LEGISLATIVE COUNCIL

Tuesday 14 April 1992

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

QUESTIONS ON NOTICE

The PRESIDENT: I direct that written answers to the following questions, as detailed in the schedule that I now table, be distributed and printed in *Hansard*: Nos 45 and 111.

CONSULTANCIES

45. **The Hon. R.I. LUCAS** asked the Minister for the Arts and Cultural Heritage: 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 Employment and Further Education?
2. For each consultancy:
   (a) who undertook the consultancy;
   (b) was the consultancy commissioned after an open tender and, if not, why not;
   (c) what was the cost;
   (d) what were the terms of reference;
   (e) has a report been prepared and, if yes, is a copy of that report publicly available?

The Hon. ANNE LEVY: The reply is as follows:

The following is a summary of consultancies over the value of $2 000 which were commissioned by agencies under the control of the Minister of Employment and Further Education. Further details of these consultancies will be sent directly to the Hon. R.I. Lucas.

1. Review of State Youth Affairs by Chesterman and Schwager at a cost of $11 272. The report has been distributed to individuals and organisations in the youth area for comment.

2. A preliminary investigation of the nature and extent of corporate marketing strategies currently used within the South Australian Department of Employment and Technical and Further Education by Donovan and McAlpire at a cost of $7 000.

A set of presentation papers was distributed at the DETAFE Director's meeting on 23 September 1991.

3. Training of staff from Planning and Consultancy Unit, State Youth Affairs by Yve Repin at a cost of $8 000 (over two financial years 1990-91 and 1991-92).

Verbal reports on staff achievement were provided to management on a regular basis.

4. A study of Employment Requirements—Forecasts for the South Australian Economy from 1990 to 2005 by the Centre for South Australian Economic Studies (CSAES) at a cost of $54 200. The study commenced in mid 1989 and was completed in mid 1991.

Reports for Stages 1 through 4 have been prepared but will remain an internal working document.

5. A Student Management System Appraisal by KPMG Peat Marwick Management Consultants at a cost of $3 600. The report is an internal management document.

6. Introduction of Student Management System Software by db-lab Pty Ltd (Zeka Zecevic) at a cost of $2 700.

7. A review of business enterprise in the Department of Employment and Further Education by Mr Tom Malcolm of the State Training Board, Victoria at a cost of $27 600.

The report is available publicly.

8. The identification of skills and training needs in the community services sector by the Community and Neighbourhood Houses and Centres Association at a cost of $18 000.

An interim report has been prepared and presented at the December National AAACE Conference in Melbourne.

9. Evaluation of the first stage of the Northern Adelaide Region 'Rationalisation Project' by Graham Gaston and Associates Pty Ltd at a cost of $18 300 (Commonwealth funded).

The report has been prepared and is available for public use.

10. Internal audits at three Colleges of Technical and Further Education undertaken by Price Waterhouse at a cost of $10 500.

Reports were prepared, and were circulated internally in accordance with usual practice.

11. Internal audits at 14 Colleges of Technical and Further Education by Price Waterhouse at a cost of $36 660.

Reports were prepared, and were circulated internally in accordance with usual practice.

12. Audit of financial records of Rough Cut Incorporated relating to the Rough Cut Inc., Southern Suburbs Project, and inspection of Government assets held by Sound Vision Skillshare by Price Waterhouse at a cost of $5 000.

Price Waterhouse were appointed by the Commonwealth Department of Employment, Education and Training (DEET) to investigate allegations of mismanagement of the Commonwealth funds.

DEET agreed to allow Price Waterhouse to use the knowledge acquired during that investigation for the purposes of this separate project relating to State funds.

A report was prepared, and was circulated internally in accordance with usual practice.

13. Audit of grant for payment of sessional instructors at the Rough Cut Sound Vision Skillshare by Price Waterhouse at a cost of $3 000.

A report will be received when the audit is completed.

BERRI FERRIES

111. **The Hon. DIANA LAIDLAW** asked the Minister for the Arts and Cultural Heritage:

1. What was the cost of operating the two ferries at Berri last financial year, and what is the estimated cost this financial year?
2. What are the figures for both vehicle use and visitor numbers last financial year in respect of the ferries that operate at Berri?

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

1. The cost of operating the two ferries at Berri was $665 945 during the 1990-91 financial year. The Department of Road Transport estimates that the cost will be $650 000 in 1991-92.

2. Based on a detailed survey of ferry use in 1989, the Department of Road Transport estimates that 638 000 vehicles used the Berri ferries during the 1990-91 financial year. The department has no information regarding visitor numbers.

PAPERS TABLED

The following papers were laid on the table:

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

Industrial Relations Advisory Council—Report, 1991.

Public Finance and Audit Act 1987—Regulations—Adelaide and Flinders Universities.

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

Administration of the Planning Act by the South Australian Planning Commission and the Advisory Committee on Planning—Report, 1990-91.

Commercial Motor Vehicles (Hours of Driving) Act 1973—Regulations—Exemptions.

Metropolitan Taxi-Cab Act 1956—Applications to Lease.

MINISTERIAL STATEMENT: MARCEL EDWARD SPIERO

The Hon. C.J. SUMNER (Attorney-General): I seek leave to make a statement about the escape of Marcel Edward Spiero from the Yatala Labour Prison on 11 February 1992.

Leave granted.

The Hon. C.J. SUMNER: My colleague the Minister of Correctional Services has advised me that the Department of Correctional Services has completed its investigation into the escape of Marcel Edward Spiero whilst being escorted from Yatala Labour Prison to the Supreme Court on Tuesday 11 February.

The Minister previously reported that prisoner Spiero escaped when the escort vehicle was stopped in heavy traffic on Regency Road. Two armed men got out of the car in front of the prison van. One ordered the two escorting officers to stand on the footpath, facing a wall. The other

gunman ordered the driver to release Spiero from the back of the high security van. The gunmen and Spiero then escaped in their vehicle. The officers radioed Yatala control for police assistance and pursued the offenders' vehicle, but lost them in the back streets.

The final report of the investigation of the escape addresses all outstanding matters relating to the escape and subsequent allegations. The interim report from the department raised concern as to why the Dog Squad was not escorting the prison van to the Supreme Court. The need for the departmental Dog Squad to escort prisoner Spiero was made mandatory after Spiero's involvement in an unrelated escape conspiracy came to light on 27 December 1991. The prisoner subsequently attended court on four occasions prior to his escape on 11 February. Three of the appearances were at the Supreme Court and one was at the Adelaide Magistrates Court. The police escorted prisoner Spiero to the Magistrates Court, as police conduct all Magistrates Court escorts.

On the three occasions that prisoner Spiero attended the Supreme Court, that is 13 January, 21 January and 3 February, the Dog Squad did accompany the escort to court. On one occasion, that being 3 February, the Dog Squad did not escort the prisoner back from court.

Written instructions that a Dog Squad escort was required for the escort of this prisoner were given by a senior officer at Yatala Labour Prison at approximately 8.15 a.m. on 11 February. There is no doubt that this officer committed this instruction in writing prior to the escort commencing. The report draws the conclusion that, in their rush to ensure the prisoner arrived at court on time, the officers simply failed to follow these instructions.

The departmental investigation and police evidence reinforce the view that allegations, that the escort form had been tampered with after the escape and that, more seriously, there was inside collusion by officers, are unsubstantiated.

The investigation finds the claim that the escort had deviated from a designated route is also unfounded. At the time of the escape there were no designated routes to be used by escorts from Yatala Labour Prison. The route taken has always been at the discretion of the driver. However, as part of improved security procedures, a number of designated routes have been identified.

Having independently considered all the evidence and advice available to him, the Chief Executive Officer has decided not to charge any of the officers involved in the escort of Spiero under the Government Management and Employment Act. The Crown Solicitor has advised him that there is evidence to suggest that the officers would be liable to disciplinary action under section 67e of the Act. However, the Chief Executive Officer is required by the Act to form an opinion independently of any such advice. He has done so and considers any such action would be out of proportion, given the other things that have happened to these officers.

Mr President, during the incident these three officers were seriously traumatised as a result of firearms being pointed at their heads. They had genuine cause to be in fear of their lives. These officers have also suffered through the escape, as have their families. They have been publicly subjected to criticism and humiliation and their integrity has been questioned.

The Chief Executive Officer has also taken into account the actions of these officers, once the offenders made their get-away. The officers quickly returned to the prison van and gave chase, obtaining details of the numberplate of the get-away car and contacting Yatala Labour Prison control by radio for police assistance.

These actions demonstrate concern about the escape and professionalism under the circumstances. The Chief Executive Officer has therefore counselled these officers in regard to their responsibilities and their conduct which may have contributed to the escape.

Following allegations about the conduct of the departmental investigation a copy of the report of the investigation has been forwarded to the Ombudsman, the independent official of Parliament. Being confident that the investigation has been thorough and complete, the Chief Executive Officer has invited the Ombudsman to use his powers to review the department's management and investigation of the incident and form his own conclusions.

The department has also taken action to minimise the risk of such an escape occurring again. Procedures already in place include police Star Force support and departmental Dog Squad support for the escorting of all High 1 category prisoners. In addition, radio communication now uses digital voice protection, which will prevent illegal surveillance.

The security of the escort vehicle itself has also been reviewed and the department has found the value of increasing the security of the driver's cabin is doubtful, given the additional security measures which have already been outlined.

Finally, Mr President, the Minister of Correctional Services points out that the department has maintained a very good record with respect to escape incidents. The public can be assured that the department is constantly reviewing and evaluating departmental policies and procedures, with a view to further improving security and public safety.

MINISTERIAL STATEMENT: MINISTER OF TOURISM

The Hon. C.J. SUMNER (Attorney-General): I seek leave to make a statement concerning the Minister of Tourism.

Leave granted.

The Hon. C.J. SUMNER: On 25 March I indicated that I had been asked by the Minister of Tourism to review certain documents that had been referred to in Question Time in this Chamber relating to allegations of conflict of interest. I also undertook to consider an independent inquiry into the allegations. Since then further matters have been raised.

The Minister of Tourism has now called for an independent inquiry to clear up the issue and clear her name. Cabinet yesterday agreed to set up such an inquiry and I am currently working on formalising the terms of reference and approaching someone to conduct the inquiry. This will be done as soon as possible, but the commencement of the inquiry depends on the availability of a person to conduct it.

Because of these developments my review is no longer relevant. Indeed, it would be wrong for me to make a statement on the issues, given that an independent inquiry is to be established. Making any statements which might pre-empt the inquiry would be inappropriate. I will, however, make available to the inquiry the material given to me and any further material that might be given to me. I intend to make a further statement to the Council when the details of the inquiry are known, although if it cannot be put in place before tomorrow, the Council may not be sitting when the initial announcement is made.

QUESTIONS

MINISTER OF TOURISM

The Hon. K.T. GRIFFIN: My questions are directed to the Attorney-General. In the light of the Attorney-General's ministerial statement indicating there will be an independent inquiry into allegations of conflict of interest of the Minister of Tourism and Minister of Consumer Affairs:

1. Will the Attorney-General consult with the Opposition and the Australian Democrats in relation to the person who should be appointed to conduct the inquiry and as to the terms of reference for the inquiry?

2. What qualifications for a person to conduct the inquiry are being considered by the Attorney-General, and is the Attorney-General having some difficulty finding an appropriate and available person for the task?

3. Is the Attorney-General able to identify the sorts of terms of reference for the inquiry that he is considering?

4. Can the Attorney-General indicate what is proposed to be the form and structure of the inquiry—that is, whether it will be a private inquiry or a partially private, partially open inquiry, or a fully open inquiry?

The Hon. C.J. SUMNER: I do not intend to comment on the nature of the inquiry until such time as it is formalised and publicly announced. As to the qualifications that one might look for in a person to conduct the inquiry, I do not have anything specific in mind except that I assume that legal qualifications probably would be necessary. Beyond that, I do not wish to comment. I am aware of what the Opposition and the Democrats have said about the matter in the Parliament and will take into account the issues that they have raised relating to the terms of reference. If the honourable member has any suggestions as to who might conduct the inquiry, I shall be pleased to receive them from him.

WORKCOVER

The Hon. R.I. LUCAS: I seek leave to make an explanation before asking the Minister representing the Minister of Labour a question about WorkCover.

Leave granted.

The Hon. R.I. LUCAS: For some months now concern has been expressed to me about the level of training provided to WorkCover claims officers. Sources within WorkCover have confirmed that senior management share the concern about the quality of claims processing work that is undertaken by claims officers. In particular, there is concern about inadequate training being provided to claims officers to prepare them for the difficult tasks they must confront. There is further concern that costs are being increased unnecessarily and the settlement of claims is being delayed unduly because of this problem.

Sources in WorkCover have provided me with details of one recent case to highlight their concern. Last month a claim was being processed on behalf of a worker suffering stress. The claim was being heard by a review officer with the worker and his solicitor present, a WorkCover claims officer and a psychiatrist who was presenting evidence on behalf of the worker.

After the hearing had continued for some time the WorkCover claims officer broke down in a very distressed condition, saying, 'I can't go on, I'm not trained to do this.' The psychiatrist who was present to provide evidence for the worker then jumped out of his chair to provide some assistance to the distressed claims officer. I have since been informed that the claims officer has gone out on stress leave although I have not been able to confirm that fact. My questions to the Minister are:

1. What training programs are being implemented by WorkCover to improve the level of training provided to claims officers working within WorkCover?

2. How many WorkCover claims officers are currently out on stress leave and, on average, what has been the duration of their absence from work and cost to the taxpayer due to stress?

The Hon. C.J. SUMNER: I will refer those questions to my colleague and bring back a reply.

PRIVATE TRANSPORT SUBSIDY

The Hon. DIANA LAIDLAW: I seek leave to make an explanation before asking the Minister representing the Minister of Transport a question about the subsidy policy for private sector buses and taxis.

Leave granted.

The Hon. DIANA LAIDLAW: My concerns relate to the *ad hoc* discriminatory policy endorsed by the Minister for the operation of private bus and taxi services on routes that the STA cannot or will not operate from August this year. I have confirmed that the STA is drawing up a contract with the Metropolitan Taxi-Cab Board to operate a Government subsidised taxicab feeder service in the Hallett Cove area. The concept involves taxis 'feeding' public transport interchanges, in this instance the Hallett Cove railway station. I understand that as part of this contract the STA is prepared to subsidise taxi trips with Hallett Cove residents possibly paying no more than 50c per trip to or from their home to the railway station. Hallett Cove, of course, is in the marginal Liberal held seat of Bright.

