me and my partner and thwart the gaming machines legislation.

These allegations all hinge around a company called Nadine Pty Ltd which Mr Stitt and I originally set up to jointly own a unit in Perth and when we bought our house in Adelaide the company was used to purchase that property.

I have now had the opportunity to check relevant financial records in detail, have assembled documents and made

further inquiries. I believe the documents show that the allegations against me are without foundation.

I wish to make the following points:

1. That in the opinion of Nadine's accountant I have received no personal monetary benefit from loans made to Nadine Pty Ltd from Mr Stitt's involvement with the Hotel and Hospitality Industry Association.
   (In any event there is nothing improper in two people who live together permanently pooling financial resources.)
2. Mr Stitt was not involved in the preparation of legislation on gaming machines, and he was never present at any meetings with Government Ministers or officers who had responsibility in this area.
3. The Hotel and Hospitality Industry Association has made it clear in public statements in recent days that the role of their consultants, including Mr Stitt, on gaming machines has not been to lobby the Government but to provide advice to the association.
4. The Hotel and Hospitality Industry Association has stated also that no consultant employed by them will receive a success fee or bonus on the passing of the legislation or other matters.

I have studied the records of Nadine Pty Ltd, particularly those relating to the period from November 1990, the time at which Mr Stitt's consultancy with the Hotel and Hospitality Industry Association was approved. They show that since Mr Stitt began work for the Hotel and Hospitality Industry Association there have been only two payments by Mr Stitt's companies to Nadine Pty Ltd: one of $250 on 15 March 1991 and the other of $1 000 on 16 August 1991, a total of $1 250.

These payments were in the form of loans from Ausea Network Management Pty Ltd and International Business Development Public Relations Pty Ltd, respectively, to supplement Nadine's cash flow to meet mortgage repayments to the Town and Country Building Society in relation to the unit we own in Perth.

The Opposition has referred to a document suggesting that International Casino Services would work in association with one of Mr Stitt's companies, International Business Development Pty Ltd, in assisting in the preparation of gaming machine legislation and the provision of political advice where necessary.

I made it clear on Thursday that this related to Victoria and not South Australia. I now have documentation from both International Casino Services and the Victorian Government confirming this.

Furthermore, the Hotel and Hospitality Industry Association has advised in writing that it has no knowledge of the document quoted in Parliament. I believe this material refutes any allegations of financial impropriety. However, I have asked the Attorney-General to review the documents and financial records.

The Hon. K.T. Griffin: That is not independent, is it?

The Hon. BARBARA WIESE: Are you suggesting that the Attorney-General is not independent? Are you suggesting that the honourable Attorney-General cannot be trusted by this Parliament?

Members interjecting:

The PRESIDENT: Order! The Council will come to order. The honourable Minister.

The Hon. BARBARA WIESE: I would now like to address the issue of my participation in discussions in Cabinet on the proposed gaming legislation. I indicated on Thursday that I believed Mr Stitt's involvement with the Hotel and Hospitality Industry Association was well known among my Cabinet colleagues. I have since learned that this was not so in all cases and, accordingly, with the benefit of hindsight I believe I should have formally disclosed his involvement to Cabinet.

The Hon. L.H. Davis: You should have done that, anyway. It is extraordinary that you did not.

The PRESIDENT: Order!

The Hon. BARBARA WIESE: However, I stress that in this instance no damage has been done.

Members interjecting:

The PRESIDENT: Order!

The Hon. BARBARA WIESE: Cabinet was not considering the—

The Hon. R.I. Lucas: Have you lost your way?

The Hon. BARBARA WIESE: There is actually a mistake here, but I'll have to work out what it is meant to say.

The Hon. R.I. Lucas: There are a few mistakes in this.

The Hon. BARBARA WIESE: Well, there aren't actually.

Members interjecting:

The Hon. R.I. Lucas: What a debacle.

The Hon. BARBARA WIESE: It is not a debacle at all. Cabinet was not considering this matter in the usual way that one would—

Members interjecting:

The PRESIDENT: Order!

Members interjecting:

The Hon. BARBARA WIESE: Well, that is not what I intended it to say, and I am sorry, Sir, but I did not have an opportunity to look at this statement before I delivered it.

Members interjecting:

The PRESIDENT: Order! The Council will come to order.

The Hon. L.H. Davis interjecting:

The PRESIDENT: Order!

The Hon. BARBARA WIESE: The fact is that this Bill was not a Government Bill in the usual sense of the word.

Members interjecting:

The PRESIDENT: Order!

The Hon. BARBARA WIESE: This is the point that has obviously not been transposed correctly in the word processing that has taken place. The point is that this Bill, as I have already indicated in previous statements, was not being considered in the usual way. It is not a Government Bill; it is a Bill being introduced by the Minister of Finance, and all members of Parliament have a conscience vote on the matter.

The Hon. L.H. Davis interjecting:

The PRESIDENT: Order! The honourable Minister.

The Hon. BARBARA WIESE: In any event, the views of individual members of Cabinet are immaterial to the outcome of the Bill.

The Hon. R.I. Lucas interjecting:

The PRESIDENT: Order!

Members interjecting:

The PRESIDENT: Order! Are you listening, or do you not want to listen?

The Hon. R.I. Lucas: Is this a ministerial statement or isn't it?

The Hon. BARBARA WIESE: The ministerial statement will be on the record: what I have said, which will be recorded by *Hansard*, is the ministerial statement. In any event, the views of individual members of Cabinet are immaterial to the outcome of the Bill, since each member of Parliament will vote according to their conscience and have equal influence over the legislation. I can have no more or less influence than any other member. Members are free to move amendments if we do not like the Bill as it stands. We are all free to lobby other members. In my own case, I have no intention of lobbying others and, as I

have previously indicated, my involvement thus far has been peripheral.

From the outset, the Minister of Finance has had carriage of this Bill and he has determined its content. This can be confirmed with him but I note that when I have made these points earlier they have not been taken up with the Minister of Finance. However, I invite people to do so. The allegations on this issue have been a beat-up of the worst kind. Mr Stitt's relationship with me has been a constant source of rumour and innuendo. This is the latest of a number of such false allegations that have been circulating in the community, stirred by people with their own vested interests. Lamentably, last Thursday and in a public statement yesterday—

Members interjecting:

The PRESIDENT: Order! The Council will come to order. The honourable Minister.

The Hon. BARBARA WIESE: —I understand the Hon. Mr Elliott regurgitated yet another such story currently circulating among environmental organisations, namely that Mr Stitt is deriving income from the proposed Tandanya development on Kangaroo Island. This is not true. Mr Stitt's involvement with this project ceased in January 1990, more than 12 months before the original proponents sold the development. It is also untrue that Mr Stitt was responsible for introducing the current owners to the previous owners.

Destructive rumour mongering in Adelaide is becoming an art form. Perhaps this has always been so, but what is worse is the willingness of the Liberals and Democrats to give credence to the most unlikely and outrageous allegations by raising them in this place without attempting to verify their accuracy. The damage of these cowardly attacks for politically expedient purposes reaches far beyond Parliament. It impacts on the broader community, damages individuals and their businesses—

Members interjecting:

The PRESIDENT: Order!

The Hon. BARBARA WIESE: —and devalues the parliamentary system. I want to stress that I resent in the strongest possible terms this latest slur on my reputation in the media and in both Houses of Parliament.

MINISTERIAL STATEMENT: NATIONAL CRIME AUTHORITY FINAL REPORT

The Hon. C.J. SUMNER (Attorney-General): I seek leave to make a statement on the subject of the final report of the National Crime Authority.

Leave granted.

The Hon. C.J. SUMNER: This ministerial statement deals with the final report of the National Crime Authority (the NCA) and covers its operations in South Australia pursuant to South Australian reference No. 2. I will also report to Parliament on the investigation of corruption allegations ventilated in 1988, whether those investigations have been undertaken by the NCA or by the South Australian Police (SAPOL), and in particular the Anti-Corruption Branch (the ACB). I will also report to the Parliament on the comprehensive anti-corruption initiatives already undertaken by the South Australian Government and on other important measures to be introduced in the near future.

Final report of NCA on South Australian Operations

I seek leave to table the following documents:

Leave granted.

1. Final Report of National Crime Authority (January 1992).

2. National Crime Authority Summary of Charges and Convictions under South Australian reference No. 2.

3. SAPOL report on activities of Anti-Corruption Branch (13 March 1992).

4. SAPOL report on Operation Abalone.

5. Report of Committee of Review on the operation of the South Australian Listening Devices Act 1972-1989.

Leave granted.

The Hon. C.J. SUMNER: As members will observe, the final report contains three chapters. Chapter 1 deals with the background to the NCA's operations in South Australia and the establishment of the Adelaide office. Chapter 2 deals with the conduct of investigations, and provides an overview of the conduct and results of the NCA's investigations, including the 56 names appended to the reference, as well as a summary of major and significant investigations, and other statistical information. Chapter 3 contains the NCA's findings in relation to blackmail, police corruption, police involvement in illegal drug activity and the activities of Barry Moyse, and also contains its recommendations in relation to the law and administrative reform.

The final report contains two appendices: appendix A contains the text of the public sitting of the NCA held in Adelaide on 16 February 1989 and appendix B contains a table of investigations conducted under South Australian reference No. 2. Investigations under South Australian reference No. 2 were assigned the code name Operation Medusa by the NCA. It should be noted that the NCA has advised that in appendix B to the report all names, other than those where individuals have been convicted of criminal offences, have been deleted. Although the NCA has furnished to the Government a copy of the table with names included, the authority has formally advised in its letter of transmission dated 16 January 1992 that 'it is the authority's opinion that the table with names included should not be made public'.

While I will deal with each part of the final report in turn and, in particular, with the Government's response to the NCAs recommendations, the most critical findings of the NCA are as follows:

Blackmail of Senior Public Officials

The final report reconfirms the NCA's Operation Hydra report (tabled in Parliament on 5 March 1991) which concluded after comprehensive investigation that no satisfactory evidence existed that senior public officials (politicians included) are reluctant to tackle the issue of public corruption because they are being blackmailed by brothel keepers involved in the drug trade.

Police Corruption

The final report of the NCA states (paragraph 3.6 at page 28):

> During the course of its investigations into the specific matters set out in the reference, bearing in mind that this reference was not an investigation at large into police corruption in South Australia, the authority has found no evidence of organised police corruption, as opposed to isolated instances of improper behaviour on the part of police officers acting either individually or in concert with other persons.

The report states that after extensive investigations no criminal charges have been recommended against any of the nominated police officers (that is, of the 29 named serving or former police officers listed in the annexure to South Australian reference No. 2) and that, in the vast majority of instances, the authority has recommended that no further investigations are warranted. Paragraph 3.8 of the final report states:

> In a number of instances, a lack of appropriate procedures or guidelines has meant that police officers have been left open to allegations of corruption and impropriety. Areas of concern have included adjudications, prosecutions, exhibits, records, and the

handling of informants. The NCA is pleased to note, however, that these former deficiencies have now been rectified. The operation of SAPOL is discussed further in the recommendations section of this report.

Police Involvement in Illegal Drug Activity

Paragraph 3.9 of the final report states:

A number of investigations conducted by the NCA under the reference concerned allegations of police involvement in the cultivation, supply and distribution of illegal drugs. Again bearing in mind that this reference was not an investigation at large into police involvement in such activity in South Australia, the NCA has found no evidence to support criminal charges in respect of such allegations.

Activities of Barry Moyse

Paragraph 3.10 of the final report states:

The NCA investigated a number of allegations, the gist of which were that Barry Malcolm Moyse was acting with other police officers in his criminal enterprise and that other named police officers 'took over' his criminal enterprise after he was arrested. The NCA found no evidence to support either of these allegations.

Turning again to the text of the final report, chapter 1 deals with the background of the NCA's operations in South Australia. It is important to recall that the NCA has conducted operations in South Australia since early 1987, pursuant to Commonwealth reference No. 7 and the parallel South Australian reference No. 1 (issued on 30 May 1986) and that those investigations led among other things to the arrest, charging and conviction of Detective Chief Inspector Barry Moyse, who was the officer-in-charge of the SAPOL Drug Squad (paragraphs 1.4 and 1.5 of the final report).

As a result of these inquiries the NCA produced on 28 July 1988 an interim report on South Australian reference No. 1. Chapter 12 of the report, entitled 'Conclusions and Recommendations', was tabled in Parliament on 16 August 1988. This report recommended that allegations received in the course of investigations be referred to SAPOL for investigation as part of a revised anti-corruption program (paragraph 1.7 of the final report).

In the event, the South Australian Government approached the NCA requesting the establishment of an office in South Australia for the purpose of investigating the unresolved matters reported upon by the NCA in its interim report of July 1988 (paragraph 1.8 of the final report) and other corruption allegations made in 1988. The basis of the South Australian Government's request to the NCA was founded upon the requirement that the reference would enable the investigation of not only outstanding matters from the Interim Report but allegations arising from the Masters' *Page One* television program of 6 October 1988, the Wordley/Bottom allegations (*Sunday Mail*, 8 May 1988), allegations in Parliament, including those by the Hon. Ian Gilfillan MLC on 5 October 1988 and at other times, and finally the so-called 'Mr X' Octapodellis tapes. The background to these matters is fully set out in my ministerial statement to Parliament on 5 April 1990, and see also the press release of the Deputy Premier, Dr Hopgood, dated 24 November 1988, which states, in part:

The South Australian reference approved today by the intergovernmental committee will enable investigations of allegations of serious criminal conduct and corruption of public officials, including police. The reference will enable investigations of among other things outstanding matters arising from the NCA's interim report dated 29 July 1988 and allegations arising from the Masters report, the Mr 'X' transcripts and allegations in Parliament.

The reference was formally issued by the then Minister of Emergency Services, Dr Hopgood, on 24 November 1988. Chapter 1 then deals (paragraphs 1.12 to 1.14) with the establishment of the Adelaide office of the NCA as from 1 January 1989, with Mr Mark Le Grand being appointed as the first 'additional member' to head the new Adelaide office, and it concludes with reference to the first public sitting of the authority held in Adelaide on 16 February 1989, chaired by the then Chairman of the NCA, Mr Justice Stewart.

Pausing at this point, I remind members of Mr Le Grand's observation at the first public sitting when he stated:

The authority, as I see it, has a two-fold function in respect of the allegations which have been made in Parliament and in the media. The first is to clear the names and reputations of innocent persons and, if possible, to lay the ghosts to rest once and for all. Secondly, if sufficient admissible evidence is available, to place persons involved in criminal conduct before the courts by the submission of a brief or briefs of evidence to the prosecuting authorities to be dealt with according to law.

I stress to members the importance of Mr Le Grand's remarks as to the function of the authority, as a matter of public interest, in clearing the names and reputations of innocent persons, a function already substantially undertaken and discharged by the NCA's Hydra report. The report notes that Mr Le Grand's appointment concluded on 31 December 1989, and he was replaced by the late Mr G. Dempsey. Mr Dempsey took sick leave because of ill-health in late 1990, and Mr G.J.T. Cusack QC (the Sydney-based member of the authority) undertook responsibility for the Adelaide office and for South Australian reference No. 2. The completion of the inquiries under the reference has been the responsibility of Mr Cusack QC.

Chapter 2 of the final report describes the conduct and results of the NCA investigations pursuant to South Australian reference No. 2. Before turning to the detail of these matters, it is important, in order to understand the framework and structure of the NCA's operation in South Australia, to note the following statement in paragraph 2.2 of the report:

The issue of official corruption, including corruption of or by police officers, has been central to the investigations of the NCA in South Australia pursuant to the reference. While other criminal activities, illegal gambling, extortion and prostitution; the cultivation, manufacture, preparation or supply of drugs of addiction, prohibited drugs or other narcotic substances; and murder and attempted murder, were mentioned in the reference, by and large these activities have been investigated only to the extent that they might be incidental to an investigation of alleged corruption.

Paragraph 2.1 points out that the NCA has already reported on three of its major investigations which have been made public, viz. Operation Ark, Operation Hound and Operation Hydra. The first of these reports, Operation Ark, was released publicly by me on 25 January 1990 and the recommendations of the so-called 'Stewart' Ark document on 30 January 1990 (see my ministerial statement, *Hansard* 8 February 1990). Both the Operation Ark report and the recommendations of the Stewart documents were tabled in Parliament on 5 April 1990. I do not propose to revisit the controversy which was unfortunately generated between then members and former members of the NCA on this issue. Suffice to say that the Commissioner of Police immediately introduced administrative reforms to give effect to the NCA recommendations. I remind members of the central finding of the authority (paragraph 15 of the report) which stated:

... The authority therefore finds that there was no dishonesty or corruption in the failure of senior officers of SAPOL to inform the NCA or the Commissioner of the South Australian Police of the Operation Noah allegations.

This finding was common to the two documents.

The second major NCA report which has been released by the South Australian Government was Operation Hound: the authority's report into Operation Hound was tabled and a ministerial statement given by me in Parliament on 12 February 1991. The final report (paragraph 2.23) summarises the central findings of the Hound report as follows:

The NCA made the following findings in relation to those matters which had been identified as requiring determination:

- The authority found no evidence that withdrawals occurred on a regular basis by agreement between any persons and

reached the view that there were deficiencies in the prosecution process which were exploited by isolated groups of people, such as Baskeville and his colleagues. The evidence before the NCA did not indicate widespread corruption.

- There was no evidence that senior officers were engaging in the improper withdrawal of TINs for themselves or others.
- There was no conduct on the part of the Crown Prosecutor, Mr Rofe QC, which impeded or was calculated to impede the conduct of the investigation.
- In the course of the operation, extensive evidence was heard by the authority concerning deficiencies in the prosecution process. These matters and the authority's recommendations in relation to them, are discussed in chapter 3 of this report.

The third major NCA report previously released by the South Australian Government was Operation Hydra. The NCA's report into Operation Hydra was tabled in Parliament on 5 March 1991: I refer members to the Premier's ministerial statement (*Hansard*, House of Assembly, 5 March 1991). The NCA's final report (paragraphs 2.37 to 2.48) summarises the most important findings of Operation Hydra. Again, there were no findings of blackmail or corruption involving public officials including politicians and police officers, and in particular allegations made in the media and Parliament relating to me were refuted by the NCA.

