LEGISLATIVE COUNCIL

Tuesday 7 April 1992

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

TECHNICAL AND FURTHER EDUCATION (MISCELLANEOUS) AMENDMENT BILL

Her Excellency the Governor, by message, intimated her assent to the Bill.

QUESTIONS ON NOTICE

The PRESIDENT: I direct that written answers to the following questions, as detailed in the schedule that I now table, be distributed and printed in *Hansard*: Nos 43, 47 and 98.

CONSULTANCIES

43. **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 Labour?
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? (11 February)

The Hon. C.J. SUMNER: The responses 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

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

1. What were the names of all officers working in the offices of the Premier, Treasurer and Minister of State Development 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?

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

Officers as at 1 August 1991

Name	Employment Type	Salary $
N. Alexandrides	Min. officer	50 616
G. Anderson	Min. officer	70 000
J. Appleby	Min. officer	33 250
B. Deed	Min. officer	51 572
R. Garrand	Min. officer	47 792
S. Simpson	Min. officer	25 300
J. Turner	Min. officer	52 090
J. Vaughan	Min. officer	26 519
M. Virgo	Min. officer	35 229
V. Wayne	Min. officer	25 300
C. Willis	Min. officer	56 261
M. Wright	Min. officer	44 342
—	GME Act	22 600
—	GME Act	25 300
—	GME Act	22 600
—	GME Act	22 600

Officers as at 1 February 1992

Name	Employment Type	Salary $
N. Alexandrides	Min. officer	51 881
G. Anderson	Min. officer	71 750
J. Appleby	Min. officer	34 801
K. Chenoweth	Min. officer	25 933
B. Deed	Min. officer	52 862
R. Garrand	Min. officer	48 988
E. Lange	Min. officer	25 933
J. Turner	Min. officer	58 109
V. Varga	Min. officer	26 958
J. Vaughan	Min. officer	27 182
M. Virgo	Min. officer	36 110
P. Willoughby	Min. officer	62 500
M. Wright	Min. officer	45 656
—	GME Act	23 165
—	GME Act	23 165
—	GME Act	23 165

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.

PRIVATE MOTOR VEHICLES

98. **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 Mines and Energy and Forests 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 Mines and Energy

1. Five.
2. Five.
3. One Chief Executive Officer; one Deputy Director-General EL3; one Director, Oil, Gas and Coal EL2; one Director, Office of Energy Planning EO6; one Deputy Director, Office of Energy Planning EL2.

All vehicles are allocated in accordance with Government policy. Cabinet approved the issue as part of a remuneration package for Executive Officers in April 1990.

Electricity Trust of South Australia

1. Twenty-one.
2. Eight.
3. One General Manager, condition of employment; seven Director, Commissioner of Public Employment, circular 30; 13 Manager, Commissioner of Public Employment, circular 30.

Pipelines Authority of South Australia

1. Nine.
2. Nine.
3. One Chief Executive Officer, condition of contract; four Executive Level Officers (EL1), conditions of employment (approved in 1983); three Senior Engineers (EN4), conditions of employment (approved in 1983); various—the ninth private plate is normally used on a 4 x 4 vehicle for field work by the CEO and others. The plate is currently on a sedan which is used by various senior managers as required.

Woods and Forests Department

1. Four.
2. Five.
3. One Chief Executive, part of remuneration package; two ELS level officers, part of remuneration package; one ASO4 level officer, part of conditions of contract.

South Australian Timber Corporation

1. Eighteen.
2. Twenty-three.
3. The corporation does not apply Public Service salary classifications and conditions of employment. All staff provided with

motor vehicles require them to fulfil the responsibilities of their position and/or they form part of their total employment package.

PAPERS TABLED

The following papers were laid on the table:

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

Financial Institutions Duty Act 1983—Regulations—Building Society or Credit Union—Amalgamation Exemption.

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

Animal and Plant Control Commission—Report, 1991.

MINISTERIAL STATEMENT: GAMING MACHINES

The Hon. C.J. SUMNER (Attorney-General): I seek leave to table a statement by the Minister of Emergency Services (Hon. J.H.C. Klunder) given today in another place, together with an accompanying document.

Leave granted.

QUESTIONS

TOURISM MINISTER

The Hon. L.H. DAVIS: I seek leave to make an explanation before asking the Minister of Tourism a question about her ministerial duties.

Leave granted.

The Hon. L.H. DAVIS: Last Wednesday, the Minister of Tourism was asked whether she was aware of any full-time or part-time employee of Tourism South Australia receiving payments from Mr Jim Stitt while in the employ of her department. The Minister's immediate reply was that she had 'no knowledge of any such thing whatsoever'. However, soon afterwards, her Press Secretary was scurrying around the press gallery confirming the basis of the question but claiming the employee had only arranged a fashion parade while working for Mr Stitt. The Minister repeated this assertion to the Council on Thursday, claiming 'the job was to organise a fashion parade. Isn't that interesting!'

This was an emphatic denial by the Minister that an employee of her department had any involvement with the Tandanya project while being paid by Mr Stitt. The Minister has also emphatically denied that Mr Stitt had any association with the Glenelg ferry project. She told the Council last Tuesday, 'As to the Glenelg ferry terminal proposal, Mr Stitt has no involvement in that proposal whatsoever.'

The Glenelg ferry project was an integral part of plans being promoted by Mr Stitt for the Tandanya development, and the Opposition is aware that, until at least September 1991, Mr Stitt had a close involvement in the submission for the Glenelg project which the Minister supported in Cabinet. The architect for the project selected by Cabinet is a director of one of Mr Stitt's companies.

I am now in a position to provide important further information to the Council. I have copies of documents which I will give to the Attorney-General to assist in his consideration of the need for an independent inquiry into this whole matter. The documents include a copy of an International Business Development program for February 1989. This lists Mr Stitt's clients and proposed clients and the consultants he was employing to be responsible for those clients. Under the name of the employee of Tourism South Australia whom Mr Stitt was paying as one of his consultants, five proposed clients are listed. They include: Tourism SA; Glenelg project, $10 000; and National Tourism Awards.

I contrast the contents of this document with the assertion by the Minister to this Council on 14 March 1989 that 'at no time has International Business Development been engaged to perform any function on behalf of Tourism South Australia'. I also have copies of notes in Mr Stitt's own handwriting made in February 1989 confirming the involvement of his company in the Glenelg project. One of those notes refers to making a proposal to the Glenelg council and another for the employee of Tourism South Australia he was employing to 'handle Glenelg meeting'. This was indeed some fashion parade.

We have reached the stage, 19 days after the latest questions about Mr Stitt were asked, where it appears that the Liberal Party knows more about the activities of Mr Stitt than does the Minister, who lives with Mr Stitt. The Minister has had plenty of opportunity to establish all the facts and she can now have only one of two explanations for misleading the Council: either she knows the facts and has deliberately misled the Council or Mr Stitt has misled the Minister. My questions to the Minister are:

1. Who told the Minister the employee of Tourism South Australia paid by Mr Stitt had only organised a fashion parade?

2. If this information was provided by Mr Stitt, does the Minister now believe that Mr Stitt has misled her?

3. If not, does she accept responsibility for misleading the Council last Thursday and will she now immediately stand aside while her conflicts of interest are fully and independently investigated?

4. In view of the inclusion of Tourism South Australia on Mr Stitt's list of proposed clients in February 1989, what insurance can the Minister give that no company in which Mr Stitt has an interest has undertaken work for her department?

The Hon. BARBARA WIESE: I will be very interested to see the documents that the honourable member claims to have in his possession because, if they are anything like any of the other documents that have been produced so far by various members, we will find that they are either documents which, in this place, are purported to be something but turn out to be something completely different when the facts are discovered, or they will be documents that have been fabricated by someone for their own purposes.

The Hon. L.H. Davis: They are the real thing!

The PRESIDENT: Order!

The Hon. BARBARA WIESE: That is the nature of the information that has been presented to Parliament so far with respect to the matters raised here during the past 2½ weeks.

The Hon. M.J. Elliott interjecting:

The Hon. BARBARA WIESE: The problem for me has been that members opposite, as well as the Hon. Mr Elliott, who sits back there and interjects during the course of this question, have taken pieces of unrelated material or, as the Hon. Mr Elliott did last week with a copy of a letter that he had containing advice to Mr Stitt about his business arrangements, quoted selectively from letters—

The Hon. M.J. Elliott interjecting:

The PRESIDENT: Order!

The Hon. BARBARA WIESE: —in order to give a particular inference about a certain matter. It was the same letter that was referred to the week earlier when it was used for a completely different purpose. In the week earlier members were using this letter to suggest that it had some bearing on poker machines. Last week the letter was used by the

Hon. Mr Elliott to suggest that it had something to do with Tandanya.

The Hon. L.H. Davis interjecting:

The PRESIDENT: Order!

The Hon. BARBARA WIESE: Well, Sir, when the letter is read in full one can see that Mr Stitt was receiving advice from his accountant about the best way of organising his business affairs should he enter into a business arrangement with a certain person. If you want to quote selectively from a document of that sort you can tell any sort of story you like. That is what the Hon. Mr Elliott did last week, and it is what members opposite have been doing for the past 2½ weeks.

Members interjecting:

The PRESIDENT: Order!

The Hon. BARBARA WIESE: These matters will be revealed when the documents are looked at in detail. As has been indicated already, the material that has been produced so far by various people has been forwarded to the Attorney-General, and he is in the process of reviewing those documents. My summary of the material that has been produced so far is that it falls into three categories. First, there is a list of documents which are public documents, and those can be taken by any member of the public from public utilities such as the Australian Securities Commission and other sources. That is nothing sinister. Any member of the public can gain access to that information.

The second category of documents involves documents that have been obtained fraudulently from banks. The third set of documents are documents which have been obtained by means which at this stage I cannot reveal because I am not sure but which only could have been taken from Mr Stitt's office or from people who are associated with Mr Stitt's office. These are the three categories of documents—

The Hon. R.I. Lucas interjecting:

The PRESIDENT: Order, the Hon. Mr Lucas!

The Hon. BARBARA WIESE: —that have been produced so far, and I have reason to believe that there are people associated with this who have their own vested interests in this matter. I am very certain that when the facts are placed on the table everybody will be quite clear about what has been happening here over the past 2½ weeks, and every one of you on that side of the House and the Democrats will have seriously to consider the positions you have taken on these matters, because you have been conned like many others have been conned, and some of the information that has been provided by various people—

Members interjecting:

The PRESIDENT: Order!

The Hon. BARBARA WIESE: —is extremely suspect when one takes into consideration the reputation of the individuals who have been involved in this. At least one of the people who has been providing information to members of Parliament has been discredited in public places, and he has been discredited before the courts with respect to the academic and professional qualifications that he claims to have. He is one of the people who have been providing information to members of Parliament. So, I caution people to be very careful about the sources of information from which they take documents—

Members interjecting:

The PRESIDENT: Order!

The Hon. BARBARA WIESE: —because, Sir, there is something much more interesting going on here than some members can appreciate. However, the honourable member has indicated that he will hand over this new set of documents. I will be very pleased to see the documents.

The Hon. L.H. Davis: I am handing them to the Attorney-General.

The Hon. BARBARA WIESE: Well, good: hand them to the Attorney-General. I will be very pleased if you hand them to the Attorney-General—

The Hon. L.H. Davis interjecting:

The PRESIDENT: Order!

The Hon. BARBARA WIESE: —to give him an opportunity to review those documents in the same way that he has had the opportunity to review other documents. I know what has been presented in most cases by people so far, and I know that documents have been selectively quoted from. I know that some documents relate to things that are completely and utterly unrelated to the matters that have been raised here in this Parliament, and I believe that the same will be proven of the list of issues that the Hon. Mr Davis raises here today.

The Hon. L.H. DAVIS: As a supplementary question, because the Minister has harangued the Council but not answered any of the questions, will she provide answers to the four questions I asked, namely:

1. Who told the Minister that the employee of Tourism South Australia paid by Mr Stitt has only organised a fashion parade?

2. If this information was provided by Mr Stitt, does the Minister now believe that Mr Stitt has misled her?

3. If not, does she accept responsibility for misleading the Council last Thursday, and will she now immediately stand aside while her conflicts of interest are fully and independently investigated?

4. In view of the inclusion of Tourism South Australia on Mr Stitt's list of proposed clients in February 1989, what assurance can the Minister give that no company in which Mr Stitt has an interest has undertaken work for her department?

The Hon. BARBARA WIESE: I have no reason at all to believe that the person who was employed by Mr Stitt in the capacity stated last week was employed for purposes other than that. That matter will be discovered in the fullness of time.

Members interjecting:

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

The Hon. BARBARA WIESE: There is no evidence whatsoever to suggest that Tourism South Australia was ever to be a client of Jim Stitt. The allegation is absolutely preposterous. I do not know where the honourable member's information is coming from, and I do not know why he is using the information that he has been using, how it has been constructed, whether it has been quoted accurately, or whether or not it is genuine.

Members interjecting:

The PRESIDENT: Order!

The Hon. BARBARA WIESE: All I can say is that these matters will be reviewed because you, Mr Davis, have said you will hand over the documents. I invite you to hand over the documents, Mr Davis—

Members interjecting:

The PRESIDENT: Order! The Hon. Mr Davis will come to order.

The Hon. BARBARA WIESE: —because I am sure that in the fullness of time these things will be exposed, as everything else will be exposed.

GAMING MACHINES

The Hon. K.T. GRIFFIN: I seek leave to make an explanation prior to directing a question to the Minister of Consumer Affairs on the subject of gaming legislation.

Leave granted.

The Hon. K.T. GRIFFIN: As my colleague the Hon. Mr Davis has said, questions were first asked by the Liberal Opposition on this issue 19 days ago on 19 March, and those questions related to the Minister's undeclared conflict of interest in relation to gaming legislation. In excusing her failure to declare her interest to Cabinet, the Minister has attempted to downplay, as much as possible, the role of Mr Stitt in seeking the introduction of gaming legislation in South Australia. The Minister told the Council on 19 March that Mr Stitt had been empioyed 'as a consultant to advise on public relations matters which included video gaming', and she claimed that this involvement went back only to November 1990.

Also on 19 March, the Minister told the Council that one of Mr Stitt's companies, International Business Development Pty Ltd, 'has had no involvement or interest in the matter'. On the information that the Liberal Opposition has, it is a fact that International Business Development Pty Ltd has been involved in this matter since at least early 1989. The Liberal Party—as the Hon. Mr Davis has indicated—has copies of documents, including notes in Mr Stitt's own handwriting, which he is prepared to make available to the Attorney-General and will do so. One of these notes lists 'gaming legislation' as one project being undertaken by the company early in 1989.

Another has a reference 'pokies—$7 000 per month' with the typed word 'pokies' crossed out and 'IGT' substituted in handwriting. Another note in Mr Stitt's handwriting referring to this matter identifies a person with the same name as a senior Government officer at that time, someone who is still involved in the administration of gaming matters. The note also refers to 'visit Perth', 'Stephen Smith' and 'Burswood management'. At the time this note was prepared Mr Smith was State Secretary of the Labor Party in Western Australia, and I understand that he is now an adviser to the Prime Minister.

The Hon. C.J. Sumner: What document is this?

The Hon. K.T. GRIFFIN: These are the handwritten notes that identified some projects, which the Hon. Mr Davis will make available to you.

The Hon. C.J. Sumner: The same—

The Hon. K.T. GRIFFIN: The same sort of document, yes. The Burswood Casino has been one focus of an inquiry in Western Australia's royal commission. My questions to the Minister are:

1. When did the Minister first become aware that one of Mr Stitt's companies was actively and directly involved in matters associated with gaming legislation?

2. Does the Minister still stand by her statement of 19 March that Mr Stitt's company International Business Development Pty Ltd 'has had no involvement or interest in the matter' of gaming machines?

The Hon. BARBARA WIESE: I have not denied that Mr Stitt had involvement in the matter of gaming machines. I have outlined in numerous statements I have made to the Parliament that Mr Stitt was employed by the Hotel and Hospitality Industry Association in South Australia in November 1990. I have made that quite clear. I have been quite open about that, as has Mr Stitt and, I might say, as has the Hotel and Hospitality Industry Association. What members opposite have not done today or on any previous occasion when they have inquired into Mr Stitt's involvement with poker machines in South Australia is to acknowledge or quote from any information that I know they have been sent by the Hotel and Hospitality Industry Association on this matter.

I know that they have received that information, because it has been sent to every member of Parliament. They have been sent a series of fact sheets about certain issues relating to the gaming machines legislation currently before Parliament, and that association has made quite clear what Mr Stitt's role was with respect to its request that has been made to the Government and to Parliament that poker machines be introduced into South Australian hotels and clubs. That has been made very clear.

In relation to information that has been called for in this place—I cannot recall now whether it was by way of a ministerial statement or in answer to a question—I responded to the suggestion that was made by members about a particular document, which offered certain services with respect to gaming machines and which, it was inferred, was used here in South Australia where certain services were being offered by International Casino Services, and I have made it perfectly clear that that document bore no relationship whatsoever to the role that Mr Stitt played here in South Australia.

It was a document that was used for a submission made to the Victorian Government when it became known that that Government was interested in introducing gaming machines in Victoria. That document was used in that State. It has been communicated by the Hotel and Hospitality Industry Association that it did not receive any documents that could be called a company profile or a document that offered services from either Mr Stitt's company or International Casino Services. The document that was referred to in this place was a document prepared and used for a submission made to the Victorian Government.

The honourable member is quoting from documents that he says he has concerning matters relating to Western Australia. I do not know about these issues. I do not have any knowledge of any contact that may have been made in Western Australia with respect to gaming machines or poker machines.

I have no knowledge of that at all, but I am sure that, if the honourable member would provide the information or if he would take up an invitation that was provided to the Hon. Mr Davis and the Hon. Mr Stefani in 1989 by Mr Stitt that at any time Liberal members wanted a briefing on his business affairs he would be happy to provide that, and asked him about his business arrangements instead of trying to parade a range of unsubstantiated pieces of information before the Parliament, then we would all be in a much better position and we could get down to concentrating on the real issues.

At this stage members opposite are only doing whatever they can to cover up their own problems within their own Party. They have their own leadership crisis; they do not know where they are heading; they are in a state of turmoil and they do not care about the state of the economy. They have given up any interest in those things and now what they are on about is having a go at a Minister in order to deflect attention from their own internal concerns.

I say that that is appalling and I will be interested to have an opportunity to peruse these further documents because, quite frankly, like everything else that has been presented in this place so far, I think they will be seen to be totally unrelated to any matters that are before the South Australian Parliament, the South Australian Government or any organisation within South Australia, or they will be documents—and I just cannot describe from where they may have come. We will wait to see the contents of these documents and wait for appropriate explanations of the information that has been presented here.

The Hon. K.T. GRIFFIN: I desire to ask a supplementary question. Is it a correct interpretation of what the Minister just responded that Mr Stitt's companies had no involvement in the area of gaming machines in South Australia prior to November 1990? Is that a correct interpretation? Secondly, is the Minister able to answer the first question? When did the Minister first become aware that one of Mr Stitt's companies was actively and directly involved in matters associated with gaming legislation?

The Hon. BARBARA WIESE: I have indicated that Mr Stitt's involvement with the Hotel and Hospitality Industry Association in South Australia commenced in December 1990. I understand that before that contract began there was a period of discussion with that association during which consideration was given to the employment of Mr Stitt on a contract for purposes of providing advice on various issues, and I imagine that that would have taken place over a period of time leading up to the contract beginning on 1 December.

I have no knowledge of how long that may have taken, and that is the only involvement that I know of that Mr Stitt has had with the propositions that have been put in South Australia concerning this matter. There is nothing further that I can add to that. That is the status of my knowledge on this matter. If the honourable member wishes to know more about Mr Stitt and any involvement that he may have had in any matter whatsoever, then perhaps he should seek an appointment and a briefing on his business affairs.

The Hon. J.C. IRWIN: I seek leave to make a brief explanation before asking the Minister of Tourism a question about conflict of interest.

Leave granted.

The Hon. J.C. IRWIN: The Minister told the Council on 19 March that International Business Development Pty Ltd 'has had no involvement or interest' in the question of gaming machines in South Australia. On 24 March she said International Business Development Pty Ltd had not worked in association with International Casino Services in South Australia and that Mr Stitt had not been involved in lobbying for the introduction of gaming machine legislation in South Australia. I now have a document which identifies the role International Casino Services has played in South Australia. The document is entitled 'International Casino Services Pty Ltd—Casino and Gaming Consultants'. It states that International Casino Services has established 'a relationship with International Business Development Pty Ltd' and that International Casino Services is an appointee to the Licensed Clubs Association Lobbying and Gaming Subcommittee—

The Hon. C.J. Sumner interjecting:

The Hon. J.C. IRWIN: We will certainly give you that—and is retained by the AHA of South Australia to consult and assist in their efforts to introduce gaming machines to South Australian hotels. This document also identifies Mr Stitt as one of four people associated with International Casino Services in providing the services of the company and states:

> Jim's background, with an extensive list of State and Federal Government contacts, has enabled him to establish a successful consultancy advising on corporate strategy, public policy and Government/business relations.

In view of this document does the Minister stand by her statements on 24 March that International Casino Services and International Business Development Pty Ltd have not been working in association in South Australia and that Mr Stitt has not been involved in lobbying for the introduction of gaming machine legislation?

The Hon. BARBARA WIESE: The honourable member is deliberately misrepresenting the things that I have said in this place.

Members interjecting:

The PRESIDENT: Order!

The Hon. BARBARA WIESE: He is deliberately misrepresenting the things I said in this place. I was asked questions specifically in this place previously about a document entitled 'International Casino Services—Gaming Consultants' or words to that effect.

The Hon. L.H. Davis interjecting:

The PRESIDENT: Order!

The Hon. BARBARA WIESE: I was asked specific questions about those matters. That document has been shown to me by members of Parliament and I have been able to verify exactly what the document was used for. As I indicated, that document was used for the purpose of making a submission by International Casino Services to the Victorian Government. That is the document on which I was making comment in reply to previous questions in this place. If the Hon. Mr Irwin is suggesting that there is now another document, then I suggest that he lay that document on the table so that it, too, can be examined.

Members interjecting:

The PRESIDENT: Order!

The Hon. BARBARA WIESE: If that is a new issue, let us treat it as a new issue. Do not try to fudge the issues and wrap this matter up as some previous issue or relating to a previous reply that may have been given. Let us be honest about what is going on here. Let us deal with these matters in the appropriate way. The honourable member has repeated the allegation that has been made in this place—

Members interjecting:

The PRESIDENT: Order!

The Hon. BARBARA WIESE:—and repeated—

The Hon. L.H. Davis interjecting:

The PRESIDENT: Order! The Council will come to order. The Hon. Mr Davis will come to order. Everyone gets a fair go. You have all been able to ask questions in silence. The Minister is entitled to be heard in reply. We all get the information. Maybe she does not like the questions and maybe you do not like the answers, but that is the way it goes in this Council. I ask you to respect the Council and give some silence.

The Hon. BARBARA WIESE: The honourable member has repeated the allegation made in this place that has been repeated in the media on numerous occasions since this matter first surfaced 2½ weeks ago that Mr Stitt was employed as a lobbyist by the Hotel and Hospitality Industry Association. That is not true. Members opposite know that that is not true and they have been informed of that by the association itself. I would like to quote from a letter sent to members of Parliament by the Independent Gaming Corporation Limited, in which at paragraph 5 it states:

> The HHIA/LCA elected officers, their employees and members have undertaken any lobbying activities, not our consultants.

They have made it quite clear that Mr Stitt was employed to provide particular advice. He was not employed to lobby on their behalf. In fact, I am sure that those organisations find it extremely insulting that anyone would suggest that they need to employ lobbyists. They are the lobbyists. The associations themselves have been formed by their members in order to represent their interests. The AHA, as it was known previously, has been in existence for many years, and it has—

The Hon. L.H. Davis interjecting:

The PRESIDENT: Order! The Hon. Mr Davis will come to order!

The Hon. BARBARA WIESE: —always strongly represented the interests of its members, and members opposite know that full well. They know that it is members of the organisation and their employees who have undertaken lobbying activities concerning the gaming machines legislation. They know that, but they are not prepared to acknowledge it, and it has not been recorded in the media either, even though it has been made quite clear to all concerned.

The Hon. J.C. IRWIN: As a supplementary question, does the Minister still stand by her previous statement, no matter what document is referred to, that Mr Stitt 'has not been involved in lobbying of any sort'? My first quote of the Minister was that he 'has had no involvement or interest'. I am talking not necessarily about lobbying, but about involvement or interest in the introduction of gaming machines legislation.

The Hon. BARBARA WIESE: All I can quote from is the information provided to me by the association that has employed Mr Stitt.

The Hon. L.H. Davis interjecting:

The PRESIDENT: Order!

The Hon. BARBARA WIESE: You are not interested in knowing what Mr Stitt knows about this. You have made that perfectly clear, but you might believe the industry association that has employed him. What they have made perfectly clear—and it is on the record for anyone to see—

The Hon. L.H. Davis interjecting:

The PRESIDENT: Order!

The Hon. BARBARA WIESE:—is that Mr Stitt was not employed for lobbying activities. Mr Stitt was employed to help develop strategy and to provide advice on certain issues. That is the industry association's view on the matter. It has been communicated to anyone who is interested in knowing, and that is the matter of fact as I understand it.

ENERGY SUPPLIES

The Hon. I. GILFILLAN: I seek leave to make an explanation before asking the Minister of Tourism, representing the Minister of Mines and Energy, a question on the promotion of gas over electricity.

Leave granted.

The Hon. I. GILFILLAN: The Government's long-held position of promoting ETSA as the main power utility in this State is costing consumers money, affecting their standard of living and damaging the environment. ETSA is actively promoted in direct competition to SAGASCO, ultimately to the cost of the community. In September last year the State Energy Commission of Western Australia (SECWA), which is the sole energy utility in that State, released the first in a series of reports by its Demand Management Branch on domestic energy use in Western Australia. The findings of that report highlight the continuing cost to South Australia of the stubborn position taken by the Minister and this Government in their refusal to establish a single energy commission in this State.

The Western Australia Energy Commission intends to use the findings of the report to:

> . . . develop strategies aimed at changing the energy consumption patterns of the domestic section in order to reduce the environmental impact of fossil fuel usage and delay the need for new generating and distribution plant.

Commissioner for SECWA, Mr Norman White, wrote in the foreword of the report that the Demand Management Branch was established 'with the aim of promoting the efficient use of energy whilst reducing its future cost'. He also stated that 'very worthwhile savings will be achieved as more cooperation develops between SECWA and its customers on how and where costs can be reduced'. It based its findings on data compiled over a 12 month period as part of the National Energy Survey, undertaken by the Australian Bureau of Statistics, which involved careful monitoring of energy consumption in 15 000 households. The report found as one of its highlights that 'allowing for energy conversion and transmission losses, gas appliances consume less primary energy than electrical appliances', estimated conservatively at approximately one-third of fossil fuel used per unit of delivered energy.

The report focused on overall consumption of energy in households with piped gas versus households without gas in both winter and summer and found some quite startling results. It was noted that watts of electrical energy consumed in a household with piped gas during a peak 6 p.m. period in winter was 937 watts compared with an all electric household consumption at the same time of 2 278 watts. This translates into a significant energy saving for the gas household of 1 341 watts. The consumption rates for a 9 a.m. peak period produce similar results with the gas household using 538 watts of electrical energy while the all electric household consumed 1 251 watts, again a saving of 713 watts by the gas household. Similar patterns followed during peak summer periods where on average a gas household consumed 870 watts electrical energy during a 6 p.m. peak period compared with an electric household's consumption of 1 130 watts, a reduction for the gas household of 260 watts. As a result of these findings the report concluded that:

> . . . in future SECWA will pursue strategies aimed at modifying the demand on its electrical system. SECWA believes greater use of gas in households will result in favourable changes in domestic load shape. The substitution of gas for electricity will reduce electrical load at times of system peak load, providing an opportunity for SECWA to delay the purchase of new generating plant.

The report made a significant recommendation to Western Australian households, stating:

> . . . by connecting to gas, these households can often enjoy improved living standards, reduce their total primary energy consumption and reduce the environmental impact of their domestic energy use.

The Western Australia findings have shown that, if a similar strategy were undertaken in this State by a single energy commission, eliminating counterproductive competition between SAGASCO and ETSA, there would be a reduction in cost to both the Government and consumers, reduced capital requirement for the building of future power stations and a major enhancement of the environment. It is quite obvious that, with other measures of efficiency and the introduction of solar-based power, passive and active, we could very easily reach the stage where we may not even have to consider building any further electric power generation at all in the foreseeable future. My questions to the Minister are:

1. Does the Minister agree there could be substantial savings for South Australian consumers through increased use of gas over electricity for domestic use?

2. Does the Minister agree there could be substantial reduction in greenhouse gas emission and substantial environmental advantage through increased use of gas over electricity for domestic use? If so, what steps is the Minister taking to promote the use of gas over electricity?

3. Does the Minister agree that the findings of the Western Australian energy authority provides a compelling, irrefutable argument for the establishment of a single energy commission in South Australia and, if not, why not?

The Hon. BARBARA WIESE: I will refer the honourable member's questions to my colleague in another place and bring back a reply.

STATE BANK ACCOUNTS

The Hon. R.I. LUCAS: I seek leave to make a brief explanation before asking the Attorney-General, as Leader of the Government in this Chamber, a question on the subject of State Bank accounts.

Leave granted.

The Hon. R.I. LUCAS: In January this year a Mr Allan Calleja, of Kent Town, had money stolen from his State Bank savings account by someone forging his signature on three withdrawal slips. The thief presented three withdrawal forms which were pre-printed with Mr Calleja's name and account number and, even though the forged signature did not spell the surname correctly, the money was handed over by the bank.