However, in the Adelaide Hills—within the safe Liberal seat of Heysen—the Minister is refusing to approve any Government subsidies to private bus operators to operate services that the STA will withdraw from in August. These services are expected to operate on a commercial basis, with former STA passengers expected to face an increase in fares. In the meantime, the Office of Transport Policy and Planning has informed all private bus operators who are operating school bus services in the outer metropolitan area that subsidies will be withdrawn from February next year. I ask the Minister: in respect of bus services that the STA has determined it cannot or will not operate from August this year, why is the Minister prepared to discriminate between modes of private transport—in this instance, buses and taxis—and to select some areas of Adelaide, but not others, for the payment of Government transport subsidies?

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

MOUNT GAMBIER RAIL SERVICE

The Hon. I. GILFILLAN: I seek leave to make a brief explanation before asking the Minister representing the Minister of Transport a question about the Mount Gambier rail service.

Leave granted.

The Hon. I. GILFILLAN: On 10 March this year the Minister of Transport (Hon. Frank Blevins) wrote to the Mayor of Mount Gambier (Mr Don McDonnell) informing him that the State Government had withdrawn its opposition to the closure of the Blue Lake service, in other words,

accepting that it would be closed. In the letter Mr Blevins wrote:

> . . . in the Prime Minister's economic statement it was made clear that South Australia was being offered $115 million to standardise the Adelaide-Melbourne rail link . . . given the disruption to services that will be caused during construction of the Adelaide-Melbourne rail link and the longer-term implications for the broad gauge network, it is impractical to insist on adherence to the arbitrator's decision.

The arbitrator's decision to which the Minister refers is that handed down in July last year with the backing of the State Government, which called on the Federal Government and Australian National to reinstate the Blue Lake service. The Minister adds in the letter:

> . . . accordingly, I wish to advise that the South Australian Government has reluctantly withdrawn its opposition to the closure of the Blue Lake passenger train.

However, 11 days later (on 21 March) the Premier, Mr Bannon, wrote to Mr McDonnell stating:

> . . . I have not yet heard any rumours to the effect that Australian National and the Commonwealth Government intend to close the Mount Gambier line.

The Premier closes his letter by stating that:

> . . . when the scope of the main line standardisation is determined, the options for service to Mount Gambier will become clearer.

I remind the Council that the Premier wrote this letter 11 days after the Minister had written to the same Mayor saying that the Government had accepted that the line would be closed. Obviously, the options for service to Mount Gambier have become clearer to the Minister of Transport than to the Premier. The Minister of Transport has already withdrawn Government support for the reinstating of the Blue Lake service, while the Premier is keeping options open until the full scope of the standardisation project becomes clear. My questions to the Minister are:

1. Did the Premier authorise the Minister of Transport to withdraw Government support for the reinstatement of the Blue Lake service and, if so, when?

2. If not, can the Minster disclose who made the decision to withdraw Government support and why?

3. Can the Minister explain the 11 day discrepancy between the letters to Mr McDonnell over the future of rail services to Mount Gambier and, if not, why not?

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

STTARS ACCOMMODATION

The Hon. BERNICE PFITZNER: I seek leave to make a brief explanation before asking the Minister representing the Minister of Health a question about Survivors of Trauma and Torture Assistance and Rehabilitation Services (STTARS).

Leave granted.

The Hon. BERNICE PFITZNER: In June last year (nine months ago) the Minister of Health, with great media fanfare and display of goodwill and understanding, promised to support STTARS by way of funding for a director and for accommodation. I understand that accommodation has not been provided and that STTARS still shares the congested premises with the Indo-Chinese Refugees Association (ICRA) at Pennington. Possible options for accommodation have been indicated to the STTARS staff, but no follow-up conclusion has been reached.

I understand that there is a building in Port Adelaide that was previously occupied by FACS that is only partially used by the Hillcrest Outreach team. This building appears to be available on a share basis with that team. STTARS has counselled 50 clients to date, mainly from El Salvador, and these clients were not receiving help from any other agencies. My questions to the Minister are:

1. When will STTARS have a suitable place to work from?

2. Will the Minister look into the availability of the accommodation at Port Adelaide?

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

PASTORAL LAND

The Hon. PETER DUNN: I seek leave to make a brief explanation prior to asking the Minister representing the Minister of Lands a question on public access to pastoral lands.

Leave granted.

The Hon. PETER DUNN: There is some conflict regarding pastoralists' liability to members of the public when they are travelling on the pastoralists' land. Several years ago, the Pastoral Land Management and Conservation Act was changed and, since then, this area has become most unclear. In a letter, the Acting Crown Solicitor says:

> A public access route under the Pastoral Land Management and Conservation Act is a statutory creation which has some, but not all, of the legal ramifications of a public road. Once a public access route is declared, the lessee's rights under a pastoral lease over the land comprising the route cease, and the care, control and management of the route is vested in the Minister. However, the Minister is not obliged to maintain the route: see section 45 (9) of the Act. The lessee of land over which a route is declared is not obliged to keep stock off the route and may use it for the purpose of droving stock (section 45 (11)).
>
> If the lessee considers that a route has (*inter alia*) become unsafe for public use, the lessee may apply to the board under section 45 (7) of the Act for the temporary closure of a route or part of a route. While the Minister has no obligation to maintain a route she may, if she is of the opinion that an access route has suffered considerable damage as a result of it being used by members of the public, contribute towards the repair or maintenance of the route (section 45 (10)).

He goes on to say:

> The provisions of section 45 as to the maintenance of public access routes are, I consider, somewhat puzzling and contradictory, but in making what sense I can of them I have reached the following conclusions.

He then goes on to explain the matter of funding. Further, he says:

> I am unable to 'define' the extent of the duty, and therefore the extent of the potential liability of a lessee in any more specific terms, as that is entirely dependent upon the application of the general principles of the tort of negligence to the circumstances of a particular case. In some cases, it might be prudent for a lessee to erect signs warning users of a route of a hazard which may be created as a result of work done by the lessee on the track which results in a dangerous condition which cannot reasonably be avoided.
>
> However, where the danger is ongoing, reasonable steps may be required to ensure that any such sign remains in an appropriate position and is clearly visible. It is apparent from the remarks I have made that I consider that there is a case for reviewing the provisions of the Act in relation to public access routes to define more clearly what rights and obligations a lessee may have in connection with the maintenance and repair of such routes.
>
> Given that no assurance can or should be given that a lessee could not be liable for hazards created by repair or maintenance works done by the lessee on a public access route, I do not consider that your department or the board should presume to advise lessees as to the potential extent of their civil liability beyond suggesting that they take up the issue with their own solicitors and public liability insurers.

Given the huge distances and the length of roads in that pastoral area, that is a very unclear definition of the liability for those pastoralists. Will the Minister consider an amend-

ment to the Pastoral Land Management and Conservation Act to make more clear a lessee's liability for the public when travelling on roads under their care?

The Hon. ANNE LEVY: I will refer the honourable member's question to my colleague in another place and bring back a reply.

EDUCATION DEPARTMENT RESPONSIBILITIES

The Hon. M.J. ELLIOTT: I seek leave to make a brief explanation before asking the Minister representing the Minister of Education a question about Education Department responsibilities.

Leave granted.

The Hon. M.J. ELLIOTT: The lead article in today's *Advertiser* entitled 'SA's hungry children' deserves the attention of this Council. As a teacher with nine years experience I have often been angered by attacks on our schools and school teachers by vested interests, by the ignorant, sometimes by a combination of both, and by political opportunists, often from the Opposition.

The article in the *Advertiser* notes that there are many schools where as many as three or four children in a class arrive each day hungry. I know from my experience and conversations with many teachers and principals—in fact, I have had meetings over recent weeks with a number of schools—that the number of children arriving each day hungry is only the tip of the iceberg in terms of the problems facing teachers in the classroom.

There is no doubt that most teachers would like to arrive at school at the beginning of the day, stand in front of the class and pass on the information that the children gratefully receive. Some people simplistically think that there are sometimes problem children and that teachers need more discipline in their classes; otherwise, they can get on with their job. In the real world teachers will tell us that they have children arriving each day who are hungry. They arrive each day from situations of violence and with many problems well beyond a burning desire simply to learn. There is no doubt that teachers, because they are committed to their children, end up having to address many of those other problems before they can address the educational problems. Teachers, particularly, but not solely, in the Government schools, do not have the option of throwing a child out, because the public schools have to accept all children and they accept responsibility for them.

The Education Act refers only to matters of education, but in the real world teachers are required to carry out many other tasks. There are attempts by schools in some areas—I know there is one cluster in the northern suburbs—which are trying to coordinate with other Government departments, but it is happening of their own volition at this stage, to try to act as coordinators in solving the problems of many of these children. There are some who suggest that we need more radical solutions, which perhaps we would rather not have but which are necessary. My questions are as follows:

First, does the Minister agree that there may be a need to redefine the Education Act, recognising that schools in reality have responsibilities beyond those simply of teaching our children?

Secondly, does the Minister recognise that there is a need to direct greater resources to schools to carry out functions that they do perform beyond the simple education of our children?

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

ROTAVIRUS PROJECT

The Hon. J.C. IRWIN: I seek leave to make a brief explanation before asking the Minister representing the Minister of Agriculture a question on the Rotavirus project.

Leave granted.

The Hon. J.C. IRWIN: In 1989 the State Government, through the Department of Agriculture, decided to establish a project which would develop and commercialise research conducted in South Australia. Northfield Laboratories (Rotavirus) was registered in 1990 and adopted the following mission statement:

> The project is committed to preventing the death, discomfort and suffering caused by diarrhoeal and other diseases in humans by offering products that provide passive immunity to those who are at risk.

The Department of Agriculture states:

> It is recognised that a project of this nature requires resources with marketing and distribution expertise from around the world so that the project can reach all corners of the globe. With this in mind, the board is negotiating with overseas interests seeking further investment in the project.

In 1990-91 I note that $68 700 was granted for consultancies for the Rotavirus project and in 1991-92 further consultancies added another $19 500. My questions are as follows:

1. How much has been spent so far on the Rotavirus project, including the consultancy fees?

2. Has the Government been successful in obtaining overseas financial assistance for this project; and, if so, how much assistance has been obtained?

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

BRIGHTON-GLENELG COMMUNITY CENTRE

The Hon. M.J. ELLIOTT: I believe that the Minister of Tourism has an answer to a question that I asked on 14 November in relation to the Brighton-Glenelg Community Centre.

The Hon. BARBARA WIESE: In response to the honourable member's questions the Minister of Public Works has advised that:

1. No decision has been made on the future of this site. The property is being jointly reviewed by SACON in the context of its asset audit program to ensure utilisation is being optimised in terms of its value, and FACS in the context of its service delivery program. A report from the working party is expected in April 1992 which will address the issue of accommodation for the groups which use the site.

2. The Government is committed to a process of community consultation and in this case has set up a working party with representatives selected to ensure all views will be reflected in the final report. Representatives have been nominated from both local councils, user groups and State Government which the Minister of Public Works believes to be a proper balance.

The actual number of six members which was originally proposed has not changed. What happened at the first meeting was that many of the 60 user groups mentioned in the honourable member's question requested individual representation on the working party which could have created an administratively impossible situation. At one stage 13 persons were seeking membership which set precedents for the number to grow even further.

3. The site is valued at around $3.7 million with no income and a high maintenance cost. This fact simply triggered a priority for detailed audit. The issue of community services is being considered by FACS as an important part of the review process and will be addressed within the final report.

TOURISM BOOKLET

The Hon. DIANA LAIDLAW: I seek leave to make an explanation before asking the Minister of Tourism a question about the booklet 'Your Guide to Adelaide'.

Leave granted.

The Hon. DIANA LAIDLAW: A visitor to Adelaide has provided me with a copy of the booklet 'Your Guide to Adelaide and Attractions' covering the period 4 April 1992 to 17 April.

The Hon. R.J. Ritson interjecting:

The Hon. DIANA LAIDLAW: No, I will leave the escort agencies alone. My concern and that of the visitor who gave this booklet to me relates to the fact that the South Australian Government Travel Centre is still noted as being located at 18 King William Street. As the Minister would well know, the Government Travel Centre has not been located there for some four months. The visitor to Adelaide thought that, in terms of the presentation of tourism in this State, it was unacceptable that that change of location had not been recorded.

It is important to note that the only city street map within this booklet is the one that refers to the South Australian Government Travel Centre at 18 King William Street. Of course, thousands of copies of this booklet are distributed throughout the Adelaide metropolitan area and it is popular with visitors to this city. I am not sure why, after four months, the publishers of this booklet or Tourism South Australia have not corrected the error, but my question to the Minister is, as a service to visitors to this State and in terms of presenting a positive and professional profile for tourism in this State, will she undertake to ensure that TSA informs the publishers of this booklet that some four months ago the Travel Centre moved to a new location?

The Hon. BARBARA WIESE: The publication to which the honourable member refers is a private publication. The publishers of that publication are quite aware of this situation with regard to the Travel Centre and I suggest that, if she has a concern about the content of their publication, she contacts them herself.

MINISTER OF TOURISM

The Hon. L.H. DAVIS: I seek leave to make an explanation before asking the Attorney-General a question about an independent inquiry.

Leave granted.

The Hon. L.H. DAVIS: The Minister of Tourism has made a number of public statements over the weekend and since the weekend about her position in relation to an independent inquiry into conflict of interest issues involving the Minister. In the *Advertiser* yesterday she is reported as saying:

> If the terms of reference are such that it is desirable for me to stand aside, I would consider it.

This statement undermines the authority of the Premier, who surely has the sole responsibility for deciding such matters. However, I am advised that, such is the disarray within the Government on this matter, deals are being made all over the place. In order to seek some clarification of precisely who is running the Government at the moment, I ask the Attorney-General three questions. First, will he agree that it is the Premier and the Premier alone who must decide whether the Minister stands aside during this inquiry? Secondly, will he agree that the terms of reference must be sufficiently wide to cover all the matters raised in this Parliament during the past 3½ weeks? Finally, will he also agree that the Opposition and the Australian Democrats should be consulted before details of the independent inquiry are finalised?

The Hon. C.J. SUMNER: Mr President, this is a re-run of the questions asked by the Hon. Mr Griffin. I have already indicated that I am aware of the matters raised by members opposite and by the Australian Democrats, particularly what they have put forward as terms of reference for any inquiry, and I will take those into consideration in advising the Government about this matter. I see no need to consult them further unless they have anything further that they wish to put to me about the terms of reference, and I have already invited the Hon. Mr Griffin—

The Hon. M.J. Elliott: Can't we see them before you announce them?