Chapter 2 of the final report also reports on three further significant investigations—Operation Fleece, Operation Cache and allegations concerning former Commissioner Giles. In relation to Operation Fleece (where names are not used because of pending court proceedings) the final report states the operation is:

> ... in many ways representative of the type of investigations conducted under the reference. It involved allegations of cannabis cultivation and associated police corruption and, despite extensive inquiries, including the use of electronic surveillance and the NCA's coercive powers, the NCA was unable to substantiate the corruption allegations. The operation did, however, lead to the conviction of several persons on drug related charges.

After these extensive inquiries the NCA concluded it:

> ... was unable to obtain any corroboration for Pluto's allegations from any other source. All possible avenues of inquiry have now been pursued by the NCA, and Pluto has refused to cooperate further with NCA investigators. Unless any further information comes to hand, each and every allegation of corrupt berhaviour remains unsubstantiated.

Chapter 2 of the final report also briefly reports on Operation Cache, which centred upon investigations into allegations of corruption in relation to the operations of the South Australian Housing Trust, particularly in relation to Port Pirie. The NCA's investigation revealed systems of corruption in place within the South Australian Housing Trust, and resulted in five persons being charged in October 1989 with fraud, larceny and false pretences offences. Three of the persons have been convicted, two of them having pleaded guilty.

Chapter 2 of the final report also deals with allegations of an improper association between a certain vice operator and the former SAPOL Deputy Commissioner (as he was at the time) J.B. Giles. Some of the allegations were dealt with in Operation Hydra (see chapters 2 and 4 of the Hydra report), but the final report deals with the NCA's investigation of the allegation that the vice operator's telephone call to Giles in the early hours of the morning of 5 February 1982, while Vice Squad members were conducting a raid on the brothel operated by the vice operator and the subsequent return of various audio and computer tapes to him, suggested corruption or impropriety on the part of Giles.

The final report (paragraph 2.106 at pages 23 and 24) provides the following analysis of the facts established by the investigation:

> The vice operator provided information to SAPOL officers and had spoken to Giles on a limited number of occasions.
>
> During the police raid on the vice operator's brothel, the vice operator and the officer who led the raid both spoke with Giles by telephone at his home address, however, it remains unclear who actually telephoned Giles.
>
> Giles private home telephone number was listed in the telephone directory [white pages] at the relevant point in time.
>
> As a result of the telephone conversation between Giles and the officer leading the raid on the brothel, agreement between them was reached which resulted in the seizing and sealing of the audio tapes, computer disks and other items. Under instruction from Giles, this property was subsequently examined by another senior SAPOL officer.
>
> Giles did not become personally involved in the investigation. The returning of the seized property to the vice operator did not result in the loss of any evidence against the vice operator in relation to the offences with which he was charged.

The final report concludes that there is no evidence that former Deputy Commissioner Giles acted in any way improperly. In particular, the report states (paragraph 2.108 at page 24) that the NCA, after a comprehensive investigation of the circumstances (including an examination of the tapes which were again seized by the NCA in 1989), found no evidence of impropriety on the part of Giles and no evidence that his association with the vice operator was improper. It should be noted that the implication of corrupt or improper behaviour was made by a reporter, Jayne Anderson, on the ABC *7.30 Report* on 11 and 12 December 1989. It is pleasing to note that the NCA has found these allegations to be completely unfounded, a result which I am sure was anticipated by all (inside and outside SAPOL) who know of Mr Giles' reputation and service to the South Australian Police Department and community.

Other investigations

The final report (paragraph 2.112 at page 24) states that a total of 46 matters (which encompass the 56 names) were examined under the reference, including the six matters (Operations Ark, Hound, Hydra, Fleece, Cache and allegations concerning former Commissioner Giles) which were specifically reported on in chapter 2 of the final report and which have been detailed above.

I inform the Parliament that the NCA has furnished three confidential interim reports on Operation Medusa to the South Australian Government pursuant to section 59 (2) of the NCA Act 1984 (Commonwealth). The first report was furnished on 24 May 1991 and dealt with 24 of the 56 persons nominated in a list attached to South Australian Reference No. 2. The second report was furnished on 19 June 1991, and dealt with a further 16 of the nominated persons, and the third report was furnished on 23 December 1991 dealing with the balance of the nominated persons.

The NCA final report states (paragraph 2.1) that:

> ... many of the allegations investigated by the NCA have been found to be unsubstantiated. These investigations have been the subject of confidential reports to Government pursuant to section 59 (2) of the Act. It would be unfair, indeed impermissible under section 59 (5) of the Commonwealth Act, to disclose in this report any matter which could prejudice the safety or reputation of persons named in these confidential reports.

As is made clear from the passage quoted above from the NCA's final report (paragraph 2.1, and see also paragraph 2.112), it is not possible to table the confidential interim reports on Operation Medusa.

However, the NCA has provided, in Appendix B to the final report, a table which provides a brief synopsis of the remaining 40 matters and outcomes. As the final report points out (paragraph 2.114 and also paragraph 2.1 and paragraph 2.112), the majority of the allegations have been found to be unsubstantiated. The NCA has therefore, in Appendix B, taken steps to conceal the identity of those who were the subject of investigation and this has necessarily resulted in the provision of only relatively brief details in the appendix.

Members will note that Appendix B to the NCA's final report contains summaries of the following code-named

operations, a number of which were reported on in my statement to Parliament on 5 April 1990: I have cross-referenced these operations to the corresponding operations identified by letters of the alphabet in my earlier statement. I seek leave to have that table inserted in *Hansard* without my reading it. It is of a statistical nature.

Leave granted.

NCA Final Report		Attorney-General's Ministerial Statement 5 April 1990
Operation		
1	Meatra Operation	I
2	Tower	M
3	Colours	C
4	Drover	D
5	Blacksheep	A
6	Thursday	N
7	Mill	J
8	Pines	K
14	Icarus	H
15	Lance	—
24	Terrier	L
37	Delilah	O

The Hon. C.J. SUMNER: I also advise members, for the sake of completeness, that the code-named operation already reported in detail in this report (Cache, Fleece, Hound and Hydra) were identified in my earlier statement as follows, and I seek leave to have that material inserted in *Hansard* without my reading it.

Leave granted.

Attorney-General's Ministerial Statement 5 April 1990	Operation Code name
B	Cache
E	Fleece
F	Hound
G	Hydra

The Hon. C.J. SUMNER: Members will note that in the course of Operation Medusa the NCA disseminated material to SAPOL in respect of a number of operations reported upon. The disseminated material was directed by the Commissioner of Police to the ACB for analysis, and further action as required. In addition, the South Australian Government has referred to the Commissioner of Police the confidential interim reports provided by the NCA to the Government and those reports have of course been made available to the ACB for assessment and further action if required.

Accordingly, before turning to the recommendations contained in the final report of the NCA, I wish to provide Parliament with further information as to coordinate State investigations (that is, non-NCA investigations) undertaken by SAPOL and, in particular, the ACB in respect of the 1988 corruption allegations, which precipitated the establishment of the NCA office in Adelaide in January 1989.

I have already tabled the ACB Report by the Commissioner of Police covering the investigations undertaken by the ACB on allegations made in 1988, and on matters disseminated to the ACB by the NCA. The ACB Report deals with investigations by the ACB into: the 1988 Mr X tapes; the 'Gilfillan' allegations; the Masters tapes; matters disseminated by the NCA to the ACB; and other matters.

As to the investigation of the 1988 Mr X tapes, the ACB Report states that drug-related allegations made by Octapodellis to Wordley were assessed in Operation Exposé. Many of the suspects had already been apprehended or were currently in gaol in relation to the specific allegations made by Wordley. Charges for drug-related matters arising from allegations investigated under Operation Exposé were laid against 21 persons, and the details of offenders charged and results are detailed in Appendix A in the report I have tabled.

Two suspects, Green and Stamoulos, were apprehended as a direct result of information supplied by Wordley. The remaining offenders were not specifically identified by Wordley but were apprehended by police investigators pursuing various lines of inquiry with associates of the nominated suspects. In relation to non-drug issues some were factual but historical and related to the late 1970s and early 1980s. However, most were vague and too general for any specific line of inquiry to be commenced.

As to the 'Gilfillan' allegations, the ACB report states that the Hon. Mr Gilfillan MLC was given the opportunity to provide additional information, but was unable to give to the NCA specific evidence to assist in many cases. The ACB report details a number of investigations undertaken by the ACB into the allegations by the Hon. Mr Gilfillan, but in no instance, other than in respect of Operation Abalone which I will deal with separately, were any charges laid, and in most cases there was no evidence to support or substantiate allegations. In particular, there was no evidence to substantiate allegations of police or public sector corruption in the matter raised by the Hon. Mr Gilfillan, including in Operation Abalone.

As to the 'Masters' tapes the ACB Report states that Mr Chris Masters appeared before a hearing of the NCA but '... was unable to provide any evidence of substance for most allegations'. The report states that most of the allegations raised by Masters have been addressed by the NCA in the Medusa and Hydra reports.

The ACB report also details the investigations and follow-up activities and operations of the ACB as to the following operations referred by the NCA to the ACB, which I have cross-referenced to the operation numbers listed in Appendix B to the Final Report of the NCA, which I have earlier tabled. I seek leave to have that inserted in *Hansard* without by reading it.

Leave granted.

Operation	
Colours	(Operation 1)
Pines	(Operation 8)
Blacksheep	(Operation 5)
Mill	(Operation 7)
Tower	(Operation 2)
Terrier	(Operation 24)

The Hon. C.J. SUMNER: Finally, the ACB report deals with investigations entitled Operation Drover (which was disseminated from the NCA—see Operation 4 of appendix B to the NCA Final Report) and Operation Jones.

I have also tabled a further detailed SAPOL report, entitled Operation Abalone. The investigation by the ACB entitled Operation Abalone arose out of allegations by Dick Wordley in two articles (entitled 'The Crooked Coast') published in the *Advertiser* on 14 and 16 April 1990, which referred to earlier allegations of abalone poaching and associated criminal activities, which had been earlier investigated by a Special Police Investigation Team between 25 November 1988 and 19 April 1989.

The two newspaper articles included new allegations obtained from West Coast residents, and further information was obtained from a Ceduna resident alleging corrupt practices by police and fisheries officers. The ACB has in Operation Abalone reinvestigated all earlier investigations as well as all 'new' allegations. Although abalone poaching continues to represent a law enforcement problem, the most important conclusion from the Operation Abalone report is that the investigation did not identify any corruption by

police or fisheries officers. While some issues raised were true, a considerable amount of the information was based upon hearsay, rumour and speculation and obtained—in some cases—from discredited 'witnesses'.

Recommendations by National Crime Authority in Final Report

I now deal with the various recommendations made by the NCA both in its Final Report and in earlier reports, and I detail the Government's response in relation to all recommendations.

Establishment of a Police Board (Paragraphs 3.44 to 3.50 of Final Report)

The NCA recommends (paragraph 3.45) that the South Australian Government give consideration to the establishment of a Police Board whose specific functions might include:

- Selection of members of senior rank.
- Formulating plans for the development of comprehensive, balanced and coordinated police service.
- Making recommendations to the Minister on police matters, such as training, personnel practices, financial management and planning and property management.
- Initiating research into new police methods and other research related to law enforcement.
- Providing advice on matters referred by the Minister.

I inform the Council that the South Australian Government has agreed that the proposal for a Police Board be examined further by a ministerial committee, comprising the Attorney-General, the Minister of Emergency Services and the Minister of Labour, and research work has already commenced to examine the benefits, or otherwise, of the New South Wales Police Board model, as well as relevant police organisation structures and models from other overseas jurisdictions. I expect that the Government will be able to analyse and determine its views on this matter quite quickly.

Introduction of Contract Policing (Paragraphs 3.51 to 3.55 of the Final Report)

The NCA recommends that the South Australian Government and the Police Commissioner give serious consideration to the introduction of a system of contract policing along the lines introduced by the Australian Federal Police (AFP).

The AFP Amendment Act abolished tenure and replaced it with a fixed-term appointment system for all police members and staff members of the Australian Federal Police: the NCA Final Report notes that the system enables police and staff members to leave the Australian Federal Police, and enables the Commissioner not to reappoint members who are not performing to the required level.

I advise that the Government has agreed that the proposal for contract policing be examined by a Heads of Agencies Committee comprising the Commissioner of Police, the Commissioner for Public Employment and the Chief Executive Officer of the Attorney-General's Department, and that that committee reports to Government by 30 June 1992.

Informers (Paragraphs 3.56 to 3.59 of the Final Report)

The NCA is of the view that it is inappropriate for senior police officers to deal with informers and recommends that Police General Orders be amended to prohibit officers of or above the rank of Inspector from dealing with informers. I advise that the Commissioner of Police accepts that the principle of prohibiting senior officers from dealing with informers is sound, and that he is implementing amendments to the existing General Orders as recommended by the NCA's Final Report.

Associations with Criminals (Paragraphs 3.60 and 3.61 of the Final Report)

The NCA's Final Report recommends that, if police officers form an association with known criminal offenders, they be required to inform the ACB and their superior officer of that relationship. I inform Parliament that the Commissioner of Police has advised that existing guidelines to police officers regulating association with criminal offenders should be further developed, and that he is conducting a review to include further specific instructions in Police General Orders as recommended by the NCA.

Resourcing of Anti-Corruption Branch (ACB) (Paragraphs 3.42 and 3.43 of the Final Report)

The NCA Final Report commends the ACB for its commitment to the eradication of corruption, and notes that recent investigations under the ACB's Operation Hygiene have demonstrated this commitment. The NCA has accordingly recommended:

> . . . that the ACB continue to be resourced to a level sufficient to enable it to take a proactive approach to allegations of corruption. This will enable the ACB not only to react to complaints or allegations of corruption, but to take steps actively to target and investigate possible areas of corruption, and to undertake corruption prevention activities.

I advise that Cabinet has agreed that the question of resources for the ACB be referred to the 1992-93 budget process for consideration. There is no doubt that, following the withdrawal of the NCA (after 30 June 1991) from anti-corruption activities in South Australia, the single most critical factor in anti-corruption measures for the future is the ACB, which as members are aware was administratively established under directions by the Governor to the Commissioner of Police pursuant to the Police Act, in March 1989. As stated above, the NCA has been particularly commendatory of the efforts of the ACB for its committed and vigorous approach in fighting and eradicating corruption and in pursuing allegations, as is specially demonstrated in its efforts in Operation Hygiene.

Recommendations in earlier National Crime Authority reports

The NCA Final Report summarises recommendations for law and administrative reform contained in previous NCA reports to the South Australian Government, and examines in some detail the actions taken by the South Australian Government to implement and give effect to those recommendations. The NCA Final Report notes:

- that the South Australian Government has implemented the recommendation in the NCA July 1988 Interim Report that an ACB be established;
- the actions taken by the Commissioner of Police to give effect to the recommendations contained in the Operation Ark report;
- the actions taken by SAPOL to rectify deficiencies in the police prosecution process as recommended by the NCA Operation Hound Report;
- the establishment of an Office of Director of Public Prosecutions by the Director of Public Prosecutions Act 1991 as recommended by the Operation Hydra report;
- the review of the operation of the laws of South Australia relating to prostitution carried out by Mr Matthew Goode as recommended by the Operation Hydra report. The issue of prostitution reform is of course currently before the Parliament in terms of debate on the Prostitution Bill.

The Final Report also notes the initiatives undertaken by the South Australian Government in relation to SAPOL, including:

- the existence of the Police Complaints Authority;

- the establishment of a permanent office of the NCA;
- the adoption of a code of ethics for police officers;
- the implementation of the Public Sector Fraud program.

I inform the Parliament that the only matter outstanding from earlier reports relates to the recommendation in the Operation Hydra report (paragraph 6.22) that the operation of the law relating to listening devices be reviewed.

A committee of review comprising the Crown Prosecutor, the Assistant Commissioner (Crime) and the Commander of the ACB has reported on the operation of the South Australian Listening Devices Act (1972-1989), a copy of which report I have already tabled. The committee has concluded that it is difficult to conceive of a way in which the prohibition might be made more effective by legislative change. The South Australian Act already goes further than comparative interstate legislation in that it prohibits both the possession of declared listening devices, as well as their use. The Listening Devices Act was substantially revamped in 1989, and provision was made in the 1989 amendments to provide for the safeguards of judicial warrants to authorise the use of listening devices. However, the committee has identified a technical difficulty in relation to the use of warrants granted under the Listening Devices Act:

> In the Committee's view, of greater concern are the shortcomings of the warrants granted under the Listening Devices Act. At present, warrants issued under the Act may authorise entry onto specific premises for the purpose of maintaining, installing or retrieving devices. In a practical sense, this causes difficulties for law enforcement agencies in situations where they are following a moving target, such as a drug dealer who is moving from motel to motel. With each move, a new warrant must be sought with the intended delay that that entails. The Commonwealth Customs Act 1901, as amended, provides in section 219 (5) *(b)* (ii) for warrants enabling entry onto any premises in which the target 'is, or is likely to be'. This is obviously a much more flexible form of warrant.

I advise that Cabinet has agreed that a Bill be drafted to amend the Listening Devices Act as recommended by the committee of review.

Other Anti-Corruption Initiatives by State Government

I advise that Cabinet has recently approved the preparation by Parliamentary Counsel of a whistleblowers protection Bill which will be publicly released as an exposure draft so as to focus public debate on the issue. The matter of whistleblower protection is receiving considerable attention in Australia at the present time, particularly following the Queensland Electoral and Administrative Review Commission Report in 1991, and the Government believes it is timely to gauge the views of the community on the topic. The Government anticipates introducing the legislation in the budget session.

Cabinet has also approved that there be developed a code of conduct for public sector employees, and work is advanced on the preparation of a code which will serve as a consolidated practical manual alerting public sector employees to their ethical and legal responsibilities in areas such as conflicts of interests, public comment and disclosure of information, privacy and confidentiality, the acceptance of gifts, etc.

Members will also be aware that the Government last year introduced the Statutes Amendment and Repeal (Public Offences) Bill 1991 which has completely revised and modernised the law relating to offences dealing with the duties of public officers, particularly with respect to offences of public corruption, including bribery, intimidation, extortion and abuse of public office. When this landmark legislation is enacted, South Australia will have the most streamlined 'public officials' offences legislation in Australia.