State Bank records were able to identify the time and dates when the money was taken. Early last month the State Bank made available to police, and then to television stations, videotaped film of the alleged fraud. Television news bulletins subsequently showed that tape seeking information from the public about the crime. I am informed that one bulletin actually stated that viewers should watch the man laughing as he left the counter. I have now been informed the State Bank has made a monumental blunder and that it identified the wrong man. The State Bank evidently did not check to ensure the right camera for the right teller was used. So, a completely innocent man had his face shown on television news bulletins as an alleged criminal.

Understandably, there are a lot of very embarrassed people following this appalling incident who have wanted to keep the details out of the media. My question is: will the Attorney-General investigate the details of this bungle and ascertain from the State Bank what procedures will now be put in place to ensure such an appalling incident does not happen again?

The Hon. C.J. SUMNER: I have no knowledge of this matter or whether the facts stated by the honourable member are correct. I do not think it is a matter for me to investigate. However, I will certainly refer it to the Minister responsible and bring back a reply.

RAILCAR VANDALISM

The Hon. DIANA LAIDLAW: I address my questions to the Minister who represents the Minister of Transport, and they relate to vandalism on the Outer Harbor line. Will the Minister confirm that last Saturday night railcar 2001 was maliciously damaged when travelling on the last service to Outer Harbor and that the damage was reported to transit police after midnight? Is it correct that the estimated cost of damage, including smashed windows, was $30 000? Is it also correct, as reported to my office, that the STA is covering up this issue?

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

MOUNT GAMBIER HOSPITAL

The Hon. M.J. ELLIOTT: I seek leave to make a brief explanation before asking the Minister representing the Minister of Health a question about privatisation of the Mount Gambier Hospital.

Leave granted.

The Hon. M.J. ELLIOTT: The State Government has commissioned Health Care Australia Pty Ltd to carry out a feasibility study to determine whether the Mount Gambier Hospital can be operated as a private sector enterprise. This company is not disqualified from becoming the private operator of the hospital should the Government decide to privatise the hospital. Residents in Mount Gambier have expressed concern to me that this seems to entail a conflict of interest.

The terms of reference of the feasibility study do not ask the company to examine how to make the hospital a better public hospital, so the feasibility study is based on the premise of privatisation. This also restricts the future use of the hospital. It seems that not all the options are being given to residents. If the study were a true feasibility study it would concentrate on providing the best health care for residents in the area at the best possible rates. If this were the actual objective of the study, surely the Health Commission could make an adequate evaluation with help in the area of financial viability coming from the Treasury Department.

Residents in Mount Gambier are concerned. The Mount Gambier Hospital is a large and important one for the area and, as such, it should remain open to all residents as a basic public health facility. They say that it should not only benefit the wealthy who can afford private health insurance, and that people in the area will eventually think that they have no other option than to take out private health insurance in order to receive basic hospital facilities. Only some beds will be available for public patients.

It is estimated that only a quarter of the patients using the hospital are private patients. The Minister of Health (Don Hopgood) has guaranteed that the facility will provide the same level of care for public patients as it currently does. Therefore, the South Australian Health Commission will have to buy three-quarters of the hospital beds in order to maintain the current level of service. To some this seems ludicrous when the reason for privatising is essentially to save money.

An issue of further concern is that under the present arrangements the hospital is controlled by a community-based board. If the hospital were to be privatised, this level of community participation would be lost. In addition, approximately 400 residents are employed at the hospital and the Government is unable to guarantee that these jobs will not be lost in the privatisation process. I understand that the Liberal member for Mount Gambier has stated his support for the privatisation of the hospital as long as the facilities do not cover only private patients.

The proposal will be opposed by various unions, including the public sector union, the UTLC and the Australian Nurses Federation (SA branch). The ANF and the UTLC have requested representation on the working party that is steering the feasibility study. The study will concentrate initially on the financial activity of the hospital, with the first report expected in May and a decision anticipated in August. We have recently seen the spectacle of the Oakbank Hospital being closed and that community, in desperation, asking that it be reopened as a private hospital. I ask the Minister two questions, as follows:

1. Why has the Government commissioned the feasibility study to be prepared by a company which clearly has a vested interest in the outcome of the study in that it may tender for the project?

2. Does the move by the Government to privatise hospitals in country areas suggest that the South Australian Government is not as supportive of Medicare as is the Federal Labor Government?

The Hon. BARBARA WIESE: I will refer those questions to my colleague in another place and bring back a reply.

GOVERNMENT MOTOR VEHICLE

The Hon. J.F. STEFANI: I seek leave to make a brief explanation before asking the Minister of State Services a question about the use of a Government vehicle.

Leave granted.

The Hon. J.F. STEFANI: A member of the public recently phoned my office to report the private use of a Government vehicle on Sunday 22 March 1992 at approximately 3.30 p.m. The vehicle has been described to me as a red Magna wagon, registration No. VQB 466, which was being driven along Portrush Road, Burnside, by a male, with a female passenger. Will the Minister investigate the reported use of this vehicle and whether the head of the department which employed the driver of the vehicle was aware that the vehicle was being used for private purposes?

The Hon. ANNE LEVY: I will certainly undertake to follow up this matter. It would assist greatly if the registered number of the vehicle was made available, because without that it is rather hard to trace. I point out to the honourable member that it may not be a matter for State Fleet, for which I am responsible. State Fleet is the owner of about one-third of the vehicles that are owned by the Government. The other two-thirds are owned by departments and agencies, and have no relationship whatsoever to me in my role as Minister of State Services. Provided that the registration number is known, the matter can certainly be followed up. Government records will indicate which department or agency is the owner of the vehicle and then the CEO of that agency can determine who had care and control of the vehicle at the particular time.

I also point out that a very large number of such inquiries are received by the Government from members of the public. Do not get me wrong: I am not in any way suggesting that members of the public should not be vigilant in this way. These inquiries are not necessarily raised in the Houses of Parliament, or Parliament might find quite a lot of its time taken up in this way. However on investigation well over 90 per cent of these complaints are found not to be justified: that the vehicle was being driven on Government business and that the use of it at that time and place was perfectly proper.

I cite the example of a Government vehicle that was seen at the Marion shopping centre one day. On investigation, it was found that the driver of it was a district nurse who had called in to use the public toilets in the Marion shopping centre on her way from one house visit to another house visit, and there was no suggestion that she was in any way misusing the vehicle. On numerous occasions such examples are brought forward but they turn out to be perfectly proper and very much part of the duties and responsibilities of the officer concerned. Unfortunately, that is not true for every case that is brought to the attention of the Government but it is certainly true for the overwhelming majority of these cases. Obviously I have no knowledge of this particular case, but I can assure the honourable member that it will be followed up with the same rigour and attention as is given to all such complaints that are brought to the attention of the Government.

PET FOOD

The Hon. BERNICE PFITZNER: I seek leave to make a brief explanation before asking the Minister representing the Minister of Agriculture a question about pet food.

Leave granted.

The Hon. BERNICE PFITZNER: The proprietor of a pet shop that sells pet food has been concerned regarding the licensing of these shops that sell raw meat for pet consumption. There appear to be three categories in the preparation of raw meat for pets: category A relating to slaughterhouse activities; category B relating to pre-packaging activities, whereby carcasses need to be deboned; and category C relating to bulk meat for repackaging, whereby the meat is put into smaller packages and perhaps cut into smaller pieces. It is questioned whether or not category C requires a licence.

In the Meat Hygiene Act 1980, the term 'pet food works' is used for categories A and B, and it is quite clear that it is appropriate for those two categories. The definition relates to 'a works that is used for the production for sale of pet food or for slaughtering for such production'. However, category C is in the grey area. The Meat Hygiene Authority maintains that, in repackaging and perhaps recutting, it should be under the term 'pet food works'. The pet food operators maintain that repackaging of bulk food is not processing, and Crown Law is ambiguous on this point. I understand that this pet food operator in category C has been intimidated by inspectors from the authority into signing a recommendation which states that category C ought to be licensed. At present, the licence fee is $120, and it is said that it is about to be raised to $200. As small businesses are already struggling, this extra fee is seen as an extra, unnecessary burden. My questions are:

1. Will the Minister make a decision on whether category C needs to be licensed?

2. If category C is to be licensed, what is the rationale and logic behind the decision?

3. Will the Minister look into registering category C activities, but not require a licence, so that an unknown situation can be monitored while not putting an extra financial burden on the operators?

The Hon. BARBARA WIESE: I will refer the honourable member's questions to my colleague in another place and bring back a reply.

EQUAL OPPORTUNITY

The Hon. J.C. BURDETT: I seek leave to make a brief explanation prior to directing a question to the Attorney-General on the subject of equal opportunity.

Leave granted.

The Hon. J.C. BURDETT: Recently on the Notice Paper there has been an Order of the Day for the honourable Attorney to have leave to introduce a Bill to amend the Equal Opportunity Act. Last week, he sought to discharge that Order of the Day and, of course, that happened. Will the Attorney explain what was the main thrust of the Bill and why it was discharged from the Notice Paper?

The Hon. C.J. SUMNER: It was discharged because consultations were still going on in relation to it. Two topics were being considered for introduction: one was the Crown Solicitor acting for complainants before the Equal Opportunity Tribunal; and the other was the question of advertising for junior rates of pay. However, those issues are the subject of further consultation and, because I did not want to clutter up the Notice Paper, I discharged it. When the

consultations are concluded, if the Government decides to proceed with the Bill, it will be introduced.

REPLIES TO QUESTIONS

The Hon. M.J. ELLIOTT: Has the Minister for the Arts and Cultural Heritage answers to questions I asked on 13, 18 and 26 February?

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

Leave granted.

JAMES A. NELSON SCHOOL

In reply to **Hon. M.J. ELLIOTT** (13 February).

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

1. Planning for the provision of facilities for severe multiple disabled students at Salisbury Park Primary School is in progress. The final draft of a submission to Cabinet is in preparation. The commencement date would be up to six weeks following Cabinet approval in order to allow for final documentation, tender calling, evaluation, letting and on site preparation.

It is planned to complete the facility for students before the commencement of 1993.

The provision of facilities at Golden Grove is being evaluated on the basis of need and the outcomes of the Statewide Review of facilities for students with special needs.

2. The relocation of students from James A. Nelson School was listed as the first priority in the recent review of Statewide special education facilities.

A detailed evaluation of the Review is currently being undertaken with the view of determining the most appropriate way of integrating these students into the network of identified schools, given the special requirements of these children.

The provision of facilities and their management for students with severe multiple disabilities will be in line with the Collaborative Action Plan. The Plan provides for teaching staff, ancillary staff, access staff and access to professional health care personnel. The services provided through James A. Nelson will be retained until appropriate placement options for its students become available.

COOPERS CREEK FISHERY

In reply to **Hon. M.J. ELLIOTT** (18 February).

The Hon. ANNE LEVY: My colleague the Minister for Environment and Planning, following consultation with the Minister of Fisheries, has advised that the fishing licence application in question relates to the waterholes on Cooper Creek where the Cooper runs through Lake Hope lease, which together with Mulka Lease, form the Mulka Station run.

Cooper Creek is in fact part of the lease and any application from the Lessee for the use of the lease for other than pastoral purposes requires the prior aproval of the Pastoral Board in terms of section 22b (3) of the Pastoral Land Management and Conservation Act 1989.

At its December 1991 meeting the Pastoral Board was requested to consider the matter of an endorsement of an approval given by the Minister of Fisheries for the taking of fish for commercial purposes by the Lessee from the waters of the Cooper on Mulka run. This approval by the Minister of Fisheries was conditional upon the approval of the Pastoral Board in recognition of its role in considering any application to use lands held under pastoral lease for other than pastoral purposes.

The Board was made aware of objections to the proposal from the National Parks and Wildlife Service but was also made aware that the same objections had been considered by the Minister of Fisheries in making his decision. The board further considered that the Minister of Fisheries was the proper authority to make a decision on this matter and endorsed the approval of the Minister. The Branch advised the Lessee of Mulka Station accordingly.

In endorsing this decision the Pastoral Board was aware that the approval of the Minister of Fisheries was also subject to what it saw as appropriate conditions and was clearly a one off decision that related to the peripheral waters of Cooper Creek within that lease.

NATIVE VEGETATION

In reply to **Hon. M.J. ELLIOTT** (26 February).

The Hon. ANNE LEVY: My colleague the Minister for Environment and Planning has provided the following responses:

1. The District Council of Kingscote has recently undertaken roadside vegetation clearance on the basis of management guidelines issued by the Native Vegetation Authority in 1987. These guidelines are in use pending the completion of revised guidelines under the Native Vegetation Act 1991 by the Native Vegetation Council. However, after inspection of the works by the Department of Environment and Planning, the district council has agreed to cease this work pending closer examination of the issues.

2. The management plan prepared by consultant K. Bellchambers has been considered but not approved by the Native Vegetation Council. Although the plan is regarded as an important and useful document, it is considered to need more precise criteria relating to the extent of road verge clearance and more coverage of other roadside vegetation issues before it can be accepted as a management plan in terms of the Native Vegetation Act. The consultant's report was published in May 1990 and has therefore not remained 'in limbo' for four years.

3. Negotiations are proceeding between the District Council of Kingscote and the Department of Environment and Planning with the objective of refining the management plan to a format acceptable to the Native Vegetation Council. Within South Australia it is the Native Vegetation Council which has legal responsibility to control native vegetation clearance within the framework of the Native Vegetation Act 1991. A major objective of the management plan will be to define roadside vegetation clearance practices which achieve road safety requirements with an acceptably low level of environmental disturbance.

STATUTES REPEAL (EGG INDUSTRY) BILL

At 3.15 p.m. the following recommendations of the conference were reported to the Council:

As to Amendments Nos 1 and 2:

That the Legislative Council do not further insist on its amendments but make the following amendments in lieu thereof:

Clause 3, page 1, after line 20—Insert subclauses as follow:

(3) If the Minister leases the land comprised in Certificate of Title Register Book volume 4001, folio 231 to the cooperative the following provisions apply:

(a) the cooperative may, by notice in writing to the Minister, elect to purchase the land from the Minister at any time within nine years after the commencement of the lease;

(b) the price to be paid by the cooperative for the land will be the Valuer-General's valuation of the land as at the date of service on the Minister of the notice of election reduced by the aggregate of the rental payments made by the cooperative pursuant to the lease.

(4) In this section—

'the cooperative' means a body corporate the principal function, or one of the principal functions, of which is to assist egg producers in the marketing of eggs whether that function is carried out by the cooperative itself or by the cooperative through the instrumentality of another body corporate:

'the land' means the land comprised in Certificate of Title Register Book volume 4001, folio 234:

'rental payments' means payments by way of rent made in accordance with the lease but does not include a late payment of rent or any penalty or interest paid in respect of the late payment of rent.

Consideration in Committee of the recommendations of the conference.

The Hon. BARBARA WIESE: I move:

That the recommendations of the conference be agreed to.

Extensive discussions were held by the members of the conference from both Houses and, following those discussions, I have to advise the Council that, in addition to the suggested resolution to which I have just referred, the Minister of Agriculture has also agreed that he would give the

following assurances to members of Council which I think will satisfy some of the concerns that were expressed by this Council to the conference of managers.

In particular, in relation to the $340 000 that has been collected from growers by the South Australian Egg Board as part of the building levy, the Minister proposes to honour his commitment that those funds so collected are to be considered quarantined off from other levy payments made by growers over the years. Furthermore, this amount should be offered back to those growers not proposing to join the new cooperative in proportion to their contributions. For those growers proposing to join the cooperative, amounts contributed by them will be transferred directly to the new cooperative.

Secondly, subject to the Federal-State agreements on rural assistance, the Rural Finance and Development Division (RFDD) of the Department of Agriculture will consider sympathetically applications from growers for assistance with outstanding levy payments and equalisation of the pulp asset to be taken over by the proposed cooperative. To be eligible for assistance, growers will need to meet the long-term viability criteria of the RFDD.

The foregoing assurances are in addition to the Government's being prepared to accept that lease payments made by the cooperative up to a period of nine years shall be treated as capital payments in the event that the cooperative elects to purchase the assets of the South Australian Egg Board.

I believe that the agreements that have been reached on this matter go as far as can possibly be expected to meet the sort of compromise that is very difficult to realise in the situation being considered by both Houses of Parliament because, in this instance, we have a group of people within the industry who are not unanimous in their view. There are varying points of view as to where the future should lie. Therefore, the agreement that has been reached, both as embodied within the legislation that has come to Parliament and subsequently in the arrangements that have been agreed to by the conference of managers, is, in the view of the Government, a very satisfactory outcome, and I hope that members will agree that this has been a worthwhile exercise and that the compromise can be supported.

The Hon. J.C. IRWIN: I thank the Minister in this place and the Minister of Agriculture and members who were part of the conference for the spirit that was shown in that conference and the time given to us to consider what this Council, particularly, believes to be a most important issue in the whole food chain. From a health point of view, eggs can lurch from not being very acceptable in the minds of the medical profession of one decade to being seen in the next decade as being a healthy product. No matter how we look at that, the egg industry—the people who produce the eggs—and the eggs themselves are of particular importance to the general food chain and to the people of this State, in both a health and a financial sense.

I guess that no-one can be happy with a compromise, and I do not think that, philosophically, we in the Liberal Opposition can agree that the egg producers have not already paid for the assets about which we have been talking, and in this case we have singled out particularly the buildings and land. However, there has to be a compromise, because if we were not able to compromise along these lines, what was contemplated in lieu thereof would be to return to having in place the old regulations and Act.

There is terrific hurt amongst the growers. Of course, we would rather have been able to have the assets of the board—the land and buildings—given to the industry as was proposed in the amendment that left this place: that they would go to the cooperative and even to those who decided not to join the cooperative. Everyone understands the perilous state of the egg industry in South Australia, and I do not intend to spell out again the disastrous decisions of the board over the past few years. It has been documented and there is no doubt that, from about 1987 or 1988 onwards, a perfectly well-run industry board was taken over and dominated by ministerial appointments.

The growers were certainly not in the majority, and the disaster brought about by the New South Wales deregulation had already hit those who produced eggs in this State. We are very strongly of the opinion that this responsibility should be sheeted home where it belongs, that is, to the Minister of Agriculture, who appointed the board and had the responsibility for it.

It is sufficient to say briefly that the liabilities of the board far outweigh the assets, whatever way we look at it. The accumulated consolidated loss for the trading year so far, that is, up to the end of March 1992, stood at $751 162, a not inconsiderable amount. By the end of the financial year, that trading loss will be well in excess of $1 million.

This figure does not include what are known as non-trading losses of $210 000. I must admit that some of the figures given to us by the Minister, as well as those in the copies that we were able to obtain from the Auditor-General's Report, were very hard to reconcile and, without expert accounting advice, I do not think any of us individually or collectively were able to reconcile those figures. I do not think that it took too much looking at the figures to understand that they were massive and that the assets did not cover the liabilities. Some members were able to have a meeting with the egg industry, the members representing the co-op, and independent growers, on Friday. As far as I and, I hope, the other members are concerned, it was a very productive meeting, because it gave us a further understanding of the problems facing the egg industry.

Although I have done much work on behalf of the Opposition in negotiation and discussion with co-op and non-co-op members and perhaps have a little more idea of the problem, I got more from that meeting on Friday, which was in the middle of the conference. Isolated from that meeting are a number of concerns that have now been addressed by the Minister, and I recognise that the Minister has acknowledged them. I am sure that the egg producers will be grateful for that. The $340 000 building fund was going only to the benefit of co-op members.

That was contributed to by all egg producers under legislation and by compulsion. In the end, under protest, $340 000 was contributed to that building levy, and some of that has already been expended by the setting up of the co-op. I am pleased to see that the Minister has acknowledged that he gave a commitment to growers that that would be returned to growers if it was not used for its original purpose. A way must now be found of doing that.

I am pleased also to acknowledge that the Minister has indicated that the Rural Adjustment Scheme (RAS) will be available for those egg producers who will have some short-term, I hope, financial difficulty. All of us know of some producers who have contacted us and the banks saying that, because of the state of the industry, things are pretty rough. Although it must be understood that those members of the co-op are probably all members of the UF&S, they have a good chain of advice back to the Department of Agriculture, where they can actually find rural assistance and how it works. Non-members of the co-op do not have that. It was particularly interesting that the Minister was able to give an assurance that the Rural Adjustment Scheme would be

able to be used for those people who were of genuine concern.

After this Bill is proclaimed, the egg producers will not have to pay any hen levies. I understand that those co-op members who go on in the co-op may have to pay a small levy, but not the size of the levy that they previously had to pay. I would like to give honourable members some idea of what might be saved in the early days of the changeover, this information having been given to me by one grower.

It is 16c a fortnight and the hen levy got to much more than that. The State-based quota on 822 981 hens relates to 70 per cent of the issued quota. All growers make a point of that because it does not matter whether they are issued with 70 per cent, 60 per cent or 80 per cent of their quota; they have to pay 100 per cent of it, whether or not they have the birds. Over a four month period the quota produces $37 390 for the hen levy and that will now no longer be needed. We hope that the average saved by that measure going back to each grower will be a tremendous help to them to get on their feet.

The Minister read out the amendments. The most pertinent point is that within any time in a nine year period from the time the co-op gets up and going it can decide to purchase the building. This was already in the agreement with the Government. We have been able to negotiate for the industry that, instead of paying about $70 000 a year to the Government (based on a valuation of $920 000 for the property), that will at least be going to rebuy its assets. We have to underline that, because we have already put a good case to say that the industry purchased its assets. Now the industry has the opportunity within the first nine years, to buy the property, and the payments of about $70 000 a year in rent will be deducted from the cost of the property.

Based on my quick calculations, for eight years that would involve about $560 000 to $600 000 off the $920 000 value of the building. That is certainly better than nothing, even if the industry is buying the building reluctantly, and I am sure that the Democrats and the Opposition are reluctant that it has to buy it again, but at least it will repurchase it and that will be acknowledged by the Government, which cannot run away from that problem.

Secondly, and I guess that this is not an advantage in a sense, but as to subclause (3)*(b)*, the second part of the amendment, the valuation will be based on the time of service of the election. In other words, it will be based on the time when the cooperative decides to approach the Minister officially indicating that it wants to purchase the property and, if that is in eight years, whatever the property valuation is then (and I suppose we have to hope that property values around South Australia and Australia will rise), the industry will have to pay more than $920 000, but that will depend on the valuation at that time. That might be a slight problem to the industry, but we hope that in eight years the industry will be well and truly on its feet and that a prosperous cooperative at that time can complete the final part of the deal in the eighth year.

As I said, it would be intolerable for the various egg Acts to continue. We know what that would have meant even if the Minister had deregulated the industry by other legislation. When we look at the whole picture including cooperative and non-cooperative members, and what is mapped out now for the industry, we have to agree reluctantly that the Acts that did apply could not continue. I must reiterate that the Liberal Party has already given a commitment in both Houses that on coming to Government we would give the land and buildings to the industry following the lines of the amendment that left this Council. If we come to office, that will have to be worked out between the cooperative and non-cooperative members.

In conclusion, I am sorry I have taken so long, but it is an interesting subject and it has been a difficult time. Certainly, I join others in wishing the growers well in their future. We understand and know that some growers will not make it and we are sad about that. So far as those who are able to be viable and who can be productive, we hope that on behalf of the industry they can compete and fly the flag for South Australia by their own production efficiency, having a better product and being able to keep out the waves of eggs that might come from New South Wales, Victoria, Western Australia or Queensland. There will not be any props and they will be totally on their own. We suggest that the Coalition's Fightback package will be a great advantage to them.

The Hon. M.J. Elliott: The price of eggs will go up under that.

The Hon. J.C. IRWIN: Under that package the cost of production will go down dramatically. The grain of the Hon. Mr Dunn and myself will come down and all the fuel costs will come off.

The Hon. K.T. Griffin: That will flow through.

The Hon. J.C. IRWIN: It will flow through to a cheaper egg by being cheaper to produce and by the efficiency of the industry. I certainly wish the industry well as its members get back on to their feet.

The Hon. M.J. ELLIOTT: I have to agree with the Hon. Mr Irwin when he says that these amendments are better than nothing, but they are not a whole lot better than nothing when compared with what the producers are losing. There is no doubt that primary producers are losing a great deal by way of this legislation. They have put a large amount of money into buying licences and quotas. They have put in much money by way of levies and the agreement we now have gives them an opportunity to buy back what was already theirs.

When I say it is better than nothing, what the legislation does do is enable the co-op to be set up and to run for some years so that, while it is paying its rent, at least that rent will come off the price of the property eventually purchased. As the Hon. Mr Irwin has already noted, it is a building the industry already owns and has already paid for once. How generous is the Government being in giving them the opportunity to buy back what the industry has already bought once. All the legislation does is to enable the industry to buy the building back more cheaply than it otherwise would be able to buy it. In other words, the industry has been given good commercial terms, and that is about as much as one can say.

Going to the conference was a difficult situation. The Minister had made threats outside of the conference by way of ministerial statements about what he would do if the legislation failed and clearly this Council had a responsibility to ensure that the producers were given something that was better than nothing, which they would otherwise have got. On that basis, I am supporting this motion and expressing dismay that primary producers—egg producers in particular—have been be let down rather badly by this legislation.

The Hon. PETER DUNN: The conference was as successful as we could expect, considering that the Minister had made up his mind not to compensate any of those producers. If we go back into history and see what happened to the egg industry, it was inevitable that we would come to this conclusion. The problem that arose was that New South Wales in its wisdom considers tenure and the primary producers who produce the eggs to be more valuable than

the South Australian Government considers primary producers in this State, because the New South Wales Government did at least compensate producers for the hen levies and quotas that were taken away from them to a value of about $15 per hen.

That gave some of those producers in New South Wales a very large sum of money which enabled some of them to become even larger and more efficient to upgrade their industry to a very efficient industry. As a result, if they have not been able to bring eggs into South Australia, at least they have been able to promise that they would come here and undercut the price of eggs being sold in South Australia. Therefore, our industry was in a powerless state and had to take all measures it could to cut out the cost of production. That is what primary industry is about: not so much about what is received for the product but about the cost of production.

In South Australia the cost of production has been extremely high. It has been high right around Australia because of the Federal Government's actions over the past eight to 10 years with respect to interest rates. Interest rates have a bigger bearing on primary producers than on any other part of the industry. Every secondary industry has that interest rates factor built into its wages component, but the primary producer does not. Either he sells on the overseas market or for what he can get in this market. It is interesting to note some of the debate that occurred in another place, particularly that by Government members, who said that some of the money accrued within the present system belongs to the people of South Australia. Nothing could have been further from the truth. Equating the money that was in the board with the price of eggs is similar to saying that, I own part of BHP because I buy some steel. That argument is just not sustainable. I do not think there was any component then. I think the Minister eventually realised that, and therefore agreed to some compensation in the form of allowing the Rural Assistance Branch to help those egg producers who are today in quite some debt.

The costs of production were extremely high—about $700 000 for every four months—but the administration of the board last year cost more than $430 000. That was extremely high. In 1988, five cars were attached to the board, with 15 in 1992. We can get some idea of what happened with respect to the finances. The salaries of members increased, whilst those producing the eggs were having their money taken away from them at an enormously rapid rate. We have negotiated what is a reasonable term. To me, the producers (who are the beneficiaries of the industry that will now not have to pay out), seem reasonably happy. The majority of them will form a cooperative, and it will be part of an industry to which they can attach themselves. I wish them well because we do need a viable and prosperous egg industry in South Australia. We cannot be reliant on New South Wales and Victoria because, if it gets down to the nitty-gritty and something goes awry, the price of eggs can be increased to whatever they like and we will have no way to counteract that. I support the recommendations of the conference.

Motion carried.

SURVEY BILL

Consideration in Committee of the House of Assembly's amendment:

Clause 43 (6)—leave out subclause (6) and insert:

(6) Survey instructions may—

(a) vary in their operation according to time, place or circumstance;

(b) confer discretionary powers on the Surveyor-General.

The Hon. ANNE LEVY: I move:

That the House of Assembly's amendment be agreed to.

In so moving, I point out to members that, when this Bill was considered previously in this Chamber, the Council amended the Bill as it was received from the House of Assembly. The amendment concerned the survey instructions. It was a decision of this Chamber that survey instructions should be issued by way of regulation rather than by instructions from the Surveyor-General. In so doing, the Parliament would have the right to see the instructions and disallow them if it felt they were not suitable as such instructions.

In consequence of that amendment, the House of Assembly has further amended the Bill, accepting the principle which was included by this Chamber that the instructions should be issued by way of regulation under the Bill, but clarifying this matter and making clear that these survey instructions which will be issued as regulations can permit the Surveyor-General to have discretionary powers in the technical and administrative matters without such technical details having to come back to the Parliament whenever any slight change is required. So, the House of Assembly's amendment in no way negates that made by this Chamber. It merely clarifies it and accepts the principle of the Legislative Council's amendment.

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

That the House of Assembly's amendment be amended as follows:

Clause 43 (6)—Leave out paragraph *(b)* and insert:

(b) confer discretionary powers on the Surveyor-General as to all or any of the following:

(i) exemptions from compliance with the instruction in particular cases where, in the opinion of the Surveyor-General, compliance is impracticable or might involve unreasonable delay or expense:

(ii) standards of accuracy to be attained in relation to cadastral surveys and additional work that may be necessary in a particular cadastral survey to ensure the accuracy of the survey;

(iii) marks that may be accepted as survey marks or other marks used in connection with a cadastral survey;

(iv) the placing of permanent survey marks and information that must be supplied to the Surveyor-General in connection with such placement;

(v) the placing of marks (other than survey marks) to aid in re-establishing a cadastral survey;

(vi) information that must accompany plans deposited in the Department of Lands;

(vii) any other matter of a technical or administrative nature in relation to cadastral surveys and records of cadastral surveys.