The Hon. C.J. SUMNER: I have already invited the Hon. Mr Griffin, if he wants to, to submit names to me of people—

Members interjecting:

The PRESIDENT: Order!

The Hon. C.J. SUMNER: —whom he considers might be appropriate to conduct the inquiry. I am aware of what members want. It is now up to the Government to determine the terms of reference of any inquiry. That is what we intend to do. It seems to me that there is little point in consulting further with members opposite. However, if they wish to put certain things to me about the terms of reference, I am quite happy to receive their submissions on that topic.

Obviously, the terms of reference will need to deal with the principal issues raised during the past three weeks and I would anticipate that that will be the case. As to whether or not the Minister should stand aside, that is a matter between the Premier and the Minister.

The Hon. R.I. Lucas: It is the Premier's decision.

The Hon. C.J. SUMNER: It is not necessarily the Premier's decision. It is principally—

The Hon. R.I. Lucas: Who runs the place?

The PRESIDENT: Order!

Members interjecting:

The PRESIDENT: Order!

The Hon. L.H. Davis interjecting:

The PRESIDENT: Order! The Hon. Mr Davis will come to order. You asked a question—listen to the answer.

The Hon. L.H. Davis: What sort of an Attorney are you?

The PRESIDENT: Order!

The Hon. C.J. SUMNER: A very good one, Mr President. I am sure that the honourable member would acknowledge that.

The Hon. L.H. Davis: You don't want to know much about this though, do you?

The Hon. C.J. SUMNER: Well, I know a lot about this, Mr President.

The Hon. L.H. Davis: You're not saying too much.

The PRESIDENT: Order! The Hon. Mr Davis.

The Hon. C.J. SUMNER: Significantly more than the honourable member, I suggest.

The Hon. R.I. Lucas interjecting:

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

The Hon. C.J. SUMNER: Mr President, the question of whether the Minister should stand aside is a matter for the Premier and the—

The Hon. L.H. Davis: It is not a matter for her, is it?

The Hon. C.J. SUMNER: I think it is a matter for the Premier to discuss with the Minister, which is what I said. I do not see anything wrong about that and it would be appropriate for the Premier to take into account the views of his Cabinet colleagues on the topic as well. That is not unusual. I would have thought that was a matter of good government—

The Hon. L.H. Davis interjecting:

The PRESIDENT: Order! The Hon. Mr Davis has an opportunity to ask his questions in a proper manner. The honourable Attorney-General.

The Hon. C.J. SUMNER: Thank you, Mr President.

Members interjecting:

The PRESIDENT: Order!

The Hon. C.J. SUMNER: That is the situation. I expect that matter to be dealt with in due course.

The Hon. J.C. BURDETT: I seek leave to make a brief explanation before asking the Attorney-General a question on the subject of the independent inquiry.

Leave granted.

The Hon. J.C. BURDETT: The honourable Attorney-General previously indicated that he was inquiring into the matter himself and indicated that material had been delivered to him by people including members of the Opposition and, doubtless, other people concerned. In his ministerial statement this afternoon he said that he would make this material available to the inquiry. Is that all he will do? Does he intend just to make the material which was delivered to him available to the inquiry without comment, or does he intend to make a submission or some comment or have some input personally into the inquiry when it is set up?

The Hon. C.J. SUMNER: What I said is what will happen, namely, that I would make available to the independent inquiry the material that I had been perusing in relation to this matter. At this stage I do not envisage making any submissions to the inquiry. Although it has not been formalised yet, it will be an independent inquiry conducted by a person yet to be selected. It will be for that person to make inquiries and come down with the relevant findings. It is not a matter for me. It may well be that the person appointed might require some comment or assistance, but I do not envisage that to be the case at the present time.

CORONER'S ACT

The Hon. R.J. RITSON: I seek leave to make an explanation before asking the Attorney-General a question about the operation of the Coroner's Act.

Leave granted.

The Hon. R.J. RITSON: Members may recall that an amendment to the Coroner's Act that required the reporting of deaths of people who suffered mental illness or retardation passed this Council but was not proclaimed until recently. The Attorney-General will know that I have been in correspondence with him and other people concerning some objections from nursing home proprietors. Quite frankly, I do not think their objections are fundamental and can be overcome within the operation of the Act virtually as it stands. I do not wish to canvass further that point, but it is a practical matter as to what happens when reports are made pursuant to this Act that I wish to take up.

A senior professional who contacted me recently indicated there was not much of a problem when reports were made during hours in which the Coroner's regular staff were available. When people who understand the common practices deal with these matters, the undertaker simply takes away the body and is informed that no death certificate will be forthcoming. The undertaker cannot do anything else with the body, but needs to ask the Coroner for a burial order. The Coroner addresses that matter and decides whether or not an autopsy or any other investigation will be required.

When reports are made in the silent hours, they are made to other elements of the Police Force on behalf of the Coroner's regular staff. Perhaps the orders go by radio, but in some cases it has happened that police patrols arrive at the hospital or nursing home in the silent hours with instructions to investigate a death. They would be police personnel with little understanding or experience of working within this jurisdiction. The description given to me was of police officers moving around the wards in the dead of night asking all sorts of irrelevant and slightly officious questions. That is not to be critical of these people but to point out their apparent lack of experience in the coronial jurisdiction—but there are these officious or suspicious questions, to the disturbance of patients.

When discussing this matter with a senior member of the nursing profession, she said there seemed to be a problem with the meaning of the word 'immediately'. I do not have the Act before me, but apparently it is understood by staff to mean 'straightaway with no delay'. My question to the Attorney-General is: will he examine the Act with a view to determining whether reporting in the silent hours is required or whether some reasonable period, such as 48 hours, could be included in the Act? If that high degree of immediacy is not required, it is a matter of educating people regarding the present Act. There is no sensible, practical, scientific, or medical need for anyone not trained in the Coroner's jurisdiction to be running around nursing homes in the silent hours. There is no need for a high degree of immediacy of reporting because, as I say, nothing can be done with the body until approval is received by the undertaker from the Coroner's office, that is, in the absence of a death certificate. Will the Attorney-General address that point?

The Hon. C.J. SUMNER: I will certainly examine it and bring back a reply.

WORKCOVER

The Hon. J.F. STEFANI: I seek leave to make a brief explanation before asking the Attorney-General, representing the Minister of Labour, a question on WorkCover.

Leave granted.

The Hon. J.F. STEFANI: The Workers Rehabilitation and Compensation Act 1986 provides for an independent assessment of injured workers in accordance with section 36 (1) *(c)*. Following the independent assessment, WorkCover can issue a notice to suspend payments in accordance with the provisions of section 37 (3). My questions are:

1. How many notices have been issued by WorkCover under section 36 (1) *(c)* during the financial year ended 30 June 1991?

2. How many of these notices have been *(a)* upheld, *(b)* deferred or *(c)* withdrawn during the same period?

3. In how many cases has WorkCover suspended weekly payments to injured workers as a result of applying the provisions of section 37 (3) of the Act during the financial year ended 30 June 1991?

4. In how many cases due to the suspension notices listed above have payments been either upheld, deferred or withdrawn as a result of appeals by injured workers?

The Hon. C.J. SUMNER: I will refer those questions to my colleague and bring back a reply.

ENTERTAINMENT CENTRE

The Hon. R.I. LUCAS: I seek leave to make a brief explanation before asking the Minister representing the Pre-

mier a question on the subject of the Entertainment Centre and concert goers.

Leave granted.

The Hon. R.I. LUCAS: For some five years I have raised the question of what I consider to be the poor deal suffered by some concert goers in relation to various concerts put on by promoters at various venues in Adelaide. Some five years ago I raised the issue with the then Minister of Consumer Affairs (the Attorney-General) and about two years ago I raised the issue with the current Minister of Consumer Affairs. After highlighting some concerns about the poor deal for concert goers, I asked the Minister whether she was prepared to act as a catalyst in the establishment of a voluntary code of practice for concert goers.

Over the past three months in particular I have received a number of complaints—and various sections of the media have also received a number of complaints—from the public about the way they have been treated at recent concerts at the Adelaide Entertainment Centre. A number of concert goers have complained of paying perhaps $40 or $50 for a ticket only to end up seeing the back of an entertainer's head.

In some cases people who paid $40 or $50 for a ticket were told specifically at the time of purchase of the ticket that the entertainer would perform to the whole of the Entertainment Centre. In such a case the stage would be in the middle of the Entertainment Centre with seating throughout its entire 360 degrees. Tickets are not cheap at $40 or $50 to see some of these entertainers, and some people have been dismayed when they have attended the concert. To quote one particular complaint I have had, the people saw the back side of the entertainer for 90 per cent of the performance and the entertainer performed to their section of the Entertainment Centre for only some 10 per cent of the performance.

As I indicated previously, my personal view—and the view that has been put to me—is that, if people know what they are buying when they buy their ticket, if they know that they will see the back side of the entertainer for 90 per cent of the time and they get their ticket perhaps a little more cheaply, they cannot complain. However, I think that they certainly can and should complain if they have been promised that the entertainer will perform to all the audience but they end up seeing the back side of the entertainer for 90 per cent of the performance.

I have been given another example where people bought the best seats, other than the corporate box seats, at the Adelaide Entertainment Centre for, I think, the Diana Ross concert. They paid extra money for elevated seating. Evidently, when the entertainer and road gang arrived the whole bank of seats was taken out to put in a bank of speakers and a variety of other staging arrangements that that entertainer wanted. The persons who had booked those seats were then moved to a flat area of the Adelaide Entertainment Centre although they had already paid an increased price for what they saw as being a premium ticket to see that performance.

I have received a number of other complaints in relation to people being obscured by speaker banks or other obstructions which have been constructed at the Entertainment Centre for particular performances, with people paying good prices for tickets and not getting a clear view of the performer on the stage. My questions to the Premier are:

1. Will the Premier take up with the management of the Entertainment Centre the specific issues that I have raised and bring back a response to the Parliament as to what the Entertainment Centre can or might do about those complaints?

2. Given the attitude of the current and previous Minister of Consumer Affairs in rejecting my call for action on a voluntary code of ethics for concert promoters, would the Premier be prepared to act as a catalyst for the establishment of a voluntary code of practice with concert promoters as a result of the sorts of complaints that I have been raising?

The Hon. C.J. SUMNER: I will refer the questions to the Premier and bring back a reply.

COORONG BEACH

The Hon. J.C. BURDETT: Has the Minister for the Arts and Cultural Heritage a reply to a question I asked on 19 February about the Coorong beach?

The Hon. ANNE LEVY: My colleague the Minister of Lands has advised that the proclamation which gazetted the Coorong beach as part of the Coorong National Park was made by the Governor pursuant to section 28 of the National Parks and Wildlife Act. Unless otherwise reserved by proclamation, land between high and low water marks is unalienated Crown land under the control of the Minister of Lands pursuant to the Crown Lands Act.

CARBON MONOXIDE PROTECTION

The Hon. BERNICE PFITZNER: Has the Attorney-General a reply to a question I asked on 19 February about carbon monoxide protection?

The Hon. C.J. SUMNER: I have the answer, and I seek leave to have it inserted in *Hansard* without my reading it.

Leave granted.

The Minister of Labour has provided the following response:

1. During January the South Australian Occupational Health and Safety Commission issued for public comment the new draft consolidated regulations under the Occupational Health, Safety and Welfare Act 1986. In the draft, there is specific reference to the hazards associated with the use of forklift trucks and the side note in the draft refers, among other things, to the potential dangers of the build-up of fumes. It is intended that a guidance note (characteristic of hazard specific regulations) will be provided with the regulations; meanwhile the public comment period closes on 22 May 1992.

Following the incident at Raptis in July 1991, the Department of Labour urgently contacted all providers of forklift training to advise them to lay emphasis on the dangers of carbon monoxide. The department also updated its informational handout in its 'Safeguards' series to make particular mention of the need for good ventilation.

2. In the process of finalising the new regulations in this area and in guidance notes associated with those regulations, account will be taken of issues such as the use of carbon monoxide alarms in appropriate situations and the avoidance of fume generation by the use of electrically operated forklift trucks instead of internal combustion powered types. Other matters, such as ventilation and exhaust facilities, will also be addressed.

It should be noted that the inclusion of prescriptive requirements in regulations, apart from being extremely difficult to define exactly when you must have an alarm, would be contrary to the approach taken towards all of the regulations; if, after assessment, a hazard potential is found to exist in a workplace, the control measures implemented should begin from the point of preventing the hazard from arising—the use of alarms does not achieve this goal.

STA SECURITY

The Hon. DIANA LAIDLAW: I seek leave to make an explanation before asking the Minister representing the Minister of Transport a question about security on STA services.

Leave granted.

The Hon. DIANA LAIDLAW: Last month the State Transport Authority brought in a private security firm to help curb the unruly behaviour of a gang of youths at Modbury who were spitting at bus drivers and passengers and making threats against them. The firm, PD Security, deployed both security officers and dogs to help it in its mission on this occasion. The commissioning of the security company was in addition to STA Transit Squad personnel.

Subsequently, I have learnt that the STA has used PD Security from time to time over the past 18 months to patrol STA bus depots and to support Transit Squad officers along bus and train routes. This move is interesting, because when I called for such an initiative 18 months ago following Queensland Rail's success in curbing vandalism by using private security officers and dogs, the Minister of Transport publicly scorned the idea as provocative, unnecessary and anti-union. In a radio interview he said that the replacement of guards by transit officers would be sufficient to address the security problems for drivers and passengers. I ask the Minister:

1. On how many occasions and at what cost has the STA used PD Security staff over the past 18 months to patrol bus depots and support Transit Squad officers along bus and train routes?

2. Since the Minister of Emergency Services last week (I think) rejected an offer by a private security firm to relieve police of the responsibility for policing speed cameras, what arrangements has the Minister or the STA reached with Transit Squad officers in respect to the continuing employment of private security personnel to either supplement the role of Transit Squad officers or to assume a greater proportion of the duties currently undertaken by Transit Squad officers?

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

LAND TAX

The Hon. L.H. DAVIS: I seek leave to make a brief explanation before asking the Attorney-General, representing the Treasurer, a question about land tax.

Leave granted.

The Hon. L.H. DAVIS: A constituent who has two blocks of land at Mount Lofty has advised me that the assessment for these two blocks has increased over the past 12 months from $385 a block in 1991 to $985 a block in 1992—an increase of 156 per cent—even though the site value for each block has increased only marginally from $150 000 to $190 000. As he says, it is a 156 per cent increase in a depression year with inflation running at around 2 per cent. This constituent is clearly outraged at this exceptionally large increase in land tax. Can the Attorney-General bring back a reply to justify how there can be such a savage increase in land tax when there has been such a modest increase in site value?