I also inform the Parliament that the South Australian Government expects soon to be giving consideration to a draft model witness protection Bill, which would have Australia-wide ramifications and which if implemented would involve complementary Commonwealth, State and Territory legislation. The Public Sector Fraud Policy was launched by me in September 1991. The major focus of this policy, which is an important and integral part of the Government's crime prevention strategy, is to ensure as far as possible, that major fraud in the public sector is avoided in South Australia. This policy is unique in that it takes a co-ordinated approach to fraud prevention and aims to give managers assessment and prevention skills linked to existing management practices. There are a set of procedures by which managers can identify areas where there is a risk of fraud and ensure there are controls put in place so that fraud cannot and does not occur.

To provide an overall role in the implementation of the public sector fraud policy, the State Government has established the Public Sector Fraud Co-ordinating Committee comprising representatives of the Auditor-General's Department, Treasury Department, Attorney-General's Department and the Commissioner of Police, who chairs the Committee. The role of the committee is to:

- conduct education and information sessions across the public sector;
- assist in the development of fraud control plans by individual agencies and review and monitor final plans;
- provide advice to me as Attorney-General on fraud matters.

Statistical Information and Costs

The cost to the taxpayer of NCA involvement in South Australia has been substantial: the total operating cost of the Adelaide office, excluding the salaries of SAPOL officers on secondment to 30 June 1991 (from 1 January 1989) was $8 million, with the total cost, including SAPOL salaries for the same period being $9.7 million. The operating costs for the ACB since its establishment in March 1989 have been over $1 million; in 1989-90 the costs were $452 014 and the costs in 1990-91 were $637 760. The NCA's inquiries in South Australia were extensive. Chapter 2 of the final report provides a statistical summary on all operations conducted under the reference, with details as follows:

> In the course of investigations conducted pursuant to the reference, over 4 000 files, containing approximately 150 000 pages, were created. NCA investigators interviewed 965 persons. A total of 16 Warrants were obtained pursuant to the Listensing Devices Act 1972 (SA) and four Warrants were obtained pursuant to the Telecommunications (Interception) Act 1979 (Commonwealth).
>
> Persons summonsed to give evidence at section 17 hearings convened by the Authority pursuant to the Reference totalled 199, resulting in the creation of 8 490 pages of transcript. As a perusal of the NCA's Annual Reports for 1988-89, 1989-90, and 1990-91 will show, hearings conducted pursuant to the Reference constituted a significant proportion of the NCA's national total. The total number of exhibits tendered during the hearing program was 705. Section 18 notices to produce documents were served on 66 persons or organisations, resulting in 622 documents being tendered.

Paragraph 2.119 summarises the charges for offences laid which are more fully detailed in the Survey of Charges made under South Australia Reference No. 2 which I have already tabled.

As a footnote and by way of illustration of the extent of the NCA investigations I remind members that in the course of Operation Hydra all persons interviewed and those summonsed to attend hearings in the course of Operation Hydra investigations were asked whether they had any direct or indirect knowledge of corruption within SAPOL—see paragraph 16 page 150 of Operation Hydra.

Conclusion

The allegations of police and public sector corruption in South Australia which have now been reported on were raised in 1988. Some were clearly politically motivated by the Olsen Liberal Opposition attempting to tar the South Australian Government with the corruption brush which had been so successful in New South Wales and by the Australian Democrats (Hon. Ian Gifillan) who used the allegations to pursue his own objective of an Independent Commission Against Corruption. Others emanated from the media and so-called investigative journalists. There was an unhealthy atmosphere of political and media hysteria built up over these issues in 1988. Media outlets developed a pack mentality to chase every story. There was very little critical analysis of the issues.

The reports I have tabled today make it clear that there has been an overreaction in this State to ill-founded rumours and often stale and ancient baseless information concerning public officials, members of Parliament and police officers, with time and again extensive inquiries revealing little substantive evidence or basis to the allegations.

That is not to say that there has not been some isolated corrupt or improper activity by individuals. It is also true to say that there must remain some doubts about the activities of some individual police officers in relation to some of the allegations, although in most cases these are of an historical nature. By way of example, in one case the authority believes that there is little doubt that a former police officer was involved to some extent with drug related criminal activity in the early 1980s. However, the authority has concluded that since 1985 there is no evidence to suggest that he has continued in these alleged criminal activities or remained an associate of criminals.

As a consequence, the authority has recommended that no further investigations into the former officer's activities be undertaken in relation to this matter. Again, in relation to a current serving officer, the authority concluded that, whilst there were allegations suggesting that the officer may have been involved in the past in criminal activity, the evidence was insufficient to prosecute him for any offence. In addition, there is no information to suggest that he is currently involved in any such activity. In relation to another current serving officer, the authority concluded that the age of the matter and the circumstances surrounding it meant that the prospect of a successful criminal prosecution is, at best, remote and, accordingly, that the material as it stands would not support a criminal prosecution.

However, the reports do establish that the vast majority of allegations which fuelled the extravagant speculation of the media, the Liberal Opposition and the Hon. Mr Gilfillan in 1988 are without foundation. The Government's position on this matter has been consistent throughout. Had the evidence available to us indicated that a royal Commission was necessary, we would have had one. However, our consistent advice from the NCA has been that we do not have a Queensland situation in South Australia, and at the time of delivery of the 1988 interim report Justice Stewart advised that in his view a royal commission was not necessary. This advice is effectively confirmed by the report tabled today.

It is interesting to note that the ABC's *7.30 Report* on 11 December 1989 (reporter Jayne Anderson) contained an allegation of an 'absolute parallel, step for step, measure for measure, person for person, face for face' with Queensland. Nothing of the kind has been found. Many of the allegations have emanated from criminal elements; many were recycled and handed on from the period of the Giles/Hunt inquiry established by the Tonkin Liberal Government in 1981. Some were old, one even going back to 1976. Many were made about completely innocent people. It is a regrettable fact that many innocent people (including police officers) were caught up in the corruption hysteria of 1988. Policing is a difficult enough task as it is without the pressure of unsubstantiated allegations. Allegations should be made only if there is some reasonable basis for them. Much was flimsy, unreliable, uncorroborated, and from questionable sources. Some informants had a vested interest in making allegations against police because they were subject to police investigation or prosecution. Much of this was picked up by the media and politicians and given a status and credibility it did not deserve.

It is important to realise that the police get intelligence from large numbers of sources. Some of it is rumour and hearsay and cannot be reliably acted on. It is important for police to have this information but it is another thing for it to be transformed into the status of credible allegations by the media or members of Parliament. Not only does this not assist police investigations but also it may damage the reputation of innocent individuals. It may mean that police resources are used chasing matters of no substance.

I would like to thank the NCA for its work in South Australia. The well publicised disputes about the direction of the authority and the personality conflicts which occurred during one period in the South Australian office were regrettable and detracted from its effective operation. However, investigators and staff continued to work despite these difficulties and deserve our thanks. In the final analysis, comprehensive inquiries were carried out into serious allegations, and the authority has now successfully completed the reference given to it in November 1988. By letter to me dated 20 February 1992, the then Acting Chairman of the NCA, Mr J.P. Leckie, advised as follows:

> With the furnishing of its final report on South Australian reference No. 2, the authority is of the view that all the matters that required investigation under the reference have been completed. As presently advised, the authority does not intend to conduct any further investigations pursuant to the reference.

I advise Parliament that Cabinet has considered the matter, and has approved that pursuant to section 5 (5) of the NCA (State Provisions) Act 1984 I withdraw the State reference by notice in writing to the Authority.

Finally, it is worth reflecting on certain wise words of Mr Tony Fitzgerald, QC (as he then was) in the 1989 Fitzgerald royal commission report. At page 8 of the report, the Royal Commissioner stated:

> The main objects of this report and its recommendations is to bring about improved structures and systems. The past misdeeds of individuals are of less concern, except as a basis for learning for the future.

In South Australia, little evidence of misdeeds by public officials has been uncovered, and for that we should be grateful. Nevertheless, the Government has taken the opportunity to learn for the future to bring about improved structures and systems, which have been outlined in this statement. Because of the frailty of human nature it may not be possible completely to eradicate isolated instances of public sector and police corruption. However, we must ensure that legislation and administrative practice is such as to minimise the possibility of it occurring and, in particular, to ensure that organised institutionalised corruption does not take hold in South Australia. The Government believes that the initiatives outlined in this statement will achieve that objective.

QUESTIONS

GAMING MACHINES

The Hon. R.I. LUCAS: I seek leave to make an explanation before asking the Minister of Tourism a question about poker machines.

Leave granted.

The Hon. R.I. LUCAS: The Minister of Tourism acknowledged last week that the company International Casino Services Pty Ltd had been advising the hotel and hospitality industry on gaming matters. However, she asserted that the involvement of Mr Jim Stitt had been quyite separate and distinct from that of International Casino Services, despite the production of a document last week promoting a direct association between Mr Stitt and International Casino Services to provide political assistance and advice on legislation. I have now obtained a further document which confirms the very close association between International Casino Services and one of Mr Stitt's companies, International Business Development Pty Ltd.

Last week, the Minister claimed that International Business Development Pty Ltd 'has had no involvement or interest in the matter' of lobbying members of Parliament on the question of gaming machines. However, this new document names Mr Brian McMahon as a consultant for IBD. He is the same Mr McMahon who is a principal of International Casino Services. There is a clear association between International Business Development Pty Ltd and International Casino Services Pty Ltd. In fact, those two companies have the same telephone number and address (437 St Kilda Road, Melbourne). A call to this Melbourne telephone number this morning produced the recorded message response 'Brian McMahon's office'.

Financial records I have seen show that money has been transferred from International Business Development Pty Ltd to Nadine Pty Ltd while Mr Stitt has been involved in advising on gaming matters in South Australia. They also show that there have been financial transactions between another of Mr Stitt's companies (IBD Public Relations) and International Casino Services. Further, while the Minister said in her statement last week that the prime business of International Business Development Pty Ltd 'is matters relating to foreign investment' the documents I have seen make no reference to foreign investment but promote Mr Stitt as a director with 'an extensive list of State and national Government contacts' whose background 'provides clients of IBD Pty Ltd with negotiating strengths "in-house".'

It has been put to me that statements the Minister has made on this issue have attempted to downplay Mr Stitt's full role in proposing and advocating the establishment of an Independent Gaming Corporation—a legislative model that the Minister had supported in this Parliament and publicly.

In the light of this new information, does the Minister now acknowledge that her statements in the Council last week that IBD Pty Ltd has had no involvement or interest in the matter, and that its prime business was 'matters relating to foreign investment' were wrong and, if she does not, will she now attempt to explain the conflict?

The Hon. BARBARA WIESE: Absolutely nothing whatsoever is new in the information that the honourable member has provided to the Parliament, except that he has drawn in yet another Australian businessman to be denigrated and have his business affairs paraded before the South Australian Parliament. The only new information we have received today is that the Hon. Mr Lucas has mentioned a man named Mr Brian McMahon.

Members interjecting:

The PRESIDENT: Order!

The Hon. BARBARA WIESE: Mr McMahon is a man whom I know. Mr Brian McMahon is a solicitor in Victoria and, as I understand it, was approached by International Casino Services some time last year when it made a submission to the Victorian Government registering an interest with that Government when it heard that that Government was considering the introduction of casinos and poker machines. I have already referred to this matter in previous statements, and I referred to it quite clearly again in today's statement. The document to which the honourable member referred is the one to which I have referred in my statement today. I made quite clear that International Casino Services had produced a document which it forwarded to the Victorian Government. I have verified this matter, and it is correct. It does have a reference to Mr Brian McMahon as the Victorian contact for International Casino Services, and I am sure that anybody who understands anything about business—although I don't expect the Hon. Mr Lucas knows much about it—

Members interjecting:

The PRESIDENT: Order!

The Hon. BARBARA WIESE: —would not find that at all unusual. The honourable member claims that last week I indicated that International Business Development Public Relations Pty Ltd was primarily engaged in foreign investment. That is not my recollection of what I said. As I recall, I said that International Business Development Pty Ltd was primarily involved with foreign investment issues.

The Hon. R.I. Lucas: That's what I said.

The Hon. BARBARA WIESE: That is not what you said, because I wrote down what you said here.

The Hon. R.I. Lucas interjecting:

The PRESIDENT: Order!

The Hon. BARBARA WIESE: My understanding is that International Business Development Pty Ltd, a company based in Western Australia, has been primarily involved with foreign investment.

The Hon. R.I. Lucas interjecting:

The PRESIDENT: Order! The honourable member can elaborate in another question later.

The Hon. BARBARA WIESE: Whether it is or is not has absolutely nothing to do with any of the matters that the honourable member has raised here or has raised over the past few days.

Members interjecting:

The PRESIDENT: Order!

The Hon. BARBARA WIESE: The real point—

The Hon. R.I. Lucas interjecting:

The Hon. BARBARA WIESE: I would like to address that point, because Mr Stitt is a public relations consultant. He provides advice to companies and individuals on a wide range of matters. One would expect that he had a wide range of contacts within Governments around Australia and, indeed, he does. Why should he make a secret of it? It is a plus for the business that he conducts. It is also true to say that he also has a very extensive range of contacts amongst members of the Opposition in various Parliaments of Australia, and that must also be a selling point for someone who is a public relations consultant. What is so sinister—

Members interjecting:

The PRESIDENT: Order!

The Hon. BARBARA WIESE: —about this allegation that is being made, and what does it have to do with the point at hand? It has nothing to do with the point at hand at all. The matter of the financial transactions between two

of Mr Stitt's companies and a company of which I am a director are matters to which I referred in my statement. I refer the honourable member to that statement if he wants to check exactly what I have said about that matter. As I indicated earlier, the entire issue will be referred to the Attorney-General for his consideration, and I am quite sure that he will discover these matters and will report on them.

The Hon. K.T. GRIFFIN: I seek leave to make an explanation prior to directing a question to the Minister of Tourism on the subject of conflict of interest.

Leave granted.

The Hon. K.T. GRIFFIN: Last week, the Minister said that the company, Nadine Pty Ltd, 50 per cent of which is owned by her and 50 per cent by Mr Stitt, was formed to hold property. She identified a unit in Perth and the home in Adelaide which is occupied by her and Mr Stitt. Also last week, the Hon. Mr Gilfillan referred to a document which indicated that Nadine Pty Ltd invoiced International Business Development Pty Ltd for $5 000 worth of professional or other services. Also, the Minister indicated last week, without specifically referring to that invoice, that the money involved loans to meet shortfalls between rental income and the expenses of owning two properties, in particular, mortgage payments and repairs and maintenance costs.

In the light of those matters to which the Minister referred last week and the statement which she has made today, can the Minister indicate whether Nadine Pty Ltd did, in fact, hold only property or whether, in one way or another, it performed services for any other company—whether International Business Development Pty Ltd or any other company—in the provision of professional or other services and, if it did not, is the Minister able to explain the reason why there may be an invoice which purports to indicate that some professional or other services were performed by Nadine Pty Ltd to the value of some $5 000 over a period of some three months?

The Hon. BARBARA WIESE: The invoice to which the Hon. Mr Gilfillan referred last week was a document that was shown to me by an Adelaide journalist last week, and I have reason to believe that that document may not be genuine. As I have indicated, in relation to the matter of the affairs of Nadine Pty Ltd, my financial documents are being handed to the Attorney-General, and I am sure that he will be able to check on the available information that we have. I hope that member will also supply information which they may have and which may assist in a review of the financial documents that I will provide to him.

The Hon. K.T. GRIFFIN: As a supplementary question, is the Minister then saying, first, that no services were performed by Nadine Pty Ltd for International Business Development Pty Ltd or other company? Secondly, is the Minister also saying that there are no invoices purporting to be for professional services rendered by Nadine Pty Ltd, whether to International Business Development Pty Ltd or some other company?

The Hon. BARBARA WIESE: I would not like to provide inaccurate information to the Council. I cannot recall whether or not the issues that the honourable member is raising are accurate. Therefore, I will have to go back over those records. In any case, the Attorney-General's review of those statements will discover these matters.

Members interjecting:

The PRESIDENT: Order! I suggest that the members who have asked questions should listen to the answers. If they are not prepared to listen to the answers, I suggest they do not ask the questions.

The Hon. DIANA LAIDLAW: My question to the Minister of Tourism relates to disclosure of interest. Given that the Minister, in a statement in this place earlier today, acknowledged that with the benefit of hindsight 'I believe I should have formally disclosed to Cabinet Mr Stitt's involvement with the Hotel and Hospitality Industry Association,' will the Minister now also acknowledge that she should have formally disclosed to the Premier and/or Cabinet colleagues that she was the co-director and equal shareholder with Mr Stitt in Nadine Pty Ltd and that there were financial transactions linking Nadine Pty Ltd and Mr Stitt's other companies that were employed by the HHIA?

The Hon. BARBARA WIESE: I have already dealt with these matters in numerous statements. My involvement with Nadine Pty Ltd is on the public record; it is in my pecuniary interest statement, and all members have access to that information.

As regards the second part of the question, I have dealt with those matters in the statement that I made today.

Members interjecting:

The PRESIDENT: Order!

The Hon. BARBARA WIESE: They are dealt with in the statement that I made today. If members recall my statement—and the paragraph that the honourable member should be taking account of is on page 1—I indicated that in the opinion of Nadine's accountants I have received no personal monetary benefit from loans made to Nadine Pty Ltd from Mr Stitt's involvement with the Hotel and Hospitality Industry Association. That answers the question. I ask members to read the statement carefully.

CREDIT PAYMENTS

The Hon. I. GILFILLAN: I seek leave to make an explanation before asking the Minister of Small Business a question about credit payments.

Leave granted.

The Hon. I. GILFILLAN: I have been approached by Mrs Dorothy Male, who runs a wholesale fabric and craft supply company, K&D Investments. According to Mrs Male, an increasing number of South Australian small businesses are being ripped off by people buying goods from wholesalers on 30-day credit and subsequently refusing to pay accounts. This is leaving many suppliers with a growing number of unpaid accounts, forcing the supplier to carry the financial burden, while a long and often unproductive chase takes place to recover the debt.