The history of this matter, as recounted by the Minister, is as follows. When the Bill came before us on the first occasion from the House of Assembly it provided that the Surveyor-General may, after consulting with the Survey Advisory Committee, issue such survey instructions in relation to cadastral surveys and records of cadastral surveys as the Surveyor-General considers necessary or desirable. An amendment was moved by the Hon. Robert Lucas to provide that such survey instructions could be made by the Governor in the form of regulations, and this was, as the Minister has accurately recounted, to enable Parliament to disallow them.

When the amendment went back to the House of Assembly it was objected that there can be occasions when it would not be practicable for the Governor to vary particular requirements. There were two examples brought to my notice, for example, the survey instructions contained in a regulation (as this Council had moved and passed it) might require

that survey pegs be 250 metres apart, and that may fall in the middle of a running stream or a cornfield, and that there ought to be ways of varying that without changing the regulations and going back to the Governor. The amendment moved in the House of Assembly provides:

(6) Survey instructions may—
(b) confer discretionary powers on the Surveyor-General.

The Minister said that these were technical and administrative matters, but that is not what the amendment says: the amendment says that the survey instructions, which would be by regulation, may confer discretionary powers on the Surveyor-General. It does not say that they are only to be in technical and administrative matters—it is across the board.

The concern of the Opposition is that this could be used to take away what this Council achieved in making it a matter of regulation which could be disallowed by the Parliament because the regulations could confer discretionary powers on the Surveyor-General not only in technical and administrative matters, as explained by the Minister, but in everything. It could really completely take away what we set out to achieve. I understand the position of the Government. The Government pointed out in another place that if the Parliament did not like the regulations because it thought that they were too wide it could disallow them. That is so, but members on this side of the Chamber have always taken the position that whatever could be spelled out with convenience in an Act of Parliament ought to be in an Act of Parliament or otherwise it ought to be in regulations and spelt out in regulations.

This Parliament has a very good Legislative Review Committee, which is chaired by my colleague the Hon. Mario Feleppa, and it previously had a very good Subordinate Legislation Committee, which at one stage was chaired by you, Mr Chairman. But, particularly with technical regulations of this kind on technical matters, which members of Parliament and members of the Committee know nothing about, I have known cases where things have slipped through the net and that should not have happened. Therefore, I am not happy with varying the amendment that we passed to enable the regulation to confer discretionary powers on the Surveyor-General, and that is exactly what the amendment says: it says that and nothing else.

My amendment is identical to the amendment that was moved by the Hon. David Wotton in the other place and occurred in conjunction with members of the department to try to establish the only circumstances where the discretion of the Surveyor-General could be needed, that is, the kind of circumstances to which I refer in the examples. My amendment sets out in detail those cases where the discretion of the Suveyor-General could be needed. Might I say—and I said this in debate in the Committee stage—that I have every confidence in the present Surveyor-General, but these officers vary from time to time and survey instructions have the force of law. I believe that Parliament ought to have not only technical but real power to have an input into legislation—subordinate or otherwise—which has the force of law. My amendment has a catch-all provision at the end of it, as follows:

Any other matter of a technical or administrative nature in relation to cadastral surveys and records of cadastral surveys.

To me that picks up the objections that were raised in the other place without allowing that very wide discretion, which really could take away what this Council achieved in its first amendment. Parliamentary Counsel provided a briefing note as follows:

The proposed amendment would only serve to cause confusion. Survey instructions are inherently of a technical nature relating to how a cadastral survey is to be conducted and how plans are to be prepared in relation to a cadastral survey. It is not at all clear from the proposed amendment in respect of what matters the survey instructions cannot confer a discretion on the Surveyor-General.

I find the latter sentence—it is not at all clear from the proposed amendment in respect of what matters the survey instructions cannot confer a discretion on the Surveyor-General—extraordinarily convoluted. It is clear in what matters it does confer a discretion on the Surveyor-General, and I would have thought that that was the point. The briefing note continued:

Parliament will have ample opportunity to disallow the regulations made under the Survey Act if it is of the opinion that the discretions given to the Surveyor-General in the regulations are inappropriate.

I have dealt with that. I have said that, while that is true, in my opinion, if you can spell things out in a Bill you do and if you can spell them out in the regulations you do (and that is what I have done in this amendment), and you do not just rely on the Legislative Review Committee (excellent as it is) or the Parliament being able to pick up these things from time to time, because they do slip through the net. For those reasons I have moved an amendment to the House of Assembly's amendment.

The Hon. ANNE LEVY: The Government opposes the amendment. Whilst the Hon. Mr Burdett dismisses the comments of Parliamentary Counsel, I think they need to be considered very carefully by this Chamber. The comment of Parliamentary Counsel that the proposed amendment would only serve to cause confusion is, I think, a very valid one. Despite what the honourable member says about wanting to make things clear in legislation, legislation which causes confusion is not something which should be supported by this Chamber.

The honourable member is ignoring the other parts of clause 43 to which this amendment is proposed. Clause 43 (2) provides what survey instructions can be about. They can be about regulating the manner in which cadastral surveys are to be carried out (including the records to be kept in relation to cadastral surveys); they can provide for tolerances in relation to the accuracy of cadastral surveys; they can regulate the standard of equipment to be used in cadastral surveys; they can regulate the form, establishment, custody, maintenance, removal or reinstatement of survey marks; they can regulate the form of certification of plans to other records of cadastral surveys; and they can regulate the manner in which cadastral surveys are to be carried out in designated survey areas with a view to those areas forming part of the coordinated cadastre under this Act. We have already decided that that is what survey instructions will be about, and these will be implemented by means of regulation, which Parliament can disallow if it wishes.

The honourable member's amendment proposes to 'confer discretionary powers on the Surveyor-General as to all or any of the following', and he proceeds to list virtually what is already in clause 43 (2) about which we have agreed that the survey instructions can be issued in the form of regulation. The honourable member is objecting to subclause (6) *(b)*, which provides that survey instructions may confer discretionary powers on the Surveyor-General. He wants to replace that with an amendment which confers 'discretionary powers on the Surveyor-General as to any or all of the following', nearly all of which have already been included in clause 43 (2).

It is quite superfluous or confusing to relist all the same matters. Furthermore, the honourable member's subparagraph (vii) provides that the discretionary powers on the Surveyor-General can relate to any other matter of a technical or administrative nature in relation to cadastral sur-

veys and records of cadastral surveys. Clause 43 (6) *(b)*, which the House of Assembly has inserted, provides that survey instructions may 'confer discretionary powers on the Surveyor-General'. The House of Assembly's amendment says in seven words what the honourable member takes a whole page to say. He admits that the Surveyor-General must have the ability to have discretionary powers in a number of areas. However, his amendment does not add anything: it is merely confusing. As these survey instructions will be in the form of regulation, they will be reviewable by Parliament. That is an important point, one which the Council was so adamant about the last time this legislation was before it. That is not disputed.

It is belittling of the Legislative Review Committee to suggest that, if it feels any regulation confers too much power on the Surveyor-General in relation to his or her discretion, that regulation can be disallowed. The Legislative Review Committee will be just as capable as this Chamber of deciding whether the discretion, which is included in a regulation as an instruction, is too broad. That is the point that will be considered by the Legislative Review Committee, and it will be able to do that equally well in seven words from the House of Assembly as it will from the whole page from the honourable member.

The Hon. J.C. BURDETT: The issue regarding the length of the amendment, that is, seven words as against my page, has nothing to do with the matter. The merit of the argument, surely, is what counts. The Minister stated what is contained in clause 43 (2) although I am not sure whether she read the preamble to it. That is the important matter. As it now stands, subclause 43 (2) provides, 'Without limiting the generality of subsection (1), survey instructions may', so they may be as wide as one pleases. They may relate not only to paragraphs *(a)* to *(f)* but they could include anything.

The purpose of my amendment is that the Council established that things that have the force of law should not, generally speaking, be in the hands of the Surveyor-General but in the hands of Parliament and should be achieved by way of regulation. I do understand the legal problem that a delegate, in this case, the Governor, a person to whom delegated legislation is entrusted, cannot subdelegate to somebody else, namely the Surveyor-General, unless there is power in the Bill. I understand that point. However, I believe that, as the Bill stands with the House of Assembly's amendment, it means that the regulation could give complete discretionary powers to the Surveyor-General, and I do not think there is any doubt about that. Indeed, these powers may be disallowed. I have been through that, and I do not propose to repeat it. Clause 43 (2) does not limit the generality of subclause (1), so it could involve anything.

The Hon. M.J. ELLIOTT: I do not support the Opposition's amendment, and I stated my reasons for that when we last dealt with this Bill. I am quite satisfied with the House of Assembly's amendment. I am satisfied that it treats matters to my satisfaction. If the Government attempts, by way of regulation, to give itself far greater discretion than it should have, I will support moves for the regulation to be overturned. But I am not concerned about the Bill as it has been amended by the other place, and I will not support the amendment.

Amendment negatived; motion carried.

STATUTES AMENDMENT (ATTORNEY-GENERAL'S PORTFOLIO) BILL

Adjourned debate on second reading.

(Continued from 25 March. Page 3599.)

The Hon. K.T. GRIFFIN: The Opposition indicates support for the second reading of this Bill, which brings forward amendments to a number of Bills, all the responsibility of the Attorney-General, and which relates to a number of issues. It seeks to amend the Criminal Law Consolidation Act by amending section 32, which provides that an offence of possession of a firearm or imitation firearm with intent to commit an offence is made out when the firearm or imitation is used when committing an offence punishable by a term of imprisonment of three years or more. A penalty for common assault was reduced last year from three years to two years.

Members may recollect that one of the issues that was debated during the consideration of the Statutes Repeal and Amendment (Courts) Bill, as part of the courts package, related to the penalty for common assault. The Liberal Opposition was concerned to leave the penalty for common assault at three years; the Government wanted to reduce it to two years, partly to ensure that it was then dealt with summarily as well as to provide, so the Attorney-General argued, for consistency with offences such as assaulting a police officer, as I recollect.

So, the penalty for common assault now is two years imprisonment and not three years. The amendment is intended to ensure that possession of a firearm or imitation firearm for the purpose of carrying out an assault will continue to be an offence under section 32. That then is supported, to maintain consistency.

The other amendment to the Criminal Law Consolidation Act relates to the extension of certain practices and procedures of the Supreme Court under that Act to the District Court, particularly in relation to informations, which should be able to be presented not only in the Supreme Court but also in the District Court. That follows the amendments that are proposed in the courts restructuring package.

The Evidence Act is amended to restrict the publication of details of a sexual offence before the accused is committed for trial, with the intention of protecting the identity of the victim. Where a sexual offence is to be defined, for the purposes of that restriction on publication to sexual exploitation or abuse of a child or exploitation of a child as an object of prurient interest, the restriction of publication of details of a sexual offence will cover those additional matters by amending the definition of 'sexual offence'. That is supported. It is consistent with the provisions of the principal Act.

The Attorney-General, by letter, has indicated to me that he would like to move an amendment to the Bill which amends the Evidence Act, and has provided me with a draft of the amendment and some background information. The amendment relates to the provision to the courts of a discretion not to apply the rules of evidence. The amendment, which would insert a new section 59j, is as follows:

(1) A court may at any stage of civil or criminal proceedings—
(a) dispense with compliance with the rules of evidence for proving any matter that is not genuinely in dispute;
or
(b) dispense with compliance with the rules of evidence where compliance might involve unreasonable expense or delay.

(2) In exercising its power under subsection (1) the court may, for example, dispense with proof of—
(a) a document or the execution of a document;
(b) handwriting;
(c) the identity of a party;
(d) the conferral of an authority to do a particular act.

(3) A court is not bound by the rules of evidence in informing itself on any matter relevant to the exercise of its discretion under this section.

That sort of amendment was the subject of discussion in the courts restructuring package last year, when I was critical

of the proposal to allow the courts to make rules to modify the rules of evidence as they applied to a class of proceedings and in the creation of evidentiary presumptions. My criticism was that the provision in that legislation was too wide. The Attorney-General indicated that he would look at the matter and, as a result, he proposes to move an amendment to give a discretion to a court in certain circumstances.

As I understand it, the proposition arises from a representation made by the Chief Justice to the Attorney-General on 19 August 1991, and proposes an amendment in similar terms to that to which I have just referred. The Attorney-General, in his letter to me, draws attention to the fact that the Federal Court rules already include a provision that the court may, at any stage of the proceedings, dispense with compliance of the rules of evidence for proving any matter that is not *bona fide* in dispute; dispense with compliance with the rules of evidence where such compliance might occasion or involve unnecessary or unreasonable expense or delay, including but without limiting the generality of this power; or require compliance with the rules relating to proof of handwriting or of documents, and the proof of the identity of parties or of authority.

That is reasonably drafted and is already in the Federal Court rules. That has been the subject of some consideration by the court in a case of Flick, as I understand, and, on the basis of the information that has been provided to me by the Attorney-General, I indicate that the Liberal Opposition will have no objection to his moving that amendment.

The Law Society has asked that there be an amendment to the Real Property Act. At the moment the extension of a lease or renewal can be lodged for registration only within one month after the term expires. The Law Society has pointed out that that period is unnecessarily limited and, in consequence, the Bill proposes that that period of one month be extended to two months. There is no difficulty with that.

The Bill also seeks to amend the Strata Titles Act in relation to insurance. Under that Act, insurance is required to be taken out by strata corporations to cover buildings and improvements, and also to carry public liability insurance. The Attorney-General, in his second reading explanation, says that the Housing Trust has more than 150 entire strata schemes and must presently take out prescribed insurance in respect of strata schemes it owns rather than carrying its own risk.

He puts the view that there appears to be no reason why, where all the units in a strata corporation are owned by the one proprietor, the proprietor should not be able to make his or her own decisions about insurance. That is something with which I agree. So, the amendment seeks to exempt from the mandatory obligation to insure those units in a strata corporation that are owned by the one owner.

There is only one matter of concern about that. The Real Estate Institute has raised the issue of the sale of the unit and suggests that, where all the units in the strata corporation are held by one person, the moment there is a contract for the sale of one of those units, after the expiration of the cooling off period the purchaser has an equitable interest which then exposes the purchaser to some risk if the premises are not insured.

The Chief Executive Officer of the Real Estate Institute wrote to me in the following terms:

> There may be risks to a purchaser of the first unit sold when a self insured unit is sold by the Housing Trust or private developer. The present legislation (section 30, Strata Titles Act) seeks to ensure that adequate insurance cover is in place from the start and a purchaser is given some protection thereby against costs that might arise from a corporation under insuring.
>
> The purchaser has a risk as soon as the cooling off period has ended and it seems reasonable that at that time any owner given exemption from section 30 should become bound by that section. The proposed amendment appears to pin the date of compliance to the date when not all units are held by the same registered proprietor and presumably that is the date when transfer documents are produced for registration.

That issue is an important one. It is possible that an amendment to the Bill will be needed at least to ensure that insurance in those circumstances is taken out at the point when a contract for sale and purchase is signed, and that is for one unit and the cooling off period has expired. Subject to that matter being clarified, we have no difficulty with the proposition in the Bill.

The Summary Procedure Act is amended in a minor way. Certain material must be forwarded to the Attorney-General following a committal. Because of the proposed change to a Director of Public Prosecutions, there are certain provisions of the Summary Procedure Act that are proposed to be amended to refer to the Director of Public Prosecutions instead of the Attorney-General, and we support that.

I want to draw attention to only one other matter. It relates to the amendment to the Strata Titles Act. The former Chairman of the Law Society Properties Committee, Mr Charles Brebner, wrote to me about the jurisdiction of the Magistrates Court and particularly clause 10 of the Bill, which seeks to amend section 41a of the principal Act, which was enacted last year as part of the overall package relating to the restructuring of the courts. He makes the point that because of the potentially increased jurisdiction of the Magistrates Court under that restructuring package—up to $30 000—it may be appropriate to recognise that not only should matters of dispute be dealt with by the Magistrates Court in circumstances where the issue should be heard as if the proceedings were a minor civil action but also that the other jurisdiction where a monetary claim is made should extend up to $30 000.

Of course, there is power for the District Court to remove a matter of some seriousness from the Magistrates Court to the District Court, and it is an issue that is worth considering. I must confess that I have not looked carefully at whether or not an amendment may be necessary, but it is something to which I refer for consideration by the Attorney-General.

Another consideration relating to clause 10 is that in the principal Act section 41a (2) provides that an application should be made to a particular court, whereas in this Bill it says that an application must be made to the Magistrates Court. It would be helpful to have some indication from the Attorney-General about why it was felt necessary to make that change. Subject to those issues, I indicate support for the second reading.

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

MFP DEVELOPMENT BILL

Adjourned debate on second reading.
(Continued from 2 April. Page 3847.)

The Hon. T.G. ROBERTS: I support the Bill, and I start my contribution by referring to the Ecologically Sustainable Development Paper, which was put out by the Commonwealth in June 1990, perhaps to answer some of the earlier criticisms of the concept of the MFP based on some of the environmental questions that have been raised during the debate. I understand that many of the concerns raised by members related to the MFP site, the consultation processes

and the concept itself. However, I am sure that many of the contributions come from people who, when they see donuts, see holes and, when they see flowers, think of funerals and do not think of some of the beauty that comes with flowers.

The Hon. R.J. Ritson interjecting:

The Hon. T.G. ROBERTS: Yes, and I thank the Hon. Dr Ritson for his contribution, which was very constructive, although he did raise issues of obstacles—

The Hon. R.J. Ritson: There are obstacles.

The Hon. T.G. ROBERTS: He acknowledged that those obstacles could be worked through, and that is my starting point: acknowledging some of the obstacles that were around earlier in people's minds about some difficulties which the concept has in becoming reality and which must be worked through and overcome. That is the same with any development project, whether it be tourism, industry or the concept we have before us. Where problems emerge, those problems have to be worked through. That is the role of the Government.

It was very difficult for the lay person to actually envisage the MFP concept because of the variances of information that were made available in the early days of the concept. Back in 1987, the concept seemed to move about from a silver city retirement village, in which the Japanese were interested, through to a combination of leisure and recreation resort development-type projects that most Japanese investors were interested in back in the heady days of the mid to late 1980s. It was not until the Commonwealth had pooled together the States' submissions that the real picture started to emerge as to some of the alternatives in the development of the multifunction polis concept.

I suppose the lowest common denominator arguments that emerged in the early stages were, at the worst, racist, and at the best, assessments being made on little or misleading information. As the concept was starting to be put together at the Commonwealth level, and more information became available, much of the opposition to the concept started to wane and many more people started to get in and back the project. That principle generally runs through most communities. A general conservative position is adopted early in relation to any change, but once the education processes and community consultation programs are put in place (and if they are all done correctly), and the consultation takes place at the required levels—both in the community, where people are affected directly, through to the academic institutions and in the political arena where people are able to accurately disseminate information and relay it on—people start to look not at the hole in the doughnut but at the whole of the doughnut. They do not start looking at the concept of flowers for funerals but flowers for other purposes. I think we are at that stage now.

It is interesting to go back and look at some of the history of the concept, and the competition between the States, and reflect that South Australia is very fortunate to be able to be in a position to be debating this Bill in the first instance. It was clear from press statements made, such as the headline, 'Melbourne leads the race for city of the future' that appeared in *Australian Business* on 21 February 1990, that it seemed that South Australia did not have much chance to secure even the concept plan from either Melbourne or Queensland. Queensland appeared to be the State in which overseas investors were interested, for geographical, climatic and other development reasons. The popularity of the Gold Coast region made it appear to be the preferred site because of its familiarity with overseas investors, particularly the Japanese. A comparison between the Gillman and Gold Coast sites would have led a betting person to wage that at about 50/1 on for Adelaide to secure the project and be able to debate the legislation currently before us.

Much work was put in by many people at all levels in South Australia in bringing to the attention of the Commonwealth Government and overseas investors the benefits of setting up a project in South Australia. In the final analysis, probably the major reason why this project was secured was that the large section of land required for a future city was Government owned, in the main, with some land allotments owned by some local government areas. That is a major reason why many of the people working on the original assessment of the site of the proposed MFP gave Adelaide the lead.

Melbourne was very disappointed in not being able to secure it. So were New South Wales and Queensland, although Queensland did have other political assessments to make, because of the heady days of the mid to late 1980s, with most of the investment in and around Queensland going into areas that could well be described as speculative rather than having an accumulative future in either the manufacturing or research and development areas.

The Hon. R.J. Ritson: If one of the Eastern States had got it, do you think the Commonwealth would have shown more interest?

The Hon. T.G. ROBERTS: It is quite possible that, if one of the Eastern States had secured the concept plan, it might have been able to secure perhaps a greater interest from overseas investors and hence an accelerated interest by the Commonwealth for that.

The Hon. R.J. Ritson: What about all those marginal Federal seats?

The Hon. T.G. ROBERTS: I would discount that as a reason for any site being chosen. That is a pork-barrelling imputation by the honourable member. I think those days have gone. Although Australia is now carved up into various State competitive groups, I do not think the individual seats become pork barrelled. I think there is some leaning towards some States for preference. With our federal system—and that is changing—some of the unnatural competitiveness that comes with States competing with each other and making concessions to woo investment and to make concessions to the Federal Government for development is starting to change. The Keating Federal Government, like the previous Hawke Government, is very conscious of the changing attitudes by people generally as to what is the makeup of Australia, and that is now starting to show some dividends. People are making a more mature assessment on how Australia's economic future is to be planned.

Some of the competition between the States is now starting to wane in favour of a more constructive approach to the internationalisation of our economy and placing large major investment programs into States that can provide the springboard for the nation's future rather than for the narrow interests of either local electorates or States that have no advantages at all in procuring some of those major investment programs. I have some sympathy for Tasmania in this. Probably against all odds South Australia secured the concept, and the only other State with less geographic and industry-based advantages was Tasmania. I am sure that the Tasmanians would have liked to have a concept and to be debating a similar Bill as we have before us. However, Tasmania missed out as well.

The Hon. R.J. Ritson interjecting:

The Hon. T.G. ROBERTS: I think so, but with respect to the types of industries that will be attracted to the MFP, I think that siting generally on a national scale will become less important as the concept becomes more apparent. Some of the ideas for the investment programs lend themselves

to siting in any State without necessarily placing the site at a geographical disadvantage for transport reasons. The areas of development within the concept will include urban and community development, management of innovation, education and skills development, information and information technology, communications and network, environmental management, and health research and development. One could place those development concepts probably in any area in Australia and still be able to internationalise the views, ideas and final material that comes out of it.

It will not be a smokestack-style industry. I guess the best example of a comparison would be the trade development zone in Darwin which had to be placed geographically close to Asia to have any benefits at all; it had to be on a transport network that was able to feed back into the Australian economy and placed in a position of advantage, so that those advantages could be sold to investors as a program for being able to put together duty-free and assembled goods and set up industries that are able to take advantages from the geographical placement.

Adelaide itself lends, I suppose, its natural charm to the concept. A lot of visitors come to Australia. Previous Governments (and I guess the current Minister of Tourism can take some credit for this), have basically sold South Australia overseas as a destination where people can have a relaxed lifestyle and holiday. The quality of life goes a long way to attracting particularly people with academic backgrounds who would be attracted to an MFP-style development, and it also lends itself to being able to tap into the lifestyle, not only of Adelaide but of South Australia generally.

The leisure/relaxation side of any development is very important when trying to attract people into the early stage of the development. In the latest stage of the development, once South Australia had secured the development program, we will be able to sell the concept plan and our lifestyle, as a plus for the siting of the MFP at Gillman.

I now turn to some of the criticisms about the placement of the MFP at Gillman. I acknowledge that one has to have a certain lateral thinking bias towards being able to visualise what an MFP at Gillman will look like. Gillman is not an attractive site by any means, and you have to have a lot of imagination to be able to put together a view of what the concept will look like after the first stage of development. If you are looking 20 years hence, you certainly have to use a lot of forward thinking to be able to visualise exactly what the concept will be when it is finally operating. That is where a lot of people, particularly those with conservative views, have trouble in trying to see what the benefits will be in the long term.

I can understand some of the fears that I guess people in the near suburbs had as to what its impact would be on their lifestyle and some of the problems that were associated with the environment in which it was being placed. As I have said, those difficulties have been overcome by the negotiating and consultation processes. The people within the immediate vicinity—in the northern and western suburbs—were convinced that the best way for them to clean up their environment and present themselves with opportunities that might flow from the MFP would be to get in there and negotiate and inform themselves about some of the benefits that may flow from it.

The points that were raised about some of the problems associated with the site and its environs are valid points to raise in terms of some of the problems that need to be overcome before the concept itself is able to be put in place. Residents are now starting to say that not only do they see the MFP as having some benefits for the State and nation as a whole but also they see some of the benefits it will bring to their local environs.

A lot of concerns have been expressed about existing health problems associated with the Largs North acid plant and the cement works. Historically, a lot of the industries that South Australia set in place were put on the peninsula mainly because there were strong winds and breezes that cleared the air regularly and it at least looked as if pollution levels were minimised. Residents on the peninsula have suffered over the years with health problems that are associated not only with those industries but also because of the near proximity of the Wingfield dump and the tanneries. In fact, a number of residents called me to a community meeting down there which was called to monitor the problems that were associated with the Clean Air Act. We found that some of the industries that were sited in the area were abusing the Act: if they were not keeping the level of pollutants down during the day, at night they were either burning or getting rid of a lot of unpleasantries that were associated with their industries, and people could not bear some of the smells emanating from some of those industries.

It is pretty clear that if the MFP is to be set up on that site, those sorts of abuses need to be stopped and there needs to be a period of consolidation where residents and local industries work together to enable local industries to clean up their act, because it would be incongruous to have a technopolis of the twenty-first century alongside a tannery or chicken boiling works that is burning feathers and entrails at night. I just cannot see them living side by side. The residents are now starting to appreciate the fact that they will be the beneficiaries of the clean air, clean water and clean environments that the MFP will demand.

I was in Europe in 1975 and saw the yuppification of Europe's waterways, rivers, estuaries and ports. In a lot of cases they were all starting to show environmental benefits for people living in and coming into the redeveloped sites, which had previously been fairly heavy industrial areas. Some of the minuses were that their rates were going up because the rateable value of the land was increasing, and some of the terraced homes which previously were homes to families of 12 to 14—and the Hon. Mr Crothers will remember those days—are now homes to DINKS—double income no kid families. The environs are perfect. The only problem is that people with working class backgrounds who previously lived there can no longer afford to do so, and in Britain they have been shunted out into new towns and have been put into high-rise apartments which they do not like at all; in fact, they would like to go back to the site of their birth but for other reasons that is not possible.

Those concerns are real for the people living in the area, that the environment may change to a point where they are no longer able to afford the housing programs associated with the MFP. But the concept does not stop there: the concept allows for the existing housing developments to remain. The peninsula is a lovely environment. I think the honourable Minister lives in that area, and my brother has a hotel in Largs. The development could not be put in a better place. Certainly, the Gillman site itself must be cleaned up. The alkaline, lead, zinc, arsenic, sulphur, mercury and iron wastes need to be cleaned up. However, as I said, those problems can be worked through and, for the MFP itself to be up and running, there is no point in avoiding those clean-up issues. They must be dealt with so that the environment is safe and so that the benefits for those people living in the area are recognised.

The broader concept of what the MFP is likely to achieve at a national and international level has been discussed and debated widely in the community. I have some sympathy

with those who say that the concept of the MFP could be spread throughout the State, but the concept does not rule that out. The Bill already contains provision for Science Park and Technology Park to be included in the concept with respect to cooperation among tertiary institutions. Some Technology Park and Science Park activities do not rule that out: in fact, they encourage it. I suspect that the contributions of the Hon. Mr Gilfillan and the Hon. Mr Dunn (who, I think, indicated that the project could be developed in the South-East) do not rule out a development arm of the MFP, Technology Park and Science Park as a spin-off into the regional areas. Whyalla is perfectly placed to pick up some of the industry development concepts that might flow out of the MFP. As the Hon. Mr Dunn pointed out, Whyalla has a perfect climate. It has clean air, and its education system is probably second to none. The infrastructure for education in Whyalla is probably as good as anywhere in Australia. Whyalla could very well take advantage of the potential pool of people to participate in a spin-off from the MFP.

Port Lincoln is another place that could see a spin-off into marine research and development. If the local and regional governments want to involve themselves in some of the programs and projects that could lead to an MFP site, it is only a matter of their using their imagination and energies to tap into the benefits that could flow from the MFP on a regional basis. If the MFP had been sited in Queensland, no-one would have any hope of tapping into it. If it were placed in Victoria, South Australian regional centres would have had no hope of tapping into any of the benefits that would have applied. Rather than the funeral flowers that were thrown by the Hon. Mr Gilfillan, perhaps he could have thrown a few bouquets for the securing of the site. Perhaps he could use his imagination and talk to regional governments about how some of the benefits could be worked through with regional development bodies, and how they could subsequently get spin-off.

Our tertiary institutions in South Australia, using the world university concept, are well placed to take advantage of any research and development project. In the first few months of a possible Commonwealth project being announced, many tertiary institutions were nervous that some of the research and development funds that the Commonwealth might have passed on to them could have been in competition with the MFP. That fear has been put to rest as well, because they are now working out ways in which they can cooperate with the world university link to attract some of the investment programs that the MFP will provide.