The Hon. C.J. SUMNER: I will refer the question and bring back a reply.

GOVERNMENT MOTOR VEHICLES

The Hon. J.F. STEFANI: Has the Minister for the Arts and Cultural Heritage an answer to a question I asked on 7 April?

The Hon. ANNE LEVY: Government vehicle registered number VQB 466 was on short-term hire from State Fleet to the Adelaide Festival of Arts for use in connection with 1992 festival activities. The driver was a senior festival official who was required to attend numerous festival activities and performances on a daily basis, and the vehicle was hired for this purpose. On the date indicated, the individual concerned and his wife were travelling to a festival-related function. The festival had concluded on the previous day; however, many festival duties continued during the following week. The use of this vehicle was appropriate in the circumstances.

PACIFIC SCHOOL GAMES

The Hon. R.I. LUCAS: I seek leave to make a brief explanation before asking the Minister representing the Minister of Education a question about the Pacific School Games.

Leave granted.

The Hon. R.I. LUCAS: Last week in Darwin the Pacific School Games were held, to which South Australian schools sent a number of competitors. In Darwin last week 3 000 children were competing, ranging from the lower primary grades through the higher years to year 12. Twenty nations, States and Territories throughout Australia took part in the week-long games, as well as combined teams from Europe and teams from Russia, China, New Zealand, the Philippines, Singapore and New Guinea. I was pleased to hear that the South Australian team won six gold, 10 silver and 13 bronze medals in athletics events, and picked up one silver and two bronze medals in swimming. I might note that there has been little publicity about these excellent achievements by young competitors from South Australian schools.

I understand that the Minister of Education for the Northern Territory (Mr Shane Stone) has claimed that the Pacific School Games were the biggest sporting event since the Commonwealth Games in Brisbane a few years ago, yet no other Minister of Education attended those games. He further noted that, from an economic viewpoint, the games injected between $3 million and $5 million into the Northern Territory economy. As you, Mr President, and many other members would know, there has been controversy about the Bannon Government's policy in relation to junior school sport, controversy as to the changes that have been introduced into our schools and, in the past 12 months, much controversy that the Bannon Government has banned any future interstate competitive sport by schools and by schoolchildren.

The Hon. Anne Levy: Under a certain age.

The Hon. R.I. LUCAS: The honourable Minister says 'under a certain age'. We are talking about all primary school aged children not competing in interstate sport, which, of course, means our primary school children up to year 7, to the ages 12 and 13 at the moment. My questions to the Minister are:

1. What support was given to the South Australian competitors to assist them in competing at the most recent games?

2. Will the Minister confirm that it is still Government policy that South Australia will not in future send any teams to events similar to the Pacific School Games and, if so, why?

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

REAL PROPERTY (TRANSFER OF ALLOTMENTS) AMENDMENT BILL

Second reading.

The Hon. ANNE LEVY (Minister for Local Government Relations): 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

On 29 January 1992 the Government placed on public exhibition the Mount Lofty Ranges Management Plan which is the culmination of more than four years work by State Government Agencies and Local Government.

The Mount Lofty Ranges are a critical area for all South Australians, being an important natural resource area for conservation of native flora and fauna, and scenic beauty the source of a substantial part of the water supply for metropolitan Adelaide and Mount Lofty Ranges residents; and the majority of the best primary production land in the State.

In seeking to manage the difficult issues of protecting the public water supply and the opportunity for the continuation of primary production, the Government has sought to use not only the traditional planning controls over development activities, but to provide an active scheme which benefits those landowners whose opportunities are constrained by the development controls.

This scheme has been referred to throughout the Mount Lofty Ranges Review as the 'transferable title rights' scheme, and was first canvassed publicly in the Mount Lofty Ranges Review consultative management plan released in March 1989.

The scheme has always envisaged that where the opportunity to undertake development on allotments of land was constrained through planning controls, there would be created a 'right', which while intangible could be represented by a certificate and transferred to another landowner who would need to have such a 'right' in order to undertake particular kinds of development. Such an arrangement is novel in Australia, although it has some parallels with the transferable floor area scheme applying to heritage listed building sites in the city of Adelaide.

In releasing the Mount Lofty Ranges Management Plan the government announced that there would be no further division of rural land to create additional rural allotments in the Mount Lofty Ranges. The Government also announced, that within the rural areas of the water supply protection zone, landowners whose tenement holdings comprised two or more allotments as at 14 September 1990, when interim development controls were first introduced, would be able to build only one residential dwelling on that tenement.

This policy specifically addressed two particular issues. Firstly, it reduced the opportunity for further expansion of residential living in the rural areas of the water supply protection zone. Secondly, it limited the opportunity for fragmentation of rural land into smaller tenements, each generally used for some form of 'hobby' farming rather than optimising fully the benefits to be derived through primary production from the most productive and best available land.

Through the Mount Lofty Ranges Management Plan the Government has proposed that the owners of multiple allotment tenements within the water supply protection zone will, by amalgamation of their existing allotments, be able to retain the use of their land and at the same time create amalgamation units for allocation to other areas, for the system to operate equitably, a market must be created.

In releasing the Management Plan the Government proposed a wide ranging set of circumstances in which amalgamation units would need to be cancelled in order to register plans of division creating new allotments.

There is general acceptance that more stringent policies are required in the Mount Lofty Ranges Water Protection Area than outside that area.

There is general acceptance that there should be no further subdivision of rural land, and that where rural land has already been divided, there should be an incentive based approach to its aggregation into larger parcels.

There is general acceptance that there should be constraints on further residential and urban development in the Mount Lofty Ranges Water Protection area, particularly in those parts of the area which have a high average annual rainfall.

There is general acceptance that residential development on existing allotments of rural land leads eventually to fragmentation of rural enterprises and sub-optimal or non-agricultural use of the land, often beyond its capability.

The creation of new allotments involves the division of land and the Bill encompasses within the meaning of 'division' the division of land by strata plan. Possession of an amalgamation unit does not provide an as of right opportunity to create an additional allotment. The division of land is still subject to the consent of the relevant planning authority in accordance with the planning criteria contained in the Development Plan.

The Bill creates the necessary head powers for the operation of the transferable allotment system. The specification of the areas of the Mount Lofty Ranges within which amalgamation units can be created, and where they will be required to be cancelled in order for new allotments to be created, will be contained in regulations.

The transferable allotment system will be administered by the Registrar-General and will not impose additional costs on local Government.

There will be a new fee of $5 for the issue of a certificate of amalgamation units created, otherwise the fees remain as they presently are for dealings in land.

The passage of this Bill will open up a new and important tool in the range of measures available for land management in the Mount Lofty Ranges.

The provisions of the Bill are as follows:

Clauses 1 and 2 are formal.

Clause 3 amends the interpretation provision for Part XIXAB. Paragraph *(a)* defines 'the Mount Lofty Ranges' and paragraph *(b)* defines what is meant by 'contiguous'.

Clause 4 requires that the Commission's certificate of approval under section 223*lg* must specify the number of amalgamation units to be allocated to the division and the date on which the application for planning authorisation was made. All applications for planning authorisation to councils are made through the Commission and this date will therefore be known by the Commission. The purpose of this provision is to ensure that the Registrar-General has the information that he will need to administer new Division IVA.

Clause 5 corrects a minor error in section 223*ll* of the principal Act.

Clause 6 inserts new Division IVA into Part XIXAB of the principal Act. The new provisions apply to division of land under Part XIXAB and by strata plan under the Strata Titles Act 1988. New section 223*llb* enables the making of regulations preventing division of land in parts of the Mount Lofty Ranges unless amalgamation units have been allocated to the division. The regulations will apply to division if the application for planning authorisation under the Planning Act 1982 or the application for approval to the Commission or a council under the Strata Titles Act 1988 was made on or after 29 January 1992. The regulations will bind the Crown unless otherwise provided. New section 223*llc* provides for the creation of amalgamation units by amalgamation of allotments in parts of the Mount Lofty Ranges specified by regulation. The term 'amalgamation units' has been used in preference to 'transferable title rights'. The latter term may be confused with title to land which is a transferable title right. Section 223*lld* deals with the right to allocated amalgamation units to a division. It should be remembered that it is the right to allocate an amalgamation unit that is of value and which vests initially in the applicant for amalgamation. The amalgamation unit itself is not vested in anyone. The right of allocation can be transferred and can pass on death or bankruptcy like any other property. Subsection (2) of section 223*lld* enhances the value of a mortgage or encumbrance over land that is amalgamated by providing that the right to allocate the amalgamation units is charged with the amount secured by the mortgage or encumbrance. The provision only applies in respect of mortgages or encumbrances registered before 29 January 1992. Section 223*lle* enables a person entitled to a right to allocate an amalgamation unit to charge the right as security for the payment of a debt. Section 223*llf* deals with allocation of an amalgamation unit to a proposed division. The memorandum of allocation should be lodged with the Registrar-General when the application for deposit of the plan of division or strata plan is lodged. If for some reason deposit of the plan is not to proceed the Registrar-General must revive the right of allocation by issuing the appropriate certificate. Section 223*llg* provides that a right of allocation that is subject to a charge cannot be dealt with without the consent of the person entitled to the charge. Section 223*llh* provides a power of sale of a right of allocation that is subject to a charge in favour of the person entitled to the charge. Section 223*lli* provides for discharge of charges and section 223*llj* provides for the order of priority of charges. Section 223*llk* provides for a public register of amalgamation units and section 223*lll* provides for forms of documents

and payment of fees. Section 223*llm* provides for exemption from certain fees and stamp duty.

Clause 7 amends section 14 of the Strata Titles Act 1988. This amendment corresponds to subsection (5a) inserted into section 223*lg* of the Real Property Act 1886 by clause 4 of the Bill.

The Hon. DIANA LAIDLAW secured the adjournment of the debate.

GAMING MACHINES BILL

Adjourned debate on second reading.

(Continued from 8 April. Page 4007.)

The Hon. K.T. GRIFFIN: It should be clear to everyone from my previous statements on many occasions that I am opposed to this Bill at all stages. Members will probably recall that I opposed the Casino Bill on the basis that I did not believe it was appropriate to establish a casino. Subsequently, I supported a motion for disallowance of a regulation made under the Casino Bill, which approved gaming machines in the Casino and, although that was not successful, maintained my opposition to gaming machines in the Casino.

Now, further to the consistent approach I have taken to gambling and gaming machines, I oppose this Bill, which allows gaming machines into hotels and licensed clubs. My opposition is not related to questions of investigation into allegations of conflict of interest made in relation to the Minister of Consumer Affairs and of Tourism: my opposition is based on a moral position, concern for citizens and the welfare consequences of this legislation, and a sense of public responsibility.

The question of the investigation that has been announced by the Attorney-General is, in my view, peripheral to the main issue of this Bill. I know that some of my colleagues have said that they would not support the second reading of the Bill whilst the question of whether or not there would be an investigation was unresolved, and I will be interested to hear their view in light of the announced proposal for an investigation, even though the terms of reference have not been published and the person to undertake the investigation has not been identified.

I suppose that the interesting question that arises is: even if such an investigation is undertaken, will that be adequate to resolve issues related to this Bill? I suggest that there will be difficulties if, in fact, the investigation establishes that there are conflicts of interest in relation to the Bill. It then raises the question whether there ought to be an even more careful examination of the legislation. But that is to speculate upon what might be the outcome of such an inquiry. I think that it is an important issue to address at this stage of the Bill.

Some people in the community are unconcerned about the extension of gambling opportunities. They also suggest that members of Parliament should not stand in the way of allowing people to exercise their own decision in relation to gambling and other personal behaviour; in other words, 'Let it rip—anything goes.' However, as a member of Parliament, I take the view that I have the responsibility to represent the views of a very large number of members in the community, to put an alternative point of view to exercise what I see as my responsibility to reflect upon these sorts of issues that come before us, and to make a judgment as to what I see is in the best interests of the community.

Some may assert that that is a patronising attitude. I suggest that that is not so and that it is a question of exercising responsibility because, if members of Parliament who are elected to do a job do not exercise responsibility and judgment, we may as well all go home and allow anarchy to reign supreme. If some members of the community do not like the decisions which members of Parliament take, they can say so. They can say so either in the public arena through the media or in other forums, or they can say so at an election. But it is quite wrong to suggest that members of Parliament ought not to have a point of view on issues such as this and to adopt an attitude of protecting the community or otherwise dealing with an issue which is before the Parliament, having in view the interests of the community.

I suppose the same argument can be raised in relation to pornography—and members will know, as will the community, that I take a very strong view that is opposed to the ready availability of that sort of material. Whilst some will suggest that that is a censorious attitude, that people ought to be allowed to see and read what they like, I take a contrary point of view, because I see that it has some detrimental consequences for members of the community and can have unreasonable and improper influences upon the community and community standards.

In relation to this Bill, the issue initially must be the appropriateness of gaming machines being easily and readily accessible to the community. I will deal generally with those issues. If the Bill passes the second reading, I will consider moving a substantial number of amendments with a view to what I would regard as improving the Bill. Having considered the Bill in Committee—if it gets that far—I will oppose the third reading.

Gambling is a big business in South Australia. Governments flourish on it. Those who are providing gambling opportunities, generally speaking, will always win: the losers will be those who participate in the gambling activity, apart, of course, from the occasional payout to lucky individuals. It is important to recognise that in the 1990-91 financial year projected gambling turnover in South Australia was more than $970 million: the TAB, $493 million; bookmakers, $135 million; the Lotteries Commission, $237 million; and small lotteries about $90 million.

The Hon. R.J. Ritson: It's bigger than the education budget.

The Hon. K.T. GRIFFIN: Well, bigger than the education budget, but only half the loss last year of the State Bank. The revenue to Government—

The Hon. R.I. Lucas: That puts it into perspective.

The Hon. K.T. GRIFFIN: That puts it into perspective, as my colleague the Hon. Mr Lucas has interjected, and I think it is an appropriate context. But, to counter that, one should recognise that in 1990-91 the actual revenue to Government was $122 million and, in 1991-92, budgeted income to Government from all forms of gambling in South Australia was $143 million.

The Premier was opposed to poker machines until last year. Then the State Bank losses hit the budget, and now the Premier sees before his eyes something like $50 million of revenue from the introduction of gaming machines in licensed premises, something which will go only a small way towards paying the interest bill on the State Bank losses. It is quite incredible that, after years of opposition to gaming machines, the Premier should do an abrupt about face, all for the sake of something like $50 million. He can see the political consequences of a budget which will be disastrous if it does not have income to supplement it from this sources.