K&D Investments supplies goods to approximately 600 other businesses in South Australia and follows the practice of providing clients with a 30-day credit repayment time to allow for the sale of goods. According to Mrs Male, an increasing number of what she calls 'fly-by-nighters' are buying goods and using the money from the sale of those goods to pay secured loans in relation to their business but not paying their wholesale credit accounts. When Mrs Male attempts to recover the debt, businesses are declaring themselves bankrupt, leaving the wholesale company with no claim on assets or goods, as the credit accounts are not secured.

Mrs Male quotes one recent case where a couple who owned and operated a fabric shop had a clearance sale and declared themselves bankrupt. A few days later they opened another fabric shop close to the one they had previously operated and, using the pick of the stock left over from their clearance sale, began operating in the name of their daughter. They had blatantly managed to thumb their nose at some of their creditors, including Mrs Male.

Mrs Male said she finds people are getting cunning—buying goods, selling them quickly and using the money to pay secured loan instalments but having no money to pay for the goods taken on credit. Suppliers are unable, by law, to enter clients' premises and repossess goods which have been taken but not paid for. The only recourse is through the courts, which is lengthy and expensive and, if successful, the costs recovered rarely cover the cost of litigation. In addition, many clients operate via post office box numbers and often abscond with the takings from sales, making the tracking of the person's whereabouts almost impossible, given that Australia Post is under no obligation to reveal personal details of post office box holders.

This problem, according to Mrs Male, is on the increase in South Australia, which is experiencing a record number of small business bankruptcies and, according to Mrs Male, there is a growing number of empty handed creditors who, being frustrated by the legal process and the lack of other avenues of action, are now considering taking the law into their own hands and resorting to violence to retrieve goods and money owed. I therefore ask the Minister:

1. Does she acknowledge and accept that there is a major problem in wholesale debt recovery and is she aware of the extent and effect of it on small business?

2. What action is the Minister taking to deal with this situation?

The Hon. BARBARA WIESE: The issue that the honourable member has raised has not been raised with me by small business organisations or operators, so I am not fully aware of the extent of the problem that he has outlined. If he would like to provide further information on the matter, I will undertake some inquiries and ascertain whether the State Government can do anything to assist with the problem that he has outlined.

GAMING MACHINES

The Hon. L.H. DAVIS: My question is to the Minister of Tourism. Is the Minister aware that one member of the Lotteries Commission, a senior public servant, the Deputy Under Treasurer, Mr John Hill, has expressed serious concerns about the role that the Minister took in discussions on poker machine legislation, and did she at any stage speak to Mr Stitt about Mr Hill's concerns?

The Hon. BARBARA WIESE: This matter was raised by somebody or other in Parliament last week. I have no evidence that Mr Hill has expressed any concerns about the minimal role that I have played during the course of the preparation of the Gaming Machines Bill. This is just another of the unsubstantiated allegations that Liberal Party members have been producing day after day about this issue. I have spent the past few days going through my financial records to try to prove my innocence in a situation where nobody has yet produced any evidence of my guilt. The information that I have gleaned through my own inquiries will be reviewed by someone other than myself in order that I am able to clear my name against these appalling allegations.

Members interjecting:

The PRESIDENT: Order! The Council will come to order.

The Hon. BARBARA WIESE: These people have not been prepared to provide any evidence of the baseless allegations that they have made in this place, and I tell them to put up or shut up.

The Hon. R.I. LUCAS: When the Minister has calmed down we will put up, as we have done for the past few days. I seek leave to make a brief explanation before asking the Minister of Tourism a question about poker machines and conflicts of interest.

Leave granted.

The Hon. R.I. LUCAS: Following the statement by the Minister of Tourism last Thursday that Mr Jim Stitt 'has no financial interest in the company known as International Casino Services', can the Minister explain the two payments totalling $5 000 made to International Casino Services in June and September of last year by one of Mr Stitt's companies, International Business Development Public Relations Pty Ltd?

The Hon. BARBARA WIESE: I would not have thought that a payment from one company to another, if the company being referred to was the one doing the paying, indicates a financial interest in the receiving company at all. Unless the honourable member has something a bit better to offer than that in demonstrating that there is a financial interest in International Casino Services on the part of one of Mr Stitt's companies then I do not think that it is a matter that we need to deal with here today at all.

MUANU FEEDLOT

The Hon. M.J. ELLIOTT: I seek leave to make a brief explanation before asking the Minister representing the Minister for Environment and Planning a question about the Muanu feedlot at Clare.

Leave granted.

The Hon. M.J. ELLIOTT: Two years ago, the issue of the Muanu feedlot in Clare was raised by local residents, who were concerned that the total of approximately 5 000 head of cattle was too great for the size of the feedlot. This meant that a large amount of effluent was entering local creeks and waterways. Concern was also raised about the closest residence to the feedlot being a mere 600 metres. In New South Wales guidelines for feedlots restrict the nearest residence to 5 km. Currently there are many residential homes less than that distance away. These residents have complained continuously to the Clare council that the smell from the feedlot is unbearable. The Clare council considered the complaints for at least 14 months before residents were told that the matter had been passed on to the Department of Environment and Planning.

A question was asked in this Council by the Hon. Ron Roberts on the matter on 28 August 1991. The Hon. Anne Levy replied that the local council was the planning authority and that any complaints should be directed to it. This directly conflicts with the council's response that it was a matter for the Department of Environment and Planning. Despite the concerns of the residents being raised in Parliament, no action was taken either by the council or the department.

The feedlot has never received council approval even though it has now been operating for over two years. The owner has applied for planning approval, and the Clare council is currently considering that application. Although local residents have the right to see the application and submit comments on it, as yet they have not had the opportunity to do so. In September 1991, letters were sent to all Clare councillors about the concerns. No answers were received. They were informed that no comments were allowed by the council while applications were being considered.

In October 1991, a senior officer of the Department of Environment and Planning told Mr Bernard Ruthenbeck that the situation would be remedied in 14 days. Nothing

was done. A court order application was initiated by the Department of Environment and Planning to restrict the operation to 3 000 head of cattle. The court granted this and the deadline for compliance was set at 1 March 1992. The owner appealed and the deadline has been extended to May. The residents are not asking that the feedlot be closed altogether, but moved to a more appropriate site. They say that there are at least four alternative sites. My questions to the Minister are:

1. What actions, if any, have been taken to rectify the situation in Clare since the question was asked in Parliament last year?

2. Is the department or is the district council responsible for allaying the concerns of local residents or will the buck continue to be passed?

3. Have alternative sites for the feedlot been investigated?

The Hon. ANNE LEVY: Most of those questions relate to the Minister for Environment and Planning's portfolio and I will certainly relay them to her and bring back a reply as soon as possible. I can indicate to the honourable member that certainly the planning application was made by the feedlot proprietor to the District Council of Clare, which indicated that it would go through the procedures required in terms of public notification, submissions and so on. So, there is no doubt that the District Council of Clare was initially the planning authority to whom the application should have been made before the feedlot was established.

GAMING MACHINES

The Hon. K.T. GRIFFIN: I direct my question to the Minister of Consumer Affairs. In view of the nature of the vigorous debate within the Labor Party over whether the independent gaming corporation or the Lotteries Commission should control poker machines and gaming machines in South Australia, will the Minister indicate when she first made up her own mind that the independent gaming corporation model was the model for regulation that she would support?

The Hon. BARBARA WIESE: I am not able to put a date on that, but it was some time during 1991 that I determined in my mind, in general terms, that the proposal for an independent gaming corporation was the most desirable model. I came to that conclusion after I had read and absorbed the proposals that had been circulated to various members of Parliament and to the Government generally by the Lotteries Commission of South Australia and also the hotels and clubs, after reading other correspondence that came my way from various sources where people were expressing a point of view about these things, and also after the respective organisations had had an opportunity to make presentations to the Parliamentary Labor Party Caucus. Once I had received that information and had listened with interest to the submissions—both verbal and written—that had been made by various organisations, and after I had had an opportunity to think about it, I concluded that the model being put forward by the industry was likely to be the one that would work, as long as considerable effort was put into ensuring adequate safety and security controls.

The Hon. DIANA LAIDLAW: I seek leave to make a brief explanation before asking the Minister of Tourism a question about the Gaming Machines Bill.

Leave granted.

The Hon. DIANA LAIDLAW: Last week in the Legislative Council the Minister said:

> My input [with respect to this Bill] has been limited, except on the few occasions the Finance Minister has sought my advice . . . I have confined myself to a peripheral and secondary role in Cabinet discussions on the Bill.

That statement was a disappointment to me because, like many people in the tourism industry, I have been hoping that the Minister was fighting very hard to—

The Hon. Anne Levy interjecting:

The Hon. DIANA LAIDLAW: Well, I will reflect then the views of the tourism industry in saying that it had hoped that the Minister would be fighting very hard to ensure that a proportion of the revenue from these gaming machines would be included in the Bill. It was a matter I raised with the Minister last week. However, notwithstanding my opinion and that of the tourism industry, it is a fact that a report in the *Advertiser* dated 25 October 1991 stated:

> The Executive Director of the Licensed Clubs Association, Mr Greg Cole, said yesterday that he had had talks with Mr Blevins and Tourism Minister Ms Wiese last week and was told they wanted the legislation brought on as quickly as possible.

Therefore, my questions to the Minister are: what was the nature of these discussions with the LCA on 25 October 1991; why was she planning to have the legislation brought on as quickly as possible; and will she clarify the discrepancies between the impressions that Mr Cole gained from that meeting and her statement in this place last week?

The Hon. BARBARA WIESE: I do not see that there is any conflict between the statement I made in this place last week and the reality of the situation. I did not say I had no discussions on that matter; I have acknowledged quite freely and openly that there have been occasions when I have engaged in discussions on this matter, and they have been at the request of the Minister who has been responsible for the Bill. I do not recall the particular meeting to which the honourable member refers, so I am not able to recount to her at this time the exact content of the meeting—

Members interjecting:

The PRESIDENT: Order!

The Hon. BARBARA WIESE:—but I recall at least one meeting where industry representatives were present and it was an occasion, as with other meetings to which I have referred, when the Minister of Finance—the Minister responsible for the Bill—had asked me to be present, because I am the Minister in Government who has probably more contact with members of the industry than any other. As the honourable member is aware, wherever possible in the past I have tried to ensure that the views of the tourism and hospitality industry have been put forward and properly considered by the Government.

I think that the Minister of Finance has been keen to know from me my opinions on some of the issues that may affect the tourism and hospitality industry, and in the earliest stages I was quite happy to provide information to the effect that it was my understanding that people within the industry felt that the introduction of poker machines in South Australia would provide a considerable boost to their businesses, particularly during difficult economic times, that it would provide diversity to their businesses and that it could have an impact on tourism.

So, I have been quite happy to put that point of view whenever that was possible and there has been a small number of occasions, when the question of taxation issues was being discussed, when the Minister of Finance has given me the opportunity to put a view on that matter. At the end of the day, the Minister has weighed up the considerations that have been expressed by numerous people, and the content of the Bill which is currently before the House of Assembly reflects his views of the balance that should be struck.

The Hon. DIANA LAIDLAW: Supplementary to that, to the Minister's knowledge was Mr Stitt also employed by the Licensed Clubs Association to lobby in respect of this Bill?

The Hon. BARBARA WIESE: I am not aware of any employment that Mr Stitt has with the Licensed Clubs Association and I also refer to the statement that I made earlier today in which I drew reference to a statement which has been made in recent days by the Hotel and Hospitality Industry Association to the effect that none of the consultants whom they have employed have been employed to lobby on their behalf for this legislation. The association has indicated that it has undertaken its own lobbying throughout this process and I am sure the Hon. Ms Laidlaw would have received numerous contacts herself from representatives of the industry on this matter.

The Hon. L.H. DAVIS: My question is directed to the Minister of Tourism. When did the Minister first become aware that Mr Jim Stitt was acting as a political lobbyist for interests wanting to see poker machines introduced into South Australia?

The Hon. BARBARA WIESE: I have just addressed the question of lobbying, and I refer the honourable member to my previous reply. I do not remember exactly when I learned of Mr Stitt's appointment as a consultant to the Hotel and Hospitality Industry Association, but I imagine it was around the time that that appointment was made.

The Hon. K.T. GRIFFIN: My questions are to the Minister of Consumer Affairs in relation to the Attorney-General's review, as follows:

1. What are the terms of reference of the review by the Attorney-General of the papers relating to the Minister's interest in gaming machine legislation and what is to be the consequence of such a review?

2. Does the Minister seriously believe that a referral of the documents, whatever they may be, by the Minister to the Attorney-General for review can reassure the public of South Australia that it is a preferable course to an arm's-length, independent inquiry by a person experienced in commercial matters, particularly in view of the fact that the Attorney-General is a ministerial colleague with no commercial or accounting experience?

3. Does the Minister seriously believe that such a review will put the issue of conflict to rest?

The Hon. BARBARA WIESE: I have been placed in the most invidious position by members of the Liberal Party. These people opposite—

Members interjecting:

The PRESIDENT: Order!

The Hon. BARBARA WIESE: These people have made a whole range of quite outrageous claims about my conduct and various claims about financial arrangements, and they have not produced any specific information about these matters. They have simply, by innuendo in this place, raised matters which have been designed to slur my character and to call my reputation into disrepute. That is something that I resent—

Members interjecting:

The PRESIDENT: Order!

The Hon. BARBARA WIESE:—enormously, and I have done as much as I am able to do, in the absence of specific allegations and in the absence of information that would support the claims that are being made by members of the Liberal Party. The questions go on, so it seems to me that the most appropriate course of action is for me to provide the information—

Members interjecting:

The PRESIDENT: Order!

The Hon. BARBARA WIESE:—that I have at my disposal to the Attorney-General. I am not planning to make recommendations to the Attorney-General as to the way he might conduct a review of the material that I will provide to him; I believe that that is a matter that he must consider in the fullness of time but, in response—

Members interjecting:

The PRESIDENT: Order!

The Hon. BARBARA WIESE:—to the honourable member's question about the public attitude to this matter, I would say that the Attorney-General, both as a man and in his position, is a highly regarded person within our community, and any review that he institutes will be taken extremely seriously. If the honourable member is suggesting otherwise, I am extraordinarily surprised.

The Hon. L.H. DAVIS: My question is directed to the Minister of Tourism. Did the Minister ever have a discussion with the Lotteries Commission or any members of the Lotteries Commission about their proposal to supervise poker machines? If so, to whom did she speak and when? What views did she form from any discussion that she had relating to their proposal to supervise poker machines? If she did not speak to the Lotteries Commission or any members of the commission about their proposal to supervise poker machines, why not?

The Hon. BARBARA WIESE: I have made it very clear on numerous occasions that I am not the Minister responsible for this Bill. The Minister of Finance is responsible for drawing up this Bill.

The Hon. L.H. Davis interjecting:

The PRESIDENT: Order!

The Hon. BARBARA WIESE: I made it quite clear earlier that I formed my opinion on the most appropriate form for the Gaming Machines Bill, including monitoring, regulation, functions and other things, after I had received written submissions from the Lotteries Commission, the industry associations and other people who have a view on the matter and after I had heard the submissions that were made to the Parliamentary Labor Party at properly constituted Caucas meetings. That was the basis on which I formed a view on this matter. Whether I had discussions with the Lotteries Commission is not relevant. I had the same opportunity as other members of Caucus to hear the case of the Lotteries Commission and the industry associations and, like other members, I have formed my view according to my conscience.

The Hon. L.H. DAVIS: I ask a supplementary question. Given the Minister's particular ability and interest in forming a view on the hotel and hospitality proposal to manage poker machines, is she now admitting to the Council that she did not bother to discuss the Lotteries Commission's proposal with members of the Lotteries Commission?

The Hon. BARBARA WIESE: I ask the honourable member whether he has discussed the matter with the Lotteries Commission, or will he be coming into this place next week, having formed his opinions, in much the same way as I have had the opportunity to form my opinions. It is a stupid question.

The Hon. R.I. LUCAS: I seek leave to make an explanation before asking the Minister of Tourism a question about poker machines and conflict of interest.

Leave granted.

Members interjecting:

The PRESIDENT: Order!

The Hon. R.I. LUCAS: In her extraordinary ministerial statement today, the Minister indicated that Mr Stitt was not involved in the preparation of legislation on gaming machines and that he was never present at any meetings with Government Ministers or officers who had responsibility in this area. Does the Minister claim that Mr Stitt at no stage discussed the issue of the form of the poker machine legislation with her or with any other Government Minister or adviser, in particular, an adviser such as Mr Nick Alexandrides from the Premier's office?

The Hon. BARBARA WIESE: Not that I am aware of.

Members interjecting:

The PRESIDENT: Order!

The Hon. K.T. GRIFFIN: Will the Minister of Consumer Affairs indicate whether or not the decision to refer the papers of the Minister to the Attorney-General for review was a Government decision or a decision of the Minister? If it was a Government decision, will she indicate what the terms of reference for the review will be and whether or not it is proposed that a report on the Attorney-General's review will be provided to the Parliament and made public?

The Hon. BARBARA WIESE: The decision to refer my papers and other information to the Attorney-General was mine. I will discuss with the Attorney what form the review might take, but essentially I want this review to be a proper one and I do not wish to lead the Attorney-General—not that I think he could be led. I want to discuss this matter with him. I am sure that he will form his own views, based on what has occurred over the past few days, about what form that review should take and what the outcome will be. Whether it will be a report or a statement to the Parliament—

Members interjecting:

The PRESIDENT: Order!

The Hon. BARBARA WIESE: —or whatever that might be is a matter that I believe we must now discuss.

The Hon. K.T. GRIFFIN: A supplementary question: will the Minister indicate when that decision was taken?

The Hon. BARBARA WIESE: As of yesterday I had put together most of the documents and other information which I deemed appropriate in this matter and which addressed the general accusations, allegations and other matters that have come forward so far. As I said earlier, I have spent considerable time over the past few days putting together those documents and that information. By yesterday, I felt that all the relevant information had been assembled. I then thought about what the next step should be so that this matter could be dealt with and finished. At that time, it seemed to me that the appropriate course of action would be to refer this information to the Attorney-General.