Signals have been sent internationally that South Australia is reorganising its own industry development programs, its own research and development programs, and its own concepts on where it wants to be in the twenty-first century. The MFP has sent out constructive signals to potential investors and provides a focus, rather than having a number of focuses around the State that would not be able to attract the same kudos as an MFP concept. The nervous Nellies who have been making public statements and private contributions in this Council, although supporting the Bill, seem not to be able to bring themselves around to support the Government in presenting a positive attitude to the MFP concept. It is unfortunate that they cannot use their imaginations to see the investment opportunities that hopefully will present themselves.

I acknowledge that other States will run programs that will compete for funds for research and development ideas that the MFP might attract in the future because of the competitiveness between the States for regional growth. However, the MFP concept will have an advantage when our development people go knocking on doors for investment programs with an Act of Parliament that sets out the certainties of where the programs will be put into place and, if we can get cooperation between nations about international investment, the sky is the limit. As I said, there will still be competition because, over the past five to six years, many States and regions have put together programs with fairly narrow horizons for trying to attract investment. Nearly every region in New South Wales has a Technology Park-type program associated with its tertiary institution. Every State runs programs that try to attract business investment but, as I said, this legislation will provide a focus for that and, hopefully, it will put South Australia's investment program on a platform level that is just a little higher than can some of the individual programs being presented by the other States and regions.

As to ecologically sustainable development, I guess this is where the Hons Mr Gilfillan and Mr Elliott have some doubts about the intentions of the Government. They think that only they have pure views about ecologically sustainable development, but I can assure both the members and the public generally that the Government has been debating these views and ideas over a long period.

A document to which I referred earlier, the Commonwealth discussion paper put out in June 1990, goes into the Government's view on ecologically sustainable development, and I suspect that the MFP's program will not only be set up on that basis, that the actual physical details of the program will fall in line with the fundamental views expressed in this document, but the developments that follow will also have the same fundamental ideas, background and guidelines to work towards. That is where community consultation and parliamentary scrutiny can certainly play a role: in being able to monitor the intentions and ideas that will flow from that, to see whether they fall in line with the views and ideas of Opposition members and the Democrats. The document that was put out in June 1990 states:

> A fundamental goal of Government is improvement of the community's standard of living. Throughout this paper, the community's standard of living is viewed in a broad sense. In addition to income levels or the consumption of goods and services, it includes a range of other things that we value, including the environment, social justice and personal freedoms. It is thus more akin to the notion of quality of life.

That sets out some of the principles under which the MFP will be conducted, and states that, once people become more attuned to the statements being made by the Government as being realistic, rather than those issues of social justice and personal freedom that were being touted prior to the MFP's being secured, they will see that it falls more in line with the realistic version than some of those that were being put around of an enclave, an enclosed city concept. Most people are now starting to obtain a better idea of the Government's views and ideas of the MFP concept. One of the other problems that was raised with me prior to the information range we now have was the problem associated with the democratic use of investment programs.

Most of those arguments have now been overcome. The racist views that were being expressed for political reasons, in the two weeks leading up to the last Federal election, have all been discounted. I have not heard them raised since. They seem to have gone off the agenda of the National Front and those who were winding it up. The 'No Jap city' signs that were being plastered around some of the State electorates prior to the last State elections and in some of the Federal electorates prior to the last Federal election seem to have gone out of print, and a more mature attitude is

starting to be expressed within the community. Hopefully, many of the prejudices will have been overcome by the information that has been provided by the Government in setting up the concept and the communication it has been able to undertake with the community. Points 2 and 3 of the document entitled 'Ecologically sustainable development' read as follows:

2. How Governments implement this goal depends on the relative values that might be placed on the component parts of the community's stock of natural and other assets . . .

3. The decision by the Government to formulate a sustainable development strategy reflects growing community recognition that, in pursuing material welfare, insufficient value has often been placed on the environmental factors that also contribute to our standard of living.

So, the concerns of the Democrats are the concerns of the Government. The only difference between us and them is that we will work our way through those problems and will not be put off by saying that it is all too hard and throwing tantrums in front of television cameras. We will put our energies into trying to work through those difficulties. Acknowledging those environmental difficulties is the first step towards overcoming them. That is where we are at the moment. The commitment to overcome them is there, and we certainly have the resources, the goodwill and the effort required to be able to overcome them. We will be able to put them into effect. Point 4 of the document reads:

4. It also reflects a recognition that economic growth and a well-managed environment are fundamentally linked. Our economic activities can and do affect the environment, and if we do not look after our environment our economic future can ultimately be put at risk. On the other hand, moving towards ecologically sustainable development can open up new commercial opportunities and provide both economic and environmental benefits.

It is sad to say, but as a specialist industry on its own, eastern Europe will provide a goldmine for research and development activities associated with cleaning up the environment, because of some of the residual effects of the smokestack industries, in particular, in eastern Europe, although Western Europe is not itself completely free. It has been pointing the finger at Eastern Europe, but West Germany, France and Switzerland have certainly put strain on their own environments. Point 5 of the document reads:

5. Many resource use decisions are made that do not take sufficient account of these linkages. This has led to unacceptable environmental consequences. The existing approaches to environmental protection have not always been adequate to avoid significant damage.

That has been part of the problem with the Wingfield dump and part of the Gillman site, in that over 50 or 60 years there has been contamination of those sites through ignorance, particularly by the dumping of Radium Hill waste into the Dry Creek area. If that had been done in the 1990s, it would have been handled far differently. Fortunately, we will be able to clean up those sites to make them presentable for the environment of the area. Points 6 and 7 of the document read:

6. The task confronting us is to take better care of the environment while ensuring economic growth, both now and in the future. Ecologically sustainable development provides a conceptual framework for integrating these economic and environmental objectives, so that products, production processes and services can be developed that are both internationally competitive and more environmentally compatible.

7. There are many options available to effect the transition. There is much scope for Governments, industries and individuals to influence the outcome. Given the rapid shifts in public opinion world wide in favour of greater environmental protection and more environmentally benign processes, there are considerable benefits potentially available to countries and companies that move quickly to develop and market the technologies that can meet those new demands.

That is one of the important roles the MFP can play. Points 8 and 9 read:

8. The sustainable development strategy will focus initially on industries based on the use of natural resources—agriculture, forestry, fishing, mining—and industries that have a considerable impact on natural resources—energy production and use, manufacturing, tourism and transport. There are of course, some important linkages between the various sectors and it will be important to ensure consistency of approach across sectors in developing the sectoral strategy proposals.

9. The task for the working groups will be to identify the most important problem areas, to set some priorities for achieving the changes desired, to develop solutions that meet both environmental and economic goals, and to propose time frames for change that take account of the Government's social justice policies and Australia's place in the world.

If you wanted an ideal focus for the conceptual position of an MFP, point 9 would probably be a good charter for it to start with. The document continues:

2. General Principles of Ecologically Sustainable Development

The Government considers that the following five general principles are key elements of ecologically sustainable development:

- integrating economic and environmental goals in policies and activities;
- ensuring that environmental assets are appropriately valued;
- providing for equity within and between generations;
- dealing cautiously with risk and irreversibility; and
- recognising the global dimension.

Time will prevent me from elaborating on those. They are the key elements of the general principles of sustainable development. The Hon. Mr Gilfillan and the Hon. Mr Elliott can take some faith in the Government's position: they are not the only ones who have a purist view and ideals on sustainable development; the Government does have a view, at a Commonwealth, State and local level; and community residents have certainly made it clear to anyone who wants to listen that their views and ideas line up with their own views on how to proceed.

The caution with which development will proceed will be clear once the Bill is passed and development stages are in train. I have no reason to believe that the consultation process will drop off. The community consultation programs that have been set in place will continue, and the benefits of the proposal will be explained for those people who take a close interest in it.

Local government in the area has expressed its support cautiously for the programs and projects, because in some cases they do not have the same visionary ideals as does the Government. However, once the project is up and running I am sure that the local government regional development people will want to participate in the benefits that will flow not only just for the local, regional and State area—but also nationally. Hopefully, the coordination of the education system, the ideals around sustainable development and a new approach to technology development will emanate out of the MFP and provide a focus for South Australia for many years to come.

People will be able to reflect when they read *Hansard* perhaps in the year 2020—that is also the title of a visionary document that has just been completed (and it will be just after Clive retires)—and will see the development on record. Those who have been cautious in their views about the way to proceed will be respected, but those who have been totally negative in their approach to the development will be seen not to have had any vision at all. Also, those who have had the courage to place on record their support for the program and the project will be thanked by future generations.

The Hon. C.J. SUMNER (Attorney-General): I thank those members who have indicated support for the second reading of the Bill. It is fair to say that the MFP project has had more books written, attracted more newspaper

headlines, more media comment generated, more letters to the Editor and perhaps raised more hopes and fears than any other major project in this nation's history. Opposition to the MFP is predictable but not very original. Indeed, it is worth looking back briefly in history at major new developments which have had to overcome opposition from vested interests since early days.

Australians have always felt threatened by the very thought of change. But not only Australians. For example, back in 1829 the Governor of New York State wrote to President Andrew Jackson stating:

> . . . the canal system of this country is being threatened by the spread of a new form of transportation known as railroads.

He went on to say:

> The Government should create an Interstate Commerce Commission to protect the American people from the evils of railroads . . .
>
> As you may well know, Mr President, railroad carriages are pulled at the enormous speed of 15 miles per hour by engines, which in addition to endangering life and limb of passengers, roar and snort their way through the countryside, setting fire to the crops, scaring the livestock and frightening women and children. The Almighty certainly never intended that people should travel at such breakneck speed.

So ends the quote from the 1829 Governor of New York State to President Andrew Jackson. In Australia, there was also controversy that raged in Sydney in the 1920s over the construction of the Sydney Harbour Bridge. One leading financial executive of the day wrote in the *Bulletin* magazine:

> It is madness to construct such a monstrosity from Dawes Point to the Northern Shore. It will do no more than cater for a few curious fools and allow dogs to stray away.

Hopefully in the not too distant future we will be able to laugh at some of the opponents of the MFP. That is not to say that the MFP does not need careful work and consideration, but a number of members have expressed the views that, unless, we have a go at things such as the MFP, our future will not be very bright. The MFP provides an opportunity for this country to help itself. It is the catalyst to orientate business activity away from traditional manufacturing to high value added exports and to develop international centres of excellence—not only with the MFP, university and education industries, but also in environmental management technology and information technology and telecommunications. Australia must also focus on its role in the Asia-Pacific region.

The MFP is about attracting new non-polluting industries and creating new jobs. It provides the opportunity for bringing together the best technology from around the world and adapting it to our own needs and that of the Asia-Pacific region. It is inevitable that any project as large and complex as the MFP will be the subject of intense debate, speculation and uncertainty. If Australia is to achieve a better understanding of its own society and its place in the world, such debate must occur.

It is disappointing that the contributions from some members opposite and the Democrats have focused primarily on the core site; this is indicative of a very narrow perspective. Education and training have become a multi-million dollar industry, one of the fastest growing in the world. Skills training alone is expected to grow 20 per cent per annum over the next 20 years, achieving a market size of $20 billion annually. Australia's information services industry is already a fully-fledged sector of the nation's economy. At $12 billion annually, the industry is growing at a rate of 17 per cent per annum. Today's world market for environmental management services amounts to $102 billion. By the year 2000 it will have grown to exceed $420 billion world-wide. Our aim is to get an increasing share of the action through the MFP core industries.

The MFP project is not just the core site—but the innovations proposed, such as:

- mixed-use buildings;
- use of environmentally sustainable building materials;
- use of alternative energy sources (for example, solar, methane gas);
- recycling of stormwater and wastewater and improvement in the management of waste generally;
- new approaches to traffic management within the villages; and
- use of new technologies to link communities and institutions with those in physically distant sites—within Adelaide, throughout Australia and with overseas countries—could contribute to an innovative international model of living and working.

Australia has always been a 'clever country'. Within a relatively short time, Australians have developed one of the world's most productive agricultural industries. We developed the stump jump plough, the McKay harvester, drought resistant wheat, animal embryo transplants and selective breeding for wool. Australia's mining industry has flourished because of our capacity to innovate. Australia has produced a large number of world-class scientists on a per capita basis, given their comparable isolation from the centres of international research.

It is hard to imagine some of the great engineering projects of Australia such as the construction of the Trans-Australia Railway, the Ord River or the Snowy Mountains Scheme, ever being completed if they had to face the scrutiny or study that the MFP has endured. Some members opposite and certainly the Democrats have knocked this project since its inception. In the past few weeks, just as they have continued to express their less than whole-hearted support, other States have been saying that if we do not want it, they will have it.

New South Wales and Victoria would be only too happy to see the project knocked back in this State so they could pick up all the work that has been done here and transfer it to their own State. Everybody (including potential investors and overseas interests) is watching to see what happens here with this legislation. Members' past contributions have ranged from passive resistance to in-principle support to the outright opposition more typical of the Democrats. This has the potential to undermine the credibility of this State's claim on the project.

The project is not a *fait accompli* by any means—we have a feasible project on our hands and we need to make it happen. There are certainly challenges involved in dealing with many of the issues involved in developing the site and securing the investment, but the project is attainable. Opposition members (and the Democrats) have repeatedly criticised the Government for introducing this Bill before all of the environmental impact assessment procedures have been completed. But the EIS for the Roxby Downs project was released by the Liberal Government in October 1982—four months after the Roxby Downs Indenture Ratification Act was assented to in June 1982. An Opposition member in another place implied that the Roxby Downs Indenture preceded the Planning Act and its EIS procedures. But the Planning Act was assented to in January 1982.

Having said that, I welcome the support of Opposition members for the second reading of the Bill, albeit with reservations on a number of issues. The Hon. Dr Ritson, I believe, last week made the most positive contribution to the debate. I concur with him that the contribution by the Democrats has been utterly negative—as usual—and that

we have to reintroduce the vision for the project into the debate. The Hon. Mr Elliott has, of course, totally opposed the Bill and the MFP project. Therefore, some of his contributions are hardly worth responding to. Last week he asked, 'For what are we being asked to legislate—an industrial development, a lakeside housing estate, or a combination of the two?' What we have before us is an enabling Bill which sets up a development corporation with certain powers and functions, a community advisory committee, establishment of a core site and the necessary financial provisions and annual reporting arrangements which are common to all such legislation. I will, however, take up the three issues which were common themes in the contributions from members opposite and the Democrats.

Choice of the site

Various alternative sites have been mentioned by members. The Hon. Mr Dunn, for example, mentioned regional areas such as Whyalla, Mount Gambier and Renmark. On the one hand, it has been put forward by members opposite that it will be difficult for Adelaide to compete in the international marketplace as opposed to other locations on the East Coast of Australia or other countries and then members have turned around and said it should be located in a regional area: surely those views are in contradiction. One of the major benefits of the site includes its proximity to the central business district of Adelaide and to major transport facilities, including the Port of Adelaide and the Adelaide Airport. While the Government endorses the need for regional development in this State, the location of the core site outside the metropolitan area is simply not feasible.

Over time—and I remind members that this is a long-term project—there is no doubt that there will be flow-on effects from the development of the MFP industries to not only the rest of the metropolitan area but also to other areas of the State. The MFP core site has already been the subject of intensive study and has been given the go-ahead by both Federal and State Governments. Shifting the focus of the MFP core site at this stage would take the project back at least two years. It would require another site assessment study, another EIS and another SDP. Credibility with overseas investors and the Australian business community would be lost forever.

MFP Australia has also been working closely with local government authorities in the areas abutting the core site, and they strongly support the location of the core site. The current site provides the opportunity to clean up what has been for decades a very degrading area, thereby improving the amenity of the surrounding suburbs. In a letter of 8 March 1992 to the Premier, the Parks Residents Environmental Action Group said they:

> . . . welcome the MFP development at Gillman on environmental grounds . . . Our main concern is that the site and the surrounding areas are cleaned up and rejuvenated. We believe that the development of the MFP is the most likely way that funds will be found to achieve this difficult and costly process . . . We view with some alarm the increasingly virulent attacks of the Liberal Party and the Democrat Party against the proposed site of the MFP.

Some members may have seen the item on the *7.30 Report* on Friday night when Barbara Sedorkin of the Parks Residents Environmental Action Group criticised the Opposition amendment which would require that no work be undertaken on the core site until all the EIS processes have been completed. The Parks residents want to see clean up and decontamination of the site as soon as possible.

The Democrats proposed in February this year a site which included 60 per cent of the proposed site plus approximately 650 hectares of land east of Port Wakefield Road. The site proposed by the Democrats (as it related to The Levels area) has already been assessed by the MFP project and rejected as inadequate because: it would mean acquisition of privately-owned land (whereas the existing core site is mostly in Government ownership); it would not be well integrated with the existing surrounding communities; the Democrats' site does not have the advantages of close proximity to road, rail, air and sea transport, which are crucial to the transport hub proposal; and the site lacks many of the environmental advantages of the Gillman/Dry Creek core site. Relocating the site would remove the possibility of recycling much of Adelaide's stormwater and effluent, and of utilising landfill gases as important alternative energy sources.

The so-called 'innovations' of the Democrats' proposed site—in particular the 'urban national park'—are nothing new. A fundamental aspect of the MFP urban design proposal, as outlined in the MFP supplementary development plan, is the creation of a 'conservation zone' including the waterways and mangrove areas of Torrens Island and Garden Island. It seems that the Democrats have borrowed the conservation zone and called it an urban national park. Perhaps this is a case of imitation being the sincerest form of flattery. The concerns of the Democrats are thoroughly addressed in the EIS—one of the most comprehensive studies yet carried out for an urban development in Australia. For example, protection of the mangrove forests has always been an absolute priority and has been addressed most thoroughly in the EIS.

The Democrats' contributions on this issue are bedevilled with contradictions. The Hon. Mr Gilfillan said last week that the Democrats support the clean up of the core site—in fact, he said that it was essential. On the other hand, he is criticising the choice of the core site because he says it is too heavily polluted and would cost too much to clean up. He stated that only minor amendments were needed to the Technology Development Corporation Act, rather than the introduction of a new Act. Again, he goes on to contradict himself by filing enough amendments to constitute a new Bill of their own.

Scale and viability of the project: A number of members opposite and the Democrats have made a great deal out of comparing initial proposals with recent projections on population and cost estimates. Where we have arrived today is not the end point by any means, and it cannot be over a 20 to 30 year period. Some are saying that, because we are no longer talking about 10 000 people on 3 000 or more hectares at the core site, the value of the project has been dissipated or its viability is suspect. One of the criticisms of the original proposal was that it was too large in scale. It does not matter whether we are talking about 40 000 people on site with another 50 000 people spread throughout the rest of Adelaide or whether the developable area of the core site has been reduced for environmental reasons. What we have is something that is viable, sustainable and meets our objectives and is commercially viable.

The commercial viability of the project has been reviewed by the Kinhill-Delfin joint venture and Potter Warburg. Both have confirmed that the net costs to the public sector for infrastructure development to and on the core site were estimated to be $202 million in 1991 dollars or $105 million at net present value over the 20 to 30 year period. The cost equates to $9 million each year added to the State budget in 1991 dollars. A recent report by PPK Consultants Pty Ltd which reviewed bulk earthworks quantities and costs for the core site estimated a reduction of approximately $20 million in earthworks costs as a result of variations made in the urban design proposals during the EIS process. A large source of suitable material for fill can be obtained from the southern edge of the Gillman part of the core site

which will satisfy all the needs for fill for that site. I hope the Hon. Mr Dunn will take note of this in relation to his comments that 'the dirt has to be carted in from afar' and the cost of that will be 'astronomical'.

The costs to the public sector are favourable when compared with any other major residential development. The planning review has shown that to develop a block in an outer suburb of Adelaide is around $17 000 while for an inner city suburb of Adelaide the cost falls to $3 000.

With the core site there are lower costs of infrastructure because of its location. However, there will be a premium on MFP blocks because of the clean up of the site, the large areas of open space to be provided and higher standards of development. This will add approximately $5 000 to the cost of developing a block. The comparative figures between an outer suburb ($17 000) and the core site blocks ($8 000) still show a significant saving for developing at the core site rather than an outer suburb.

Port Adelaide, Enfield, Salisbury and Woodville council areas already have substantial infrastructure such as schools, health and welfare services, transport links, etc., which will not need to be duplicated in the core site until such time as the population reaches a level to warrant such additional services. The MFP-Adelaide Management Report of May 1991 recommended that there be a consolidation of existing services and facilities in the areas surrounding the core site so that resources are not diverted from these areas of need by the MFP project.

The costs associated with the development of the site over the 20-30 year period which will be borne by the developer have been estimated at $669 million. It should also be noted that the planning review has estimated that by the year 2001 the population of metropolitan Adelaide is likely to grow by between 200 000 and 350 000. With or without the MFP there will need to be infrastructure development to cater for Adelaide's growth. The development at Gillman will avoid the sprawl of Adelaide further north or south.

3. Environmental Issues: Many members have referred to the environmental problems of the core site. I say that this project is the only chance for making sure that the site is cleaned up and the environmentally degrading practices of the past reversed. Without this development we cannot resolve those problems. We cannot clean up the site without developing it. Development will provide the mechanism whereby infrastructure can be provided and returns on investment will provide the necessary financial support for turning this degraded site into an environmentally sustainable urban development.

The problems of the site are also an opportunity. These areas are due for rehabilitation and the MFP provides us with the ideal opportunity not only to carry this through but to use the experience to establish environmental research and rehabilitation as one of the main thrusts of the MFP industries. The MFP core site provides the opportunity to trial new methods of water treatment and recycling that have the potential to cut down water usage to less than 30 per cent of our present use.

Twelve per cent of metropolitan Adelaide's stormwater flows across the site into the gulf at present. Our present loss of stormwater from that site can be reversed. The water will be ponded and treated and reused for other than drinking purposes. At present we drink only about 5 per cent of the total supply, treat it all expensively and then use it to wash cars, flush cisterns and to water our gardens. Introduction of dual water systems will make much more economic and environmental sense.

In relation to the mangroves to which many members have referred, I would like to remind them that extensive mangrove clearance occurred prior to 1954. During the 1950s work was undertaken to prepare the Gillman site for the industrial development that was expected to take place. Large numbers of workers went through the area and just cleared the mangroves in a most brutal fashion. Levee banks were set up. This project provides us with the means of expanding the mangrove areas. Mangrove and samphire retreat areas have been provided for.

In relation to odour problems from Bolivar (referred to by the Hon. Mr Dunn), there are engineering solutions to these problems which are to be addressed by the soon to be established State environmental protection authority. The 'Modelling of Odour Dispersal' map in the draft Environmental Impact Statement relating to the Bolivar Sewage Treatment Works showed that odour dispersal affects only a very small area at the north of the Dry Creek site. The Engineering and Water Supply Department also has budgeted for the removal of nutrients from effluent from the Port Adelaide Sewage Treatment Works in the first instance, to be followed subsequently at the Bolivar STW. This will also have some effect on the reduction of odour problems.

Some members have referred to the problems of mosquitoes in the core site area. The EIS recommends a four-pronged strategy to minimise mosquito impacts, as follows:

1. Engineering—to remove stagnant fresh water ponds by design of land and lake systems;
2. Environmental—by encouraging fish and bird life within the estuary and lakes systems;
3. Education—to avoid stagnant, pooled water around houses and businesses; and
4. Chemical—but only as a last resort and primarily during the construction phases.

Others have referred to the problem of algal blooms in the Port River. The MFP project has acted as a catalyst for bringing together a wide range of public and private sector specialists to formulate innovative solutions to the problem. An amount of $12.2 million has been allocated on the 1992-93 draft capital works plan for expenditure at the Port Adelaide Sewage Treatment Works over the next five years. These funds are sufficient to enable removal of 75 per cent of the nutrients from the effluent by the use of advanced biological treatment processes which will eliminate the algal blooms.

In relation to the Bolivar STW, consultants have been engaged to investigate options for partial and total land based disposal of effluent from the STW as well as options for upgrading the plant for nutrient removal. There is widespread private sector interest in commerical opportunities for the effluent and again this has been catalysed by the MFP project and several State and Federal Government agencies. A draft report is expected in June 1992 with indicative cost estimates for the range of options and the timetable.

Reference has been made to the impact of the development of the core site on the fishing industry. The draft EIS evaluated the physical impacts of the urban development proposal and indicated that it would impact positively on the Barker Inlet and fish nursery areas. The proposals referred to above relating to removal of nutrients from the Port Adelaide and Bolivar Sewage Treatment Works and the proposals relating to the ponding and treatment of stormwater will also have a beneficial effect on water quality in the estuaries and the gulf.

Concern was expressed about the effects of leachate and gas from the Wingfield waste disposal area. No leachates have been detected by the monitoring program for this area.

Methods of protection outlined in the EIS in relation to gas from decomposing organic material and household rubbish and leachates include:

- controlled levels of watering the diposal site;
- channels constructed around the area to capture leachates;
- membranes places around the area;
- gas harvesting; and
- gas renting.

CSIRO and the SA Waste Management Commission are continuing the monitoring program.

The amendment that the Opposition has foreshadowed (supported by the Democrats) which would prevent work on the core site until the EIS process is complete is unnecessary. The Premier gave an assurance in another place that all the procedures in section 49 of the Planning Act will be complied with before site works commence in relation to creation and development of land. But, the amendment proposed would prevent initial works on decontamination, tree planting, and further investigations as recommended in the draft EIS. Do members opposite want to prevent such activities which will be beneficial for surrounding residents, whatever the results of the draft EIS assessment are? The Parks residents would certainly be less than impressed with the delaying tactics of the Opposition and the Democrats. They want to see some action now to clean up the area which is adjacent to their homes.

Conclusion: Much has been said about the core site. But I repeat that the core site is not the MFP project: it is only one component. Nor is this Bill meant to the project: it is only the framework. It is not possible to answer every question about the future of the project and the many facets which it entails. The project is still in the developmental stage. I encourage members to remember that and to provide the necessary support for this Bill which will enable us to get on with the real job of implementation.

Bill read a second time.

[Sitting suspended from 5.40 to 7.45 p.m.]

LOCAL GOVERNMENT (REFORM) AMENDMENT BILL

Adjourned debate on motion of Hon. J.C. Irwin:

1. That this Bill be referred to a select committee.
2. That Standing Order 389 be so far suspended as to enable the Chairperson of the committee to have a deliberative vote only.
3. That this Council permits the select committee to authorise the disclosure or publication, as it thinks fit, of any evidence or documents presented to the committee prior to such evidence being reported to the Council.

(Continued from 2 April. Page 3854.)

The Hon. J.C. IRWIN: I will continue my remarks, which I started last Thursday, relating to my justification of and arguments for this motion calling for a select committee to look at this Bill. As most members would know, the Local Government Act is one of the biggest Acts, and it now affects 119 individual councils. That is the latest figure and, of course, it has come down from a higher figure in earlier times. These councils have common needs and many other individual needs. Local government is the third force in governing people's lives. It is different, and its difference needs to be maintained. I see no earthly reason for anyone to try to make local government a clone of State and Federal Governments, and I have said that before.

In the context of the Bill, the Liberal Party's philosophical position would be to maintain, as much as we can, the individuality of each of the 119 councils—or however many there are—and may not support the Local Government Association, or any other association, having any power over individual councils, other than those within its own constitution, obviously agreed to by a majority, if not all, of the councils—and that argument is for another day. It is important that I signal our philosophical position now ready for when that day arrives.

What the association does collectively for its individual councils is for it to decide. Through the Government's decision to abandon the Local Government Department, and thus the conduit from individual councils to the Minister and the State Government, this Parliament must look closely at what structure and arrangements have been made to replace the old arrangements. The memorandum process between local government and the Government has negotiated a number of actions already taken—and I suppose one of the most important ones would relate to the State library, without giving a whole list of others. Of course, this Bill contains proposals. We are told that there may be another Bill later this year to tidy up the Local Government Act and, at the conclusion of the negotiations under the memorandum, a constitution Act will be drawn up for local government. I hope it will address the Local Government Association and how it can act for its constituent councils in the context of new powers.

The Opposition and I believe that we are being asked to put the cart before the horse. I put that point very strongly: we should be debating the constitution Act first. At least then we would have a legislative structure to accept responsibilities from this Parliament. The Bill seeks to do a number of things, only one of which has a deadline, that is, the Local Government Advisory Commission. I understand that the local government elections next May is a deadline, and one needs to address that issue in good time for those elections. In other words, there is little loss by deferring the Bill. It is understandable that local government wants to get on with its work in the so-called new era of fee fixing and by-laws. The Local Government Advisory Commission is funded now by the South Australian Services Bureau—obviously through Government funding—and this is scheduled to cease funding by 30 June this year.

In the interests of doing a job properly, there is no reason why the Local Government Advisory Commission cannot continue under a user-pays, or part user-pays part Government funding, system until other arrangements are fully debated. Many people other than this Government, the Local Government Association and the Opposition Parties are interested in the future of local government. This applies to council amalgamations, ward restructuring and other arrangements in the Bill. It is all very well for this Government to take away its Local Government Advisory Commission funding ball and then tell local government to find another ball to play with. Even if it is under a memorandum of understanding, it is grossly irresponsible to do this, especially when the Government knows that it can do what it likes with its budget, but it is this Parliament that cannot and will not shirk its responsibility to debate alternative proposals.

As I have said previously, this Parliament is not privy to the give and take of the negotiation process. We only know and can only deal with what is put before us in Bill form. It is not an uncommon practice for the Assembly, the Legislative Council or both to disagree with the negotiated agreements between the Government and any other party. If anyone was trying to say that the Parliament cannot do that and Bills cannot be amended, then we might as well go home. The Government can withdraw money, but it

cannot withdraw or reorganise legislation without a proper and wide-ranging debate. If the proposal in the Bill for panels is to be funded by a user-pays system, then we must ask, 'Was this principle considered by local government for the advisory commission?' I understand the commission costs about $140 000 a year to run, including all its functions. A number of areas in the Bill will require the Local Government Association to make decisions, and I have already alluded to this in my second reading contribution, namely, the panel system for amalgamations, the setting by councils of fees and by-laws for councils.