In other words, the Premier has sold out his principles in return for money—some may say 50 million pieces of silver. There has been lobbying by the licensed clubs and

hotel industry to allow gaming machines, particularly in view of the installation of the machines in the Casino. Also, the viability of the industry is at crisis point.

The Hon. R.J. Ritson: If the Government takes the pieces of silver, will it hang itself for it?

The Hon. K.T. GRIFFIN: I suspect that the Government has already hanged itself and that the pieces of silver are merely incidental to the ultimate demise of this Government. I have received a number of representations, as have other members, from various groups in the community in relation to the viability of the hotel and club industry. One of the letters, from the Hindley Parkroyal, states:

> It is quite clear that the introduction of gaming machines for hotels and licensed clubs will stimulate the South Australian economy. The taxes that the State Government will accrue will be substantial. The multiplier effect of increased liquor sales in hotels and clubs will further increase the State taxes by way of increased liquor licence fees. There will be a resurgence of trade in hotels and clubs, which will make those businesses more economically viable.

So, from the point of view of that licensed outlet's General Manager, who is the Chairman of the HAJA Residential Hotels Division, it is clear that poker machines are being seen as some form of salvation for the hotel and licensed clubs industry.

In a discussion paper published by the Hotel and Hospitality Industry Association and the Licensed Clubs Association, in July 1991, a couple of months after the Premier announced his abrupt change of attitude towards the issue, it was drawn to the attention of those who were reading it that hotels and clubs are facing increasing pressure which threatens financial viability. It refers to the fact that the introduction of gaming machines in the Adelaide Casino threatens the market share of hotels and clubs. But it does tend to reinforce the view to which I have referred in relation to the Hindley Parkroyal in that gaming machines are seen as a means by which viability can be enhanced. I will give two quotations from that discussion paper. The first reads:

> The hospitality industry in South Australia is a major employer of labour and a significant contributor to the economic health of the State. Many small businesses and associated industries rely on hotels and clubs for their own survival and therefore the viability of the industry must be assured.

In relation to tourism, the submission states:

> However, in many instances the tourism opportunities still remain to be exploited and the industry is addressing means by which it can become more actively involved in order to provide a better service to the public and financial viability for its members. It is expected that an expanded role in the tourism sector, assisted by the introduction of coin operated machines in clubs and hotels, will also have the major spin-off of creating new jobs at a time when many other industries are shedding labour. It is estimated that the introduction of coin operated machines could boost employment by many hundreds of jobs.

That is the theme of the submissions made by those industries. I do not criticise them for that. I can appreciate their concern that the Casino has made some inroads with the introduction of gaming machines, although some of the figures coming from the Casino indicate that that has not been the unqualified success that was proposed when we were considering regulations a year or so ago. However, one can acknowledge that it has had some effect on the hotels and clubs industry. It is recognised that they provide a very important service to the community in terms of food, lodging, entertainment and a social environment which many people find enjoyable and acceptable. I have no criticism of that, either.

Whilst making observations about the focus of the industry, I want to make sure that it is not misunderstood or misrepresented. I have no quarrel with the desire of the hotel and hospitality industry to improve its viability and the facilities that it offers to the public, whether South Australians or people from outside South Australia. However, I do question the drive to improve that viability through gaming machines to the prejudice of many other members of the South Australian community.

The objective of this legislation is to provide more funds to Government and another means by which the viability of hotels and clubs can be achieved. There is widespread concern about this legislation. I think all members would have had a significant number of representations from a wide range of organisations. Apart from the hotel and hospitality industry, I have had representations from members of some clubs, particularly sporting clubs like football and yacht clubs, and from social clubs that they are concerned about the introduction of gaming machines into their facilities, particularly because those clubs are generally family oriented and the premises are generally accessible to children. That is not to say that those clubs will apply for a licence, but it means that there is increased pressure on them to pursue that objective.

Ordinary citizens of South Australia have expressed concern about the influence that it might have on children, particularly young adults who may be at a loose end, either through lack of employment or other reasons. A representative cross-section of views opposed to the introduction of gaming machines into hotels and clubs which are highly accessible to the community, where very little effort will have to be made by citizens to go to those facilities rather than to the Casino, have come from the Heads of Churches, the Adelaide Central Mission, the Salvation Army and the Uniting Church, as well as charities and other associations. It is important that I should reflect upon some of the submissions that have been made.

The statement by the South Australian Heads of Churches in August 1991 unanimously expressed profound concern at the proposed extension of gambling facilities over the entire State at this time of economic crisis. I am not sure that it was particularly relevant, whether at this time of economic crisis or not, although family and other pressures are more intense during such a period. The South Australian Heads of Churches represents 11 denominations, and its statement is as follows:

> Social gambling with alcohol availability will lead to serious cost to the State in terms of domestic breakdown, violence and financial distress. These consequences will especially affect people who are most vulnerable in the present economic situation. We are concerned that the State's economic crisis, pressure from powerful lobbies and the desire to share in the profits of gambling are some of the reasons for the proposed legislation. We express our desire that members of Parliament consider moral factors as they debate and vote on the motion.
>
> We request Parliament to set up an inquiry into the social effects of gambling, in particular in the light of the proposed extension of the law relating to gambling in this State. Such an inquiry was promised by the Premier in 1983 and we call on him to honour that promise prior to a vote being taken on the proposed legislation.
>
> We are concerned about any extension of gambling as a major industry without serious inquiry into the social costs to our State in human terms. When economic gain outweighs social vision, the ethical integrity of our parliamentary representatives is called into question. To pass legislation without careful inquiry into the social effects of gambling and its extension would be irresponsible and ethically wrong.

The Uniting Church, only a week or so ago, made some representations. The Rev. Brian Ball and Ms Virginia Brooker wrote:

> I am aware that the Parliament is considering the introduction of video poker machines into hotels and clubs throughout the State. I am concerned about the negative impact of these machines on the community, particularly those least able to afford to use them. I am concerned that this is, in effect, a form of indirect taxation which will only benefit the owners of clubs and hotels and the Government at the expense of the least affluent in the

community. This is totally unacceptable. It disturbs me that the Government has such little regard for the people it was elected to serve. I therefore urge you to speak against the introduction of these machines into hotels and clubs.

They did not have to do that: I intended to do it, anyway. The Adelaide Central Mission has a very long record of support for disadvantaged persons and persons with personal and social problems. One of its employees, Mr Vin Glenn, along with the Superintendent, Rev. Ivor Bailey, has continually expressed concern about increased accessibility to gambling and the consequences of gambling on the community, either for those who may become compulsive gamblers or their families. In the Adelaide Central Mission report of autumn 1991, the Central Mission counsellor, Vin Glenn, makes some important observations, as follows:

'Staff at the mission's financial counselling service are concerned that compulsive gambling is becoming a major social problem with far-reaching consequences. We estimate that there are thousands of compulsive gamblers in South Australia,' counsellor Vin Glenn explains. 'Their gambling will affect their partner, family and friends. In fact, for every gambler experts suggest that 10 people around them will be negatively affected. That adds up to a large part of the South Australian population. Local experience confirms overseas research in indicating that gambling is a hidden problem, often coming to light only as a result of crisis,' Vin said.

'A compulsive gambler isn't as easy to pick as a compulsive drinker or drug taker,' Vin said. 'There are no physical signs. They are devious and go to astounding lengths to hide their compulsion.

'They will lie to cover up the losses. Excuses such as, "Someone stole my pay packet", are not uncommon,' he said.

'As their situation worsens they risk losing their home or suffering a marriage break-down. And as they need to find more money, fraud and theft become an alternative.'

Counsellors at the Adelaide Central Mission are particularly concerned about the lack of help available for the families of gamblers, as these are often the people who bear the brunt of the problem.

'The family has to deal with the problems of living on a low income, confronting creditors and of course, dealing with the deceit of the gambler.

'One individual lost over $100 000 during a two year period and had a $20 000 credit card debt.

'Money becomes a token to the compulsive gambler. Part of the rehabilitation process is to pay back their debts.

'Gambling is everywhere,' Vin said. 'In local stores, hotels, on the radio and in the newspaper. It is a part of our lifestyle and most people do not over-commit themselves.

'Compulsive gambling is a disease and some people will continue to gamble even if it adversely affects their health, financial position, work or family. They need support from Gamblers Anonymous and professional counselling to control their habit.'

An interesting statistic derived from an extrapolation of figures in relation to a New South Wales survey in 1993 suggests that somewhere in excess of 9 000 South Australians will become compulsive gamblers or persons with a gambling problem if poker machines are introduced in the way proposed by this Bill. Of course, on the figures which Mr Vin Glenn has referred to, that is, 10 likely to be affected by the consequences of gambling for every one person who is directly involved, that means something like 90 000 South Australians could be adversely affected by the consequences of the introduction in South Australia of gaming machines as proposed by the Bill.

In the winter 1991 report of the Adelaide Central Mission Superintendent Reverend Ivor Bailey added to the public comment when he said in a statement:

Gambling has become an insidious part of our society.

The article, which appears in that report continues:

'At the mission, we know the downside of gambling,' he said.

'We counsel teenagers who steal money to play Keno, single parents who spend their pensions at bingo and people who blow their pay packet at the Casino. People of a limited income are inclined to try their chances and gamble.'

Mr Bailey also criticised the corporate cowboys who had gambled—not just with their fortunes but with the livelihood of their employees and shareholders.

'Now the Government seems to be resorting to gambling as a means of financial survival. The fiasco with the State Bank has left the Government badly in debt so they must now turn to gambling to increase revenue. Clubs and pubs can now become mini-casinos, with the Government taking a cut,' Mr Bailey said.

'It's a recipe for disaster, for our children, who will accept gambling as a way of life; for the weak, who can't afford to gamble but do anyway; and for a State which is dependent on gambling as a source of revenue.'

The Salvation Army, which is renowned for its concern for the underdog, the disadvantaged, and others, has also written to members. It indicates its total opposition to the introduction of poker machines in the State of South Australia. It states:

We do this because of our commitment to the physical, psychological and spiritual well-being of the individual as well as the development of a community which values highly the need to care for each other.

It is our belief that any form of gambling is detrimental to both individual and family life causing disruption, hardship and great sadness. It is our view that these will be increased if poker machines are introduced. We believe that this is sufficient reason to prevent the introduction of this form of gambling into South Australia.

It is generally accepted that 'prevention is better than cure', but we simply do not accept the possibility of being able to prevent adverse social effects if poker machines are introduced.

There is evidence to suggest that where the opportunities to increase gambling exist in a community then that community will gamble more of its income.

We would assert that if poker machines are introduced this will produce a substantial increase in the amount of money people spend on gambling and that many of these will be people on fixed incomes who cannot afford it. If they are introduced there will be an increase in family dysfunction and personal dysfunction.

So, that is the view of the Salvation Army. Dr Damian Mead states:

I am writing to request that you vote against the proposed legislation which will allow the introduction of gaming machines into South Australia.

As a medical practitioner working in the inner city, I have daily dealings with many people whose lives have been ruined by pathological gambling. The introduction of gambling machines into this State's hotels and clubs is certain to lead to an increase in the number of people similarly affected. There will follow an increase in the number of families broken up and suffering because of increased gambling.

The proposal to introduce these machines appears to be a cynical exercise in revenue raising which has its own economic cost to the community not as yet taken into account. I have yet to hear any proponent of the Bill consider the long-term cost to the State in terms of social welfare spending on the victims of these machines and their families.

It is difficult to imagine a piece of legislation more likely to create social disintegration.

This piece of legislation has been widely condemned as socially dangerous, morally bankrupt and as an open invitation to organised crime. Furthermore, opinion polls show clearly that the vast majority of South Australians are against the introduction of gambling machines, whatever controls are put in place.

That is just a cross-section of those who have written focusing upon the moral and social consequences of gambling. I must say that, in all the representations I have received, very few have written to suggest that we ought to support this legislation. Certainly, hotels and clubs have taken that view. The Public Service Association wrote in relation to aspects of the Bill but without making a representation as to whether or not the Bill should be passed. An overwhelming number of submissions have been received opposing the Bill. Those who promote the availability of gaming machines in hotels and clubs have not addressed the social issues which have been reflected upon in the sorts of submissions that I have referred to. I think that is a deficiency in their presentation.

Mr President, there is another aspect to this, also, and that relates to the area of charities. If the Bill were to pass,

a number of charitable organisations believe they will be significantly disadvantaged in their fundraising activities by the introduction of gaming machines in hotels and clubs. The Australian Red Cross Society, for example, which has been part of the community in South Australia for 78 years and has provided a wide range of humanitarian services, believes that it will lose something like $150 000 a year.

Small lotteries and bingo are likely to be particularly open to competition. Gambling on these sorts of activities could fall as much as 75 per cent, from $39 per capita to $10 per capita according to the options paper which has been published. The Red Cross cannot afford the loss of a fundraising program worth at least $150 000 a year. It could not continue to afford to run its bingo program. It is concerned not with the moral issues related to this legislation but with the consequences for this charitable organisation of the competition that will come from the introduction of gaming machines. The Surf Life Saving Association makes a similar submission. It states:

Our concerns are specifically related to:

- Increased per capita gambling proposed in the Options Paper $191 increase to $359.
- Huge individual social implications and possible financial hardship to hotels and clubs.
- Understated losses of $5 million to charitable organisations which contribute significantly more to South Australia. We believe up to $20 million.
- No firm commitment by the Options Paper to compensate charities. Clearly the Government cannot offer the same level of cost efficient services.
- A statement in the Options Paper that Foundation South Australia may be appointed to manage any possible charitable compensation. This is totally unacceptable to Surf Life Saving SA.
- The further erosion of available income to the charitable sector against a backdrop of declining Government funding to community organisations.

It is interesting to note that only recently Foundation South Australia indicated that it would have to actually reduce its funding to the sporting and arts communities because of its own downturn in revenue. The Surf Life Saving Association relates to the reduction in funds available to charitable organisations through community activity.

The same has been expressed by the Australian Kidney Foundation. As a member of the Australian Institute of Fundraising, it expresses concern about the proposed introduction of coin operated gaming machines or poker machines into hotels and clubs in South Australia. Again, that is a representation of a number of submissions that members have received in relation to this issue.