The Hon. L.H. Davis: In other words, it was your idea?

The Hon. BARBARA WIESE: I said that earlier: it was my idea. It is not a Government decision.

Members interjecting:

The PRESIDENT: Order!

The Hon. BARBARA WIESE: I discussed the matter with some of my colleagues and took advice—

Members interjecting:

The PRESIDENT: Order!

The Hon. BARBARA WIESE: —and it was my view that this was an appropriate course of action and I hope that that decision will prove to be correct.

Members interjecting:

The PRESIDENT: Order! The Council will come to order.

The Hon. R.I. LUCAS: What did the Premier think of this particular idea—brainwave—of the Minister of Tourism that her ministerial colleague and friend, the Attorney-General, ought to conduct a supposedly independent review into the allegations surrounding her?

The Hon. BARBARA WIESE: Since the Hon. Mr Lucas does not seem to believe a word I say anyway, I do not think it matters very much what I say that the Premier might have thought. I suggest that he ask the Premier.

The Hon. L.H. DAVIS: Does the Minister intend to stand down while this inquiry is being held and, if not, why not?

The Hon. BARBARA WIESE: I have no intention of standing down during the review of the documents that I have put together. There is absolutely no reason for me to stand down because not one of you people have presented any information whatsoever that substantiates the appalling stories that you have put together.

NATIONAL RAIL CORPORATION

The Hon. DIANA LAIDLAW: Has the Minister for the Arts and Cultural Heritage a reply to a question I asked on 13 February about the National Rail Corporation?

The Hon. ANNE LEVY: I seek leave to have this reply inserted in *Hansard* without my reading it.

Leave granted.

The Minister of Transport has provided the following response:

1. The Premier is not stalling on signing the National Rail Corporation agreement. South Australia's position is somewhat different from the other States in that it does not need to dispose of a loss-making interstate rail system to the NRC. We are continuing to negotiate with the Commonwealth Government on several outstanding bilateral issues. These include the nature and level of residual services in South Australia, the return of land no longer needed for railway purposes, and a fair deal for former South Australian Railways staff who may be made redundant because of the NRC. Once these and other issues have been resolved the NRC agreement will be signed.

2. Depending on the Commonwealth Government's intentions regarding Australian National, it may not be necessary to modify the 1975 Railway Transfer Agreement. If the Commonwealth Government decides to abolish AN this would have to be done by legislation. Although such an act would be in breach of the Transfer Agreement, the Commonwealth Parliament's legislative powers are not fettered by prior agreements. If the Commonwealth does not intend to abolish AN, but merely let NRC lease or otherwise acquire its assets and functions this may also be a breach of the Transfer Agreement. The Transfer Agreement requires AN to continue to operate the non-metropolitan railways in South Australia. In addition, AN cannot transfer title to South Australian Railways land to NRC without breaching the Transfer Agreement.

3. These questions need to be directed to the Federal Government.

4. These questions need to be directed to the Federal Government.

5. These questions need to be directed to the Federal Government.

6. Standardisation of the Adelaide to Melbourne railway will require the Commonwealth Government to make a decision on the future of the remaining broad gauge branch lines in the Murray-Mallee area and the South-East.

Because the branch lines are not part of the interstate rail system, they do not form part of the NRC network. The State Government does not have either the legislative responsibility or the financial resources to contemplate standardisation of the branch lines or dual gauging of the main line.

BUSES AND RAILCARS

The Hon. DIANA LAIDLAW: Has the Minister for the Arts and Cultural Heritage a reply to a question that I asked on 19 February about buses and railcars?

The Hon. ANNE LEVY: I seek leave to have the reply inserted in *Hansard* without my reading it.

Leave granted.

My colleague the Minister of Transport has advised that currently no decision has been made in respect of any financing arrangement for the 307 new buses and 50 new 3000 class railcars. Sale and leaseback arrangements are being considered as a possible method of financing the new buses and railcars. The South Australian Government Financing Authority will shortly be inviting potential financiers to submit their proposals. Funding has been provided for in the State's capital budget.

MULTITRIP TICKETS

The Hon. DIANA LAIDLAW: Has the Minister for the Arts and Cultural Heritage a reply to a question that I asked on 19 February about multitrip tickets?

The Hon. ANNE LEVY: I seek leave to have the reply inserted in *Hansard* without my reading it.

Leave granted.

My colleague the Minister of Transport has provided the following responses:

1. The State Transport Authority will appoint any school that applies to be a licensed ticket vendor.

2. The STA does not discriminate between State schools and independent schools. Applications are processed in order of receipt.

3. Schools receive a sales commission of 2 per cent.

As at 20 February 1992, 10 schools had been installed as ticket vendors.

State Schools
- Adelaide High School
- Blackwood High School
- Marden Senior School
- Urrbrae Agricultural High School
- Blackwood Primary School

Independent Schools
- Woodlands Church of England Girls Grammar School
- Scotch College
- Walford Anglican School for Girls
- Annesley College
- Thomas More College

Several other applications have been received and are currently being processed.

COMPRESSED NATURAL GAS

The Hon. DIANA LAIDLAW: Does the Minister for the Arts and Cultural Heritage have a reply to a question that I asked on 20 February about compressed natural gas?

The Hon. ANNE LEVY: I seek leave to have the reply inserted in *Hansard* without my reading it.

Leave granted.

My colleague the Minister of Transport has provided the following responses:

1. The order of 307 new MAN buses comprises 100 CNG fuelled buses, 25 diesel buses and four low floor diesel buses. The remaining 178 buses will be specified in mid-1993 following evaluation of both the low floor buses and the CNG buses.

2. The STA does not plan to convert its existing bus fleet to CNG.

3. The types of engine in the existing 2000 and 3000 Class railcars have not been developed to run on CNG by the manufacturers. Nevertheless, development in this area is being monitored by the STA.

The number of new diesel/electric railcars on order is 50.

REPLIES TO QUESTIONS

The Hon. M.J. ELLIOTT: I understand that the Minister for the Arts and Cultural Heritage has replies to questions I asked on 12 February about the Patawalonga water quality, on 21 February regarding the northern Adelaide coastline, and on 11 February regarding the closure of Education Resource Centres.

The Hon. ANNE LEVY: I seek leave to have the replies inserted in *Hansard* without my reading them.

Leave granted.

PATAWALONGA WATER QUALITY

In reply to **Hon. M.J. ELLIOTT** (12 February).

The Hon. ANNE LEVY: My colleague the Minister of Water Resources has provided the following responses:

1. The Government has not withdrawn any funding for clean-up work relating to water quality in the Patawalonga.

The Glenelg Foreshore and Environs project has been put forward in response to a prospectus containing 21 objectives.

Some of the more relevant objectives are:
- ensure that the proposal does not contribute to beach erosion or pollution;
- improve the water quality in the Patawalonga to permit primary contact for recreational and leisure activities;
- improve the amenity of the Patawalonga, particularly bank erosion, siltation, and aesthetic attractiveness.

Glenelg Ferry Terminal Pty Ltd, now known as Glenelg Foreshore Developments, were offered a six month period of exclusivity to prove up their proposals. This period extends through to April 1992.

Part of these proposals involves works necessary to clean up the Patawalonga in accordance with the requirements of the prospectus. Specifically this will include trash racks and a gross pollutant trap as well as other works.

The Government understands that a substantial public contribution for stormwater management will be necessary to enable all the aims of the prospectus to be met. The Government is currently endeavouring to do two things in this area. Firstly, we are investigating ways of funding installation of a trash rack and a gross pollutant trap in advance of the project. We also anticipate entering constructively into negotiations with the developer and the Glenelg council to ensure that all public benefits set out as part of the package of proposals are realised.

2. The industrial site in question was licensed to hold 40 000 litres of copper chrome arsenate in a single bunded tank.

The pollution incident occurred because of an error in the procedural process associated with the operation of this tank, not from any defects in Government safety regulations or their policing. The bunding in place will contain any direct leakage from this tank.

The incident occurred when an employee forgot to turn off the water taps which were filling the chemical tank. This unchecked flow into the tank was not noticed until after it had flooded over, filled the bunded area around the tank (which can contain 120 per cent of the volume of the tank), and spilled out into the street.

Legislation already exists with respect to environmental protection and consideration is being given to recovering the costs of the clean-up and prosecution of the company in relation to this incident.

3. The Patawalonga Basin Task Group was formed in July 1989 to address the issues of developing options to improve the water quality of the basin. This group comprises members from the Department of Environment and Planning, Department of Road Transport, Health Commission and Glenelg council with the Chairman, Executive Officer and one member from the E&WS Department.

The group presented its first report to the Minister of Water Resources in December 1989, and this report was then released to the public in February 1990.

The report used water quality sampling results from three major studies to assist in its deliberations. viz.:
- — Gulf St Vincent studies, 1972-80
- — Sturt River studies, 1971-88
- — Patawalonga Basin bacteriological surveys, 1986—present (monthly sampling for Glenelg council).

In addition, specific water quality samples were analysed during the flushing trial (26 October 1989 to 27 November 1989) and regular monthly samples from the Sturt Creek (from June 1991) are being analysed to build the data-base for water quality in this stream.

Some other specific sampling programs related to the Patawalonga exercise have also been completed, viz.:

(i) For the Department of Premier and Cabinet: a silt sample analysis (April 1990).

(ii) for E&WS Department: a silt analysis (February 1992).

In preparation of the draft EIS for the Glenelg Foreshore development proposals (four in number), the consultants drew on all the above data that was available at that time. The period in

question was from July-August 1990 through to November-December 1990 when the draft EIS was on public display.

The task group consider that adequate water quality data has been and is available to enable the development of options to improve water quality and to make recommendations to the steering committee on development proposals.

NORTHERN ADELAIDE COASTLINE

In reply to **Hon. M.J. ELLIOTT** (20 February).

The Hon. ANNE LEVY: My colleague the Minister for Environment and Planning has advised that she is aware of the current environmental problems associated with the northern Adelaide coastline. The Department of Environment and Planning has received similar complaints to that of the honourable member's constituent and these have been investigated.

The material referred to is ulva, a green algae that often occurs in these areas and is driven ashore by wind and tide where it decomposes. While not a health problems, it is unpleasant and undesirable.

It is caused by a number of factors including stormwater and agricultural run-off, with effluent from the Bolivar Sewage Treatment Works having an effect on its growth in the area from St Kilda to Port Gawler.

In order to stop this occurring, and comply with the Marine Environment Protection Act, the Engineering and Water Supply Department is developing a reclaimed water management plan.

Options under investigation include upgrading of the treatment processes and land based discharge of effluent. These works will be funded from the department's environmental enhancement levy.

CLOSURE OF EDUCATION RESOURCE CENTRES

In reply to **Hon. M.J. ELLIOTT** (11 February):

The Hon. ANNE LEVY: My colleague, the Minister of Education has advised that the rationalisation of resource services in the Education Department's Eastern Area, coupled with the use of new communications technology, has brought about increased, not decreased access to resources for schools in the Clare district.

The resources which were previously held in the Clare resource centre were distributed to schools where they are now in constant use. Schools can borrow these resources from each other as needed so no students are disadvantaged by the changes which occurred more than two years ago.

A computer terminal was installed in the Clare District Education Office in April 1991 to provide schools free dial up access to the resource centres in Murray Bridge, The Orphanage, etc. Any resources requested from Murray Bridge, which are not on loan, are supplied within one week of the request.

The Education Department has supplied modems to small schools in the Clare district. This allows these schools to dial up to all Education Department resource centres, providing them access to a much greater array of resources. They can now look at the resources of places like the Languages and Multicultural Resource Centre to support their LOTE program, etc. Prior to the rationalisation this sort of access would not have been possible.

The Education Department is committed to providing appropriate library resource support to students and teachers, using new technologies to provide this service in the most effective manner possible.

The Minister is confident that the current changes taking place in the Education Department are in the best interests of the students in our schools.

The Hon. K.T. GRIFFIN: I understand that the Attorney-General has a reply to four questions which I have asked on various dates.

The Hon. C.J. SUMNER: I seek leave to have the replies inserted in *Hansard* without my reading them.

Leave granted.

CHILDREN'S COURT

In reply to **Hon. K.T. GRIFFIN** (23 October and 21 November).

The Hon. C.J. SUMNER: Section 47 applications for juveniles to be tried in adult courts involve the most serious group 1 and 2 offences. Applications cannot be made until the matter reaches the Children's Court. The time between apprehension and first appearance can take a number of weeks; it is less if the juvenile is arrested. The procedures between the committing of the offence and the first appearance in the Children's Court are outside the control of the Attorney-General's Department (although I would refer the honourable member to my ministerial statement of 17 March 1992 and my answer to his question of 13 February 1992.

In respect of the question asked on 23 October 1991 and the matter it was assumed the honourable member was referring to, there were a number of features which led to what is undoubtedly an unacceptable delay. This included a number of witnesses turning hostile.

In respect of the question asked on 21 November 1991 a revised procedure has been agreed between the Crown Prosecutor's Office and the Police Prosecution Section to ensure that section 47 applications are processed as quickly as possible. An examination by the Crown Prosecutor of other section 47 applications has revealed that there are no inordinate delays.

However, delays will be occasioned by circumstances outside the control of the Crown Prosecutor's Office including, for example:

- crowded trial lists;
- unavailability of judges;
- matters held in abeyance waiting for co-accuseds to be committed for trial;
- accuseds absconding.

The Crown Prosecutor regards a time turn around of 4-6 weeks from receipt of a Police Department request for a section 47 application until the final disposition of the application to be a bare minimum.

In reply to **Hon. K.T. GRIFFIN** (13 February).

The Hon. C.J. SUMNER: The Children's Court Advisory Committee and the Chief Justice wrote to me in relation to the judicial resources of the Children's Court following a matter in the Court of Criminal Appeal during which submissions were made in relation to the availability of Judges for some group 1 and group 2 offences.

Their submissions were considered by me and by government and I advised them that it was not my intention to intervene in the administration of the Children's Court.

The Children's Court Advisory Committee report on delays in the juvenile justice system was requested by me in May 1990. It was submitted in August 1991 and endorsed by the Ministerial Group on Crime Prevention in October. The Working Party recommended in the report continues to examine ways in which the elapsed time between different stages in the juvenile justice process can be shorted.

I refer the honourable Member to my Ministerial Statement and to the report of the Children's Court Advisory Committee which I tabled.

A fast-tracking of repeat offenders was undertaken in the central city area between February and July 1991. An evaluation has been undertaken and is currently being finalised. Preliminary results suggest that the pilot program did not deliver its original aims (of preventing re-offending and ensuring a swift rejoinder on the part of the justice system to the youths original criminal act) principally because the number of cases selected for fast-tracking were too few to be of any conseqeunce. A revised set of procedural guidelines are being drawn up with the intention of conducting a follow up program. The evaluation report will be submitted to the Select Committee on juvenile justice.

DEREGULATION

In reply to **Hon. K.T. GRIFFIN** (12 November).

The Hon. C.J. SUMNER: The honourable Minister of Finance has provided information regarding the review of Statutory licences.

1. As reported in the Minister's news release the review of licences and permits is scheduled for completion by May 1992.

2. The review of statutory licences is an important component in the overall work of the Government Agencies Review Group. The examination of licences and permits will dovetail well with other programs under way to ensure a clearer and more efficient public service. The reviews will also focus on those licences which restrict competitiveness or impose unnecessary costs on business in South Australia.

The Government has accorded high priority to the review which is being conducted with each agency by the Government Adviser on Deregulation.

3. A comprehensive schedule of all existing licences and permits will be prepared during the course of the review and can be made available at that time. However, I am informed that many reviews are now well advanced, in particular in the larger agencies of Fisheries, Labour, Marine and Harbours, and Road Transport. Simultaneous reviews have also commenced in the SA Health Commission, Department of Agriculture, E&WS, Department of Woods and Forests and in the Department for Environment and Planning.

The other agencies affected by the Review include the Office of Transport Policy and Planning, Children's Services Office, Public and Consumer Affairs, Mines and Energy, SA Police, Court Services, Small Lotteries Commission, State Taxation Office, Office of Tertiary Education, Family and Community Services, Corporate Affairs Office, Recreation and Sport, SA Metropolitan Fire Service, Industrial and Commercial Training Commission and Lands.

The Hon. R.I. LUCAS: I understand that the Minister for the Arts and Cultural Heritage has replies to questions that I asked on 11 February about computer systems and on 26 February regarding freedom of information.

The Hon. ANNE LEVY: I seek leave to have the replies inserted in *Hansard* without my reading them.

Leave granted.

COMPUTER SYSTEMS

In reply to **Hon. R.I. LUCAS** (11 February).

The Hon. ANNE LEVY: My colleague the Minister of Education has advised that the Dynix library management system was selected by the Education Department as a suitable system for South Australian school libraries from a tender called in 1986. The Department bought a software licence covering all its schools for $500 000 and recharged part of this cost to schools. The Dynix company established its Australasian office in Adelaide and now locally employs 65 people. The schools version of Dynix is an Australian product.

The book mark system was developed after the tender was conducted. It was written to fill a market niche for schools of less than 200 students, for which Dynix was seen as too expensive and too complex. It was subsequently bought by larger schools because of its attractive pricing and simplicity. Schools have always recognised Dynix as the more sophisticated package and the one suitable for large schools, high schools and shared systems over more than one campus. The department supports and recommends both packages.

For both systems the costs of hardware vary from school to school, depending on the size of the data base and the number of work stations required. It is not possible to provide total costs for each system without surveying all the relevant schools. The time and expense of doing this cannot be justified. Indicative current costs have been given for each system.

- Dynix has been installed in 97 Departmental locations, which represent 120 schools and nine out of school resource centres (that is, a number of installations involve more than one school). The current cost of a Dynix four user system is approximately $13 700 for hardware, training, services and supplies, plus $1 500 to $9 000 for software, depending on size and type of school and whether disadvantaged.
- There are 182 Departmental schools which have purchased Book Mark. A single user system currently costs approximately $3 500 in total, while a three-user system would cost approximately $7 800 in total (including $240 for software).
- Book Mark has been sold to 52 schools interstate, providing revenue estimated at between $12 000 and $15 000 (the price, currently at $300, has varied over the years and disaggregated totals are not kept). The system has also been sold to a further 52 libraries in South Australia (47 non-Government schools and five other).