How can we devolve certain powers to the Local Government Association without knowing in detail exactly what the Local Government Association is and before debating the proposed constitution Act for local government? I entered local government in the early 1970s—and I note that the Hon. Mr Gilfillan was a member of local government quite a time before that—and have been closely associated with it ever since. In the early 1970s not all councils belonged to the Local Government Association. It was a very small secretariat, and I pay tribute to its progress, since local government is now funding an increasingly large bureaucracy here and, on top of that, the Australian Local Government Association in Canberra.

There were almost no untied grants until Prime Minister Whitlam introduced them in about 1974. Local government has unquestionably moved away from its base of those early years when Mr Gilfillan, many others and I were involved. It may now never be weaned from its reliance on grants. Some members with local government experience are elected to Parliament, and most Assembly members have good contact with their councils—for some, of course, it has been rather a painful learning experience. Not very many members would know the structural methods of operation of the association. It is also time to say that no member is expert in every piece of legislation before this Parliament: we just cannot hope to be that.

Although the Local Government Association is made up of professional staff and members elected by their communities to represent councils, they are not an elected body such as a State or Federal Parliament; certainly not like their executives. They are not accountable to the people except by a lengthy route back to the grassroots of the individual member. Those who are the grassroots, that is, the electors for a ward councillor, aldermen or mayor would know even less about the structure of the organisation, while those of us here have had some experience.

What is of paramount importance to electors and ratepayers and a question that is frequently asked is: 'What are we getting for the rates we pay?' This Parliament does not pass off responsibilities to the Hospitals and Health Services Association to administer hospitals in this State or to the Retail Traders Association to administer retail trade in this State, so why should we now support the moves, even at this preliminary stage, to devolve power to an association without the proper framework in place?

Those comments make no reflection at all on the honesty, integrity or ability of the association or its members; they are a general statement. As I said in my second reading contribution, what will happen if a council or councils leave the Local Government Association? Will there be a need for compulsory Local Government Association membership? That point should be decided now, not in six to nine months time.

Coupled with this is how Local Government Association decisions will be made in the future. Will they continue to be made on a one vote, one council basis or should they be based on a per elector or per rate income basis? How will councils' chief executive officers play a part in the association? When I raise these matters with people in senior positions within their council, and with the association executive, I am told, 'We in the Local Government Association will decide these matters.'

They may well decide them, but I would envisage that any constitution Act for local government would enshrine any number of standards and procedures within that Act. Local government will not have the final say. Of course, whether we like it or not we will have that in this Parliament. Those in local government should understand that fundamental point now. When I have indicated this matter and a number of other matters within this Bill to a number of people in the local government community, they fail to understand that point. Whether it be local government matters or something else, quite understandably electors in this State do not understand our procedures and tend to think that we are frustrating what they want, because they think that once they have made their decision, that is the end of the matter. Again, that is a slow learning process, but they should understand that point by now.

Any legislation agreed to by the Government and the Local Government Association has always had and will always have to run the gauntlet of this Parliament, that is, if it needs a legislative framework. It is not good enough for the Minister to say that the proposals in this Bill are only minor or for the limited circumstances in this Bill, as she puts it, and to brush aside the need for a more substantial analysis of what is alleged. It ought to be pretty clear to the Minister and the Local Government Association that this Chamber was very nervous about giving local government increased planning powers, which I think was debated here towards the end of last year.

That was not because local government could not do the job in individual councils but because there were insufficient guidelines and an undecided scope for local government to work within. I understand that nervousness, certainly on our side, was why those powers were not totally given. Again I ask: how will functions that were carried out for the people and local government by the old Local Government Department be carried out after 30 June, when the Local Government Services Bureau ceases to function? In her concluding speech on 2 April the Minister said:

> The fact that the Bill does not propose new procedures for all functions carried out by the bureau does not mean that there will be some sort of void when the bureau is wound up. It does not mean that regulations will no longer be made or that conflict of interest allegations will no longer be investigated. The bureau is being wound up, but not the entire State administration. It also does not mean that individuals will have any fewer avenues than they have now to complain about their councils.

No-one has explained to this Chamber where those matters will be addressed. I have no doubt that they will be explained to us at some stage, but they have not been yet. When will the people know how these things will be addressed? Where will the conflict of interest problems be assessed, for instance? Almost every week I hear about councils not properly attending to parking regulations. Does the Minister condone councils not acting properly? She cannot go on saying it is none of her business and do nothing. The Act is her responsibility, and someone must protect the people. There is the potential for motorists to pay thousands of dollars in parking fines, without the legal backing of a council decision properly made, although parking regulations do not have to be gazetted now, but other procedures are in place. I hear constantly that these matters are not being addressed properly. The Minister must explain, and quickly, what arrangements are being made to deal with the void that will be there after the bureau ceases to exist.

Because of its much smaller secretariat, the bureau has not been able to handle some matters that the old department used to handle. So, I have isolated two very important reasons why this Bill should be referred to a select committee before any more decisions are made: the new proposal for boundary changes and the Local Government Association itself. Coupled with this is the removal of various ministerial approvals. While we do not oppose this *per se*, we question where the checks and balances are and who or what will provide them.

As I have said repeatedly, the moves associated with this Bill are the first of a procession. It is just not good enough to expect support for these changes, with or without amendments, prior to a major debate or a constitution Act for local government. I do not believe that the replacement of the Local Government Advisory Commission by a new system is a relatively minor piece of legislation. Since the select committee process used for amalgamation proposals was abandoned and replaced by the Local Government Advisory Commission in the mid-1980s, a huge amount of money has been spent in promoting, analysing and fighting amalgamation proposals, both successful ones in the country and unsuccessful ones in the metropolitan area. I acknowledge that the select committee process may still be available, but this has not been used for many years to advise on amalgamations.

It is just not acceptable to me or to the Opposition for this Parliament to lurch from one method to another of sorting out amalgamations, with the inevitable prospect of yet more thousands of dollars—public and private dollars—being expended in developing and refining the methodology already painfully arrived at by the Local Government Advisory Commission, for instance. I am truly sorry that the Government, the Democrats and some in local government cannot see that we have responsibilities, just as they have, to arrive at a mutually agreed position, especially when no-one has spare dollars to throw about in the present economic climate.

I add to that that we should not make decisions necessarily because we are in a good or bad economic climate: we should make consistent decisions that are able to be followed simply by everyone. It is logical for the award restructuring process to be dealt with by councils working with the independent Electoral Commission. This is more or less in line with Federal and State representation legislation, which is accepted by everyone—not always the results, but certainly the process.

As I have already said, this proposal is tied up with others in clause 4 and is very difficult to untangle. In a select committee, the Opposition would be prepared to look at the panel system in isolation from the others, if it were possible to split clause 4. I say again that it is illogical to argue for an independent tribunal such as the Electoral Commission to look at award restructuring on a user-pays principle at the same time as abandoning that principle for the proposed panel system of looking at amalgamations. We still argue that both these functions can be dealt with under the user-pays principle by the Local Government Advisory Commission.

In his second reading speech, the Hon. Mr Gilfillan said the Bill was 'a relatively minor piece of legislation'. The honourable member said further, 'I will insist that there is a widespread structured process of consultation . . . The next stage will need a select committee.' I do not know exactly to what the Hon. Mr Gilfillan was referring in respect of consultation. Some in the Local Government Association are denouncing me in no uncertain terms for daring to question the consultation process. My questioning of that process has been only from the draft Bill until now. So far as I am concerned this Bill is the start of the devolution process and the argument for a select committee is just as valid now as later. My preference for a process would be a green paper, a white paper, a Bill and a select committee. The folder before me contains the documents involved in the consultation process on the new Bill in New South Wales. True, I am talking about a new Act of Parliament, and it is like doing the whole Local Government Act in one hit. Before me are the consultation documents and exposure drafts of the new Bill. The exposure drafts were put out last year and, out of those exposure drafts, has come the Local Government Bill exposure draft, and that will not be debated in the New South Wales Parliament until the end of this year. As I said, that is for the whole Bill and it is a massive bit of work. It is interesting to see some of the things involved in that and to try to reflect on what we have in place in South Australia.

I think that that process of exposure drafts and then a final draft for presentation to the people is a good process, and often used by Governments. I do not know why it has not been used for the three major changes that have been the subject of wide consultation between the LGA partnership and the Government, but not much further. I do not know why that sort of process could not have been used and, as the Hon. Mr Gilfillan has said, I hope it will be followed for other major pieces of legislation in future. They are not aggressive comments suggesting that we want to be necessarily picking away at local government and pulling it to pieces, but that process would have saved some of the problems that have arisen. On behalf of the Opposition, I have ended up moving that we look at part of the Bill in a select committee, and it is sad that we have to come to that.

The constructive speech by the Minister in concluding the second reading debate was good for a number of reasons, certainly for a productive debate, and she argued that Parliament made many minor and major changes to the Local Government Act without knowing the big picture. I refute that. Although local government was evolving—as it certainly was—it was entirely predictable within a known structure. Major changes are envisaged now and in future, brought about as much through economic circumstances and the Government's wish to microeconomic reform as any other single factor.

Let anyone try to refute the fact that if this Government was not strapped for cash it may not have embarked on a memorandum course. In the context of the argument against a select committee the Minister argued:

> Local Government should have the autonomy to decide for itself certain matters that are more suitable for local control.

Neither the Opposition nor I dispute that direction, but we do highlight again what seems to be the missing link or ingredient. The debate should be not just between the Government and local government. What about the people? Are they ever consulted? I will not go through this subject here, and I guess the Hon. Mr Gilfillan will not go through it either, but I have a considerable file of letters from people who have heard about this legislation. The letters are not just from people in local government doing the normal thing that happens within a family that has come to a decision with which not everyone agrees.

The Opposition always attracts people who want to overturn such decisions, but many people and associations who want to be in the act have consulted with me and, I am sure, the Hon. Mr Gilfillan. They have something to contribute and they are affected by the way local government operates. That is important. Even though we are talking

only about three major matters in this legislation, the people pay for local government through rates, taxes and grants.

It is easy for people to think that grant money does not come from individuals and that it is another Government, say, the Federal Government, that has given a grant to local government. People might think that they do not know where the money comes from, but it is nice to have the money. People forget that that money is raised from taxes and charges in the first place. Whatever money is being used by local government is not its money—it belongs to the ratepayers, first, who are mainly electors. I refer to 'electors' because I understand the philosophical position that a portion of a person's rent is used by the landlord to pay rates, so people paying rent contribute towards rates.

Everyone pays rates and taxes which then produce money that comes to local government through grants. The people have to come into it somewhere and they are most important. However, I am not aware of any single occasion when the Government, the association or individual councils have ever included the people in the consultation process for legislative reform. Whether we like it or not, the electors and ratepayers fund local government. The people must be consulted and it is not good enough to say that an elector can bring accountability as the piper who plays the tune, because it is often too late for that. If we are now talking of three-year or even four-year election terms for good planning, it could be 2½ or 3½ years away from a decision made here where the people can make the local council accountable for that decision. It may be only a couple of months away, but in most cases it is a fairly long period.

The Minister referred to other States having four years all-in, all-out terms, but I think the Minister will find that other States look to South Australia for the best local government model. I can say that two States—one Government and one Opposition—have rung my office and have close contact with my office about how we go about local government in this State.

The Hon. Anne Levy: Not on terms, though.

The Hon. J.C. IRWIN: No, I am referring to general factors about which they have contacted my office and me. I have visited them and out of that visit has come an association where we can talk on the phone or send or fax information. I am talking about the Local Government Finance Authority and the purchasing authority, as well as the structure of local government, where I am proud to say, 'Why don't you look at our model, because it is better than yours?' It is really the other States that are looking at South Australia.

I have already referred to New South Wales, which is rewriting its legislation. For a long period New South Wales was conspicuous for the turmoil and corruption in local government, and that is an indisputable fact. My father, who had many years on the Adelaide City Council and a period as mayor, would not even say when visiting New South Wales that he was in local government. It was about the last thing he would ever say because in New South Wales they knew what local government meant, and it was not a good scene to be in. Without fear I say that that State is trying to clean up its act in many ways and, literally, it is trying to get a better Act.

Indeed, New South Wales has two associations representing local government. It has the Shires Association and I think what is called the Local Government Association. I have not followed the position through, but it appears that the Shires Association looks after rural councils and the Local Government Association looks after the others, but there are two secretariats in the same building. I do not think that they have a peak body that looks after everyone. They have two organisations, and we certainly do not want that model. I have not been given any evidence to support the idea that people want to retain two-year terms, nor has anyone presented evidence to me in support of three-year or four-year terms, all-in, all-out or half-in, half-out. I have not seen any support of evidence from one consultation method or another. The Minister states:

> It is surely preferable for the State Government and local government to sit down and work out how the objectives of each level of government can be met to define the roles of State Government and local government on that topic more clearly in State legislation.

I agree. That is a starting point, but again I point out that it completely neglects the people, Opposition Parties and others interested in local government's future. I simply point to the recent Local Government (Miscellaneous Provisions) Amendment Bill, which is still languishing in the Lower House, having passed this place many weeks ago. What was worked out in legislative form in this Bill with regard to business signs was rejected by the Opposition Parties in this place and replaced by a by-law mechanism put up by the Government and supported by the Opposition Parties. In the end, that had total support (other than minor amendments) from the Local Government Association and all Parties in this place. Again, the people and businesses were almost completely neglected in relation to the original Bill.

Therefore, it is obvious and certainly not a deficit if everyone understands the processes here. The consultation and planning process mentioned by the Minister is not perfect. Perhaps it never will be perfect, but there can be changes for the better within the process of the parliamentary debate.

With regard to the advisory commission, councils have only just received the Bill regarding the panel system. I do not know their views, other than a smattering thereof, and I want to know. They only received the draft Bill after 12 March, just 26 days ago.

The Hon. Anne Levy: They received the proposal in January.

The Hon. J.C. IRWIN: I cannot refute that because I do not know. Some metropolitan councils have told me that they did not receive the draft Bill until the day of my briefing on the draft with the Local Government Association in here.

The Hon. Anne Levy: The draft Bill, I agree, but the basis of the proposal was sent to them in January.

The Hon. J.C. IRWIN: I cannot refute that, and I accept what the Minister has said. Quite frankly, I do not know. There has been a breakdown in direct communication with me under an agreement with the LGA on certain matters that were being sent out for general discussion. Bulletins to local government certainly were not coming to me until I told a Vice-President about one month ago that I was not receiving them. I do not know when they received those draft copies. However, I still make the point that the actual draft Bill was not sent to any of the councils until some time after 12 March. I am not exactly sure of the date, but it was the day that we had our first consultation with the LGA.

As the Minister has acknowledged—and I have already thanked her for it—there were minor technical changes to the draft before the Bill came into the Council. Most of my colleagues here who handle legislation would advise people with whom they consult not to take for granted any Bill until it actually arrives in the Parliament. For right or wrong, sometimes it is changed, quite dramatically on occasions. We have seen that happen before. I am not saying that this was changed in a dramatic way. All my comments

about consultation relate to the period of the original draft until now, not with respect to the early process.

I know that things have been turning over for quite a period in a broad form with the local government family with respect to regional meetings and briefings. I make no comment about that—that does not interest me—but I acknowledge that it was happening. There is quite a deal of difference from the formulation of views, singly or collectively in one region, to what actually comes out at the end of the pipeline, when the Hon. Mr Gilfillan and I must deal with it in the Chamber.

I assume that the Government knows there is increasing dissension about the demise of the Local Government Advisory Commission. Indeed, the letter from the Hindmarsh council of 2 March this year, which I received after I had made my second reading contribution and which the Hon. Mr Griffin used in his speech, makes three points. First, how can local government maintain equity of membership and remain independent? The latest draft Bill is quite different to previous proposals put out by the Local Government Associationn. It has changed since the Hindmarsh letter, and not many councils have had experience with the Local Government Advisory Commission in their amalgamation procedures. They certainly have with the seven year review of ward boundaries. They have all been through that process. I think everyone has been at least up to the process. I see that the Adelaide City Council is just about to conclude its procedure, and it was one of the last to do so.

When the matter is analysed, not many councils have been through the amalgamation process, which is quite different. I must ask: was the Local Government Advisory Commission process, as constantly refined, rejected only on a cost basis? If it was, will the panel system be any cheaper? What consultation was there between the Local Government Association and the Local Government Advisory Commission? What consultation was there between the Local Government Association and its appointee to the Local Government Advisory Commission and Alderman Jim Crawford? I want a public answer to that question. I know that the answer is 'none'. There has been no consultation with the peak commission set up by this Parliament under the Local Government Act to look at amalgamation proposals. The LGA did not consult with them.

Certainly, Alderman Jim Crawford, who sits on the commission as its nominee, was not asked for his views about whether or not it was a good idea to keep the Local Government Advisory Commission going.

The Local Government Association has constantly found it difficult to deal with conflict between its member councils, and that is what amalgamation is all about: conflict between councils being taken over, old council areas going out of existence, losing local identity, conflict between electors whom councils represent, and any system that tries to persuade them that an amalgamation will benefit them.

The select committee process and the Local Government Advisory Commission process are both independent of councils and the Local Government Association. Now we are being asked to adopt, for the Local Government Association, a panel system which is not independent of councils or the Local Government Association. The association will be appointing two members of a panel. The Minister and the United Trades and Labor Council will appoint one each, and the Local Government Association appointee, the Chair, will have a casting vote. My suggestion is that each panel must have available to it a member very experienced in legal matters and accounting; that is, Local Government Advisory Commission experience. It seems to me that an understanding of rural communities, just as much as that of metropolitan communities, is essential.

Who will bear the costs of a panel sitting on a proposal to amalgamate where various other councils become, unwittingly or unwillingly, part of that debate? As we know, that has happened. How are the local government appointees to the panel to be decided? The Ridley Truro debate had approximately nine proposals from councils to sort out. In the metropolitan areas there are examples such as Blackwood Hills, Mitcham, Happy Valley; Henley/Grange, West Torrens and Woodville; Brighton, Glenelg, Marion and West Torrens; and various resident groups involving five proposals. How will panels be used for multiple proposals? Can a member of one panel sit on others at the same time? In other words, can one person with certain qualifications that will emanate from the discussion tonight and Parliament's decision sit on a number of panels all meeting at the same time? How many panels will be able to operate at once?

One only has to look at the advisory commission's annual reports—and I take out the ward restructuring arguments—to see that a number of proposals still must be dealt with. That is fine, but one will see a number of concurrent proposals before the commission. Even if proposed section 20 (2), relating to consideration of proposals, comes into operation, this Bill provides that if a party experiences serious opposition (whatever 'serious' means) to the recommendations of the panel the proposal cannot proceed.

Considerable expense could be outlayed in reaching that point. A hostile takeover, as happened to Georgetown, would be an example where a small council, content to stay as it is, is forced at its own expense to pay costs that it does not want towards its own demise. To me, that has always seemed ridiculous and may well show up again.

How will a community-based proposal for amalgamation get up if the people are hit with expenses, including legal expenses, right from the start? In this case, the people will be paying twice—for their own proposal and, through their rates, funding their own council in putting up a defence. The Minister, the Hon. Mr Gilfillan and I are aware of where that might happen in the proposal by the people of Thebarton who, as a community and having signed a petition, want to encourage the amalgamation of Thebarton and West Torrens councils.

There seems to be a considerable doubt that councils will allow chief executive officers to serve on a panel for a number of reasons or because the ethics of chief executive officers will not allow them to look into the affairs of other councils. On 12 March, when I first looked at this legislation, I did not even think about that matter. Obviously, it has been thought about, because one of the technical amendments to the draft Bill was to give that area more scope. It will be very difficult to find councils that will allow their chief executive officers to do this. I do not imagine that there will ever be the silly case where someone from Mount Gambier is expected to go to Ceduna. I assume that if someone from Mount Gambier is needed it might be for a proposal that has emanated from a close council such as Penola, and that similar circumstances will apply in country areas. The principle is not being very well accepted by people who have spoken to me about chief executive officers having to put their nose into other people's affairs. I think that needs to be very closely looked at.

The major amalgamation proposals that have been dealt with by the Local Government Advisory Commission have taken two or more years to complete, and the current proposal for the amalgamation of Woodville, Hindmarsh and Port Adelaide is getting towards that two year period. I do not imagine that it will be completed by the end of June

this year. I do not have answers to the questions I have raised; I simply do not have answers. We cannot ask questions of the Local Government Association during the Committee stage of the Bill, and I do not expect the Minister or her adviser to be able to answer the questions. It is not good enough for me alone to seek the answers from the LGA: some I have and some I have not. I put it to members that these answers need to be given in this place so that they are on the record, so that anyone who is interested can consider them.

I do not even attempt to debate each point. Most members would know that I am not an amalgamation fan, except when it has strong community support. As I judge the panel system as giving little hope of amalgamations, it should not be strange for members to know that I will not support the panel system until it has been thoroughly investigated. I believe that I have said enough to indicate that a select committee should look at this Bill, particularly the major new areas within it and the assumptions regarding the Local Government Association and the role that it is required to play.

It may have been the popular thing for me and the Opposition to let this Bill through without any problem, but I do not believe we were elected to this place to be popular or to do the popular thing. The Opposition is not opposing the content of the Bill *per se*; we want the Bill and the proposals looked at, and looked at thoroughly, before we are prepared to go to this next stage. I know it will be put around that Irwin and the Opposition are anti local government. I can wear that because most people know that I am not anti local government. I attend more meetings of local government than any other member of Parliament I know of.

The Hon. Diana Laidlaw: Some people are creating that mischief already.

The Hon. J.C. IRWIN: The Minister was at a meeting where that was made quite clear, and I will come to that in a minute. After the Opposition had made it publicly known that it had suggested that this Bill go to a select committee, I attended a local government regional meeting at Mallala a couple of Fridays ago. I did this to front up to local government, instead of attending a very important briefing on planning by Michael Lennon and Brian Hayes. The Hon. Mr Gilfillan was also at that meeting at Mallala.

The Hon. I. Gilfillan: It was a very nice morning tea.

The Hon. J.C. IRWIN: It always is in the country: too many scones and cream and things. Planning has major implications for local government. No Minister was present at this meeting. There was no overt attack on the Liberal Party's decision at this meeting, despite speeches from the Vice President of the association (Mayor John Dyer) and the Secretary General. The meeting was not even informed about the position that was taken by the Liberal Party, despite my advising them before I made the speech here. One member was here and heard me say it, and I advised him at the first opportunity after the Liberal Party had made its decision. So, it was not as though it was not well known, but it was not even mentioned at Mallala. Last Friday at another local government regional meeting on Yorke Peninsula, of which I had no knowledge and which I understand the Minister opened—

The Hon. Anne Levy: I was invited.

The Hon. J.C. IRWIN: I wonder when that decision was made, so I am being very suspicious—

The Hon. Anne Levy: I was invited months ago. I was not invited to Mallala.

The Hon. J.C. IRWIN: I am very pleased that the Minister was able to go to a country regional local government meeting, and I need not have had my suspicions; they can disappear. The President and the Secretary General of the Local Government Association attacked the Opposition for mishandling the truth and making uninformed decisions about the reform Bill, and said that the Opposition no longer trusts local government. I refute those allegations and the others which were made but which I have not bothered to quote (but I have them here). Those allegations have never been made in front of me, and they do not stand up to anyone who is objective in their thinking about those who at times must judge other people. Whether or not members in here like it, we are in that position, and whether or not we like it we have to do it, although sometimes we do not like doing so.

During my second reading contribution I think I said often enough that some of the things that I was doing, with the concurrence of the Opposition, were not comfortable things to do. A lot of the things that have to be done certainly are not comfortable, but we do not walk away from that: they have to be done, and we will do them. It may be of interest to indicate that the people who spoke to me after that meeting—and a number, including senior councillors and council chairmen, rang me on Saturday morning—did not know exactly what the Bill contained. The Hon. Bernice Pfitzner mentioned this in her second reading contribution. That message has come to me from all around the State, and I do not want to hear it. I am sorry that the LGA does not know what some councils are saying to the Opposition. Quite clearly, they are saying that they did not know what was in the Bill until they received it on the dates to which I referred previously.

I hope that the Opposition and I will be judged in the cold light of reality. Local government will be better off following Liberal philosophy than attaching itself to other philosophies. One only needs the example of successful local government in the past 100 years and certainly in the past 50 or 60 years, when it has been expanding and certainly being effective.

What better recent example is there of Labor's treatment of local government than the Better Cities debacle, of Canberra's discriminatory decision to tell a city council where and how to spend what is granted to it? In these times any money is better than none, so those who do not receive are put against those who do receive, and that is all decided thousands of kilometres away in Canberra. When Mr Keating, as a backbencher, opened the AGM of the LGA conference last year he alluded to that, and now that he is Prime Minister he has put it into operation in the package that he announced recently. If one wants the money or the box, the money will win every time. It is a great pity that people from outside are allowed to dictate how, by tied grants, everything can be done.

Whatever anyone thinks of the Grants Commission's allocation criteria, it at least gives every council in South Australia—the 119 of them—a cut of the grants cake to use how the councils decide. I have already warned local government that if the Commonwealth roads grant allocations, which are now administered by the Grants Commission, are decided by a per capita valuation instead of by a local government committee deciding State priorities rural councils will be the big losers.

It is not too hard to calculate to where the funds will flow but that, of course, is another argument. I know that two joint House committees are in progress that involve Legislative Council members. I acknowledge that Mr Gilfillan is very much involved in these committees and is one who unquestionably pulls his weight regarding these committees.

I have some concern about how long these committees have taken to reach a conclusion. I understand that most of the committees have been set up for over 18 months, and I would have thought that some of them should report before the end of this session. However, there are special reasons for setting up a select committee and for its concluding its work as quickly as possible. I believe that if a select committee is set up it can conclude its work on this Bill by the start of the August session. I take this opportunity to state as clearly as I can that the Opposition will take exactly the same course if the local government constitution Act comes into this place later this year without the Opposition Parties having adequate time to consider the proposals to the new Act. If the Liberal Opposition judges that that consultation process has not been broad and far ranging as far as involving the people, who are the pipers who play the tune and who pay for local government in the first place, that is the course we will take. I urge members to support my motion.

The Hon. ANNE LEVY (Minister for Local Government Relations): The Government opposes this motion. I do not intend to take three-quarters of an hour to indicate why not, as many of the matters that the Hon. Mr Irwin has raised have already been discussed in my closing speech to the second reading, and others are obviously matters that will be taken up in the Committee stages of the Bill. I would like to make a couple of points. It seems to me that the Hon. Mr Irwin was suggesting that this Bill should go to a select committee because the next Bill will be a far-ranging one, and that does not quite make sense to me. There is no doubt that we are forging a new relationship between State and local government in this State, and that is one of the reasons why people interstate are looking at us and watching our experience with great interest. The matters being dealt with in this Bill are not of the major significance that will occur in later Bills. This Bill deals with the Local Government Advisory Commission, ministerial approvals, by-law and fee-making powers, and other smaller matters.

I agree that consultation is highly desirable. As I understand it, a very thorough consultation process has been undertaken by the LGA with its member councils, both in formulating proposals for the Bill, then in establishing whether the proposals as formulated met with the approval of councils. Votes were taken on various matters, and all councils had an opportunity to contribute in a meaningful way to the matters which form part of the Bill. This does not mean that I do not support a thorough consultation for the next Bill, which is likely to contain matters of great significance. I agree that, for the next Bill, consultation should go beyond the LGA and its councils into the community, the people who elect the councillors, and various other interest groups within the community.

As I understand it, the LGA has expressed the view that this should occur and is happy to involve other peak groups in regular discussions. Of course, I cannot speak on behalf of LGA members; it is for them to put their own thoughts to people who wish to know them. I am sure that they would be happy to do that but, in terms of the consultation process, I believe the next Bill will require a very detailed consultation process, more so than this one.

The Hon. Mr Irwin made many points to which I do not propose to respond in speaking to this motion. As I said, some have already been dealt with in my speech last week: others can be dealt with in Committee as the various clauses are reached. In relation to the honourable member's statements on the structure and responsibility of the LGA, a voluntary association of all the councils of this State—

The Hon. Diana Laidlaw: Every council?

The Hon. ANNE LEVY: Every council in this State.

The Hon. Diana Laidlaw interjecting:

The Hon. ANNE LEVY: All councils in this State are voluntary members of this association.

The Hon. Diana Laidlaw interjecting:

The Hon. ANNE LEVY: Yes, every council in this State, without exception, and that has been the case for a number of years.

The Hon. Diana Laidlaw interjecting:

The Hon. ANNE LEVY: Unley joined quite some time ago, Mitcham was later. All 119 councils are members of the LGA and have been for quite a number of years. I agree with some of the comments that the Hon. Mr Irwin made regarding the LGA. It is a voluntary association of councils. Every council has one vote on the floor of the annual general meeting, regardless of whether each council is chosen by a few hundred electors, as applies to, say, Browns Well, or whether over 100 000 electors are represented by that council, as applies to the council of Salisbury. To that extent, the annual general meeting of the Local Government Association cannot be regarded as a democratic forum, and I am sure that the LGA is well aware of this disparity between the voting power of councils and the number of electors they represent.

However, if one looks at this Bill, one sees that the LGA is not being given powers: it is given powers to recommend various matters, but they are recommendations only, and they must be vetted or accepted by a democratically elected body, that is, either by the Parliament itself—and I think we can agree that this Parliament is a democratically elected body—or by councils themselves, and councils are democratically elected bodies.