One other submission ought to be referred to, because it comes from a group of people who are reputed to be very keen on taking pokies trips to Broken Hill and Mildura, and are likely to be those involved in playing the machines in South Australia, and I refer to the Australian Retired Persons Association SA Inc. Members of that association number approximately 7 500, and the association objects to the proposal to allow poker machines or similar devices to operate in hotels and clubs. Its submission states:

We believe that there is already plenty of opportunity to gamble in South Australia with racecourses, TAB establishments, Lottery Commission products and the variety of games at the Casino.

It is considered that poker machines operating in clubs and hotels would do more harm than good in the community and that the appropriate place for such machines (if indeed they are needed at all in South Australia) is confined to the Casino.

In my view, the observations of that association are quite accurate. There is a significant number of various gambling opportunities available, and easily available, to South Australians without the introduction of gaming machines into clubs and hotels. I want to make a few more observations on this question of vulnerability of the community in the introduction of these machines. The parliamentary select committee, which reported on the Casino proposal in 1982, expressed concern about the vulnerability of some patrons to compulsive gambling and recommended support for a national inquiry into the social and economic consequences of gambling. In an issues paper in relation to the debate on poker machines in 1982 and 1983, the Uniting Church again expressed concern about the introduction of any new form of gambling because it increases the number of people who will become entangled in destructive, compulsive gambling.

The church makes the point that those who advocate such a move must be able to demonstrate that it will bring overwhelming advantages to the whole community in order to justify it in the light of the high cost which will be borne by some. In 1989 Dr Clive Allcock, a psychiatrist who was also President of the National Council on Compulsive Gambling, estimated that 100 000 people in New South Wales were affected by excessive gambling, either from the disease itself or from their association with someone who had it. He makes the observation, to which I have already referred, that poker machines are particularly addictive because they have a very rapid turnover. In August 1990, in a report on the Eighth International Conference on Risk and Gambling, Mr Jim Connolly of Credit Line in New South Wales reported that a conclusion of the conference was:

. . . until Governments legislate to compel the gambling industry to contribute to funding research and treatment services through a percentage of their turnover being channelled into a foundation, the current position will remain.

Mr Connolly said on that occasion that, in Holland, which was one area of his experience, the majority of problems from gamblers seeking treatment were among poker machine players, with a ratio of males 9:1 in the age group 20 to 25 years. He drew attention to the fact that the United States of America continues to lead the field in the research/treatment area, and indicated that there were some 35 hospital-based treatments for gamblers in a country where gambling had been suppressed for many years. In the United States of America, Harrahs—which runs extensive casino facilities—has funded a counselling service for staff and family members with drug, alcohol and gambling problems, setting what is regarded as an important precedent which the South Australian Government has not indicated any preparedness to emulate.

That brings me to the May 1983 commitment of the Premier, when the Adelaide Casino legislation was being considered. In the course of the debate on the private member's Bill which allowed the establishment of the Adelaide Casino, considerable concern had been expressed about the lack of funds being available to support those who were compulsive gamblers and, in particular, their families, in order to avoid hardship, and there was no comprehensive research either on the effects of gambling or the consequences of it. As a result of a proposition which at that stage was moved by one of the Liberal members to dedicate a proportion of the revenue to the State from the Casino to provide research and support on gambling, Mr Groom (the instigator of the private member's Bill for the Casino legislation) made an observation as follows:

I am advised by the Premier that, if the legislation passes, the Government will give, via the Premier, an undertaking that appropriate sums will be expended on research into the effects of gambling on the community.

That has been raised on a number of occasions by me, and all we have is a Premier who is back-pedalling on that issue and is not prepared to acknowledge that it is an important social issue which has significant disastrous consequences for some members of the community, and must be addressed. If the Government will receive $140 million per year from gambling, it ought to be prepared to provide a small pro-

portion of that amount to research gambling and the gambling disease, and to provide support for families.

These are the key issues in this proposition, but when they have been addressed we can then look at issues of safety and security, and the issue of the involvement of organised crime. Before that I want to make one observation in relation to marketing and promotion, because it is really related to the social questions. The Queensland Criminal Justice Commission Report on Gaming Machine Concerns and Regulations proposed that manufacturers should not be permitted to conduct any promotional activity in Queensland licensed establishments, or offer any inducement or make payment for any purpose to any person connected with any Queensland licensed establishment. So, there was a recognition that the suppliers of the machines should not be involved in promotion.

What was disturbing in the Hotel and Hospitality Industry Association's submission was the reference to the need for adequate promotion and marketing. I have the strong view that if this legislation should pass through its second reading and ultimately be enacted in law one of the amendments ought to be related to the prevention of promotion and marketing of the availability of these machines. Only a couple of years ago we saw that rather disastrous advertisement by the Adelaide Casino which sought to encourage interstate people to gamble at the Casino, and as a result of some questions in Parliament it was indicated that the advertisement would not be run again. In my view that was totally undesirable, and steps ought to be taken to prevent the advertising, promotion and marketing of gaming machines if this legislation should pass.

I want now to deal with the issue of organised crime and some of the reports that have been published on this issue, but I will not deal with them in depth because most members are familiar with them. In the Police Commissioner's parliamentary briefing note he draws attention to the fact:

> There has been a historical link between crime figures and the gambling industry. In America this is particularly true of the gaming machine industry. This is also being found to be true in Australia, with notable instances in New South Wales and Queensland, where Sir Terence Lewis was convicted of receiving a $25 000 bribe from a poker machine principal, Mr Jack Rooklyn. This payment was to ensure that Lewis submitted a misleading report on the introduction of poker machines.

The Police Commissioner's minute to the Minister of Emergency Services in February also referred to this, more so in relation to the Casino where, under a heading 'Organised Crime in the Casino', the minute is as follows:

> In addition to the concerns expressed in the above reports there have been instances in this State where family members of organised crime groups attempted to gain employment at the Adelaide Casino. These were identified during the strict antecedent checking process which required fingerprinting and photographing of all applicants.

The Police Commissioner then goes on to talk about a notable example in the case of *R v Secker ex parte Alvaro* and makes the observation:

> There is nothing to suggest that hotels and clubs will not be equally attractive to criminals. It is therefore concluded that all persons required to be licensed under the proposed legislation should be photographed and fingerprinted as part of their application process. There is no other certain way of identifying applicants.

In the Queensland Criminal Justice Commission Report on Gaming Machine Concerns and Regulations there are references to organised crime and general crime, and if I quote one example it will reflect the tenor of that report. It states:

> Historically both in Australia and overseas some manufacturers of gaming machines have often been shown to be linked with syndicated or organised criminal interests. The nature of these links has included patterns of criminal or suspect activity by companies or their principals, disguised ownership by criminal interests, patterns of association with criminal identities and employment of criminal or suspect persons. In addition there is the possibility of organised criminal activity on the periphery of the industry, including involvement in entertainment, security, prostitution and money laundering.

So, there is a concern about criminal elements. I do not make that a key part of my opposition to the legislation because, as I said earlier, I rely on the moral and social aspects of the legislation for my opposition to it, but, if the Bill is to pass obviously we have to consider the sorts of issues raised by the Queensland Criminal Justice Commission and the Police Commissioner.

Having dealt with what I regard as the issues of principle, I turn now to the Bill itself in the event that it should get through the second reading stage. It is interesting to note that in this Bill the penalties for offences focus largely on fines; there is very little reference to imprisonment. The primary area of imprisonment relates to matters of false or misleading statements or bribery and, so far as I am able to find, all other penalties in this legislation are fines. Fines are inadequate to deal with some of the offences. Those who might have some criminal intent in relation to any of the offences created under this legislation would not be deterred by a monetary penalty but would be more likely to be discouraged from illegal behaviour by imprisonment.

The Hon. M.S. Feleppa: Not even 15 years gaol? Not even 15 years is sufficient, you reckon?

The Hon. K.T. GRIFFIN: Fifteen years might be, but there is not much provision for imprisonment in the Bill. What I am saying is that most of these offences provide for only a financial penalty and no imprisonment. A financial penalty is not a deterrent to many of the people who might be likely to commit illegal behaviour, but imprisonment is a deterrent. I suggest that in a number of areas this Bill needs to be strengthened to provide for imprisonment for some offences. For example, in relation to the offence of being unlicensed, a person must not have possession of a gaming machine on any premises, manufacture, sell or supply a gaming machine or a prescribed gaming machine component, sell or supply gaming equipment, install, service or repair a gaming machine or provide a computer-based system for monitoring without being licensed to do so.

The penalty for that is a division 3 fine of $30 000. However, I should have thought that you could equally provide for a division 3 period of imprisonment for seven years rather than just a fine. $30 000 is nothing to people involved in this industry. If they want to manipulate the system, they will pay it, but they have probably made four, five or even more times the amount of the penalty that has been imposed upon them, so they come out in front. There is a range of other offences to which one could refer, such as interference devices. Clause 58 provides:

> A person who manufactures, sells, supplies or has in his or her possession a device designed, adapted or intended to be used for the purpose of interfering with the proper operation of an approved gaming machine or gaming equipment or the proper operation of an approved game in a gaming machine is guilty of an offence.

The penalty is a division 4 fine—$15 000. If someone has a device that can result in manipulation of a machine, there is a fine, but that person may have been able to manipulate a machine so effectively that the fine could be regarded as part of the expenses of the manipulation, and the person comes out way ahead. There is the question of the sealing of gaming machines and the removal of gaming tokens. Clause 60 provides:

> A person other than an authorised officer . . . must not seal any gaming equipment or the computer cabinet or any other part of a gaming machine or break or in any way interfere with any such seal.

I suppose that if you close up a machine it is not as bad as breaking or in any way interfering with the seal, for which

the penalty is a division 6 fine, $4 000. It is quite extraordinary that these minor monetary penalties should be related to these serious offences and imprisonment not be regarded as an option. That is the first weakness in the Bill.

The second weakness, I suggest, is a lack of control over the transfer of ownership of entities that hold licences. There is control over those who are involved in the management or day to day control of an entity such as a company. Clause 19 provides that an applicant must satisfy the Commissioner that the applicant is a fit and proper person to hold the licence and, where the applicant is a body corporate, that each person who occupies the position of authority in the body corporate is a fit and proper person to occupy such a position in a body corporate holding a licence of the class sought in the application.

It seems to me that that does not address the issue of the ownership of the entity. If it is a company, sure; if it is a person who is a director or manager or a person in some other position of authority, then the credentials of that person must be examined by the Commissioner. But it says nothing about shareholders, for example, or, if the company is a nominee company for a trust, it says nothing about the beneficial interests in the trust. Clause 26 provides:

> Where a hotel licence or general facility licence is transferred, any gaming machine licence held by the transferor may, with the consent of the Commissioner, be transferred to the transferee of the hotel or general facility licence, but a gaming machine licence is not otherwise transferable . . . the Commissioner cannot consent to the transfer of a gaming machine licence unless . . . application for consent is made in the prescribed manner and form.

The applicant must satisfy the Commissioner:

> (i) that the applicant is a fit and proper person to hold the licence;
>
> and
>
> (ii) where the applicant is a body corporate, that each person who occupies a position of authority in the body corporate is a fit and proper person to occupy such a position in a body corporate holding such a licence.

It says nothing about the transfer of the shares in the company. It says nothing about the transfer of the units in a unit trust. It says nothing about the person who might ultimately own the beneficial interest in the company and, thus, the licence. It seems that, under this legislation, it can be transferred without any constraint at all, so it is possible for persons of criminal background to put up front people to be the directors and even shareholders but, behind the scenes, they will have the beneficial interest in the operations of a company or a trust and, ultimately, in a licence.

I say that, if this legislation is to pass, that is a serious deficiency in the legislation, because it enables those with criminal backgrounds or of criminal intent to gather the ultimate title interest in this legislation. Clause 22 does not prevent a minor from being a shareholder in a proprietary company that holds a licence, although it does prevent a minor from actually holding the licence. My only other observation in relation to that is that minors legally cannot hold shares, because they do not have the necessary legal capacity to undertake agreements to deal with or to be able to accept those shares.

I suggest that the area of dealing with minors is inadequate. Under clause 15, 'Eligibility criteria', a gaming machine licence wil not be granted unless the applicant satisfies the Commissioner that no proposed gaming machine area is so designed or situated that it would be likely to be a special attraction to minors. I do not care if it is not likely to be a special attraction to minors: the fact is that, if it is accessible to minors, it is improper and unreasonable, because the last thing South Australians want is to have minors running around watching their parents or other people playing these machines and thus learning by example and following that example and, themselves, beginning to participate whether under age or over age. That special provision is very vague and unrealistic, and I would prefer to see that no proposed gaming area should be accessible to minors at all. Of course, that will make it more likely to be controlled by those who might be the licensees.

In terms of employees, there is no provision in the Bill, although I suppose it could be indirectly a condition imposed by the Commissioner that applicants for employment be photographed and fingerprinted. It is obvious from what the Commissioner of Police says that that is essential in identifying those who may work in the industry.

The Law Society has had something to say about the provision in clause 54, which provides:

> If the holder of a gaming machine licence is satisfied that the welfare of a person, or the welfare of a person's dependants, is seriously at risk as a result of the excessive playing of gaming machines by the person, he or she may, by order, bar the person from entering or remaining in the gaming area, or areas, of the premises to which the licence relates.

It is an offence for a person to enter or remain in a gaming area from which he or she has been barred pursuant to this clause.

The clause also provides that the holder of a gaming machine licence may revoke an order made by him or her under this section and that the holder of a gaming machine licence, an approved gaming machine manager or an approved gaming machine employee who suffers or permits a person to enter or remain in a gaming area from which the person has been barred is guilty of an offence. In relation to this issue, the Law Society states:

> In clauses 52 and 53—

I think the society was referring to the Bill as it was originally introduced into the House of Assembly—

> the Bill contains a mechanism whereby excessive gamblers may be barred from gaming areas. I do see, however, substantial problems in their application such that they would be rendered nugatory. Pursuant to clause 52 (2) [which will now be clause 54 (2)] the holder of a gaming machine licence must be satisfied that the welfare of a person, or the welfare of a person's dependants, is seriously at risk as a result of the excessive playing of gaming machines before the licence holder may bar the person from the gaming area.
>
> A number of points need to be made about that subclause. In the first place, although the subclause does not say so, presumably it is directed at excessive gamblers who also lose, but such an interpretation is by no means clear. It could also be directed to excessive gamblers who spend too much time gambling, thereby affecting the welfare of the person or the person's dependants.
>
> Secondly, as observed, the holder of a gaming machine licence needs to be satisfied of certain matters. That is a high standard to reach and, it must be said, it would not be in the interests of the holders of such licences to be so satisfied.
>
> Thirdly, to be 'satisfied' within the meaning of the proposed legislation must involve an element of judgment upon which minds would obviously differ.
>
> Fourthly, in all but a few cases the holder of a gaming machine licence would not have access to the necessary information to make an informed judgment that the welfare of any person is at risk, let alone that it was seriously at risk as the result of the excessive playing of gaming machines. You would have to expect that the person possibly at risk of being barred would deny it.
>
> Fifthly, the clause does not apply if the risk otherwise arises from, say, drinking excessively, gambling at cards, keno, horse racing or greyhounds. The risk must arise from '. . . the excessive playing of gaming machines . . .'
>
> Finally, the clauses only bar the person from that gaming area in the event that the holder of the gaming machine licence entertains the necessary satisfaction. It would be easy for the determined gambler simply to go to other gaming areas on the same premises or, as is more likely, go to quite separate premises.