FREEDOM OF INFORMATION

In reply to **Hon. R.I. LUCAS** (26 February).

The Hon. ANNE LEVY: The Chief Executive Officer of an agency is the Freedom of Information officer if that role has not been delegated to a specific officer. A number of smaller agencies have not appointed FOI officers, preferring to wait until the volume of requests and related workload can be assessed. Interstate experience suggests that at least half of the State's 400 agencies will not receive an FOI request this year. An FOI officer has been appointed at the South Australian Timber Corporation. Over 400 officers from State and local government have received FOI training to date.

The Freedom of Information Act sets out procedures to be followed in dealing with requests for information:

- the agency has a responsibility to liaise with applicants should requests be incomplete or incorrectly framed
- the agency has 45 days to deal with a request for access or amendment
- the agency must consult with third parties should requests for documents be received that concern their affairs, such as personal or business matters
- the agency must decide the form of access, such as photocopy, transcript, personal inspection
- the agency must provide the applicant with a notice of determination advising:
  - the decision on the application
  - the date of determination
  - costs to the applicant
  - review or appeal rights and any other relevant details.

The notice of determination must state the name and designation of the officer making the decision. In the majority of agencies the CEO will not be the decision-maker, and designated FOI officers will deal with requests. This leaves dissatisfied applicants the right to request an internal review of the initial decision, which only the CEO can deal with, which would not be possible if the CEO were to deal with the request in the first instance. Interstate experience suggests that about 80 per cent of all requests will be granted, with the remainder being exempted under provisions of the Act relating to personal or commercial privacy or other specified exemptions.

Ministers have no involvement in the processing of requests for information. That responsibility rests entirely with the agency at which the information is held. Some agencies may however choose to advise their Ministers of requests received, however this is not a requirement of the Act and is for information only. Ministers' responsibilities are limited to issuing ministerial certificates stating that specified documents are restricted documents under the Act, such as Cabinet and Executive Council documents.

Four hundred FOI manuals were published in the first instance. A new updated version was released on 26 February and is being distributed to meet all outstanding requests.

The Hon. PETER DUNN: I understand that the Minister for the Arts and Cultural Heritage has replies to questions I asked on 11 February regarding TAFE funding and on 13 February about pastoral areas.

The Hon. ANNE LEVY: I seek leave to have both replies inserted in *Hansard* without my reading them.

Leave granted.

TAFE FUNDING

In reply to **Hon. PETER DUNN** (11 February).

The Hon. ANNE LEVY: The Minister of Employment and Further Education has provided the following responses:

1. The sale of old Colleges will not be used for recurrent costs. Currently, proceeds from the sale of surplus TAFE College property is, by agreement with Treasury, used for the activities associated with capital asset management of the Department of Employment and TAFE. It is envisaged that this practice will continue and will be a key means by which DETAFE can improve the quality of its accommodation, which will reflect in the more efficient delivery of education training programs.

2. The issue of general fee increases is complex, with the final determination made by the Minister and Cabinet. The question infers that an additional service charge will be specially applies to the Salisbury and Port Adelaide college redevelopment projects. This will not be the case. It is intended that all TAFE Colleges will offer educational training programs to industry and employer services at a fee to assist in activities such as on the job training. It is also anticipated that Salisbury and Port Adelaide, because of their location in major regional centres, are well placed to undertake significant fee for service activities in this area.

3. TAFE Colleges which have their programs relocated to Salisbury and Port Adelaide as indicated in the report have a number of options. The relocation of courses will give new opportunities

to other TAFE Colleges to expand or consolidate existing courses or introduce new courses.

The Port Adelaide College will offer in the first instance:

Marine/Maritime and Technical Studies
Business/Commercial Studies
Preparatory Courses
Aboriginal Studies
Clothing and Textiles
A variety of new introductory level courses.

The Salisbury Campus of Elizabeth TAFE will become the centre for the training focus on initial employment skills for industries in the Salisbury region.

The Salisbury Campus will focus upon youth and disadvantaged groups, providing open learning methodologies and outreach programs to link with the rapidly expanding Salisbury West community. There will be a co-operative program delivery through three local high schools. The focus by program is on Access/Preparatory Education leading to a wide range of further study within TAFE.

The report indicated that one option available in the future to improve the educational training provision in the Salisbury and Port Adelaide regions (which are currently underserviced) is to transfer some of the program activities from colleges which are currently under accommodation pressures to the new campuses. If this option is pursued, consultation will take place with the college communities involved.

4. In the provision of TAFE services it is a major objective that TAFE facilities are planned and provided in a manner which increases the efficiency of college operation and the effectiveness of educational or training delivery. This is best achieved in modern, consolidated, well planned and equipped new facilities such as those proposed for Port Adelaide.

The new College will be well placed to participate in the initiatives created by the MFP as it unfolds and develops, and may provide facilities for MFP developments in education or research within the building complex.

The College draws its students from Port Adelaide, Henley, Grange and portions of the Woodville LGA. Therefore, the immediate population serviced by the College is estimated to be in the order of 130 000 people with a future growth in excess of 180 000 from housing development investment in the MFP.

The surplus office space in Port Adelaide is scattered, and any attempt to lease a series of small spaces for the college will lead to inefficiencies and significantly higher operating costs.

The capacity of the proposed Port Adelaide Campus is approximately 1 400 student places and it is anticipated that the college will operate at full capacity by 1996.

There is no expected income to DETAFE from leasing facilities at the colleges.

5. The two projects proposed at Port Adelaide and Salisbury will both significantly increase opportunities for education and training for their relative communities which are currently suffering a number of disadvantages including inadequate and substandard facilities. The two projects will go a long way towards correcting these major difficulties.

Additional staff and new courses will be provided with the new facilities. The recurrent funding implications of additional staffing and new courses have been raised with Treasury, and have been noted in the PWSC evidence.

PASTORAL AREAS

In reply to **Hon. PETER DUNN** (13 February).

The Hon. ANNE LEVY: My colleague the Minister for Environment and Planning has advised that pastoralists may well be liable for any accident by travellers who negotiate station made tracks as distinct from public access routes, particularly where the pastoral lessee has given permission for such access to take place. The Minister has further advised that public access routes through the pastoral zone are to be identified and gazetted by the Pastoral Board within the next one to two years.

PERSONAL EXPLANATION: TOURISM MINISTER

The Hon. M.J. ELLIOTT: I seek leave to make a personal explanation.

Leave granted.

The Hon. M.J. ELLIOTT: This explanation will be very brief, and is in response to some comments that the Minister of Tourism made in her ministerial statement today. I want to make quite clear—and I said so in Question Time last week—that I had no reason to believe that the Minister had done anything improper or that any improper behaviour had occurred whatsoever. I said that in Question Time, and I continue to hold that view. I have said so on the few occasions when I have been interviewed about the subjects that we have been discussing today. I am concerned that the Minister says that I have been regurgitating stories. She went on further to elaborate on stories on which I had not elaborated at all, either within the Council or beyond it. All I have done by way of question in this Council and outside, when interviewed, is express a concern that a Minister should be in a position which could be portrayed as a conflict of interest and that I believed that it was probably better for all concerned that she were not in that position. I have never taken a position of being critical of the Minister or of any dealings in which she or her partner may have been involved. I wanted to make that clear, because, I do not believe that the Minister has represented my position accurately in her statement today.

STATUTES REPEAL (EGG INDUSTRY) BILL

Adjourned debate on second reading.

(Continued from 19 March. Page 3403.)

The Hon. PETER DUNN: I rise to support this Bill, although I have some reservations about what has gone on in the past. In fact, the history of this matter since about 1988 justifies that statement. The Bill has a couple of effects, which were adequately explained by the honourable Jamie Irwin when he spoke to it at some length. I shall not spend much time on this matter, but I will take a slightly different tack. The Bill itself repeals the Marketing of Eggs Act and the Egg Industry Stabilisation Act and vests property rights and liabilities with the Minister. If I wanted to be truly cynical, the Minister is the last person with whom I would want to vest my investments and my properties. The Minister can have the liabilities, but I certainly would not give him too many of my property rights.

First and foremost, I started from an egg, although it was probably not a chook's egg. I did not savour meat much when I was younger, so I ate a lot of eggs. I enjoyed them then and I still do. I was raised on eggs, particularly during the war when meat was sometimes a bit scarce.

The Hon. R.R. Roberts interjecting:

The Hon. PETER DUNN: However, I do not think meat was scarce in Port Pirie—not by looking at the Hon. Ron Roberts, who looks fairly well fed. Eggs are an important part of our diet; they have been in the past and they always will be; indeed, they will probably become more important in the future.

Over a period eggs have got a bad name, because of a diet fad run by someone who carried out a study that showed that cholesterol was bad for us and, as eggs are high in cholesterol, we should not eat them. It is interesting to note that by changing the diet of chooks slightly the cholesterol level can be reduced. The trials recently carried out in some Scandinavian countries, involving a control group and a group with a low-cholesterol diet, showed that people with a fairly normal and natural diet with a relatively high cholesterol level outlived those who had low cholesterol diets. I do not think there is anything in black and white in this country. All I know is that this Bill will make a number of primary producers poorer and make it more

difficult for a large number of people in the primary industry to be financially viable.

In the 1940s and 1950s, when I was a youth, my recollection of the industry is that just about every primary producer ran a few chooks and produced their own eggs. In those days we had well in excess of 20 000 primary producers, whereas today in South Australia we have about 14 000. I am talking about genuine primary producers, not those with small properties in the Hills. I am talking about those who legitimately receive more than 65 per cent of their income from primary production. In the 1940s and 1950s just about everybody ran a few chooks and produced their own eggs. As a youth, that was how I got my pocket money. I ran a few White Leghorns, a couple of Rhode Island Reds and a few Black Orpingtons. I had a range of birds. My mother implied that I had to keep them fed and watered and collect the eggs. I always got disturbed, when I was very young, when they got broody, because they were fearsome looking things. I have realised since that they are not terribly dangerous. We sold the eggs to the Port Lincoln Produce Company which gave us enough money to exist and carry on during that period.

The sad fact is that until recently that was very difficult to do. Until 1988 there was a limit of 20 chooks. I do not think that anyone will get terribly rich on 20 chooks. Even if they were sold as meat, one could not get very rich on them, and certainly one could not get very rich on the eggs that they produced. Therefore, quotas were introduced. There was a reason for that. The industry became more efficient, and I am all for that. Efficiency in the industry meant that many eggs were produced, some of which were not very good, and a decision was taken to control the industry. I think that is right. The consumer has a right to enjoy a good, fresh egg, which does not break readily and which has not been fertilised. That is right and proper. Therefore, some regulation was introduced in about 1941, and it ran through very sweetly until about 1988. Of course, the Bannon Government, with its great management skills—and we have only to look at the past 12 or 18 months or two years to see the skills that it has—

The Hon. M.J. Elliott: You guys supported that legislation.

The Hon. PETER DUNN: What has that got to do with this?

The Hon. R.R. Roberts: You are trying to work up the egg debate.

The Hon. PETER DUNN: I am trying to find out what the interjection is about.

The Hon. M.J. Elliott interjecting:

The PRESIDENT: Order!

The Hon. PETER DUNN: I think the Hon. Mr Elliott is worried that I am hijacking his debate, but we will proceed. The management by this Government has been poor, derelict and without any substance or credence. One has only to look at the State Bank and SGIC. Even if the Government did not make the decisions, it chose the people. We have just had an hour and a quarter of debate in this Chamber on a Minister being unable to determine her responsibility to the people of South Australia.

I suggest that until 1988 the egg industry went along relatively sweetly. However, we have only to look at some of the pieces that were put in the paper during that period—'Egg prices to tumble with deregulation' and 'Egg producers put before the consumers'—to see what I am talking about. My word, how about that one! 'Cheaper eggs on the way, says Mr Arnold.' All these statements are coming from the Labor Party to the consumer. I do not mind the consumer getting cheaper eggs provided that the primary producer gets his relative share. We have only to look at some of the real prices being received by primary producers today to determine that the consumer is benefiting at the expense of the producer. There have been enormous changes. As a result, only the big and efficient producers are now in existence.

Looking at the charts today, we notice that most of the producers run big operations above 20 000 chooks down to 1 000 chooks, with the average size primary producer running fewer than 1 000 chooks. Because there has been a drop in the return to the primary producer, effectively many of the smaller producers have been eliminated. So, today we have the silly situation where I live—600 miles from the city—of eggs being transported from the city to the supermarkets in my area because it does not pay primary producers in that area to produce eggs. Heavens above, I suspect that some of the grain from the area in which I live goes to feed those bigger poultry runs that tend to be in the Mid North, the Adelaide Hills and the Murray Bridge area. We had an industry in which just about every primary producer had a finger, but, because of the loss of profitability or even a reasonable return, primary producers have gone out of egg production.

Let us consider now the real price of eggs. In 1980 one dozen eggs was worth about 82c. That was a couple of years before I came into this place. Since then we have had both State and Federal Labor Governments and inflation has run rampant. It has quietened down a bit now, but in the mid 1980s it ran like wildfire and just about wrecked primary industry. In 1990—again in 1980 terms—the cost of a dozen eggs was 59c. That is the actual cost taking into account the inflation that has occurred since then. Of the difference between, say, 60c and 82c, the retailer has taken 14c and the primary producer has taken the residue—about 6c or 7c. It is a very small amount. So, do not tell me that eggs are expensive because the primary producer got a lot of money. That was not the case. In my opinion, it was because the retailer was ripping off the industry; he was taking his share regardless. However, the primary producer—the egg producer himself—was getting screwed.

Of course, since then we have seen the deregulation of the industry in New South Wales, there are now eggs going everywhere, because more people have gone into the industry and a number of those eggs are seeing their way into South Australia. However, at least the New South Wales Government had the honesty to compensate its producers (I hope the Hon. Mr Elliott is listening to this). That Government, having regulated its industry earlier and then deciding to deregulate, compensated those producers for the chooks they had because it knew that incomes would drop rapidly when other producers came into the industry.

That did not happen in South Australia; no way. The Government will just deregulate and the producers will have to help themselves. If they survive and swim, good luck to them, but, if they do not, we will get our eggs from New South Wales or Victoria. That is a bit sad in the long term, because it gets rid of an industry that employs quite a few people. I would suggest that now that it has been deregulated—and this is one of the things that convinces me that it should be—maybe more people will get into the industry and a few more people will take on 500 or 1 000 chooks and that they will produce a few eggs for places such as Port Augusta, Whyalla, Renmark, Mount Gambier, Port Lincoln and so on, instead of their being produced by the very big battery operations now in the mid-north, around the river, and so on. Probably in the long term that is what will happen.

However, as usual, the Government, lacks managerial skill. I reiterate that not one of the members of the Government has ever been in business; not one of them has ever gone to a bank and borrowed money or gone out into the real world and made a business pay.

An honourable member interjecting:

The Hon. PETER DUNN: No you haven't, not one of you. You tell me of one who has ever gone to a bank and borrowed a good sum of money, gone out into the commercial world, made a business pay, made enough money to pay themselves a wage, paid off the capital borrowed and then used those skills in this place. Not one of the members opposite, from the Premier down has done that. Members opposite come from a union background, or were school teachers. There is the odd lawyer, but they are not in the real world; they are miles away. I suggest that not one member opposite would know what a good businessman was to look at. That is pretty obvious from their performance in the past couple of years. They have not been able to pick them; they have absolutely no idea; and they are doing it again. God Almighty! It is a very sad indictment on today's Government to see us all so poorly.

The only people who are doing all right are the people employed by the Government who cannot get the sack. They get inflation built into their salary and they are fine. That is lovely. However, the people who really produce the wealth in this country, the people producing a bit of export income, have been forgotten. I have not touched on the pulping industry and I will not go into that too much. We did produce a little too much pulp at one stage and had to back off because we could not sell it overseas. That is mainly because the Americans were doing it better than we were. However, there is no-one in the present Government who has any skills whatsoever in managing these sort of things, yet they say they are experts. One has only to read the headlines in the local newspapers—in the *Advertiser* and the *Stock Journal*—to see what a nonsense the Government goes on about.

However, the Bill is a long way down the track and the industry is parlous. One has only to look at the management of the Egg Board. Since 1988 it has been an absolute disaster. The present manager is on a retainer of $7 000 or $8 000. That is $90 an hour for the work he does for 25 hours a week. That would work out at over $100 000 a year. Who pays for that? Certainly not the consumers: it is the producers. The manager is certainly getting fat. Members should look at the number of cars with blue number plates at the Egg Board. From 1941 to about 1988 there were four cars and there are now 15. Members opposite have no idea how to run or manage anything. It is an absolute disgrace to the people who support it.

The Government has provided for a few cheap eggs, at 20c a week less on eggs—they are a bit cheaper now than they were—but that has all come out of the producers' pockets. At the same time, the Government will soon be having handouts for these people who leave the board. It really does not make a lot of sense to put in a manager with that sort of package. What about the previous manager? He nearly got run out of town. Chaos has reigned supreme because the Government has no idea of how to pick the right people.

The Hon. T.G. Roberts interjecting:

The Hon. PETER DUNN: The honourable member asks what recommendation I would make. I would recommend that we go to the people tomorrow so that we can have an election on this. This is a good issue on which to go to the people, because this is as big a disaster—on a very small scale—as the State Bank, SGIC, WorkCover or anything else. Just about everything the Government touches falls over.

I support the Bill because the board is absolutely on its knees at the moment. The only way the Government can get out of the trouble it is in at the moment because the board is costing so much is for it to allow the formation of a cooperative. I note that the Minister has promised to lend $700 000 at about 8 per cent interest. Heavens above, I could go across the street now and borrow money at about that rate. That is no great favour. However, I doubt whether the Government has the money in its coffers to lend that much anyway, when it is taking money away from hospitals, schools and so on. This lot would take the wheat away from a sick chook.