They would be more democratic, it would seem to me, if every member of the community voted for them—in other words, if there were compulsory voting. There is no doubt, however, that every person in the community has the right to vote in local government elections, and one cannot say that councils are not democratically elected bodies. Final decisions, as set out in this Bill, will always be made either by the Parliament or by local councils themselves. The LGA has many responsibilities given to it under this Bill, but they are recommendation powers only.

It can recommend to its councils; it can recommend to the Parliament, but it cannot make the ultimate decisions. This applies particularly if we look at the question of the panels relating to boundary changes. The panels, which will be set up by the LGA, do not make decisions. They are not bodies that make final decisions. They are not the equivalent of the Local Government Advisory Commission. They can make recommendations only, and those must be endorsed by the councils.

The basis of the proposals regarding the panel system is that the process will work by consensus, and there will not be any question of great legal expense. It is designed to keep matters out of the courts, because that is where costs escalate in a fantastic manner. It is to achieve agreement and consensus amongst the local government family, and the panels are advisory only; they cannot make decisions.

The Hon. Mr Irwin has raised many other matters but, as I say, they can be dealt with as we proceed through the Committee stage. I see no reason to hold up this Bill for a select committee, on the basis that the next Bill that will come before us on the reform of local government will be far reaching, and that is the Bill on which lengthy and detailed consultation will be required. On this Bill, the councils of this State have all been consulted, and the Parliament can surely deal with the matters within the Bill

on their merits as we go through them in Committee, as this Parliament does on many detailed Bills that come before it.

A select committee would be a waste of time, is unlikely to raise any view or opinion that has not already been raised and considered, and will only have the effect of clogging up the Committee system, holding up desirable reform for local government and dodging the responsibility of this Parliament to consider seriously the Bill before it.

The Hon. I. GILFILLAN: I oppose the motion for a select committee. I do not think there is any doubt that a select committee appointed to consider this Bill would prove to be a quagmire in which we might think we are taking a couple of short steps to look at the matters in this Bill but, inevitably, we would get bogged down in the debate. Every issue relating to local government would be brought up. It would be an interminable exercise.

We would then be going through the duplicated if not farcical procedure of having another select committee to look at a major piece of legislative reform anticipated later in the year, if that is the intended timing and, because of the major reform legislation and the major consultation and debate that will accompany it, I have no doubt that, if by any chance we do make some inadvertent error in accepting material in this Bill, it can be addressed, readdressed and amended in the further legislation.

I do not look to that as a rational, preferred method of legislating, but I do believe that it is a perfectly adequate safeguard for us to deal with this Bill as it is presented to us in the parliamentary process of the debate and the Committee stage. I do not intend to debate the issues that were raised in detail by the Hon. Jamie Irwin: I do not think it appropriate to do so in this debate.

The Hon. BERNICE PFITZNER: I think that this is a devastating Bill for local government, and I will be short and to the point. I consider that a select committee is essential to look into the difficulties that this will present. The main reason I feel that this Bill is only half-baked is that there has not been full in-depth consultation. As the Hon. Mr Irwin has said, when we went to Mallala for a meeting of the Mid-North region, I spoke to 10 councillors, I think. These councillors did not know about the Bill that was before Parliament.

They may have been involved in consultation before the Bill was drafted, but one knows from bitter experience (as with the Mount Lofty Ranges matter) that consultations are sometimes not taken on board in draft Bills. One must therefore present these Bills to the councillors themselves, wherein the responsibility and authority lie, it does not lie with panels, the LGA or the LGAC. I canvassed other councillors in my own area of East Torrens, and not one knew about this Bill. The CEO did and was going to put it on the agenda, but that meeting is tonight, so it is too late. I canvassed four or five of the councillors of Burnside, and none of them knew about this draft. I am left with a great concern about this Bill which no-one knows about but which it is said people have been consulted upon. The councils represented by the Mid-North region are Angaston, Barossa, Burra Burra, Clare, Eudunda, the Town of Gawler, Kapunda, Light, Mallala, Spalding, Tanunda, Truro and Wakefield Plains.

None of those approximately 10 councils that I spoke to knew about this Bill. Further, I have recently received communications from the Hindmarsh council and, in particular, the CEO, who was very concerned about this Bill. In his response to it, which was sent to mayors and councillors, he says:

> The Local Government Association's rush for power and autonomy has clouded its thinking. If the Bill is passed in its current format, it will be a disaster for local government.

The Minister has said that this is only enabling legislation, put in to provide legislative structure. However, if one has the structure wrong, how can we go on to further consultation? For example, what good is it to make a golden spoon, if we are to get spaghetti from it?

The Hon. R.R. Roberts interjecting:

The Hon. BERNICE PFITZNER: One cannot eat spaghetti with a spoon, unfortunately. I emphasise the grave concerns about the lack of consultation on this Bill. Secondly, I refer to the demise of the LGA Commission. Why is the commission to be rounded up on 30 June? I tried to speak to members of the LGAC, but not one of them would comment. That sounds odd when the matter is being consulted so formally, openly and in such a friendly manner. I could not get any response as to why the commission should cease and be replaced with a panel system. I looked into the constitution of the LGAC and found it to be properly and legally constituted in the Local Government Act (section 34). It has a proper written constitution in that Act and it has protection and immunity from litigation, but now we are to have this panel process, a most convoluted way of trying to find a method and a system for amalgamating, constituting or abolishing councils.

Looking at the panels, it seems that they have a composition bias, with two members being nominated by the LGA and/or the Minister, one of whom being the presiding member who has the casting vote. One member is the CEO from the council and one member is from the union. Therefore, in a tight vote, three members are biased and have their thinking framed along the LGA/Minister's line—the representative and two others. Also, I have concern about the lack of a legal officer, which was a requirement with the LGAC. I did get the following comment from one of the LGAC people, 'The legal officer was found to be most useful to set the ground structures and the rules and regulations.'

The Hon. I. Gilfillan interjecting:

The Hon. BERNICE PFITZNER: The Hon. Mr Gilfillan interjects that it is not cheap, but what thing of worth is cheap? If we are to drag local government into this century we have to have it properly constituted and structured, otherwise we might be left with a greater mess than ever. There is a lack of cost comparison between the LGAC and the panels. How much will both cost, if we are talking about cost, and how will the panels compare with the commission in respect of expertise and credibility? I note also that there is a process bias towards difficulty for resident groups to get up a proposal and, again, I got a comment about that from one of the people in the LGAC whom I am not supposed to quote.

It has also been suggested that there is a difficulty of residents refusing a proposal once the panel gives consent. With the LGAC there was greater flexibility. I turn to the panel process and procedure, which I described as convoluted. In the Bill, for example, there are three categories for initiating a proposal. The proposal format must comply with some set guidelines. After the proposal has been initiated it must be presented to the LGA, which has to call for a panel formed from four people. The Bill sets out a description of what the panel must be. Next there is the formation of representatives of parties, which are council representatives, and then a panel oversees the report of the representative parties. After all that is completed the proposal goes to public consultation. Further to the public consultation, there could be three outcomes.

If by chance an alternative proposal were recommended, there would be further public consultation and completion

of the process. The completed study has to be put on public notice for at least eight weeks and, if 10 per cent of the electors request a poll, the presiding member of the panel must call such a poll. The Electoral Commissioner would conduct the poll, the result of which is not binding. What a thorough waste of time and money!

Members interjecting:

The Hon. BERNICE PFITZNER: It is a possible nil outcome. I find it hard to believe that there cannot be a simpler procedure to process a difficult issue. The LGA, which is mentioned in section 34 of the Local Government Act, has its own constitution, as I pointed out. As I read over it yesterday, I felt that some of the constitution does not seem to support what it has been doing for this draft Bill. The objects are:

> To encourage, promote, protect and foster an effective and efficient system of local government elections.

I do not think the panel system is an effective and efficient system. The second objective is set out as follows:

> To promote, maintain, protect and further the interests, rights, privileges and powers of local government and of member councils of the LGA.

It is the member councils about which I worry most, because they do not seem to be aware of what is going on at this stage. Object three is as follows:

> To encourage and assist local government to seek out, determine, assess and respond to the needs and aspirations of its constituents.

I do not believe that this has been done, and, the final objective is:

> To develop, encourage, promote, foster and maintain consultation and cooperation between local government authorities.

I do not believe that the LGA has upheld, encouraged and promoted the objects of its constitution. A further added confusion to the Bill is that there are other major changes that are not at all that structural, and such major changes are terms of office fees and charges, by-laws, road closures and revoking model by-laws. These are all issues that should be the subject of consultation and debate, but no, they are already in the Bill that is to be amended this very night. I believe it is a formula that will bring local government into confusion and perhaps to establish senior LGA bureaucrats in a more powerful position.

The LGA is supposed to represent 119 councils and is to be responsible to no particular authority, especially now that the Minister is withdrawing her State monitoring and responsibility. Many people believe that monitoring is like a big brother, but it is not. It is more like evaluation. Everyone has to be evaluated, Parliament has to be evaluated, doctors and lawyers have to be evaluated, and so should the LGA, the panels or any other activity. Members must be aware that, if the LGA is not credible, perhaps the 119 councils might reconsider their membership of the LGA. Therefore, I believe that a select committee or reference to one of the standing committees is the only way to sort out all this unease resulting from unanswered questions such as why the LGAC is to cease and what is the comparative cost of the LGAC and the proposed LGA panels? If councils are to bear the cost, will the State contribute? I guess not. What is the impact of the panel structure? Is the convoluted panel method the most effective process? What is the new role of the LGA? Will the LGA need more officers for its more powerful role?

The Hon. Diana Laidlaw: Or another building.

The Hon. BERNICE PFITZNER: Yes, it might be so. The panel system is not effective, efficient or economic and I urge those of us who can be more objective and who are not afraid to be called names just because we criticise something about which we have a deep concern to support the concept of a select committee.

The Council divided on the motion:

Ayes (9)—The Hons J.C. Burdett, L.H. Davis, Peter Dunn, K.T. Griffin, J.C. Irwin (teller), Diana Laidlaw, Bernice Pfitzner, R.J. Ritson and J.F. Stefani.

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

Pair—Aye—The Hon. R.I. Lucas. No—The Hon. T.G. Roberts.

Majority of 1 for the Noes.

Motion thus negatived.

SOUTH AUSTRALIAN OFFICE OF FINANCIAL SUPERVISION BILL

Adjourned debate on second reading.

(Continued from 2 April. Page 3831.)

The Hon. C.J. SUMNER (Attorney-General): I thank the Opposition for its support of this Bill and provide the following comments in relation to questions raised by the Hon. Mr Griffin.

1. Clause 14—Composition of the board: subclause (2) provides that one member of the board must be a person employed under the Government Management and Employment Act 1985. An indication is sought as to why that provision is in clause 14. The public servant is expected to be an officer within the Attorney-General's Department and in all probability an officer from the State Business Office. The reason for the provision is as follows:

(a) The Corporate Affairs Commission has for many years supervised building societies, apart from administering both building societies and credit unions legislation. Considerable expertise has been developed.

(b) Apart from arrangements relating to co-location there will be issues relating to delegated functions. It is not improbable that staff of the State Business Office will assist in the performance of functions relating to registration and public life, continuing investigations and possibly inspections, particularly of the largest building society, the Co-op. Any actions taken as the result of investigations will need to be coordinated with the Attorney-General's Department.

(c) The contractual arrangements referred to may in part reduce duplication of costs.

(d) The continuing affinity of functions will be harmonised by the inclusion of the public servant.

(e) The inclusion of a public servant should facilitate reporting to the Minister. Queensland will be including the Chief Executive Officer of its Treasury Department and at this stage it appears that New South Wales will be including the Registrar of Cooperatives. It should be noted that the Australian Capital Territory and the Northern Territory will have only a single public servant as the State Supervisor.

2. Clause 17—Appointment not invalid because of appointment defect, etc.: This clause provides that a member of the State Supervisor holds office for a term not exceeding three years. An indication is sought as to what the length of appointment of the various members will be; whether three years is to be the rule rather than the excep-

tion; and an indication why it is for a period only three years and not for a longer period as is the case for the AFIC Board. The period of three years was chosen as it was seen to be the norm in South Australia. Certainly we have chosen these sorts of periods in relation to appointment of members of the Credit Union Deposit Insurance Board, the Building Societies Advisory Committee and the Co-operatives Advisory Council. Whilst a period of three years is expected to be the rule rather than the exception, flexibility is retained where circumstances may dictate.

3. Clause 23—Times and places of meetings: This clause deals with the times and places of meetings. In part it provides that the presiding member must convene a meeting when requested by at least three other members of the board. An indication has been sought why three was chosen, and the view has been taken that a lower figure of two should be chosen to make it easier to get a special meeting of the board on requisition. This clause was modelled on a similar provision in the Queensland State Supervisor Bill which has been introduced but not yet passed. However, there would be no difficulty in using the lower figure of two. I will consider that issue.

4. Clause 27—Resolutions without meetings: This clause deals with resolutions without meetings and provides that if at least three members of the board sign a document containing a statement that they are in favour of a resolution in terms set out in the document, then a resolution in those terms is to be taken to be passed at a meeting of the board held on the day on which the document is signed. Two suggestions have been made.

First, it is thought that all members of the board ought to be notified in writing of the proposal so that they are given an opportunity either to agree or not agree with the proposition. Whilst it can be argued that it is up to the board how it arranges its affairs (and if it was acting irresponsibly this would come to notice), the suggestion that notice of the proposal should be given to all members has merit. Again, that is a suggestion that I am prepared to consider.

Secondly, it is suggested that each member should be able to sign a separate document (but an identical document with the others) and that should constitute a resolution without a meeting. The ability to sign separate but identical documents is already provided for in subsection (3).

5. Clause 29—Disclosure of interests: This clause provides for disclosure of interests and the interests which have to be disclosed by members of the board are pecuniary interests. It is noted that this differs from the provisions in clause 240 of the Financial Institutions Code where a director of a society has to disclose any interest in a contract whether direct or indirect. It is thought that the declaration of interest of members of our State Supervisor ought not to be limited to a pecuniary interest.

The provision mirrors a provision in the Queensland State Supervisor Bill. It is also consistent with provisions in working drafts of the Australian Capital Territory and the Northern Territory State Supervisor legislation. It is considered that financial interests are of primary importance. If the suggestion is adopted it would include disclosure of personal interests and this, for example, may include where a member has a direct or indirect interest in a contract with a society. It is suggested that there would be no difficulty in accepting personal as well as pecuniary interests in the provisions of the clause. Again, that is an issue that I would be prepared to consider, if the honourable member seeks to move amendments.

6. Clause 34—Members and employees to act honestly, etc.:

(a) This clause addresses the obligations of members or employees of the State Supervisor. It provides that a person who, in the course of his or her official duties, is required to consider any matter concerning a person or body with whom that person is associated must immediately inform the State Supervisor of that fact in writing and the fact of the association is to be determined in accordance with provisions that are prescribed. An explanation is sought as to what is proposed for the regulations referred to in subclause (7).

The clause was modelled on a similar provision in the Queensland State Supervisor Bill. The regulation determining whether a person is associated with another person or a body, is proposed to be based on the interpretation 'meaning of associate' in clause 4 of the Financial Institutions Code.

(b) Subclause (4) provides that a member or employee of the State Supervisor must not make improper use of an office and the maximum penalty is $10 000 or two years imprisonment or both. The question has been raised whether the penalties are consistent with the penalties that have been provided in the legislation that was considered on 1 April 1992 and the preceding day relating to public offences, because it is thought there ought to be consistency.

The maximum penalty for imprisonment provided for in the Public Offences Bill is seven years. However, it is noted that the penalty for a similar offence in MFP legislation is four years maximum imprisonment. Whilst there does not appear to be an established precedent in South Australian law, the preponderance is for four years maximum imprisonment.

It could be argued that, if the penalty for this particular offence were amended, many other penalties may require review for consistency. It is noted that if the clause remained unchanged nothing precludes action being taken under the Criminal Law Consolidation Act if deemed warranted.

7. Clause 39—Delegation of SAOF's powers: Clause 39 (1) provides that the State Supervisor may delegate its powers to a member, the Chief Executive Officer, and any other employee of the State Supervisor. It also provides that with the Minister's approval the State Supervisor may delegate its powers to the State Supervisor of another participating State, a department or administrative unit of the Public Service, or an officer or employee of such a department or administrative unit and any other person. It is noted that the powers under section 95 (supervision levy) of the Financial Institutions Code may not be delegated.

The specific and only exclusion from delegation of the power to determine the supervision levy is included in proposed Queensland, Australian Capital Territory and Northern Territory State Supervisor legislation. It has been raised that there may be other powers that should not be delegated, and it has been suggested that the Attorney-General's office may be able to identify readily the sorts of powers which should not be subject to delegation and which can therefore be addressed specifically in clause 39.

The power to delegate to a member, CEO and employee was modelled on a similar provision in the Queensland State Supervisor Bill. At present the Credit Union Insurance Board may also delegate to any member, officer or employee of the board any of its powers or functions under the Credit Unions Act. The power to delegate to another State's Supervisor or to a department of the Public Service, etc., differs from the provision in the Queensland Bill inasmuch as it includes the overlay that the Minister must approve of the delegation so occurring. The points to be made in relation to the questions raised are as follows:

(a) It is the State Supervisor's discretion to delegate to employees, etc.

(b) No delegations may be made to another Supervisor or department without the Attorney-General's approval, and the Attorney-General will seek advice from the Attorney-General's Department as required.

(c) Whilst in both the foregoing situations all powers will not be delegated, it is not possible to identify those powers which, in the Opposition's view, should not be delegated. The Opposition may wish to identify those powers which should not be delegated, and due regard will be given to their views when the matter needs to be considered. However, it is considered that sufficient controls are provided for in the clause and no change is envisaged as being necessary.

Bill read a second time.

FINANCIAL INSTITUTIONS (APPLICATION OF LAWS) BILL

Adjourned debate on second reading.

(Continued from 1 April. Page 3775.)

The Hon. C.J. SUMNER (Attorney-General): I thank the Opposition for its support of the Bill and provide the following comments on the questions that were raised during debate.

1. General Comments

1.1 Template Legislation: First, it is confirmed that both the Financial Institutions (Queensland) Bill and the Australian Financial Insitutions (AFIC) Bill were passed by Queensland Parliament on 18 March 1992.

1.2 Primary Objects Amendments: In connection with the changes to the primary objects requirements to enable Victoria to support the legislation, the industry has been consulted and all heads of Government have now agreed to the amendments proceeding. These amendments will not preclude assets associated with the independent living units within a retirement village from counting as part of the minimum 50 per cent requirement. The amendments are listed on the Queensland Parliamentary agenda for debate in late April.

1.3 State Supervisory Authorities: The Opposition would be aware of recent advice provided in connection with the form of the various jurisdictions supervisory authorities. The larger States will all be providing for boards of part-time members. However, in the case of New South Wales it is understood their authority may be a commission which may include some full-time members.

In a similar manner to South Australia including a public servant on the board, New South Wales will probably be including the Registrar of Cooperatives and Queensland will include the Chief Executive of their Treasury Department. The Northern Territory and the Australian Capital Territory will provide for a single person/corporation sole and intend to enter into contractual arrangements with other States to delegate inspection or supervisory functions.

1.4 Voting on the Ministerial Council

(a) Some concerns were raised regarding the Australian Capital Territory's equality of voting on the Ministerial Council in the context of possible influence by the Commonwealth Parliament.

It was seen as appropriate to provide each member of the council with one vote in the same manner as voting on the Ministerial Council structured under the National Companies and Securities Commission legislation, although it must be noted that the Australian Capital Territory, at least, was not a member of that ministerial council. Any move towards disproportionate voting could ultimately disadvantage South Australia if, for example, a State such as New South Wales were to seek a larger share of the vote. The New South Wales Minister has already expressed views in this area.

(b) The presumption made that the Ministerial Council approves of AFIC's budget for funding subsequent to 31 December 1992 [Formal Agreement 702], on a majority basis is correct. [Formal Agreement 510].

2. Detailed Comments, Financial Institutions (Queensland) Bill

2.1 Clause 35—References to this State to be implied:

(a) Questions have been raised as to whether the reference to 'this State' is a reference to South Australia and whether the reference to 'the court' is a reference to the Supreme Court of South Australia. By the combined effect of Clause 3 of the Financial Institutions Code and clause 10 of the application of laws Bill the references are to South Australia in both cases.

An exception is provided in Clause 13 of application of laws, where jurisdiction is conferred on the Supreme Court of Queensland from decisions of the appeals tribunal [AFIC clause 96]. Given that Queensland is the primary jurisdiction, the Queensland Court may develop expertise in this area. However, by operation of clause 13 and the cross-vesting provisions, Queensland does not have sole jurisdiction in this area.

(b) The other incidental matter raised is whether some members of the appeals tribunal will come from States other than Queensland. The tribunal to hear appeals under the scheme legislation is established under the AFIC Act [clause 8]. Whilst it is expected to have a secretariat established in Brisbane, it may sit as required at any place in Australia. [AFIC clause 81]. It is expected to meet on an *ad hoc* basis to conduct its affairs, and there is no intention to confine membership to one State. Clearly the best persons for the task should be sought.

2.2 Clause 23—Use of Extrinsic Material in Interpretation: It is queried whether the definition of the Legislature in the application of laws Bill is intended to override the reference to the Legislative Assembly of Queensland in Clause 23, dealing with use of extrinsic material in interpretation. The short answer is 'No'. Only Queensland extrinsic material may be used in the interpretation of the codes and that interpretation is intended to be uniform. The provisions refer to various committees in the Queensland Parliament and not here.

My view on the use of extrinsic material is, of course, clear, namely, that it should be used. But that is not the issue that is before us, not in the general sense at any rate.

2.3 Clause 26—Jurisdiction of Courts and Tribunals: It is questioned to what clause 26 refers, where it provides that when a proceeding is instituted in a particular court or tribunal, that court or tribunal is taken to have jurisdiction in the matter. From the South Australian perspective, the provision is stating the obvious and would not normally be included in South Australian law. However, since Queensland is the primary jurisdiction, they have sought to include this general interpretative provision which is taken from Queensland Acts Interpretation legislation [section 49A].

2.4 Clause 32—References to Minister: The presumption made that references to a Minister of the Crown are references to a South Australian Minister is correct. This is intended to be so by virtue of the interpretation provisions in the Application of Laws Bill of 'this State' meaning South Australia [clause 10].

2.5 Clause 48—Exercise of Powers Between Enactment and Commencement: This is a provision of a kind that we use in South Australia. It is a correct presumption that this provision is intended to permit the appointment of the directors of the AFIC board prior to the commencement of the scheme. The provision enables the board to be appointed immediately the Act has received assent. However, those appointments will have no effect until the relevant provisions of the Act have been proclaimed to commence. It is expected that the relevant provisions including the board's powers will be proclaimed on 10 April in Queensland. Expressions of interest have been called for and the board is expected to be appointed by May.

2.6 Clause 59—Indictable Offences and Summary Offences: It has been asked whether I am comfortable with the distinction that exists between the provisions of clause 59 dealing with offences not punishable by imprisonment being punishable summarily and offences punishable by imprisonment being punishable on indictment, subject to subsection (3), and that which was approved by the South Australian Parliament in relation to the courts restructuring package. That is something I am prepared to look at if the honourable Mr Griffin thinks that that should be fixed up.

The Hon. K.T. Griffin: It is just that it is a substantial difference.

The Hon. C.J. SUMNER: I agree with the honourable member that it should be consistent with the courts package, and we will look favourably upon such an amendment.

2.7 Clause 65—Application of Corporations Law: It has been asked what regulation might be in contemplation to apply any other provision of the Corporations Law other than that provided for in clause 65 to institutions covered by the code. The manner of how the Corporations Law is to apply to non-bank financial institutions in the future is currently the subject of review by the Ministerial Council for Corporations.

To be in a position to proceed with the scheme legislation without any conflict with the agreement reached between heads of Government in relation to regulation in this area, a regulation has been prepared pursuant to Clause 65 which provides:

> Every provision of the Corporations Law that applied of its own force to a building society or credit union immediately before the commencement of the financial institutions legislation continues to apply to the same extent and in the same way . . .

Any alteration to the *status quo* which arises from the review may necessitate amendment to the legislation and/or the making of complementary regulations under the template legislation.

2.8 Clause 76—Obtaining Evidence: It has been questioned that the clause does not appear to allow for the State Supervisor to engage persons other than employees when obtaining evidence for the purposes of the financial institutions legislation. That power may in fact be commissioned on a person other than an employee by virtue of the definition of 'employee' contained in clause 3 of the code which is inclusive of a person engaged by the State supervisor on a contract for services.

2.9 Clause 87 (2)—Special Meeting and Inquiry: It has been expressed that it is not clear what 'working conditions' are in the context of the State supervisor holding an inquiry into affairs, including the working and financial conditions of a body corporate related to a society or a services corporation. 'Working conditions' is intended to mean the way in which a society is being managed and run. If a society were being badly managed and this had a detrimental effect on its financial condition, then this could be grounds for taking further action.

2.10 Clause 95—Supervision Levy: An indication has been sought as to how it is intended that the supervision levy should be fixed and what mechanisms would be followed. First, it should be pointed out that clause 96 provides that where it is appropriate and practicable to do so the State supervisor may consult with industry bodies and financial institutions. That process has already commenced, and I have recently written to the industry associations with a view to industry assistance in the processes. It is also fair to say that consultation would occur whether or not the legislation so provided.

The mechanisms to be followed will also have regard to the principles relating to funding contained in clause 10 of the AFIC code. These principles include that the supervisory authorities need to be adequately resourced, the ongoing cost of supervision should primarily be borne by financial institutions and not Governments, and funding should be determined on an equitable basis between institutions and industry sectors.

Generally speaking, the mechanisms to be followed will involve preparation of a draft budget and a determination of how the budgeted costs may be borne by the institutions in accordance with the principles outlined above and a settlement of the issues in consultation with the industry associations. Staff of the Credit Union Deposit Insurance Board have already been commissioned to assist officers in the Attorney-General's Department in the preparation of that draft budget.

2.11 Clause 407—Injunctions: It is confirmed that a reference to 'the court' relating to injunctions is a reference to the Supreme Court of South Australia for the reasons outlined earlier. [Paragraph 2.1].

2.12 Clause 432—Standards under AFIC (Queensland) Code: Clarification is sought in relation to the mechanisms for picking up the AFIC standards by operation of Application of Laws.

Clause 28 of the AFIC Code permits the AFIC board to make standards. It is this power to make the standards which is picked up by the operation of Application of Laws as opposed to the standards *per se*, AFIC will in fact make the standards in pursuance of all State laws.

3. Detailed Comments—Australian Financial Institutions Commission Bill

3.1 Clause 8—Financial institutions legislation: It has been raised whether there is any contradiction in the Application of Laws Bill picking up as law of South Australia the provisions of clause 8 which refer specifically to Queensland Acts in addition to the codes. Clause 8 is intended to provide for what constitutes the whole of the financial institutions legislation in a global sense and for this reason the Queensland Acts are also referred to. The Application of Laws makes it clear that the law we are picking up is the relevant codes and accordingly there is no contradiction in this area.

3.2 Clause 12—Extraterritorial operation of the legislation: The clause provides that the financial institutions legislation applies within and also outside of Australia. It has been queried whether this may present any conflict for institutions which might have some sort of operations outside Australia. The short answer is 'No'.

An example to illustrate the extraterritorial operations is where a subsidiary of a society operates in the United States of America and in these circumstances the society would be required to prepare group accounts, including the operations of that subsidiary. The provisions of the clause cannot displace the laws in the United States. The subsidiary will still need to comply with any local laws and there is no conflict. A further example may include where a person

in New Zealand held permanent shares in a society. That person would need to comply with, for example, the substantial shareholding provisions. In this example the provision would prevent avoidance of the legislation by the person not residing in Australia.

3.3 Clause 16—General powers: An observation has been made in passing that AFIC has the power to give indemnities to its directors and employees and that this is in all probability a different approach than that taken in the associations amending legislation. In this context the only comment that can be made is that we are dealing with a different situation. There were strong views from a number of quarters that without the power to give indemnities there would be difficulty attracting the right people to the AFIC board.

It is also noted that this is just one example of AFIC's powers which are those of a natural person. Further observations are that the costs of any indemnity insurance taken out by AFIC are to be borne by industry and that the ministerial council is to approve of AFIC's budget. It is also true to say that AFIC is a statutory authority, whereas in relation to associations we are talking about indemnities in individual associations.

3.4 Clause 29—Procedures before making of standards: It has been suggested that the time frames for dealing with the making of standards, other than urgent standards, are too short and that consideration by the ministerial council ought to be given to extending them. These provisions were inserted by the working group as a protection to industry. It is worth noting that they remained in place despite industry's initial reaction that they were unnecessary and that it should be left to AFIC to determine the procedures. Subsequently, industry has never expressed the view that the time frames are too short. It is open to me to raise this matter through the ministerial council. However, it may be appropriate to allow the provisions to be tested before so doing.

The clause also provides that AFIC must take reasonable steps to ensure that copies of each suggestion and comment on the proposed standards are available for inspection and purchase at all offices of State supervisors. It is queried what those reasonable steps are and that the requirements for inspection etc. should be mandatory in any event. These concerns may be addressed by my giving assurances that our State supervisor will ensure that the material is made available, which I do.

3.5 Clause 71—Term of appointment: An indication has been asked for as to what periods of time are in contemplation for the membership of the appeals tribunal. The tribunal is recognised under clause 64 as being established under section 8 of the AFIC Act. The first priority has been consideration of appointment of the AFIC Board. At this stage no time periods for membership of the appeals tribunal have been discussed. The appointments are to be made on the recommendation of the ministerial council and this matter is expected to be debated at an early meeting of the council.