I have highlighted certain problems with the Bill in its present form, not to be hypercritical—

The Hon. T. Crothers: He gave you a personal opinion as well.

The Hon. K.T. GRIFFIN: That is all right; I'm not arguing about that. The document continues—

> ... but merely to illustrate the difficulties in saving the addict from him or herself.

Really, this document suggests that now clause 54, whilst it is attractive superficially, is largely unworkable and might be regarded as a sop to those who believe that some concern ought to be demonstrated for those who are excessive gamblers.

The only other major issue to which I want to direct remarks is the controversial question of the gaming machine monitoring licence, the conditions for which are set out in the second schedule. I must say that I have not yet resolved my position on that if this Bill gets through the second reading. However, I will make a couple of observations. Whether it is the Lotteries Commission or the Independent Gaming Corporation which is involved in providing monitoring, the duties of the monitor must be clearly spelt out and not left to conditions imposed by the Minister in the second schedule. I suggest that the obligations of the body which is to be awarded the gaming machine monitoring licence are not adequately spelt out and ought to be, and that includes access to the information which is held by the monitor.

The Bill should provide the accessibility of the Casino Supervisory Authority to information and records, to the computing facilities and to all the matters related to monitoring. Specific obligations ought to be placed upon the monitor in relation to the functions to be performed. I do not see that that—whether it is the Lotteries Commission or the Independent Gaming Corporation—has been done adequately.

Also, some control needs to be exercised in relation to the membership of the Independent Gaming Commission, if that is to be the monitor, in much the same way as those who might be licensees of gaming machines not only in relation to the fit and proper status of directors and those in authority but also to those who are the members. As I understand it, it is a company limited by guarantee. Of course, it may be that that is covered, but we need to ensure that its control cannot pass from those who might be approved by the Casino Supervisory Authority to others without the approval of the authority. There also needs to be adequate supervision of the way in which the authority undertakes its work.

There is one other area which needs to be addressed in relation to the Independent Gaming Commission, and that is questions of conflict of interest. It is quite likely that those who are directors and members may have some conflicts of interest that may be dealt with in the articles of association, but it ought to be dealt with in the statute to ensure that, if that body does undertake the monitoring function, it can at all times be beyond reproach.

I am concerned about ensuring that there is adequate supervision and control over those who run gaming machines, that there is no opportunity for any manipulation of the system, malpractice, corruption or intervention of criminal activity and, whilst I recognise that the preferred position of some members is for the Independent Gaming Commission, for others the Lotteries Commission, ultimately whatever course is followed—and I indicate that I have not yet finalised my view on that—even more stringent controls need to be in place than they are at the present time; it should not be left to conditions imposed by the Minister or the supervisory authority but by the legislation. It is interesting to note that in schedule 2 it is the Minister, not the Casino Supervisory Authority, who imposes conditions. That issue needs to be addressed.

In summary, I repeat my opposition to the second reading of this Bill. My intention is to propose substantial amendments in the Committee stage, if it should get that far—and I hope that it does not. If it passes the Committee even with amendments which I might propose, I will oppose the third reading.

The Hon. DIANA LAIDLAW secured the adjournment of the debate.

MFP DEVELOPMENT BILL

In Committee.

Clause 1—'Short title.'

The Hon. C.J. SUMNER: When this matter was before us on the last occasion I outlined the procedure agreed to by the Committee for obtaining answers to questions of a more technical nature. That opportunity has now been afforded to those honourable members who wanted to submit questions. Some 75 questions were raised, principally by the Hon. Mr Elliott and the Hon. Mr Gilfillan, and answers have been prepared to them. They are not listed 1 to 75, but I am advised that the substantive questions and subquestions amount to that number.

Perhaps I could respond in general terms as follows, particularly to the questions raised by the Democrats. I think that they go to the heart of the Democrats concerns. The legislation before Parliament is about setting up the MFP Development Corporation, proposed to be given the responsibility to develop the MFP concept of new businesses and industries. This legislation is fundamentally similar to the Technology Park Corporation established in the 1970s. The urban development proposal is an important part of that concept, but only a part of it, and is subject to the normal procedures under the Planning Act.

The urban development site does have a complex range of issues including soil types, landfill and waste disposal sites. While these issues are real, existing and significant, as fully reported in the Kinhill Delfin Core Site Assessment Report 1991 and the draft EIS by PPK Consulting/CSIRO/Hassels, they affect only a small part, about 20 per cent of the nominated core site. The urban design concept fully accommodates and, in the main, avoids these difficult areas for urban development by using field, forest and other open space features.

Finally, it is the opportunity this area of Adelaide provides to demonstrate environmental management; to clean up and resolve historic poor land care; to clean up the Barker Inlet; to reuse wastes; and to reuse stormwater and sewerage effluent, all brought about by a thoroughly investigated and sensitive urban development.

I would challenge the Democrats not just to raise problems today, for this is all too easy, but to ask themselves how do we go about addressing the issues of this area, and do it in a way that carries most of its cost and, through the effort, benefits South Australia both economically and environmentally.

The issues of contamination, stormwater management, effluent disposal and so on relating to the Gillman and Dry Creek areas are existing and will not go away unless creative and positive initiatives are taken.

The MFP urban development proposal provides us with a creative and positive initiative, one that has been shown by the draft EIS to be possible and one which the State can afford within the framework of urban development in metropolitan Adelaide. Alternatively, are the Democrats suggesting we should leave Gillman and Dry Creek as it is?

I seek leave to have incorporated in *Hansard* without my reading them the responses to the questions by those two honourable members. There are 25 pages of them. I have made available copies of these questions and answers to the Hon. Mr Gilfillan and the Hon. Mr Elliott and also to the Leader of the Opposition. If other honourable members would like copies, I can provide them.

Leave granted.

Response to Questions by the Hon. Ian Gilfillan, MLC.

1. MFP Executive Mr Rod Keller stated at an Australian Finance Conference in Adelaide on 9 April, 1992 that '. . . the core site is not essential . . .' to the long term success of MFP Australia; is he correct and if so what alternative sites has the Government considered?

Mr Keller stated that 'while the development of the Gillman/Dry Creek site was a critical component of the MFP proposal it was not absolutely essential. If the EIS had shown that the development of the core site as proposed was impossible the MFP should and could still proceed'. Mr Keller's statement was made to imply that the passing of the MFP Development Bill should not be dependent on the successful outcome of the EIS.

Several alternative sites were considered during the preparation of the original MFP-Adelaide proposals. However, it was thought that the proposed core site of approximately 2 400 hectares, partially degraded, within 18 kilometres of the city, with surrounding infrastructure in place, the development of underutilised land which would have significant positive effects on surrounding environs would be the area that would most likely achieve the MFP goals. This decision was subsequently vindicated with the selection of the MFP-Adelaide proposal and the Gillman/Dry Creek area as the core site.

2. Mr Keller also told the Australian Finance Conference that stormwater will be stored in acquifers under the Gillman/Dry Creek site, if so how will this be done?

Mr Keller stated and I quote:

Currently 12 per cent of Adelaide's stormwater flows across the MFP core site, predominantly during a four month period. This water although not suitable for human consumption can provide a source of water for gardens, plants, industrial use and limited residential functions. The concept plan would see this water collected potentially combined with treated effluent from Bolivar and reticulated through a separate system.

It would probably be necessary to have a temporary storage facility for the periods in which supply exceeds demand. This could be provided through underground acquifer storage. On retrieval, this water would then be sold at reduced rates commensurate with the reduced cost of processing.

Indications from our preliminary research are that the technologies required for the above concept either are working or will work. There is therefore little risk that the operational aspects of the proposal will not perform.

This project is the subject of a study being caried out by the MFP Office in cooperation with E&WS and the CSIRO.

3. Can the government provide details as to which aquifers will be used and how much water will be stored and at what cost per kilolitre?

The two aquifers that are being considered are under the Gillman/Dry Creek area which are presently under severe stress due to the quantities of water being drawn from them for industrial and agricultural use. Volumes to be stored and the costs are still under consideration.

4. MFP Executive Mr Rod Keller again told the Australian Finance Conference that the MFP site will use 50 per cent less energy and 70 per cent less fossil fuel than conventional centres; how will these reductions in energy and fuel use be achieved.?

The energy figures quoted by Mr Keller were derived through a community consultative process involving local and national experts. The energy management performance statement (tabled with this document) is to be a requirement of proposed MFP developments.

5. What negotiations has the State Government undertaken with the Adelaide City Council to assure prospective investors that it will be able to acquire the Wingfield Dump and the other half of the old Dean Rifle Range?

The State Government had commenced negotiations with the Adelaide City Council in relation to the acquisition of half of the Dean Rifle Range and the Wingfield Dump when the Adelaide City Council inexplicably applied to the Waste Management Commission to extend the height of the dump from the presently approved height of 12 metres to 40 metres. However, negotiations are continuing and it is too premature to comment on the financial implications at this stage.

6. What price does the Government expect to pay the Adelaide City Council for both properties?

See answer above. It should be noted that in the opinion of the Government, the Wingfield Dump should be closed down in the next three or four years for many reasons such as:

- approved amenity to surrounding areas as pointed out by the recent statement of the Parks Residents Environmental Action Group;
- more appropriate use of surrounding land;
- the removal of the increased threat of leachates to adjacent waterways both surface and subsurface;
- the promotion of alternative more environmental friendly methods of waste disposal including recycling and composting. It should also be noted that even the alternative site proposed by the Democrats would require closure of the Wingfield Dump.

7. The Government's MFP proposal involves dumping top soil on the Wingfield Dump; if so, how does it plan to harvest commercially viable quantities of methane gas and CO_2 from the dump?

Methane Gas and CO_2 can only be harvested in commercially viable quantities if the area is capped, otherwise the gas emits to the atmosphere as is happening in many areas at present. The MFP proposal is to cap the whole area to minimise escape to the atmosphere and to maximise the volume capture.

8. Has MFP Australia made a cost comparison between the purchase price for 650 hectares of fully serviced land east of Port Wakefield Road as outlined in the Democrat's alternate site proposal and the site preparation costs for its own core site proposal?

The Government contribution to the land development and the provision of infrastructure of the core site is shown to be approximately $11 800 per block. This would compare quite favourable with the purchase and development of the 650 hectares referred to by the Democrats. The amenities offered by the developed core site and the commercial opportunities generated in the environmental management field as a result of such a development cannot be equalled by development of an alternative site.

9. There was no question 9.

10. The 1990-91 annual report of the Department of mines and Energy states in relation to the MFP site that '. . . despite the low probability of liquefaction induced by seismic shock, further studies of the site's seismicity and seismic risk are recommended to aid building design. Field trials of vibratory compaction have been proposed and these need to be supplemented by microzonation studies to define areas where amplification of ground motion may increase risk . . .' what studies have been undertaken in relation to the above statement, by whom and what were the findings?

Seismicity is dealt with in Subsection 3.3.5 of ther Draft EIS. Section 4.7 sets out the means by which the required soil compaction may be achieved by a range of conventional techniques.

The Draft EIS refers to research reported in the report: MFP Adelaide, Concept Development and Site Assessment Study. Report on Soils, Landscape and Urban Design, Kinhill Delfin Joint Venture.

11. The Department of Mines and Energy annual report for 1990-91 states that research must be undertaken in relation to seismology, hydrogeology and marine geology in relation to the core site; has this work been undertaken, by whom and what were the findings?

Hydrogeology is dealt with in Subsection 3.4.2. Groundwater Hydrology in Section 4.9 Groundwater Quality and Management within the Draft Environmental Impact Statement.

Marine Geology is dealt with in Section 3.3. The Physical Environment and Geomorphology and specifically in Subsection 3.3.4 Coastal Characteristics and Sea Levels. It is also dealt with in Section 4.12 Site Protection from Sea Level Rise.

Response to questions by the Hon. Michael Elliott, MLC

1.0 Significance of the Core Site

Q1. There is more usable vacant land east of Port Wakefield and in the Northfield area than in the core site. This land will not require an EIS, has roads and rail. It is closer to Technology Park and the University of South Australia than the core site. If there must be greenfields why can't it be on this land?

Yes there is vacant land east of Port Wakefield Road and at Northfield of a size equivalent to the MFP Core Site and yes, urban development at Northfield and probably the Levels would not require an EIS.

The MFP urban development proposal could well be on this land save three considerations:

1. the Levels land is not substantially in Crown ownership requiring a substantial public investment in the purchase of land that has been prepared for industrial use;

2. Adelaide is growing at 1 per cent per annum and whether or not MFP Australia's urban development at Gillman/Dry Creek proceeds, the Northfield land is required for urban development and is a great opportunity for urban consolidation; and

3. as stated in the introductory remarks the Gillman/Dry Creek area requires a Government response given its existing issues, has the potential to demonstrate the MFP concept and models of environmental management well beyond any 'easy' site around Adelaide.

Sure we could extend urban Adelaide and place the MFP urban development into the Barossa Valley, McLaren Valley or the Adelaide hills but that is too easy and not demonstrative of our commitment to the rectification and resolution of environmental issues as part of an urban development growth of the environmental management industry.

Q2. With only 15 hectares of the core site allocated to industrial development:

(i) does this imply that most MFP industrial development will be of the site?

(ii) does it also imply that the core site will be essentially a dormitory?

The MFP urban development does not limit to 15ha MFP industrial, commercial and industrial development. This question fails to recognise the mixed use/mixed use buildings which are to the heart of the MFP urban area. It also indicates a lack of understanding of MFP activities in research, office, institutions as well as traditional industry which was estimated at 15 ha. As set out in Table 3.2 of the Kinhill Delfin Assessment Report there is per village:

- mixed use (industrial, commercial, institutional and community) 3.9 ha or 11 per cent.
- mixed use (integrated with residential development) 5.2 ha or 14 per cent.

that is 25 per cent of each village, or 25 per cent of the 800 ha (200 ha) is nominated for other than straight residential activities.