I am disturbed about the management of this State. We are in such a disastrous position at the moment that if it goes on any longer my grandchildren and the Hon. Terry Roberts' grandchildren will never pay for the mistakes made by this Bannon regime. The management of the board has been a disaster. The setting up of a cooperative is probably the answer. The industry should drag itself out of the mire that it is in. There is no way that we can go back now because of the deregulation in New South Wales and Victoria. We have them on our doorstep supplying eggs if our producers cannot do that. I believe that the industry is good and comprises a good strong group of people. They will provide us with all the eggs that are necessary and at a very good price, provided the Government keeps its sticky fingers out of it. For all of those reasons, I support the Bill.

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

[*Sitting suspended from 4.39 to 5.11 p.m.*]

ROAD TRAFFIC (ILLEGAL USE OF VEHICLES) AMENDMENT BILL

In Committee.

Clauses 1 and 2 passed.

Clause 3—'Amendment of s. 44—Using motor vehicle without consent.'

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

Page 1, lines 19 to 21—Leave out all words in those lines and insert—

Penalty: For a first offence—

(a) where the defendant entered onto the land or premises of another to commit the offence—imprisonment for not more than four years;

(b) in any other case—imprisonment for not more than two years.

For a subsequent offence—

(a) where the defendant entered onto the land or premises of another to commit the offence—imprisonment for not less than three months or more than six years;

(b) in any other case—imprisonment for not less than three months or more than four years.

I want to make a couple of observations before I deal with the amendment. During my second reading contribution I said that Mr Brindal, the member for Hayward, had a private member's Bill in the House of Assembly which was directed towards removing section 44 of the Road Traffic Act to the Criminal Law Consolidation Act, to signify the seriousness with which that offence is to be regarded. That is not an issue I now wish to pursue, partly for the reason that it would be very difficult, if not impossible, procedurally to achieve that, so what I want to do is to pursue the amendment relating to the penalty. The other point I want to make is that in the second reading contribution I referred also to Mr Brindal's private member's Bill and his intention

to propose that a person who enters on to land or premises with an intent to commit an offence under section 65a (that was his illegal use of motor vehicle provision) is guilty of an offence. He had seven years imprisonment for that, and I think that is much too high.

The Attorney-General said in his reply at the second reading stage that that offence might in itself create some difficulties of proof, and I acknowledge that as a difficulty. How do we establish the intention to illegally use a motor vehicle when people enter onto land or premises if they have not in fact taken the vehicle? So, I acknowledge that there is some validity in the observation which the Attorney-General made. Notwithstanding that, the Liberal Party still regards it as a matter of concern that offenders may enter premises unlawfully with a view to taking a motor vehicle for the purpose of using it illegally. One particular instance that was drawn to my attention related to car dealers who have their car yards open to the public but secured by a chain fence or a chain fixed to vertical posts as the only thing which prevents persons driving the motor vehicle off the lot, whether it is a used or new car lot.

Concern was expressed by one dealer, who indicated that he had been the victim of a person hot-wiring a vehicle in his used car yard. The offender drove it through the chain and out on to the road, damaging the vehicle extensively. The used car dealer felt particularly offended by the fact that his yard had been broadly described as 'broken into' and that the offender had entered those premises for the purpose of taking the vehicle and then illegally using it. So, it seemed, in the context of that experience—and other examples were given to us—that one way of tackling the problem of taking a motor vehicle from premises, whether from the front driveway of a private home or from a used car yard or some other premises, and then illegally using it, was to provide an additional margin of penalty where it could be established that the vehicle was taken in those circumstances.

So, the proposition which I now put, keeping in mind the response of the Attorney-General at the second reading stage and further consideration which I have given to the issue, is to adopt the penalty provisions which the Attorney-General has in the Bill but to seek in each instance for a first offence and then for a subsequent offence to add, in a sense, a premium sentence of two years maximum to each. I refer members to the terms of my amendment.

It seems that some additional penalty needs to be allowed to the court in imposing sentence, particularly because the entry on to the land or premises for the purpose of taking the vehicle, I would suggest, is more serious than taking it from a public place. There may be arguments about that, but I think that there is a greater sense of invasion of property by that behaviour than where it occurs in the street or in some other public place. I have indicated already that I acknowledge that the maximum should not exceed that which is imposed for larceny under the Criminal Law Consolidation Act. Again, there is some argument about that. Mr Brindal is of the view (quite understandably) that the penalty ought to be equivalent to larceny but, of course, that does not accommodate the position where someone actually steals a motor vehicle, doctors the plates and sells it off interstate, obviously with the intention of depriving the owner of that vehicle permanently.

The counter argument is that it is equally dramatic for a vehicle owner to find that his or her vehicle has been taken and illegally used and then crashed or set fire to and is then a complete write-off, but I guess that is one of the things we just have to come to terms with. There has to be a distinction between the two. I acknowledge that Mr Brindal has some good arguments in relation to that issue.

The other issue concerns minimum penalties. I have expressed general reservation about minimum penalties, but I accept that the Attorney-General's proposition maintains the *status quo*, so I do not seek to alter it.

The Hon. C.J. SUMNER: The Government opposes the amendment. One of the defects with the foreshadowed amendment, namely, the difficulty of proof of intention, has been removed. Nevertheless, the Government does not believe that the amendment is necessary. First, section 17 of the Summary Offences Act already makes it an offence to be on premises for an unlawful purpose and imposes a penalty of $2 000 or imprisonment for six months. So, there is already an offence covering that situation.

Secondly, the penalties sought to be imposed in respect of the new offence are unrealistically high when compared with the offences in the Criminal Law Consolidation Act. For instance, an assault occasioning actual bodily harm where a victim is 12 years of age or more attracts a penalty of five years. Further, the offences of arson and wilful damage attract penalties of five years and three years respectively where the damage exceeds $2 000 but does not exceed $25 000. The offence of larceny pursuant to section 131 only attracts a penalty of five years. This means that a person could burn, wilfully damage or steal property and receive a lesser sentence than a person who entered onto land or premises for the purposes of using a motor vehicle without consent. So, I think the penalties are out of kilter but, in any event, I think the offence is unnecesary because an offence covering this situation is already in the statute books.

The Hon. I. GILFILLAN: I indicate opposition to the amendment and to the clause. As I observed in my second reading speech, I am not persuaded that an increase in penalty is desirable. I certainly remain unpersuaded that an increase in penalty would have any likely effect on the incidence of the offence. From reading the original Act and the Bill, my understanding is that, in these circumstances, the actual offence concerns illegal and fraudulent use of a motor vehicle and using a motor vehicle without consent. If the offence of larceny is proven, it moves into a different category of offence.

In my second reading speech, I acknowledged the concept of breaking into a vehicle as being similar to breaking into private property and that illegal use with the intention of stealing is, obviously, larceny. I do not think that the Hon. Diana Laidlaw pondered particularly profoundly on my second reading speech and she argued that there were some inconsistencies in it. To make it plain why I oppose the amendment and the clause, it is my understanding that the Act and this amending Bill deal specifically with the illegal use of a motor vehicle without proven intent to steal.

There is also in the original Act scope for compensation for damage and a two year period within which the complaint can be laid. There seems to me to be a quite comprehensive facility for proper penalty and prosecution to take place. Therefore, I am not persuaded that the amendment has any particular merit and I will vote against the clause in its original state because I do not believe that increasing the penalty would do anymore than put more people into our prisons and would have virtually no effect on the incidence of the offence

The Hon. K.T. GRIFFIN: In the light of those remarks, it is quite obvious that my amendment will not get the numbers. So, if I lose it on the voices, I do not intend to divide. Notwithstanding what the Attorney-General has indicated, I intend to persist with the amendment.

Amendment negatived.

The Hon. I. GILFILLAN: I move:

Page 2, lines 1 and 2—Leave out all words in these lines.

My amendment deletes proposed subsection (1b). I will not repeat at any length the argument I used in my second reading speech indicating my concern that a mandatory disqualification without any scope for mitigation at all seems to me to be most insensitive and quite pointless. The penalty is loss of licence. I accept that that is an effective penalty, but its effect and impact will vary considerably from person to person according to their personal circumstances. Subsection (1b) could virtually destroy a person's capacity or ability to be employed. That person may never pick up employment of the same nature and, in fact, may have extreme difficulty picking up any employment at all. In some rural areas of the State, the imposition of a six months mandatory loss of licence could sentence someone virtually to social as well as occupational isolation.

The Hon. C.J. SUMNER: The Government opposes this amendment. This is a serious offence involving a motor vehicle, and disqualification should follow automatically.

The Hon. I. Gilfillan: It cannot even be reduced to four months or three months; it has to be six months.

The Hon. C.J. SUMNER: That is right. We are saying that it should be a mandatory licence disqualification.

The Hon. I. Gilfillan: It will not affect you or me, but what about someone on Kangaroo Island or in the Mid North?

The Hon. C.J. SUMNER: They should not steal the car in the first place.

The Hon. I. Gilfillan: They are not stealing a motor vehicle. The offence is illegal use. Stealing is a different offence.

The Hon. C.J. SUMNER: They should not be engaged in the illegal use or stealing of a motor vehicle, however the honourable member wishes to classify it. As with drink driving offences, there should not be the capacity to mitigate these minimum penalties. In the honourable member's terms, the penalty may be harsh, but I am afraid that larceny or illegal use of a motor vehicle is a serious offence and, as such, I think licence disqualification is an appropriate penalty to attach to it.

The Hon. K.T. GRIFFIN: I was not aware of the amendment until a moment ago.

The Hon. I. Gilfillan: I mentioned it in my second reading speech.

The Hon. K.T. GRIFFIN: The Hon. Mr Gilfillan says that he mentioned it in his second reading speech, but it is something that I had overlooked. I follow the argument that he is making. The Hon. Diana Laidlaw has raised the issue of hardship licences. We think it is appropriate to look at that whole issue rather than in isolation. For that reason, and because of the seriousness of this offence, we do not intend to support the Hon. Mr Gilfillan's amendment at this stage, but we hope that the Attorney-General will undertake the review that he has indicated is being considered relating to the Law Society's representations regarding the issue of hardship licences.

For the present time we are not prepared to support the amendment, but we recognise that some problems could be created in relation to this measure. However, they are problems which should be addressed in the broader context of hardship licences.

Amendment negatived.

The Hon. K.T. GRIFFIN: In relation to the penalty provision, the Law Society has raised with me—and it may have raised it with the Attorney-General—the fact that the first offence is a summary offence and the second is a minor indictable and, on the basis that a court should not know of previous convictions before the question of innocence or guilt is determined, if a person is charged such that it is a minor indictable offence, it will become obvious to the court that it is a second or subsequent offence. As I understand it, that matter was raised not just in this context but in the context of some other graded penalties for subsequent offences. It is quite obvious that, under the courts restructuring Bills that we passed last year, it will become even more obvious that, as a minor indictable offence, the subsequent offence will then come to the knowledge of the court before any plea has been taken. Will the Attorney-General indicate whether he has addressed his mind to that issue and how that can be dealt with in the context of the broad principle?

The Hon. C.J. SUMNER: I am advised by my officers that they are not aware that the matter has been raised with me. All I can say is that I will examine it. I do not know that the jury, unless it is a fairly alert jury, would be aware that it was a second offence. In any event, as the matter has been raised by the Law Society, I will have the matter examined and will reply to the honourable member. It may be that I can get the Government to reply in another place; but I will certainly examine the issue that has been raised by the honourable member.

Clause passed.

Title passed.

Bill read a third time and passed.

BUILDING SOCIETIES (SHARE CAPITAL) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 18 March. Page 3285.)

The Hon. K.T. GRIFFIN: As I understand it, this Bill was introduced at the request of the Co-op Hindmarsh Building Society. It proposes to make an issue of convertible notes to assist in meeting capital adequacy requirements under the new financial institutions legislation which we have before us and which is due to come into effect on 1 July 1992. It is important that holders of the convertible notes, which I understand are to be issued in about a month's time, should be able to sell the notes and shares and to know before the issue that there is a market on the stock exchange.

The Building Societies Act of 1975, in section 47 (13), does prevent the sale of shares on any stock exchange. The Bill repeals this provision. I have not had a chance to check, but I understand that the building society legislation in other States does not prevent the listing of shares on stock exchanges, and there is no provision in the pending legislation which would prevent building societies from issuing shares which are listed on stock exchanges.

As I understand it, presently $28 million of permanent shares are in the Co-op Building Society, the first of which were issued in 1989, and they are traded on an exempt stock market and not on the stock exchange. In my discussions with the Hindmarsh Building Society, it indicated that it was anxious to have the Bill passed. It recognised that it was introduced by the Attorney-General at its request. It has sought my assistance to ensure that the Bill does pass during this session and as quickly as possible. There certainly does not appear to be any detriment in pushing it through. It is for that reason that the Liberal Party supports the Bill.

Bill read a second time.

In Committee.

Clause 1—'Short title.'

The Hon. I. GILFILLAN: This has been dealt with fairly quickly, and I did not have a chance to hear either the Hon. Trevor Griffin's or the Government's second reading contributions. Could the Attorney-General briefly explain what the Bill does?

The Hon. C.J. SUMNER: In simple terms, the Bill enables any building society—but effectively it is the new Co-operative Hindmarsh Building Society—to publicly list on the stock exchange a certain proportion of the permanent shares. Previously, it has raised certain amounts of money by way of a permanent share issue, but they are traded on an exempt stock market, which the society itself operates according to rules established by the former Ministerial Council for Companies and Securities. This will enable it to list those shares publicly and trade them on the Stock Exchange. The basis for needing to do it is to increase its capital adequacy ratio. Because of the merger between the Hindmarsh and the Co-op, the capital adequacy ratio of the Co-op fell from 12 per cent to 8 per cent. Obviously, it is important that that be boosted by a capital raising program, which the Co-op wishes to undertake. It has already raised capital through the exempt stock market, but a public listing will enable freer trading and more interest presumably from investors than the current arrangements.

The Hon. I. GILFILLAN: Does that mean that the new entity—the Co-op and the Hindmarsh—will need to comply with all the listing requirements of the Stock Exchange, as would any other corporation?

The Hon. C.J. Sumner interjecting:

The Hon. I. GILFILLAN: I am getting an affirmative answer, so I assume that is correct. Secondly, will there be any cooperative characteristic remnant in the new entity or does it no longer stand as a cooperative as is widely understood?

The Hon. C.J. SUMNER: It still is a cooperative. It is not a building society of the Farrow kind. This is not changing the current situation, except enabling the listing of the shares on the regular Stock Exchange rather than trading them via the exempt stock market which it has done previously. It remains a cooperative but with the issue of a certain number of permanent shares which can be traded.

Clause passed.

Clause 2 and title passed.

Bill read a third time and passed.

LOCAL GOVERNMENT (REFORM) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 18 March. Page 3285.)

The Hon. J.C. IRWIN: I support the second reading of this Bill. On 10 March this year the Minister for Local Government Relations sent me a copy of a draft of the Bill which she intended to introduce into the Legislative Council early in the sitting week commencing 17 March. In her letter to me, the Minister said:

> I hope the Bill can make good progress through the Legislative Council during that week so that it is possible for Parliament to deal with it before the end of the sitting. Although there may be some minor technical refinements prior to the Bill's introduction, the main concepts in the Bill, which arise from the formal negotiations between the State and the Local Government Assocation under the memorandum of understanding, are settled.

I have now received the 'more technical refinements' to the draft Bill. Some of my colleagues and I have been briefed on the draft by the Local Government Association and the Local Government Relations Unit. I express appreciation to both bodies for giving us a briefing on the draft Bill. I certainly appreciate the advance warning given to me by the Minister. It has enabled me to carry out the usual consultation process at least a week earlier than if it had been commenced after the introduction of the Bill to Parliament, which was in the middle of last week. Nevertheless, I express some objection to a Bill of this magnitude being introduced into this place in the final days of a session. It is not the first time that I have made that complaint, and I guess I am not the first person to have made that complaint, either. Nevertheless, we must deal with what is before us.

I am not convinced that the Local Government Association consultation process has been as full as it would have liked or as some councils may have liked. Ideally, the draft Bill should have been sent to all councils, leaving enough time for their comments prior to the Bill being tabled; but I am satisfied that all councils have had extensive consultation prior to the Local Government Association negotiating its stance with the Government on the Bill.

There are a number of deadlines in the Bill as a result of the memorandum process, so there is an understanding by me that they have to be dealt with one way or another prior to the end of the session in nine sitting days time, which I now understand has been increased by a further five days. This *ad hoc* approach to the reorientation of local government is not an ideal way to deal with what I will call a major cutting of ties with the State Government. I will address that point in more detail later.

As with many matters which come before us, we, as individuals and as members of political Parties, eventually have to make a decision. In matters dealing with local government we all pay great attention and respect to the association which represents all councils in South Australia—the Local Government Association. No decisions are perfect in respect of content, support or final outcome. In other words, whatever we do here will not please everyone. I can also say, of course, that not everything that comes into this place will always please everyone, either.

In the Bill the Local Government Association has signalled the majority decision coming out of its consultation process. As the Minister, the Democrats and we know, there is always some dissension in the ranks. That is the case with the amendments before us, some of which are far reaching and provide for fundamental changes.

We on this side of the Council do not forget that the negotiations to put local government more on its own have been conducted by the Government and the Local Government Association. Although the Opposition has supported the move to disband the Local Government Department, our philosophical position has played no part in the negotiations, except that which is inherent in individual local councils' philosophy and which undoubtedly played a part in the overall negotiation. I expect that exactly the same case could be made out by the Democrats. The stark reality is that the Liberal Party, despite 52 per cent support at the last election, played no part in the negotiations and plays no part until called on now to consider amendments to the Act.

At a recent Spencer cities meeting in Port Lincoln I mentioned that the most common issue that comes over my desk from electors and some elected members was the issue of accountability and how they can get some action from their councils. The so-called offending council will not always deal with a matter of conflict with their own electors. The Local Government Association says that it is the responsibility of the council, and there is a bureau which is a shadow in size to the old department. More often than

not offended electors are directed to the Ombudsman, and my indirect experience in this area has been that those offended more often than not are directed to the courts. That is usually the end of the matter because the costs associated with court proceedings and associated legal advice makes any issue before a court almost prohibitive. There is a whole range of problems which have to be dealt with by someone—some body. No-one has come up with a solution yet.