3.6 Clause 91—Way in which questions to be decided: The clause provides that a question of law arising in a proceeding before the appeals tribunal is to be decided in accordance with the opinion of the presiding member. The question raised as to why this should be the case is based on the misunderstanding that all the members are to be legally trained and legal practitioners of not less than five years standing. Clause 70 (2) provides for eligibility requirements for non-presiding members as persons with experience in industry, commerce etc. and does not require specific legal expertise. Accordingly, this is why a majority decision on a question of law is not appropriate.

3.7 Clause 99—Costs: The clause provides that each party for a proceeding before the appeals tribunal is to bear the party's own costs unless the appeals tribunal otherwise directs. This approach which is noted as not usual is questioned. Under the uniform legislation the appeals tribunal will be reviewing decisions previously within the domain of the States AAT's or Minister responsible for the legislation. Essentially the tribunal will be hearing the merits of decisions; however if a question of law arises the presiding member may make a determination. It is considered that the role of the tribunal will be one of review and that the proceedings before it will not be adversarial. Accordingly the costs will not necessarily follow the event.

3.8 Clause 116—Annual reports and financial statements: The clause provides that the annual report and financial statements of AFIC must be given to the ministerial council together with the Auditor-General's Report and that the Premier of Queensland must cause the reports to be laid before the Queensland Parliament. It is stated that a change to the Application of Laws might be needed so that the reports must be tabled in each participating jurisdiction. It was not intended to translate the reports to all Parliaments. However, as a matter of administration the Attorney-General may wish to ensure that copies are also laid before the South Australian Parliament for information. I have no problems with that. If it is suggested that an amendment is necessary, obviously we can conside it. However, I indicate that I will be quite happy to adopt the practice.

3.9 Clause 119—Administration levy: The observation has been made that in the end the AFIC Board is able to determine the administration levy without any form of accountability or review. The comments are similar to those made in connection with the supervision levy. [Paragraph 2.10]. In addition to the reports to the ministerial council and the Queensland Parliament, it is considered that 'accountability and review' is locked in by the following:

- the principles relating to funding as previously described. [Paragraph 2.10];
- AFIC must comply with the provisions of the formal agreement and strive to ensure that the principal objects of the scheme are achieved. [AFIC clause 19];
- AFIC must consult where it is appropriate and practicable to do so. [AFIC clause 23];
- the board must keep the ministerial council informed of its operations and the oeprations of the scheme and must report as the ministerial council requires [AFIC clause 117]; and
- the ministerial council must determine AFIC's budget and AFIC may only authorise expenditure in accordance with the budget. [AFIC clause 118].

Detailed comments—Financial Institutions (Application of Laws) Bill

4.1 Clause 16—Fees for chargeable matters: This provision corresponds to a similar provision in the Companies Code Application of Laws. The presumption that the clause relates to the fees payable for lodgement of and registration of documents and does not relate to the levies to be charged by AFIC and the State Supervisor is correct. Those levies are imposed under clause 17.

4.2 Clause 19—Amendment of certain provisions: This clause provides that regulations may be made under the Application of Laws Act varying the effect in South Australia of proposed amendments of the AFIC Act or the Financial Institutions Act or regulations, or proposed regulations to be made under the Application of Laws Act. The question has been raised whether it is intended that

the regulations under clause 19 would be made only after the various proposed amendments and regulations referred to have been enacted and the answer to the question is 'Yes'. By way of explanation, the provision was inserted with an abundance of caution to cater for the possibility that some future amendment may require some local translation.

4.3 Clause 27—Proceedings under Building Societies Act 1975 or Credit Union Act 1989: The clause provides that proceedings under the Building Societies Act or the Credit Unions Act may be instituted by the State Supervisor in relation to a continuing society. It has been drawn to attention that the reference to 'the Act' in subsection (2) should be to 'the Acts'. It is agreed that the clause should be so amended.

4.4 Clause 30—Miscellaneous Transitional Provisions: References has been drawn to paragraph *(n)* of the clause which provides that the amount standing to the credit of the Credit Union Deposit Insurance Board Fund under the Credit Unions Act 1989 is transferred to the Credit Union Contingency Fund under the Financial Institutions Code.

The question is raised as to whether South Australia and its credit unions are being treated fairly by the transfer of those funds. However, this question is raised in the context of the contingency funds being pooled nationally. This is not to be the situation under the scheme, at least not initially. Clause 97 of the Financial Institutions Code provides that a contingency fund is created, that is, each State Supervisor being responsible for the supervision of credit unions in its State must establish a contingency fund. It is expected that the Code will require amendment at sometime in the near future to enable interstate credit unions to join another State's contingency fund. Development further into the future may include more national pooling arrangements.

Location and Staffing of the State Supervisor: The final matters raised relate to location and Staffing of the South Australian State Supervisor. As discussed earlier a draft budget is in course of preparation and issues in relation to staffing have not yet been settled. However, it is expected that the budget will provide for expenses to cover reception staff of one and regulatory staff in the order of four to six. It is possible that some of the expenses for regulatory functions will be deployed on a fee for services arrangement whilse the State Supervisor would employ the core staff necessary to carry out the essential continuing tasks.

Cabinet has approved as a matter of principle the co-location of the State Supervisor with the State Business Office. Greater certainty concerning the location will be known when the budget including accommodation costs is settled with industry bodies.

Bill read a second time.

SOUTH EASTERN WATER CONSERVATION AND DRAINAGE BILL

The House of Assembly intimated that it has disagreed to amendments Nos 1 to 3 and 5 to 9 and had made alternative amendments in lieu of amendments Nos 1, 3, 6 and 9; and had agreed to amend No. 4 with an amendment.

CROWN PROCEEDINGS BILL

Returned from the House of Assembly with amendments.

ACTS INTERPRETATION (CROWN PREROGATIVE) AMENDMENT BILL

Returned from the House of Assembly without amendment.

CRIMINAL LAW CONSOLIDATION (RAPE) AMENDMENT BILL

Returned from the House of Assembly without amendment.

INDUSTRIAL RELATIONS (DECLARED ORGANISATIONS) BILL

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

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

That this Bill be now read a second time.

I seek leave to have the second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Bill

Disabled workers in supported employment are currently experiencing a period of substantial change and reform. It is increasingly being recognised that they productively contribute to the economy and have the right to fair and equitable treatment on industrial matters.

The Commonwealth Government strongly supports this development and has directed policy in this area toward providing more opportunities to such workers by encouraging integration into the open workforce and a shift away from traditional sheltered workshops. A major feature of this changing environment is that work arrangments for disabled workers in supported employment are diversifying into non-traditional areas involving third parties such as mobile work groups and enclaves within a host organisation. To aid this process of workforce integration the Commonwealth Government is currently developing a national supported wage system which will take into account the abilities and needs of this group of workers.

I am pleased to say that South Australia has been at the forefront of developments in Australia in terms of the practical implementation of progressive policies in this area. A major achievement has been the development of a code of practice which sets down an agreed minimum standard of working conditions excluding matters of remuneration, in an award-type format.

The development of the code was facilitated by the South Australian Department of Labour and was based on consultations with the relevant employer and union bodies. This code is currently being implemented voluntarily by the service providers in the industry.

The challenge now is to modernise the legislative framework so as to facilitate these positive developments.

Broadly speaking, the Bill aims to achieve three main objectives. First to tighten up the coverage of section 89 of the Indus-

trial Relations Act (SA), 1972 in terms of who it is designed to exempt. Secondly, the Bill facilitates the regulation by the State Industrial Commission of employment conditions in workplaces with disabled workers. Thirdly, the Bill will facilitate the achievement of 'enhanced outcomes' as proposed for inclusion in the Federal Disability Services Act 1986.

Turning to the specific details, this Bill proposes amending section 89 to specifically provide for the different types of supported employment arrangements which now exist to be exempt from the usual awards. It recognises the unique circumstances facing these service providers. It will tighten up the definition of a disabled worker for the purposes of this section, to ensure only those who genuinely cannot achieve award wages and who require substantial support are exempt.

The Bill will also provide for the ratification of the code of practice by the South Australian Industrial Commission, giving it award status and enabling the on-going regulation of the employment conditions of these workers in this industry in a manner consistent with standard industrial practice.

Lastly, the Bill will facilitate wage structures consistent with the Commonwealth's 'enhanced outcomes' by providing for the staged implementation of awards incorporating wage schedules.

It is intended however, that at this stage wages clauses will be specifically precluded by regulation, from an award by the commission pending further developments in the national supported wage system. It is noted that this system is expected to be finalised by the end of 1992. Wage reform in the supported employment area is an on-going commitment of this Government and is integral to the 'enhanced outcome' criteria of the Commonwealth Government, as such this issue will continue to be monitored and developments facilitated by the department of Labour in consultation with the respective parties.

The Bill will thus facilitate Commonwealth policy on disabled worker issues and compliment the principles of the Commonwealth Disability Services Act.

The Government indicates that upon development of the national supported wages system, it is expected that a further review of the sections of our act affecting disabled workers will be required. Until that time, however, the proposed Bill suffices in ensuring both disabled workers and their employers obtain the maximum benefit from the positive developments to this point in time.

The provisions of the Bill are as follows:

Clause 1 is formal.

Clause 2 provides for the commencement of the measure.

Clause 3 provides for a new section relating to the non-application of awards in certain cases relating to disabled persons. The provision will apply to persons with significant disabilities for whom competitive employment at ordinary rates of pay is unlikely and who are assisted or trained by declared organisations. In such cases awards will not apply, other than where specific application is provided for in the award. The regulations will be able to prescribe matters that cannot be the subject of an award. The declaration of an organisation for the purposes of this provision may be for a specified period, and may be made subject to such conditions as the Governor thinks fit.

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

STATUTES REPEAL (EGG INDUSTRY) BILL

The House of Assembly intimated that it had agreed to the recommendations of the conference.

LOCAL GOVERNMENT (REFORM) AMENDMENT BILL

In Committee.

Clauses 1 to 3 passed.

Clause 4—'Substitution of divisions.'

The Hon. I. GILFILLAN: I move:

Page 6, line 5—After 'resources' insert 'in a socially just and environmentally sustainable manner'.

This amendment adds words to the object in line 5. It is an attempt to broaden the significance of object *(a)*, of which I am in full support, but to which I believe my amendment adds significant breadth to its importance.

The Hon. ANNE LEVY: I can understand the reasons which have led to the Hon. Mr Gilfillan's moving this amendment, adding greater specificity to the object of local government as set out in section 14 of the principal Act. He may not be aware that section 196 of the principal Act provides:

(1) The functions of a council include the following:
- *(a)* to provide for the development of its area;
- *(b)* to provide services and facilities that benefit the area, its ratepayers and residents and those who resort to it;
- *(c)* to protect health and treat illness;
- *(d)* to provide for the welfare, well-being and interests of individuals and groups within the community;
- *(e)* to represent and promote the interests of its ratepayers and residents;
- *(f)* to establish or support organisations and programs that benefit people in its area or local government generally;
- *(g)* to protect the environment and improve amenity;
- *(h)* to provide the infrastructure for industry;
- *(i)* to attract commerce, industry and tourism;
- *(j)* to act to benefit, improve and develop its area in other ways;
- *(k)* to manage, improve and develop resources available to the council;
- *(l)* any other function approved by the Minister.

So, the general functions of a council are set out in much greater detail in that section. What the Hon. Mr Gilfillan proposes is certainly not in conflict with that section but, to some extent, it covers the same ground. That is not a reason for not supporting the amendment, but I wondered whether he was aware that some of his concerns are already dealt with elsewhere in the parent Act.

The Hon. I. GILFILLAN: I would hate to disclose my ignorance of that section, so pertinently brought to my notice by the Minister. I can only say that I was not aware of the detail of that section. I was interested during her reading of it to hear matters that I did not realise were dealt with in such specificity. My argument for favourably considering these words—and I urge the Minister to do so—is that this is a fairly generalised phraseology in an object. For the purposes of the *Hansard* text, I will read out how object *(a)* would read with my amendment:

The objects of local government include—
- *(a)* to provide an informed and responsible decision maker in the interests of developing the community and its resources in a socially just and environmentally sustainable manner.

The added incentive for having that in the objects is that it identifies two arguably desirable themes, and the environmentally sustainable phrase is not covered substantially, and certainly not totally, by 'protection of the environment'. It is a signal that many councils have picked up already, and that is of recycling, providing amenable walking and bicycle tracks compared with fossil fuelled car transport. It really reinforces a theme on which many local governments are operating, so I urge the Minister to support the inclusion of these words in the object.

The Hon. J.C. IRWIN: This is the first in a series of amendments that we will discuss, and I will take the opportunity to make a comment which is pertinent to all the Hon. Mr Gilfillan's amendments. I have not had any time to think through the amendments that are before us. I have had no time to consult with anyone.

Certainly I have had time to go through them, and I appreciate the time given by the Council for me to do that. In saying that, I do not blame the Hon. Mr Gilfillan. I believe I was more or less ready to debate the Bill in the Committee stage a couple of weeks ago, and I certainly do not blame the Hon. Mr Gilfillan for not being ready with the resources and person power that he has at his disposal to do a number of things in serious consideration of other Bills in this Chamber.

I must highlight the point I have made before, that this legislation was introduced after a fortnight's break. On the Wednesday after it was introduced, certain commitments were given by me in my Party room to get it on the way and through the democratic process of the Committee stage so that it could move to the other House and be passed by the Parliament in the sitting days remaining. At the time we commenced this debate, there were eight sitting days left. We have crossed off a number of those days, and another number of sitting days have been added to the schedule. Still we are at the stage of having eight days remaining, but I defend the Hon. Mr Gilfillan's position—it does highlight the problem that we all have in trying to get things together in a hurry at the end of a session. I make that comment with respect to all of Mr Gilfillan's amendments.

So, my contribution may be ignorant—some might say more ignorant than at other times—but by my comments on Mr Gilfillan's amendments do not mean that I dismiss them out of hand. Because of the time constraints, I can only make certain comments. When I first read this proposed amendment, I questioned what it meant. 'Socially just and environmentally sustainable manner' are important words but, as a lay person, I find it very difficult to understand what the phrase actually means. When the Minister pointed out that it was already in the principles in the Act, I looked at the Act and saw that it was all in very simple, understandable language. Although I struggle with the meaning included by the Hon. Mr Gilfillan, but have some understanding of it, I find it difficult to support because it is covered not only by the 'Objects and principles' in new section 14 at page 6 of the Bill, but also in the Act. I indicate that we will not support the amendment.

Amendment carried.

The Hon. J.C. IRWIN: With respect to subsection (4) of new section 14 in Division IX (page 7 of the Bill), which agency does the Minister select and why does she need a prediction from a Commonwealth or State Government agency?

The Hon. ANNE LEVY: It is expected to be demographic changes that are officially predicted, mainly by the ABS, but State agencies for various reasons on occasion undertake demographic analysis of expected changes for particular purposes. The emphasis in the new section is to ensure that it is not a demographic change that is predicted by the council itself but a demographic change that is made by an official body of the State or Commonwealth, which is completely disinterested in ward boundaries. I expect that in nearly every case ABS predictions would be used.

The Hon. J.C. IRWIN: If there is a conflict between one agency and another, would it be by automatic selection that the Commonwealth agency would have precedence over the advice given by the State Government agency?

The Hon. ANNE LEVY: As I understand it, the Electoral Commissioner would make the decision, if there were a conflict, because the Electoral Commissioner oversees the process and makes sure the results are in accord with the legislation and that the right principles are used. It may be that two lots of demographic changes have been predicted for an area and that one is much more up-to-date than the other. The ABS puts out regular demographic predictions, but does not do so every year. It may be that there is something much more up-to-date, and it would be felt obviously desirable to use the most up-to-date figures that are available.

The Hon. J.C. IRWIN: I refer to new section 15 (7). I think the Hon. Mr Griffin mentioned this in his second reading contribution, although it may not have been this exact measure, and I think it is repeated elsewhere. Certainly, it is not new so I know that it has been used before. Why is that provision needed? If local government agencies and others have to go through certain procedures under the Act and do not do so properly, why can it be validated after proclamation? A matter might be left out in good faith or it might be left out blatantly—and if it is left out blatantly and fixed up after the Act I think it is wrong. However, there may be a simple explanation as to why this subsection has been inserted.

The Hon. ANNE LEVY: This provision is not new in the Local Government Act; it replaces the same principle that is in current section 722, although with different words. This provision is to ensure that a proclamation, when made, will stand and one does not have the messy situation of a proclamation being challenged legally. It can be that proclamations have some slight deficiencies in them, as has sometimes occurred, and that can be corrected by further proclamation. If the proper procedures have not been followed, that should be picked up before the proclamation is made. One of the responsibilities of the panel will be to ensure that all proper procedures are followed. Once a proclamation has been made, one wants that to be the legal situation even if deficiencies and so on can be corrected by another proclamation, but we do not want the situation of legal challenges to proclamations being made, which can lead to all sorts of lengthy court cases and a great deal of expense. However, any deficiencies in procedure should be picked up before then.

The Hon. J.C. IRWIN: I refer to new section 17 (4) *(b)*. Are these guidelines like regulations, in other words, will they be open to scrutiny as is a regulation? How will they be arrived at? How will they be changed? Who can change them?

The Hon. ANNE LEVY: It is expected that the guidelines will deal with administrative matters such as how the organisers of an elector's proposal should satisfy themselves that the signatories are in fact electors; or perhaps how a joint council proposal can demonstrate that it is in fact authorised by all the councils concerned. It is an administrative matter relating to proving certain requirements, that it will not be for the panel to approach every single one of the signatories to ask whether they signed the proposal that bears their signature. It is a guideline to ensure that ratepayers only are eligible to sign the petition, and a check of the electors' roll would establish whether that particular person lived at that address and was entitled to sign. That sort of administrative matter will be dealt with in guidelines to ensure that there is a standardisation of procedures for such proposals wherever they may arise in this State.

The Hon. J.C. IRWIN: Are they just published as a notice to the public rather than as a regulation? We need not go any further into how they are arrived at; I suppose they are arrived at by the LGA's internal process of consultation. How are they changed? Can anyone challenge them? Is it open to the public or the Parliament to challenge them?

The Hon. ANNE LEVY: They will not be in the nature of regulations so, to that extent, they are not binding. However, they will be guidelines which could be extremely helpful to people. A particular group of electors may wish to put forward a proposal for alteration of their council boundaries. They do not know how to go about it. They approach the LGA for advice as to the procedure, and the LGA will be able to say, 'Here are some guidelines for you to follow.' They will be publicly available guidelines on administrative matters of procedure, which can be of great assistance to people. However, they will not have the force of law in that

they are not regulations: they are guidelines only, and they are expected to be useful and helpful to people.

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

Page 9—

Line 10—Leave out 'a person' and substitute 'a member or former member of a council'.

Line 12—Leave out 'a person' and substitute 'a legal practitioner of not less than five years standing'.

My amendments relating to the panel are designed from advice given by those in the field and the experience by others in practice. They are quite obviously a compromise proposal, because a panel of four does not give much scope. I notice that other amendments seek to increase the size of the panel. I have some problem with that, because I have difficulty in understanding how the panels will be filled, how many people can serve concurrently on panels and how many panels might be in operation at once. All those questions have not been answered, so the Minister may perhaps be able to help me with that. My amendment to clause 3 *(a)*, which relates to the Local Government Association's presiding member of the panel, provides that the panel must have at least one local government elected member on it.

In relation to new section 18 (3) *(b)*, I am suggesting that the Minister's representative should be a legal practitioner of not less than five years standing. Again, my advice and experience is that any matter of amalgamation is likely to have all sorts of legal wrangles and complications. Obviously, the present Chair of the LGAC is a distinguished lawyer of some years standing, and I understand that that has been of great benefit to the LGAC. It may well be that there will be legal representation for the Chair of a panel, so it may not need to come from a person nominated by the Minister. My suggestion is that that person nominated by the Minister should be a legal person. I cannot find where else to include that stipulation in the configuration of the four people. It could, for instance, be a nominee of the United Trades and Labour Council, but I have just put it in with the member's representative.

The Hon. ANNE LEVY: I do not support either of these amendments, although that does not mean to say that I will not support further amendments which the honourable member has on file, and some of which are worthwhile. I do not support the requirement that the presiding member nominated by the LGA must be a member or former member of a council. My guess is that in pretty well every case such a person would be either a member or a former member of a council. However, it seems desirable not to exclude other people who might have interest, skills and experience in local government or in managing processes such as those with which the panel will be involved.

Furthermore, there is a concern amongst some groups of electors that the panel process will be biased towards councils. It may well be that, where the initial proposal comes not from a council but from a group of electors, the LGA may feel that someone who is not a council member would be more appropriate in order to reassure the electors that their proposal would be dealt with in an unbiased manner. One can imagine that many people who have a great deal of knowledge and skill in local government have never been members of a council. However, I repeat that it would be rare that the LGA would not put forward the name of someone who was or who had been an elected member of council. In some situations, it could be restrictive to make it mandatory for the person to have that qualification.

I certainly do not support the second amendment, which requires that the Minister's nominee be a legal practitioner. I believe that the Minister representing the Government should have the freedom to nominate whoever they feel is best suited to represent the interests of the State in a panel regarding a particular proposal that is being investigated. I am in no way decrying the very valuable contribution that has been made by the current Chair of the commission who is, of course, a legal practitioner. However, the new process is not a semi-judicial process, as is the procedure followed by the commission. This new process is much less legalistic than the existing commission and, in consequence, it is not obligatory to have a legal practitioner as a member of the panel.

If at any stage the panel feels that it requires legal advice or that it is treading in a legal quagmire, I am sure that it would not be difficult to obtain any legal advice that it required from legal practitioners who have a great deal of experience in local government. Such people are available, and I am sure that their advice can be obtained. In general, however, it is not expected that legal advice or legal knowledge will be required, as this is not the semi-judicial procedure that currently applies with the advisory commission.

The Hon. I. GILFILLAN: I rise to oppose the amendments and to make some comments in the general area of the panel introduced in the Bill. Everyone must have some uncertainty about how the panel process will work, as it is a new and as yet untried process. So, there are questions that only experience will answer as to numbers in the panel, its constituency, its powers or consultancy obligations. I am attracted to it in preference to previous arrangements, because it seems to me that in conjunction with the other clauses in the Bill the issue of amalgamation is drawn away from the arena of controversy and a winner and a loser in conventional terms.

It is very much a product of consensus and a wish by the majority of those involved (electors, one hopes) to join with another council, councils or parts thereof. Because of that, it is well worth giving this system a good chance to work before dramatically changing it just to second guess what will be the problems. I agree with the Minister that, if a panel properly constituted feels it needs advice in a range of areas, it should avail itself of that advice, whether it involves health, environmental or highways matters, or indeed any area on which it is looking for specific advice.

I therefore oppose the amendments moved by the Hon. Jamie Irwin. While I am on my feet, I indicate that I do not intend to move the two amendments next listed in my name to increase the membership of the panel. I pondered for some time whether it would be an improvement to have more members on the panel but, at this stage, more disadvantages are liable to occur in an advisory panel, not necessarily a determining panel; extra numbers may be more of a disadvantage than an advantage.

So, I will not move the next two amendments listed on my schedule of amendments. I can foreshadow, if you will allow me, Mr Chairman, that I will move that there be an obligation on the panels to consult with the Conservation Council of South Australia in relation to environmental and conservation matters, and to consult with any organisation that represents the interests of employers, commerce or industry.

Recognising that in those two areas in particular I should like the Bill to give a clear direction to the panels that they must seek opinions and advice from at least those two areas, I indicate that I oppose these amendments.

The Hon. J.C. IRWIN: Will the Minister indicate how the local government nomination as chair will be arrived at, chosen and endorsed by the LGA?

The Hon. ANNE LEVY: I do not know with certainty. I presume that such a person would be chosen by the normal procedures adopted by the LGA: calling for nominations, decision by the executive or whatever it may be. I am sure

that it would have to be approved by the executive of the LGA, but I am not aware of details on how to obtain the names from which a choice might be made. As the Hon. Mr Gilfillan has indicated, this panel is an advisory body only. It has a supervisory role: it does not make any final decisions.

Amendment negatived.

The CHAIRMAN: The next scheduled amendment is that of the Hon. Mr Irwin to clause 4, page 9, line 12.

The Hon. Anne Levy: We have debated that.

Amendment negatived.

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

Page 9, lines 13 and 14—Leave out '(not being a council affected by the proposal)'.

I was somewhat puzzled when I revisited my proposed amendment to see what it meant. Perhaps we can deal with lines 13 and 14 and line 15 together.

The Hon. Anne Levy: No. I will support lines 13 and 14 and after line 23, but I oppose line 15.

The Hon. J.C. IRWIN: I understand that from my amendment we leave out from paragraph *(c)* 'not being a council affected by the proposal', which is picked up in my amendment after line 23, which provides that:

A person is disqualified from appointment to a panel, or from continuing to act as a member of a panel, if—

(a) in the case of a person appointed under subsection (3) *(a)*, *(b)* or *(c)*, the person has at any time been employed or engaged by a council affected by the proposal.

I believe that picks that up. This is one of the points that was changed from the draft of the technical amendment, and my assumption is, as I alluded to in my speech on the motion for a select committee, that there may well be problems finding serving CEOs to be released by their councils to serve on panels. This rewording of paragraph *(c)* overcomes that to a certain point. I do not disagree with that, and move the amendment standing in my name.

The Hon. ANNE LEVY: The Government is happy to accept this amendment, which goes with the amendment after line 23 to insert the disqualification section. What the Hon. Mr Irwin proposes in the amendment after line 23 spells out the disqualifications in greater detail than shown in lines 13 and 14. I am quite happy to accept those as being a clearer definition of the very desirable disqualifications.

Amendment carried.

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

Page 9, line 15—After 'administration' insert 'who has an accounting qualification'.

This amendment relates to the general comments I made about new subsection (3) *(a)* and *(b)*, where I tried to have inserted that the chair of the panel and the person nominated by the Minister should have certain qualifications or should be certain people. Although that has been lost, this amendment is the third prong of what I have always thought should be part of a Local Government Advisory Commission, that is, a qualified accountant, a person who has somewhere an accounting qualification. I seek advice from the Minister because new subsection (3) as it now stands asks for a person with extensive experience of local government administration nominated by the LGA.

I could be satisfied if that person also had a qualification in accountancy, because I think we amended the Act last year to allow the LGA to nominate the two accounting bodies to say that a person has certain qualifications.

The Hon. Anne Levy: That's for auditing.

The Hon. J.C. IRWIN: Yes, that was for auditing but I am interested to determine whether under my amendment the person in new subsection (3) with extensive experience in administration will necessarily have an accounting qualification?

The Hon. ANNE LEVY: The Government does not support this amendment. We do not believe it should be obligatory for someone to have accounting qualifications, which is quite different from a situation for an auditor for a council. The function of auditing obviously requires certain qualifications. This is a different situation. A person can be very experienced in local government administration but not have accounting qualifications. They may have them, but in some respects it may well be preferable for a generalist rather than a specialist to be nominated to this position.

To pick up the point that the Hon. Mr Gilfillan made earlier, if the panel lacks accounting or financial expertise and feels that it needs such advice, it can obtain it, but not all situations need such detailed knowledge, and someone with a great deal of experience but without specific qualifications may make a much better member of the panel.

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

The Hon. J.C. IRWIN: I thank the Minister for her explanation. The advice to me is that the best qualification in auditing is experience based on having accounting skills in the first place, and that no auditor coming straight out of university with accounting qualifications can be an auditor with any degree of skill in the first year.

It takes long experience to become a good auditor and I am dismayed by what is going on in some councils. That is not new to what I have said in this place before concerning what is required now in the auditing of councils. I hope that it is tightened up dramatically under the new accounting standards that are to come in soon. That is beside the point. One could argue that, if one of the panel members happens to have accounting qualifications, it would be much cheaper than bringing in auditors or accountants to advise the panel frequently.

It could also be argued that to find the right person with auditing or accounting experience would involve an expensive person anyway and that some councils going through the process of a panel will have to pay for such expertise, but it has always bothered me in the major amalgamation proposals in the metropolitan area that the reports do not seem to dwell long enough on the economic side of the argument.

I accept that this amendment has been lost, but I take the opportunity to make the point that, first, the panel will not have a chair who has necessarily been a serving council member, and I think that is wrong; secondly, there will not be any legal experience on the panel, which is wrong; and there will not be a member with accounting qualifications, and that is wrong, however much one can bring in such expertise from outside. I make those points even though I have lost the amendment.

The Hon. ANNE LEVY: Where a proposal is complex and obviously involving detailed financial matters, one would hope that someone with financial expertise would be appointed to the panel, but there are proposals of a different nature involving, say, alteration of a boundary between two councils by several streets to fit it with a topographic feature of the landscape, to fit in with some regular traffic movements, and such a proposal for boundary change does not require detailed accounting qualifications or detailed financial knowledge. Sound commonsense is all that is required in such cases, and I think we can expect the LGA to pick people who are appropriate for the particular proposal before them. They can range from minor to major proposals and the skills required in different cases may well be different.

Amendment negatived.

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

Page 9, after line 23—Insert:

(3a) A person is disqualified from appointment to a panel, or from continuing to act as a member of a panel, if—

(a) in the case of a person appointed under subsection (3) *(a)*, *(b)* or *(c)*—the person has at any time been employed or engaged by a council affected by the proposal;

(b) the person is, or becomes, a member or officer of such a council;

(c) the person holds, or accepts, any other renumerated office with such a council;

or

(d) the person is, or becomes, interested (directly or indirectly) in a contract with such a council.