At Port Lincoln I said that there may need to be a watchdog for local government. I had then, and have now, no idea what form that watchdog should take. The President of the Local Government Association has said recently, following my remarks at Port Lincoln, that the Liberal Party is going to introduce a Department of Local Government. I refute that, as I have never said it, and it has not been discussed, since we supported the moves to disband the old Local Government Department.

I will now address some comments to the proposed amendments. In relation to clause 4, Divisions I to XII of Part II are repealed and new provisions are inserted. The Minister's second reading explanation told us that the Local Government Advisory Commission was established in its present form in 1984 to provide advice to the Minister on any matters affecting local government. Most of the work has been in investigating and recommending boundary changes and reviewing elected members and ward structure. The system replaces such methods as parliamentary select committees, royal commissions and legalistic petitions requiring the signature of the majority of electors.

Although the commission finalised 76 proposals for constitutional change referred to it, it has not been successful in instituting any amalgamation of metropolitan councils. I join with the Minister in paying a tribute to the past and present members of the Local Government Advisory Commission and I include the staff, who have worked tirelessly with the commission.

Boundary changes and council amalgamations have been achieved, with every council amalgamation being in the rural areas. As I said before, not one amalgamation has been achieved in the metropolitan area. The reasons are obvious and have often been stated. Country people are not in marginal seats and cannot therefore vote with their feet, as was the case in Mitcham. This chapter of local government will be closed with the shame of ministerial interference hanging over its head. The commission cannot be held responsible for what was done to it.

The Hon. Anne Levy: Mitcham is not a marginal seat.

The Hon. J.C. IRWIN: The lessons to come out of the metropolitan—

The Hon. Anne Levy interjecting:

The Hon. J.C. IRWIN: Well, one very close to it was, and it changed hands. The lesson to come out of the metropolitan attempts to amalgamate councils was very clear. As in both the Mitcham and Henley and Grange sagas, the majority of the people, through poll results, came out on top. Whether they are collectively right or wrong, the people should have the final say. That is democracy.

The Bill proposes that the advisory commission be wound up as of 30 June 1992 and be replaced by a process for council constitution, amalgamation, boundary change and abolition, which is managed by local government. A panel of four will be constituted by the Local Government Association to facilitate and report on each proposal, Each panel will have a representative of the association, the State Government and local government sector unions and an expert in council administration.

Proposals may be initiated by either electors or councils, but if any party to a proposal objects to a change by the panel the change cannot then proceed. Electors may also demand a poll on any panel recommendation. If the panel, after considering the poll results, decides to continue with a recommendation which has been rejected by a poll, it must explain its reasons. Such a proposal can be initiated by the relevant council or, if the proposal affects more than one council, by all the councils for the areas, or by 10 per cent of electors for an area or 50 per cent of electors for a portion of an area.

The panel of four will oversee the preparation of a report by the representatives of the parties to the proposals. These representatives will be persons nominated by the councils affected by the proposal and in the case of an elector-initiated proposal three persons nominated at the time of the formulation of the proposal. Ten per cent or more of the electors for an area can request that an indicative poll be conducted on any recommendation contained in the report. Any proposal can then be forwarded to the Minister and thereafter the Governor may, if he or she thinks fit, proceed to make a proclamation.

Clause 17 (4) *(b)* talks about the introduction of a proposal where a proposal must comply with any guidelines published by the Local Government Act in the *Gazette*. We, of course, will not know those guidelines until after the legislation is dealt with and the guidelines published. I have some apprehension about how tight those guidelines may be and, indeed, what they will be. I have some apprehension about the constition of special panels. There seems to be no limit to the number of panels which can operate simutaneously. There seems to be no limit to the number of proposals which can be running simultaneously under the same panel. I do not believe any member of a panel should be or have been a member of a council the subject of an amalgamation proposal. Similarly, chief executive officers or others with extensive knowledge should not have been employed by a council which is the subject of a proposal.

I am somewhat apprehensive about how the Local Government Association will find enough people with enough time to deal with the undoubted workload of impending amalgamation proposals. The 1990-91 report of the Local Government Advisory Commission had before it some 11 proposals, including some of a counter proposal nature, and I acknowledge that some of the 1990-91 proposals have now been resolved. The fact remains that it may not be uncommon for 10 to 12 or more proposals to be in the pipeline to be dealt with at the same time.

Regarding the poll provisions (clause 18), the Opposition's policy is—and I have often stated it in relation to amalgamation proposals—that a poll taken in respect to clause 17, where all revelant arguments are summarised and made public before the poll, the poll result should be decisive. We believe a poll does reflect the wishes of the majority with all factors known. A proposal should be finished once the poll result is known.

The Hon. I. Gilfillan interjecting:

The Hon. J.C. IRWIN: Yes, all those who are affected.

The Hon. Anne Levy: Is it compulsory?

The Hon. J.C. IRWIN: No, it is not compulsory voting—yet. It simply will be a majority of those people—as was seen at the Henley and Grange proposal—who turn out to vote at a poll.

The Hon. Anne Levy: Even if it is only 2 per cent?

The Hon. J.C. IRWIN: Well, if they are really so disinterested in local government then they show it with a turnout of 2 per cent. I do not have a problem with that, and neither does the Liberal Party. I suggest to the Hon.

Mr Gilfillan that one difference we had some time ago about which were the affected areas and how they would be defined has been resolved, but I will talk about that with the honourable member later. I will move accordingly in the Committee stages to have that proposal for a definitive poll.

The altering or ward structure of a council will be internal to a council. A council will be required to carry out a review in accordance with section 24. Council must ensure that all aspects of the composition and wards of the council are reviewed at least once in every seven years, which is currently the situation and we are coming to the end of that. This process will include the preparation of a report, public submissions, and the formulation of appropriate proposals. The report will be considered by the Electoral Commission and the council will be able to give effect by notice in the *Gazette*. Public submissions will be sought to alter the status of a council or its name.

The timing is about right for this proposal as all councils should have completed their review of ward boundaries by 30 June 1992. I am aware of a few, including Adelaide City Council, that have not yet concluded the process or, if they have it has not been made public, to my knowledge. I am advised that the proposal before us for ward reviews and the involvement by the Electoral Commission will be paid for by all councils paying initially 5c per elector for the work the commission does in preparing electoral rolls. This is done twice a year.

Last year we had drawn to our attention by councils the new rates being charged for the preparation of council valuations. We saw last year where the Valuer-General caused massive increases including a minimum charge to a lot of councils without consultation with the Local Government Association or individual councils. I would like to be advised by the Minister about what arrangements there will be for the per elector charge to be calculated and to be kept in place from election to election. If any increase is sought by the commission it must be justified to the Local Government Association before being applied.

Clause 10 will allow a council to grant an exemption from the operation of section 80 (5) of the Act, which relates to conflict of interest. The provision presently provides that an officer of a council cannot act in relation to a matter in which he or she has a personal interest without an exemption from the Minister. An exemption will expire at the first meeting of the council after a general election, but may then be renewed by the council.

In the light of the nature of the amendment before us in the Bill, this amendment is understandable. The debate on section 80 regarding conflict of interest has been drawn out for far too long.

It is a matter far too important to be left any longer without resolution with appropriate amendments. While I appreciate the need to find a balance between enticing experienced people to serve on councils as their officers and protecting the electors of a community from exploitation of inside information and decision-making, it is not good enough to expect individuals to have to go to the courts to sort out conflict of interest. I cannot recall too many cases where the court has been asked to rule on a conflict of interest involving local government. Local government with its declaration by an individual and then leaving the room is perhaps the most strict of conflict provisions I can recall debating in this place and I applaud it.

Any amendments to the conflict of interest provisions must include consideration of a council itself in conflict with the community, in other words, protecting one of its activities by any number of means, including confidential sessions. It is my strong view and that of the Opposition that councils exist to help their communities, not to compete with them, especially from an advantaged position. We have sufficient concern with the whole area of the conflict provisions that until they are all properly addressed we will move an amendment to clause 10, part 17 which will have the effect of a council granting an exemption to an officer under new subsection (5) only if it is adopted by a unanimous council decision. I look forward to the Minister's review of conflict provisions actually reaching a conclusion and debating new provisions before the end of this year.

The Hon. Diana Laidlaw: How long has it been going on now?

The Hon. J.C. IRWIN: Four years or more. Clause 11 determines that the membership of a council will, as from 1993, be held at three yearly intervals, all in, all out. It is difficult for the Opposition to oppose longer terms for councillors as this Parliament has extended its terms of office from a straight three year term to one now between three and four years with double for the Legislative Council. As I recall the debate on length of terms for local government in 1984 (although I was not here), it was more concentrated on all in all out versus staggered terms than about the length of term. It is difficult to draw analysis from the Parliament because of the bicameral system. The Assembly of course is all in all out which in practice is never likely to happen with a 100 per cent turn over of representatives. The Party system will not allow that to happen. The Legislative Council is a staggered system of half the membership going to an election every time the Assembly goes.

While I acknowledge that the Local Government Association's policy for councillor terms is four years, with half the council going to an election every two years, I know that at their last annual general meeting they did move for three year terms, all in, all out. This is in line with the proposal in this amending Bill. The Opposition stance is that we should continue to have local government terms of two years, with all councillors going to an election every two years. I have to say on behalf of my colleagues in both Houses (and I include the other place because of the nature of its representation and its members' connection with local government in their own electorates) that the majority are uncomfortable with four year terms and uncomfortable with the all in, all out provision. As we cannot obviously split three in half and we do not want to go back to an election every year, because of the expense we are forced to support the status quo.

I know this will be a disappointment to many in local government but I have to say that, because of the nature of the amendments before us and the new direction they undoubtedly signal, we will need to be convinced that local government has the support of the majority of electors and ratepayers to have three years terms in office before going to the electors for endorsement of their competence and what they have managed in the previous three years. Our collective feeling is that the support is not there yet for three year terms, although the justification for local government regarding three year terms to improve planning is very strong. I would like to return to that general argument later.

As I have said before, the Opposition has no involvement in the memorandum process. If we are expected to come in cold, as it were, at this end of the process, then those involved with local government will have to understand that the Opposition cannot be expected to embrace all of the changes automatically. To illustrate this point further I can say that, while other parties have months to consult and negotiate we have a week. I am uncomfortable now, as I have been previously, in signalling the amendments to

local government and moving to debate them with virtually no time to consult on extremely important and far-reaching matters.

I make these points now, even though the longer term debate for three or four year council terms has been around for some time, but the suggested three year provisions inexplicably tie in with other important matters we are debating in this Bill.

Clause 13 will allow a council to determine a basis other than a basis specifically allowed under section 176 of the Act for the purposes of differential rating, if it is appropriate to do so after an amalgamation or boundary change. This arrangement can only apply for a maximum of five years. While I have to support the arrangements suggested in clause 13, I am suspicious about how they will be used. It would be unfair, for instance, if an amalgamated council kept rates high in the old council areas in order to achieve a slow consolidation of the rate rise, when the argument for the amalgamation proposal would no doubt have been based on a large amalgamated council being more effecient, which is debatable, and a lower rate base for all residents, and we are well used to seeing that argument being put.

Clauses 15, 16 and 17 relate to fixing of fees by council. Local government will have the authority and responsibility to determine the fees to be charged for certain functions performed by councils. I realise that all those clauses are not correct, and that reflects some of my hurry in completing the arrangements for making this speech but, in following through and trying to collate some of the clauses I am referring to, what I mean to refer to is not exactly lining up. The mechanism allows the range of fees to be progressively added to as fees currently set by State agencies, by regulation, are transferred, or new functions and associated fees are devolved to local government. It also transfers to local government the decision about whether any particular fee will be standard across the State or may vary from council to council.

The Local Government Association will have power to make regulations governing fees imposed by councils. Initially only an agreed set of fees under the Local Government Act, the Land Brokers and Valuers Act, the Strata Titles Act, the Real Property Act, etc. will be involved, but it is expected that responsibility for other fees collected by councils for work which they perform will be routinely transferred by Governor's notice. Regulations made by the Local Government Association will be reviewable by the Legislative Review Committee of Parliament and subject to disallowance. If the Local Government Association determines not to require uniformity across the State for any particular fee, then each Council may set its own. The association has agreed that it would make regulations fixing fees for the first two years so that planning and building approval fees, in particular, remain standard over the State.

These are major changes and will reflect on local government in general and individual councils in particular. The State Government has transferred to local government the odium of fixing various fees.

The Local Government Association has accepted that responsibility on behalf of the councils, and I know that it has been calling for it for some time. Councils now have the responsibility of being accountable for the fees they set.

There are a number of amendments in the Bill which take away the need to obtain Ministerial approval. These approvals were inserted into the Local Government Act for a purpose by the Parliament and in general were as a check and balance to various activities undertaken by councils. While there is little choice left but to support the amendments—little choice because after 30 June 1992 the bureau goes out of existence and there is virtually no structure left to examine a request for Ministerial approval—I am a little apprehensive about the absence of any of these checks or balances.

It we go further and look at some areas still remaining in the Act which require Ministerial approval then my apprehension increases. Between now and the next major change to the Act I believe we need to think seriously with the Local Government Association about exactly who or what body will or could resume the check and balance responsibility now being deleted or proposed to be deleted.

If the Local Government Association is unwilling to take on that role, the Parliament may need to consider who or what will. I do not think it is presumptuous of me to suggest that there cannot be a void.

Clauses 22, 23, 24 and 25 relate to the by-law making powers of councils, and removes the necessity for vetting by the Minister and Executive Council. By-laws will still remain subject to disallowance by the Legislative Review Committee of this Parliament. The Bill sets out principles relating to objectives and forms of by-laws. Councils are also required to give their communities notice of intention regarding making a particular by-law. Local government will be able to adopt as a model any by-law made by a council which has gone through the process of Parliamentary Review. Councils will be able to adopt a model by-law by resolution, which makes for an efficient sharing of resources and ideas within local government. The reference of powers and the guidelines for the passing of by-laws are also set out.

I conclude with some remarks about the Local Government Association. I have no doubt that extensive discussion is taking place about the increasing role the association is taking in, and its responsibility for, local government in this State, and, in particular, local communities. After all, we are seeing in this Bill before us now the beginnings of the Local Government Association being the Parliament for local government. The Local Government Association's functions and responsibilities will evolve as they already have and just as Commonwealth and State Parliaments continue to evolve. What must evolve is a certainty for the community that decisions and responsibilities emanating from the Local Government Association have been arrived at by a due and proper process.

The challenge for the Local Government Association is to maintain and encourage the individuality of however many councils may exist from time to time in this State, for these councils do represent individual and different communities probably more so in the rural areas than in the city, although I hasten to acknowledge and support the differences of individual metropolitan councils, many of which want to maintain their individuality. The challenge is to maintain this individuality whilst at the same time maintaining the need for the consultation and decision making process which reflects a majority view. The Local Government Association is acknowledged and renowned for its consultation process. It is of necessity a slow process by its members and individual councils with the twice monthly or monthly meeting process.

Because of the process of devolving power from the State Government to local government, this Parliament must eventually consider the whole constitutional basis of local government and the constitution of the Local Government Association. Admittedly, we should not meddle or seek to meddle in the affairs of the Local Government Association, but because we are passing over certain powers, and they may well come later from further afield than the Local Government Act, the people who elect us have a right to know that those who will resume those powers have a strong

very steady base from which to use those powers from both a democratic and legal point of view.

I have indicated the Opposition's stance on this Bill and I have in a few instances outlined where we will seek to amend certain clauses. The memorandum process has been in process for some time now. The Bill before us now seeks to put into effect some of the negotiated agreements, but there will undoubtedly be more. I have always believed, and said so here, that the new arrangements for local government should be introduced in one package so that all of us who would be participating in the debates would be able to see and understand the big picture, not a series of small pictures, which all have to somehow come together to form a cohesive unit standing apart from the Government when the debate is concluded.

It is my belief and that of the Opposition that no more arrangements should be made to amend the Local Government Act until the whole matter of local government has been the subject of a select committee. This will bring the Opposition and the Democrats into the debate so that all new proposals for local government will be well tested out before legislation is introduced.

This process will also allow many interested people and groups to make submissions by way of the select committee process. At the moment they are virtually frozen out. At the appropriate time I will propose that the Council set up a select committee to look at all immediate future arrangements affecting local government. Many of these will be at the end of the negotiation process under the memorandum of understanding. It is also my attention at the appropriate time to refer some proposals in the Bill before us to the select committee.

I refer in particular, to panels and ward restructuring; to clauses 16 and 17, which relate to fixing of fees by councils, and to various other clauses which relate to the by-law making powers of councils. This does not indicate a lack of support for the direction of the proposals in the Bill but rather that the Opposition is not prepared to embrace these matters without knowing the total future picture for local government. The select committee should look at and advise the Parliament on all provisions of the Local Government Act that relate to conflict of interest.

There must also be in the terms of reference of a select committee a reference to the Local Government Association. The Opposition believes that this Parliament just cannot devolve responsibility and obligations to an association without a thorough examination of its constitution, its decision making process, its power to settle disputes and a whole range of other matters which the electors of the State have a right to be comfortable with.

I have not consulted with the Local Government Association or, indeed, with many persons or bodies who would be interested in my remarks and propositions contained in the second reading explanation. I have, of course, consulted as widely as I can with my parliamentary colleagues. I believe I have said often enough today that I am uncomfortable with the time limits imposed on the passage of the legislation. The pressure cooker atmosphere associated with the last days of a session is just not conducive to making good decisions on anything, let alone the whole future of local government. Although it may be conducive to consumation of the memorandum process purely between the Government and the Local Government Association, it is not conducive for other people who have a legitimate interest in local government to get into the act.

We have learned today of another five sitting days. That is certainly good for the amount of legislation still to be concluded but it does nothing for the Opposition's consultation process with local government. Certainly, we can speak to key people, but some of the key people or councils can expect to put alternative proposals for their future through their consultation process. In other words, even if we do (and I will) talk to local government at length about what I have said tonight, we cannot expect to go through the local government process and back to the executive area concerning what they think of our proposals. I support the second reading of this Bill.

The Hon. R.R. ROBERTS secured the adjournment of the debate.

TECHNICAL AND FURTHER EDUCATION (MISCELLANEOUS) AMENDMENT BILL

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

ADJOURNMENT

At 6.19 p.m. the Council adjourned until Wednesday 25 March at 2.15 p.m.