(3b) A person will not be regarded as having an interest in a contract with a council if the interest exists only by reason of the fact that the person is a director or shareholder in a company with 20 or more shareholders that is a party to, or otherwise interested in, the contract.

The amendment is self-explanatory.

The Hon. ANNE LEVY: As I have already indicated, the Government is happy to accept the amendment, which is consequential to the amendment accepted to lines 13 and 14.

Amendment carried.

The Hon. ANNE LEVY: I move:

Page 9, line 25—Leave out 'section' and substitute 'subdivision'.

This is just a technical amendment. It is the sort of thing that lawyers like and is identical with an amendment on file from the Hon. Mr Irwin.

Amendment carried.

The Hon. I. GILFILLAN: I move:

Page 9, lines 30 to 32—Leave out all words in these lines after 'decision' in line 30 and substitute '(and, in the event of an equality of votes, the member presiding at the meeting does not have a second or casting vote)'.

This amendment deletes the casting vote for the presiding member of the panel. I am uneasy with deliberative and casting votes in any circumstances. In this case, it does not seem to be of any particular advantage that, if a panel is divided 2-2 on an issue, it must be determined in a way that says the panel supported X or Y because of the presiding member's casting vote. It is less desirable that that take place than that the issue be recognised as having been unresolved by a majority in the panel. It seems to me to be quite pointless to give one member of what should be four equal members in their capacity to contribute a casting vote.

The Hon. ANNE LEVY: I am quite happy to accept this amendment.

The Hon. J.C. IRWIN: I indicate that we accept the amendment. It is a slight dilemma because it is consistent with the position of a district council chair but not with that of the mayor.

The Hon. Anne Levy: The mayor has a casting but not a deliberative vote. The chair has a deliberative but not a casting vote.

The Hon. J.C. IRWIN: It is a bit of both. If there is an equality of votes, I imagine that the panel can refer the matter back to itself and have another look at it, or go back through some process to try to resolve the difference.

Amendment carried.

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

Page 9, lines 41 to 43—Leave out 'determined by the Local Government Association of South Australia after consultation with the council or councils affected by the proposal' and substitute 'set by regulations made by the Local Government Association of South Australia for the purposes of this provision'.

The intention is for the Local Government Association to determine the level of fees charged from time to time so that everyone involved in a proposal generally knows the level of fees to be paid for certain aspects of the proposal in front of a panel. New section 18 *(s)* provides:

(a) a member of a panel, other than a member appointed by the Minister, is entitled to allowances and expenses determined by the Local Government Association of South Australia after consultation with the council or councils affected by the proposal . . .

I believe that, with the inclusion of this amendment, it would be much clearer for anyone entering into a proposal to know what the fees are likely to be before they commence.

The Hon. ANNE LEVY: The Government does not necessarily oppose this, although we feel that this degree of formality is probably not necessary. The comment made to me is that, in local government, to a very large degree, people help each other without requiring fees to be paid. If there is a consultation process, as set out in the Bill, agreement may well be reached that the people will act without fee, but obviously have any necessary expenses paid, be they travel, meals or accommodation if that were necessary. Provided there is this consultation with councils, in some cases there may be no fee but, if the Liberal Party feels that it is desirable to have them set in regulations so there is a clear understanding of the fees involved, the Government does not necessarily oppose it. As I indicated, it brings a degree of formality into it which perhaps is unwarranted.

The Hon. I. GILFILLAN: I oppose the amendment. By opposing it, it still would not preclude the Local Government Association from introducing a regulation on its own motion if it saw fit to do so. I ask the Minister to comment on whether that is so. The point I think is important about this is that, if one does formalise it, it makes less likely the return a panel member receives from being one of a good-natured arrangement between the councils and the people involved. From that point of view, it poses the real risk that the actual cost may be higher and the flexibility of payment should be retained at this stage of the process, until we see persuasive argument that it is better to have it compulsorily fixed by regulation.

Why is the Minister's own appointed member excluded from this? My assumption is that we are then presuming that that person will come from a Public Service position of some sort and therefore will not be involved in getting any extra payment. If that is the case, that seems to restrict the Minister in choosing her or his nominee from a specific area, and I am not sure that that is a good idea.

The Hon. ANNE LEVY: In response to those two queries, it would not be possible for the LGA to bring in a regulation. The Local Government Association does not have the power, under any legislation, to initiate regulations by itself.

The Hon. I. Gilfillan: It would have to be the council?

The Hon. ANNE LEVY: Councils can. By-laws become the equivalent of regulations. The only time that the Local Government Association can bring in a regulation is when the Act specifically gives it power to do so, which would be the case in the amendment moved by the Hon. Mr Irwin. Without it being specifically given that power by Parliament, the LGA does not have the power to bring in regulations. With regard to the second point, it is true that the State Government nominee will not be paid a fee by the councils involved.

Public servants, if appointed, do not receive fees for sitting on committees and there would be no desire to make this an exception to that general rule. I point out that the Public Service contains a very large number of people who have a great number of skills and qualifications, and I would hope that a suitable person for a particular proposal could be found within the Public Service. However, if that were not possible and the Minister wished to nominate someone

to the panel who was not a public servant then any fees payable would be payable by the Government and not the council concerned.

The Hon. J.C. IRWIN: One of the earliest bits of advice I was given when I was old enough to understand (and I imagine that most people would have been given this advice) was as follows: that you are going into very dangerous territory when doing business with friends; that when everything is going smoothly it is fantastic but if that friendship breaks down all hell can break loose (and most people have probably had such an experience). The point I am trying to make is that we are in new territory in relation to the panel system, that almost everything in clause 4 is new territory. I believe that it is fair to know the level of fees, rather than have them imposed later. For example, if the Woodville, Hindmarsh and Port Adelaide councils, which wish to amalgamate, get on very well but the friendship breaks down and there is a need to impose fees, there will be an argument. I am quite happy to predict now that there will be. I say again: if everything is going well there will be no problems, but as soon as it does not go well there will be problems.

Nothing is signalled about the sort of fees that can be expected to be charged through this panel system. Although I admit that it is only one part of the fee structure, and it may be a small part, I wonder whether the LGA can consider gazetting the fees, and I do not think that there needs to be legislative instruction for that. If this amendment is lost, I hope that it will think about that and give some signal to the public and those involved in amalgamation proposals what those fees are.

The Hon. I. GILFILLAN: I can see from the drafting of the Bill that the Local Government Association will be the final determining body, that the councils themselves cannot do that on their own authority. I think that that is significant. I hope that any arrangement will not be a secret deal. I think that all tiers of government now are aware that secrecy wins no points and that arrangements of this nature ought to be revealed publicly. I do not have an opinion as to whether or not that needs to be determined in the Bill, but I would like to believe that it will be made public. Therefore, I think it is better to leave the measure unamended with the proviso that the arrangements are not kept secret. I think that the Hon. Mr Irwin's concern that there be some knowledge of what reasonable standards could be expected would be public knowledge anyway, whether or not it went into the *Gazette*.

Amendment negatived.

The Hon. ANNE LEVY: I move:

Page 10, after line 12—Insert:

(7) No liability attaches to a member of a panel for an act or omission by the member in good faith and in the exercise, performance or discharge, or purported exercise, performance or discharge, of powers, functions or duties under this subdivision.

This amendment inserts a new subsection which indemnifies panel members from any personal liability provided they act in good faith. Currently the Commissioners of the Local Government Advisory Commission have protection under these terms, and it was felt only fair that the same protection be extended to members of the panel, provided they act in good faith.

The Hon. J.C. IRWIN: I accept the amendment.

Amendment carried.

The Hon. I. GILFILLAN: I move:

Page 11, after line 15—Insert:

(ab) consultation with the Conservation Council of South Australia Incorporated;

(ac) consultation with any organisation that represents the interests of employers, or other persons involved in commerce or industry, within any area to which the proposal relates;.

I foreshadowed this amendment in my earlier comments. It concerns the requirement of the panel to have consultation with two groups. New section 20 (4) provides:

When the report has been prepared to the satisfaction of the panel, the representatives of the parties must, to the satisfaction of the panel, undertake or initiate a program of—

(a) public consultation;.

I emphasise that I was pleased to see that clearly defined in the Bill. My two new paragraphs then follow, after which the remainder of subsection (4) will stand. I think that my proposed two new paragraphs expand the range of consultation that will be obligatory on the panel. I think that any panel doing its job properly should consult with both those organisations, and no doubt many panels would do so whether or not it was in the Bill. I think that nobody would deny how important it is to get informed contribution from the Conservation Council as to environmental matters such as waterways, air, foliage, waste water and so on. There is a whole range of issues on which their observations could be useful to the panel and should be sought.

The second paragraph of my amendment deals with employers or other persons involved in commerce or industry. Once again, I expect the panel almost automatically to take notice of and invite contributions in that area. It is critical that the commerce, industry and business of an area be taken into profound and sympathetic consideration in any questions to do with local government.

The Hon. ANNE LEVY: The Government opposes this amendment, but I do not want my opposition to be misconstrued in any way. I am certainly not suggesting that the Conservation Council or any organisation representing the interests of employers or people in commerce and industry should not be consulted. I want to make two points with regard to this matter. Naming two particular groups suggests that these groups could be the only ones with an interest in a particular proposal. Depending on the proposal, there may be a very wide group of people or organisations with very valid interests. Public consultation, as mentioned in clause 4 (a) does not just mean calling a public meeting. It definitely means consulting with all the relevant groups who have a legitimate interest in the matter. This could well involve the Conservation Council but it could equally well involve the bowling club, Meals on Wheels or a very large number of community groups which could have a very legitimate interest in a particular proposal.

My concern is that if only two groups are mentioned, the impression may be given that other groups need not be consulted, whereas in a particular proposal it may be highly desirable and indeed necessary that they be consulted. I should indicate that, as well as the Bill that is before Parliament, an agreement will be signed between the Government and the Local Government Association on matters concerned with the procedures required for the processes set out in this legislation and other matters involving the winding up of the Bureau of Local Government Services. I assure the honourable member that it is anticipated that that agreement will set out the types of consultation that one would expect to be undertaken.

Members may recall that two years ago the review committee set up consultation guidelines on proposals for local government boundary change. These guidelines have been worked on by the Local Government Advisory Commission, and it is expected that these same guidelines will be used in the panel procedure. There are 11 pages of these guidelines, which include general guidelines for consultation, the purpose of the consultation and the participants in consultation—for instance, all interested and affected

parties should be involved in consultation processes, including council staff, elected members, unions, residents, business groups and key interest groups as well as the wider community.

Special consideration must be given to the barriers which prevent people from being involved, including language, social and educational barriers. There are techniques of consultation, resources for consultation, timing of consultation, location of consultation and approaches to consultation. These consultation guidelines are expected to form part of the agreement that will be signed between the Local Government Association and the Government. So, I do not think that the Hon. Mr Gilfillan need fear that the two groups that he is suggesting will be omitted in any way. My concern would be that by inserting two groups only the impression may be given that the very much larger number of groups that should also be involved in a particular proposal will be ignored.

The Hon. I. GILFILLAN: I think the Minister misses the point of the amendment. There are a host of groups and interest sectors that should be considered by a panel, but in my judgment in these two areas there is an obligation for a panel to seek an opinion, because they are not necessarily going to be represented in the public group, on the bowling green, at the RSL or whatever happens to be the organisation in the location concerned. It is a much wider and more sophisticated area of advice and comment that could come from the Conservation Council, and the same applies to the commercial side of the consultation process. I hope my amendment will mean that the Chamber of Commerce, the Small Business Association or the Employers Federation may be involved in direct comment on a proposal.

It is interesting to note that the Minister has chosen to exclude the two groups to which I have referred, yet cheerfully accepts that consultation with any employee association that represents an officer or employee in any council affected by the proposal should be specifically mentioned in paragraph *(a)* as not being embraced in public consultation. I accept that paragraph *(b)*, relating to consultation with the employee association, is appropriate. Of course, there are specific reasons why that area of interest should be represented, and by more than perhaps those people who are resident in the areas concerned. My argument stands just as strongly, regardless of what guidelines apply. This Parliament ought to express its conviction that conservation and commerce are both areas with which we should specifically direct the panel to consult before finalising its deliberations.

The Hon. J.C. IRWIN: Where does the Minister end with the process? I will support the amendment now, and have another look at it when it is in the other place. It is news to me that the Minister refers to this consultation guideline. I do not think I have ever seen the document; I do not know where it is, but it is some small argument—

The Hon. Anne Levy: It came from the committee of review in 1990.

The Hon. J.C. IRWIN: Oh, well, I've probably got it. It is one small argument that the Minister has given for this Bill to have been discussed after all these arrangements and negotiations with the LGA have been completed and concluded. All these matters would be put on the table, and we would then be able quite simply to refer to whatever is contained in this legislation and put it against the final negotiated position, and that may well include the Constitution Act for local government. However, I am thankful that the Minister has given me one small argument; there may well be others; for example, why this should have been discussed afterwards. It makes me wonder how important it was that the Government said to the Local Government Association, 'Well, all funding for the LGAC has gone: from 30 June you must find another way, come hell or high water, of funding it yourself. You've got to fund it yourself, or just get out of the game of amalgamations, particularly amalgamation proposals.' All the way through this argument on the panel system, my argument has been consistent, that it is not yet ripe to be put into effect.

Amendment carried.

The CHAIRMAN: I draw to the Hon. Mr Gilfillan's attention that on page 11, after line 42, he has virtually the same amendment.

The Hon. I. GILFILLAN: Thank you, Sir. I move:

Page 11, after line 42—Insert—

(ab) consultation with the Conservation Council of South Australia Incorporated;

(ac) consultation with any organisation that represents the interests of employers, or other persons involved in commerce or industry, within any area to which the proposal relates;.

Amendment carried.

The Hon. J.C. IRWIN: New subsection (11) refers to a representative of a party expressing serious opposition. Will the Minister explain how 'serious' is qualified? Who decides that?

The Hon. ANNE LEVY: The word 'serious' means what it says. If a representative has a real opposition to a recommendation of the panel that the proposal be put into effect, then the proposal cannot proceed. I suppose there could be opposition to a particular wording or something that by consultation could be resolved—a minor disagreement that is resolvable. However, a serious opposition means that agreement cannot be reached: that, no matter what discussion occurs, there remains a fundamental difference of opinion. In that situation the proposal cannot proceed. This whole process is one of consensus. However, if someone objected to just one word or if they wanted a minor word changed, that is surely eminently resolvable by discussion and is not a fundamental opposition or something that one would regard as serious.

The Hon. J.C. IRWIN: I assume that the words 'the parties cannot resolve' qualify the words there. One could leave out 'serious' and have it read that 'a representative of a party expresses opposition' and, if the parties cannot resolve it, it goes no further. We really do not need the word 'serious', but I thank the Minister for her explanation.

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

Page 12, line 23—Leave out 'in its area'.

Amendment carried.

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

Page 12, after line 25—Insert:

(14a) The poll will be held in the areas of the councils affected by the recommendation (on a day fixed by the presiding member of the panel in consultation with the councils).

Amendment carried.

The Hon. ANNE LEVY: I move:

Page 12, line 28—Leave out 'may' and substitute 'must'.

This amendment will ensure that a summary of the arguments both for and against the recommendation that is to be the subject of a poll must be prepared, not just 'may' be prepared. In a Federal Government referendum the argument for and against a proposal is always prepared and circulated to all electors. The Bill provides 'may be prepared': we feel it more appropriate to say 'must be prepared'.

The Hon. J.C. Irwin: That is agreed.

Amendment carried.

The Hon. ANNE LEVY: I move:

Page 12, lines 30 to 32—Leave out subsection (17) and substitute:

(17) The council for any relevant area must—

(a) publish the summary of arguments in a newspaper circulating in the area of the council;

or

(b) send a copy of the summary to each elector at the address of the elector's place of residence shown in the voters roll,

and copies of the summary must be made available for public inspection at the principal office of any council affected by the recommendation.

This provides that, in addition to the summary of arguments being available for public inspection at the offices of councils, this summary of arguments for and against the recommendation, which is going to a poll, must be brought to electors' attention either by being published in a newspaper circulating in the council area or by being posted to each elector. In some communities, publishing in the local newspaper would be adequate, because some country newspapers in particular are read from first to last word by every member of the community. In other situations it would be appropriate to send a copy of it to each elector.

If the proper consultation process has been gone through, the arguments probably would not be news to most of the electors, but it is intended to ensure that each elector can exercise his or her vote in an informed way by having had the arguments both for and against drawn to his or her attention.

Amendment carried.

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

Page 12, lines 33 and 34—Leave out subsection (18) and substitute:

(18) Subject to subsection (18a), the councils for the relevant areas must conduct the poll.

(18a) A council may arrange for the Electoral Commissioner to conduct the poll within its area.

The Hon. ANNE LEVY: The amendment is supported.

Amendment carried.

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

Page 12, lines 35 to 41—Leave out subsection (19) and substitute:

(19) If a majority of the electors voting at the poll (irrespective of the areas in which they are voting) vote against the recommendation that is the subject of the poll, the recommendation cannot proceed.

We have been very well behaved. We have not gone through the history of the differences and agreements about polls and whether or not they should be decisive. The Opposition disagrees with the proposition in the Bill:

The result of a poll under this section is not binding but if a majority of the electors voting at a poll reject a recommendation of a panel—

(a) the panel must reconsider the recommendation (and may, if it thinks fit, alter its report).

We are standing on the principle that the vote at a poll is decisive and that is the end of the matter.

The Hon. I. GILFILLAN: I move:

Page 12, lines 35 to 41—Leave out subsection (19) and substitute:

(19) If—

(a) 50 per cent or more of the electors for the area or areas affected by the recommendation vote at the poll;

and

(b) a majority of the electors voting at the poll (irrespective of the areas in which they are voting) vote against the recommendation,

the recommendation cannot proceed.

I indicate that my amendment is at variance with the one that has just been moved by the Hon. Mr Irwin and I will explain it briefly. It allows for a determinate poll under certain quite specific conditions; that is, that a substantial elector percentage take place in the poll.

My amendment provides that, if 50 per cent or more of the electors for areas affected by the recommendation vote at the poll, the result of that poll, if it is against a recommendation for amalgamation, will be binding. In other words, that would prevent the amalgamation from proceeding. It may seem somewhat odd that there is not the other side of the coin, that a majority voting for would carry the day, but I would point out that for a poll to be called and put to the electors would almost certainly require the consent of the councils involved so that the amalgamation, if that were the wish of the majority of the electors, would proceed anyway, whether or not there were a poll result.

The difficulty that I have with the Hon. Mr Irwin's amendment is that until we have (if we ever get to it) obligatory voting, so that we know there will be a substantial reflection of the majority's point of view in such a poll, from time to time polls can be determined by a small number of people motivated by a particular issue which, possibly dramatically important to those people, camouflages or overwhelms a basic latent acceptance of an amalgamation in the circumstances presented to the people of those areas.

I have always had some nervousness about minority polls being a final determinant with voluntary voting, and I accept that the Hon. Jamie Irwin's amendment has moved away from a specific and maybe diminutive area being able to be the dog in the manger and being able to actually prevent amalgamations proceeding. I see that as an improvement on earlier debates that we have had but, even so, I am concerned that it would make it unreasonably difficult for amalgamations to proceed in certain circumstances.

I am also made somewhat uneasy by the looseness of the Government Bill in recognising the significance of a poll and I say again that this Bill as I see it is a transitory piece of legislation in a build-up to what will be the really substantial legislative reforms for local government. In those circumstances, this matter may well be reviewed to make polls, if they are going to have obligatory voting, the determining factor in every case.

But we have not got that, and that is why I put into this amendment a minimum number of those affected as being the required number to cast a vote before the decision of that poll would be a determining rather than an indicative result. I indicate that I will vote against the amendment moved by the Hon. Mr Irwin.

The Hon. ANNE LEVY: I move:

Page 12, line 37—After 'recommendation' insert 'in consultation with the representatives of the parties'.

This amendment would not be relevant if either of the amendments moved by the Hon. Mr Irwin or the Hon. Mr Gilfillan were accepted. While I oppose both the amendments moved by the Hon. Mr Irwin and the Hon. Mr Gilfillan, if one is to be accepted, I certainly prefer that of the Hon. Mr Gilfillan. He clearly indicated that, where one has a voluntary voting system, one can get a small percentage of people who turn out and, in that situation, a poll is not necessarily a reliable indicator of the views of the majority.

As I indicated in the second reading, 2 per cent of the people may be expressing their opinion and it would not be legitimate to make such a view binding as opposed to merely indicative. Apart from that question we need to consider that this whole process is designed to give the community many opportunities to participate in the process and, in that situation, it is not crucial that the poll be binding. In fact, the very existence of a poll which can be binding may prevent people in the community from becom-

ing involved throughout the process, and the consultation which is desirable will not occur.

It was felt that a binding poll at the end of the process would place too much emphasis on one means of participating in the process and expressing one's views and would discourage people from taking part in the other means of consultation and participation which are expected to be part of the process. For that reason the Government proposed that a poll would be indicative only, leaving councils, of course, to have the final responsibility in representing their communities in the way in which this Parliament represents and makes decisions of behalf of the community of South Australia and does not go out and have referenda on each issue as it arises.

When referenda are held in this State, they are not binding on a Government, although it would be a very foolish Parliament which did not take notice of a referendum. In the same way, I would think that, if a poll were held and there was a good turn-out a council would be most unlikely to go against the views expressed in the referendum, but that is a different matter from having the results of the referendum binding on the council rather than their being an indication as to how it should make its decision.

Another point which perhaps members have not considered is that the amendments do not deal with the situation in which the panel has recommended that a proposal not proceed. We can take the situation of a proposal that has perhaps come from some electors; the panel recommendation could be that the proposal not proceed, and a poll could then be demanded under the provisions of the Bill. The amendments moved by the Hons Mr Irwin and Mr Gilfillan would mean that, if the majority vote against the recommendation, the recommendation cannot proceed. If the recommendation is that the proposal not proceed, a majority might then vote against that recommendation. Does that mean that the proposal must proceed? It is not clear from the wording of the amendments which have been moved.

It seems to me that the amendments have been drafted solely with the view that the panel will recommend a change, and that people will be opposed to that change and indicate such in a poll. But what happens in the reverse situation? If the panel recommends that no change occur, a poll is called, and that recommendation is not supported in the poll. Does that mean that the recommendation must proceed?

The Hon. I. Gilfillan: You have to have both councils—

The Hon. ANNE LEVY: But it must cover both areas. We have already said that the poll must cover all the areas where the proposal would have an effect. It cannot be in just a part of it.

The Hon. I. Gilfillan interjecting:

The Hon. ANNE LEVY: It is an effect of the amendment. This may be a rare situation, but it could occur, particularly with an elector-initiated proposal. For those two reasons, the Government opposes the two amendments but certainly feels that that of the Hon. Mr Gilfillan is a better amendment than that of the Hon. Mr Irwin.

The Hon. I. GILFILLAN: The Minister raises an unnecessary concern about the amendment. If the recommendation of the panel is against an amalgamation, and that is overturned by substantial vote in the poll, as I understand the remainder of the Bill amalgamation would go ahead only if the councils involved agreed. It seems to me that the proposal would not get up unless the councils themselves agreed. So, as a result of the poll outlined by the Minister where the panel had recommended not to proceed with the amalgamation, and the poll overturned that, it would mean the wishes of the people who wanted to amalgamate and those of the councils who wanted to amalgamate would succeed over the recommendation of the panel. That does not upset me one little bit.

The Hon. Anne Levy interjecting:

The Hon. I. GILFILLAN: The Bill would not get up because it restricts the proposal.

Members interjecting:

The CHAIRMAN: Order!

The Hon. I. GILFILLAN: If I can just speak through the barrage of noise, no proposal can get up unless there is a unanimity of agreement by the councils involved. If the panel is in disagreement with the councils and the people who live in the areas want amalgamation, then bingo—we have it, and democracy has won through. The qualification of this amendment is a fairly substantial turnout in local government terms, anyway, so it ought to be a wish that is honoured. I would have no problem with it being an overturning of a panel's reluctance to recommend amalgamation. It is a very far-fetched scenario but, if it were to occur and that was the way the vote went, that is democracy at work. I urge support of the amendment.

I realise there may be some uncertainty about the numbers, and I also have sympathy with the approach of the Hon. Jamie Irwin, but I repeat: if it came to the crunch, I could not support the Opposition's amendment because of my very profound concern of a minority's being stirred up and overwhelming what could very easily be a substantial majority's point of view. On that basis, I do not see that I could be persuaded to support the amendment. I urge the Opposition to support my amendment.

The Hon. J.C. IRWIN: I am not to that point yet. I indicated earlier that I have not had enough time to consult anyone on this matter. It is one of the few amendments where there was substantial agreement between at least two parties up to a point, but then this difference arose. I would like a commitment that we could recommit this clause and have some discussion on it soon. I do not mean to put it off for any great length of time. I should move along the Opposition's philosophical line that the proposition of 50 per cent is not anywhere near peer in the sense of voluntary voting. If we have voluntary voting and stick to it, we say that a majority is a majority of those people who want to turn out and cast a vote, and not put a mandatory figure on it.

A question that I have for the Minister, although she may not be able to answer it now, concerns the wording of the 50 per cent or more provision. It may not be quite the 50 per cent plus one that is technically required to give a majority above 50 per cent. I take the 'or more' to mean 60 per cent, 70 per cent or whatever. So, is this technically correct, or should it be 50 per cent plus one? Notwithstanding the answer to that, I still say that, even putting a figure on it, it is not clear in the sense of mandatory voting. If we were to move to compulsory voting that would be the proposition, but in this case it is not. If apathy produces a 2 per cent or 10 per cent turn out on a matter as far reaching as an amalgamation proposal, for instance like the proposal that is before the commission now in relation to Hindmarsh, Woodville and Port Adelaide, which will produce a council of more than 100 000 people, then they deserve what they get. The majority of that will be half of that, plus one, and that would win the day, under my amendment.

I do not have a problem with voluntary voting nor does the Opposition. I do not have a problem with low voter turnout at council elections. This is often put forward as a black mark for local government, but to me it indicates that people are satisfied with their council. However, I say to

the Committee that wherever there has been any controversial issue in a council area or in a ward there has been a high turnout. We have had plenty of evidence of that. In relation to people being elected to positions by a voluntary method of voting and by a majority of people who vote in one form or another, I signal that the Opposition and I have no problem with the turnout figure being below 50 per cent. I remind the Minister that she took a minority decision from the Henley and Grange proposal after they had had a poll down there. They had more than a 50 per cent turnout but there was something short of a 50 per cent majority for that proposal. However, to me that was resounding enough to support what the Minister did. I do not support the way the Minister did it but I support what she did, on other grounds.

The Hon. I. Gilfillan: It is not what you do, it is the way that you do it. It would be a good song!

The Hon. Anne Levy: You can't win!

The Hon. J.C. IRWIN: I am indicating that the Opposition wants to stay with this amendment. Hopefully, we can recommit this after we have had an opportunity to discuss Mr Gilfillan's amendment with him. There may well be some common ground to take it to another stage.

The Hon. I. GILFILLAN: I indicate to the Hon. Jamie Irwin that I undertake to have the clause recommitted, if that is what he wishes. I do not doubt for a moment that the Minister would agree with that, too. I also indicate that I am not locked into the 50 per cent figure. I am open to some further discussion on the matter. I hope that, with those assurances, we can pass my amendment so that it holds in the text of the Bill at least until such time as the Bill is recommitted.

The Hon. DIANA LAIDLAW: I am pleased to hear that the Hon. Mr Gilfillan is not committed to this arbitrary figure of 50 per cent. I am aware of councils in which polls have been held and discussed in the past and in which they may well be held in the future. Where there is one small council with a much larger neighbouring council it may well be that 50 per cent of the smaller council and a very small percentage of the larger council vote against it, yet the combined total of the people who vote in that poll is not 50 per cent of the electors affected.

I feel that making an arbitrary figure of 50 per cent is not a wise move in a voluntary voting system, and I also believe that the argument I am presenting makes any figure arbitrary and relevant to this process. I am pleased to hear that there may be some flexibility in this provision following further discussions overnight and that this provision may be recommitted following the vote to be taken in a few moments.

The Hon. ANNE LEVY: It is very interesting that the Hon. Ms Laidlaw is now arguing against the amendment that has been moved by the Hon. Mr Irwin and the Hon. Mr Gilfillan and accepted by me in terms of the area in which voting is to take place. It seems to me that the Hon. Ms Laidlaw is now arguing that different areas should be considered differently and not considered as a total area.

The Hon. Diana Laidlaw interjecting:

The Hon. ANNE LEVY: Obviously the 50 per cent figure is arbitrary. We are considering whether a poll should be indicative or binding. My view is that a poll should not be binding but should be indicative only. However, a council, like a Parliament, is unlikely to ignore the results of a poll. If a referendum were to be held in South Australia, be it on daylight saving, six o'clock closing or Saturday afternoon trading, the result of the poll would not be binding on this Parliament but indicative only. However, it would be a very foolish Parliament which ignored the results of a poll, and that has occurred in all the instances that I have mentioned. We are now looking at a situation in local government as to whether a poll should be indicative or binding. My view is that it should be indicative in the way that State polls are indicative only to the Parliament. The Hon. Mr Irwin is saying that, even if only 2 per cent of electors vote, it should be binding, and the Hon. Mr Gilfillan is saying that it will be indicative only unless a large proportion, which he has picked as 50 per cent, take part in the vote, in which case it will not be indicative but binding.

The Hon. Anne Levy's amendment negatived. The Hon. J.C. Irwin's amendment negatived. The Hon. I. Gilfillan's amendment carried.

Progress reported; Committee to sit again.

ADJOURNMENT

At 11.58 p.m. the Council adjourned until Wednesday 8 April at 2.15 p.m.