And, there will be 'industrial' areas relating to the MFP concept off the site, as well as research, commercial and institutional activities at sites like Science Park, Technology Park and the Adelaide CBD.

The urban development will provide for 17 000 to 20 000 homes, not as a dormitory suburb, but as an integrated area where houses are close and mixed in with work and community centres.

Q3. If the core site is to act as a model for future development of cities:

(i) of what relevance is the form of this development, that is, lakes and islands? Are all new suburbs to look like this?

(ii) as most people do and will live in existing suburbs why aren't our efforts directed towards their redevelopment? A redevelopment model is more relevant than a development model.

The form of development has two driving realities.

The first is the constraints arising from the complexities of the land as shown by Kinhill Delfin in Design Concept Development and Core Site Assessment Volume 1, Figure 2.9 and in PPK's Draft EIS in Figure 2.1. The second is the urban designers commitment to reflecting the form of Adelaide itself into the urban design by way of a regularly shaped urban areas set within a parkland/open space setting.

While the parkland is not all greenfield, given the need to accommodate stormwater and to recognise and respond to the soil types of this area, the urban form is set out, as is Adelaide, on a grid pattern with urban spaces separated by 200 m wide open spaces.

These open spaces will provide major recreational opportunities for adjoining communities in addition to residents on site.

The design is not a prerequisite for all new urban form. It is a response between site constraints and that which is Adelaide's historic form. The form is simplistic at one level but very creative at another.

Urban development, in the form or urban growth, urban consolidation and redevelopment is with us and is part of the nature of cities.

This Government has made significant efforts to promote urban consolidation and urban renewal. Projects like the Hindmarsh Redevelopment, the Port Adelaide Centre Redevelopment, the work of the SAHT in inner metropolitan Adelaide and soon the Northfield project, are but a few examples. However, to accommodate Adelaide's growth and in response to urban issues like social and environmental disadvantage, the Government needs to go further and the MFP urban development will do this.

The Democrats suggest efforts should be focused on redevelopment of the urban area. Surely the proposed use of the Gillman/Dry Creek area, which is currently zoned for industrial use, in the main, and used for waste disposal in part, is a redevelopment exercise.

Let us be clear, we are talking about the redevelopment of Adelaide's backyard, its compost heap, its stormwater pond and through that redevelopment we can deliver.

- the cleaned up site and improvements to local environmental health;
- homes and places for business;
- stormwater, effluent and waste management;
- reduced pressure on Adelaide's rural land for urban expansion;

and

- protection and gradual improvement of the Barker Inlet, mangrove and fish nursery areas.

4. The core site development is meant to be a model for sustainable development. Sustainability requires a minimisation of resource deman. The Wingfield-Gillman site has significant resource demands due to its location compared to alternative sites. The digging of lakes, removal of unsuitable soil, compaction of soil, building of revetment lake walls etc. are all demands made because of the site, they will demand replacement in time. It is likely other infrastructure will have a shortened life or will be initially more expensive because of the saline and sometimes acidic subsoil. Eventually resources will have to be applied to defend against subsidence and sea level rise.

How is this consistent with a model of sustainable development.

The site developments costs for Gillman/Wingfield/Dry Creek are not cheap. It is anticipated that bulk earth works will cost, in 1990 values, a little under $200 million and total land development costs, inclusive of bulk earthworks, some $800 million.

While this sounds a huge amount it is similar in current day costing for the West Lakes Development Project, based on comparative area analysis.

As set out in Kinhill Delfin assessment report the costs of the work would be substantially recouped by land sales where lake frontage and proximity to water features are important marketing aspects for the urban development.

Great care has been given in the design of the urban development to avoid the problems that have arisen in other lake developments. In reading the draft EIS one can see the quantum leap forward in the hydraulics requiring a 4-7 day water turn around vs a 21-28 says in West Lakes, the lake's depth being kept to 1 metre to 2.5 metres depth to achieve a bilogically active and biodiverse environment and stormwater separation from the lakes system until it is stripped of heavy metals, reused or made saline ready for release.

These and many other features will reduce the ongoing of costs of monitoring water quality to these that could have been.

Yes, sulphate resistent cement for those foundations below groundwater levels and 'O' rings in sewer pipes will be required. These costs, however, are a small additional cost (2 per cent to 5 per cent) for that component of the urban development. What the democrats fail to recognise is that this development will, as part of its land development costs, address many existing issues and for Government the cost is cheaper than releasing urban fringe land.

The urban development proposal provides as part of the project against sea level rise and local subsidence protection to northwest Adelaide for over 200 years (based on current estimates). If the development does not proceed, local council and the State Government will have to allocate the money or risk possible flooding of many parts of northwest Adelaide.

The Lakes

Without detailed knowledge of water movement in the North Arm and the Port River what confidence do we have that flushing will be effective? What modelling has occurred to have confidence in this flushing?

The lakes system has been thoroughly modelled by Kinhill and reviewed by PPK Consulting as part of the Draft EIS. It has proven to be effective and safe.

Additional work is required, as identified in the Draft EIS to define, over an extended time, the hydrological characteristics of the Barker Inlet/North Arm.

However, with rather straight forward engineering adjustments to inlets, the efficient lake system can be achieved.

Tidal variations is expressed as the mean level of the lakes to be .3 metres less than mean sea level.

What impact on flushing will occur due to the suppression of tidal variation within the lakes?

As land settlement continues and sea level rises, and the mean lake level is maintained, tidal variation is suppressed. How can flushing work? Has modelling examined the difficulty.

The mean level of the lakes is 300 mm below mean sea level to provide hydraulic fall into and through the lake sysem exiting into the Port Adelaide River.

This approach is quite standard and in hydraulic terms works quite well in West Lakes. The big difference for the MFP urban development site is that water will move through the site within

4-7 days as opposed to West Lakes 21-28 days thus ensuring water quality and that stormwater will be captured and cleaned before being released into the lake system.

Provision is made in the engineering design work for adjustments to the proposed inlet/outlet to accommodate rising sea levels.

Ground Level of Lakes and Parklands

Due to lack of on site fill the ground level of the villages and particularly the parklands is far lower than desirable. This causes difficulties with groundwater levels and is the primary reason for reducing the mean lake level.

If, (when?) lake flushing fails or difficulties are created by rising sea levels what cost may be incurred by the need to import fill?

The design provides external revetment structures designed to Coastal Protection Board Policies to accommodate suggested sea level rises for the next 200 years. The internal urban development 'pads' are raised 2.5 metres to 4.9 metres AHD, that is above mean sea level. These heights are above the average height of Delfin Island at West Lakes and most of the near suburbs of Port Adelaide, Gillman, Wingfield, Rosewater, Ottoway, Alberton and Ethelton.

What is suggested is that in the event of rising sea levels, major works will be required in this area to protect a large part of Adelaide against rising sea levels and stormwater flooding.

This MFP urban development substantially funds these works.

The site can provide all of the required fill, that is 30 million cubic metres over the 20-30 year life of the project. However, a small percentage of external fill from demolitions may be required for surcharge and at key periods in the land creation. This is readily available on current disposal rates.

The purpose of the proposed lake system being set around mean sea level is to achieve two things:

1. hydraulic flushing of the lakes system; and
2. maintenance of saline ground water at low level.

Land settlement in the area is minimal and has been calculated at 1 mm per year on current scenarios. Such settlement is being caused in part by excessive consumption of groundwater, a problem potentially redressed with the recharging of acquifers. The proposed bulk earth works proposes active compaction of the existing sediments and surcharging to provide sound foundation for urban development. In addition, regional subsidence has been calculated into the land formation.

Soils

Contamination

1. The site has been inadequately tested to quantify the amount of contamination. Neither the EIS nor the Kinhill documents quantify the amount of soil to be removed from the site nor the level of contamination of this soil, what estimates are made for each?
2. Where is the soil to be placed?

There has been a total misunderstanding over the issue of soil contamination of the site.

Soil contamination (that is of risk to health and safety) occurs naturally and from industrial and urban activity. The three major sources of contamination on site are:

1. landfill and waste disposal sites which are well known and are subject to waste management plans;
2. heavy metals and other chemicals delivered by and contained in, the stormwater drains and associated pondage areas; and
3. naturally arising gases like methane, CO^2 and hydrogen sulphide resulting from the decomposition of organic material and related sulphides, irons and other minerals bound into the wet muds of an estuarine area.

These contaminants are all definable in location and type, based on readily available national and international data, and confirmed by the soil testing to date.

The soil testing to date has been comprehensive. It has been based on an extensive review of State and Local Government records, aerial photography and local reporting. Soil testing, guided by this review, tested for the full range of likely contaminants and where high levels were found, additional testing was carried out to clarify the extent of the particular contaminants.

About 20 per cent of the Gillman and Dry Creek site is contaminated to a level which is of public concern requiring response.

Over half of this 20 per cent is taken up by the Wingfield Waste Disposal area where urban development is not intended.

The balance is the stormwater drains and the low levels of stormwater pondage areas and parts of the Dean Rifle Range.

A range of responses are recommended in the PPK Draft EIS and Kinhill Delfin Report. They include:

1. do nothing in areas not to be developed as heavy metals bind with the acid sediments and become relatively stable;
2. compress and consolidate material in the areas of low level contamination;
3. excavate and remove contaminated soil; being mainly in the Dean Rifle Range and the stormwater drains; or
4. treat on site by chemical or physical means specific contaminated soils, for example, lead in Dean Rifle Range and alkaline grits.

Contaminated material that is excavated would be removed to the Wingfield waste disposal area.

Beyond identified contaminated soil, a worksafe/public safety approach has been taken in describing the site as 'mildly contaminated' to ensure all normal procedures are taken at the time of bulk earthworks and soils are tested prior to construction.

Acidic Soils

1. What quantity of acidic soils are to be excavated?
2. Has a decision been made to remove them? If so where?
3. Has a decision been made to treat them? If so in what way?

The quantity of acidic soils to be excavated are in total terms very small.

The acid soils are generally less than one metre thick except around the Magazine Creek area.

The acid soils would only need to be moved where proposed lakes, to a depth of 2.5 metres, are required below existing ground levels.

Preliminary estimates suggest that some 30 000 cubic metres or 1 per cent of total earthworks would involve acidic soils.

The vast majority of acidic soils shall be compacted in the wet and overlaid by 3 m-5 m of sand. These acidic soils would remain stable in their current and future wet state.

For the small amount of acidic soils to be moved, they would be placed at the base of urban development pads or within the lake system to maintain their wet state. Some lime or other alkaline material may need to be added at the time of excavation and relocation to minimise acid formation. Treatment, however, will substantially be by maintaining the wet environment.

Seismic Risk

What field and laboratory trials have been carried out as referred to in Kinhill Volume 1 pages 2-39?

No specific field and laboratory trials have been carried out on the soil materials for seismic risk.

The modified bulk earth works proposals, as set out in the Draft EIS, reduces the sensitivity of the issue, as sand rather than estuarine muds shall be used for foundation material. The Draft Management Plan (Section 5, PPK's Draft EIS) provides for bulk earthwork trials to clarify the structural features of the soil. This is further addressed in the answer to a previous question from Mr Gilfillan.

Suitable Fill

1. The EIS page 45 refers to the 'stranded, low shoreface' as 'the only area of apparently satisfactory sand for filling purposes'.

What volume of sand is in this body?

What volume of sand is needed for full site development?

What other sources of sand are available and at what cost?

2. What volume of material will be removed from lakes (other than the sandy shoreline)?

What volume of material will be removed from lakes (other than the sandy shoreline)?

What volume will it create after dewatering and compaction?

The Draft EIS identifies and PPK Consulting confirms, that the 'sandy shore face' running along the southern edge of the site provides sufficient fill for the urban development.

The sandy shore face is approximately 2 kms long, about 1 km wide and 6-10 ms deep and can provide 16 million cubic metres of fill, sufficient for the Gillman area.

In addition, and as outlined in Question 1 some 1-3 million cubic metres of fill would be available from demolition in metropolitan Adelaide over the life of the project.

The lakes, other than the lake over the sandy shoreline, have minimal depths of 0 m to 2.5 m resulting in small bulk earthworks. Most of this material is historically estuarine muds which has a high compaction rate (once dry) and some of which is potentially acidic. These soils, as outlined in response to Question 1 will be placed below ground water levels.

Mangroves

1. What areas have been set aside for mangroves except for those that have no other use? for example, along gas pipeline.

Mangroves and samphire rehabilitation and accession areas have been provided in the EIS urban proposal for 100-200 metres inland of the existing levee bank at Gillman and Dry Creek and over the peaty acid soils of Magazine Creek. The area given over mangrove and samphire colonisation is about 100 ha.

In addition, a 20 ha area on Garden Island, is nominated for mangrove colonisation in the MFP Australia Supplementary Development Plan.

The Draft EIS also contemplates mangrove and samphire areas as part of lake, forest and field components of the urban devel-

opment which could provide a further 100 ha of such habitat. The depth of the mangroves in the lakes would be limited due to controlled tidal range but in a total area it is significant.

2. Figure 2.5 of the EIS shows mangroves growing presumably in the lake system. Who provided advice that they will survive in the limited tidal regime of the lakes? As this is reduced further as sea level rises they will certainly have no hope.

Even should mean lake level be allowed to rise the mangroves would 'drown' where can the mangrove belt move to when they face a rip/rap wall?

Advice on this proposal has been provided by the consulting group, in particular Mr Ted Dexter of Landsystems, Ms Pat Harbison of Adelaide University and Mr David Whiltshire of Social and Ecological Assessments and Dr Charles Meredith at Biosis Research Pty Ltd.

If mean sea level rise, due to rising sea levels and/or land subsidence, the mangroves will, over time, retreat to the appropriate tidal variation.

Under current conditions with the 50-100 year old established levee system, there is very limited retreat. The urban development proposal provides 100 ha of external retreat and 100 ha of internal (lake edge) habitat.

The external retreat areas will be subject to rising sea levels but the internal areas will be more protected.

3. Extension of the mangroves in the area of Gawler River has been due to siltation which reflects bad land management upstream which presumably will cease. The long term future of the mangroves as the sea rises relative to the land is landward accession. What limitations will be caused in the long term by the MFP site?

In regional terms, mangroves have been moving northwards beyond St Kilda into the Port Gawler area. This has been due in part to siltation of the area but more so due to the Outer Harbor breakwater which has held back sand deposits.

Further northward movement of mangroves is expected.

The proposed management plan for the Baker Inlet Conservation Park will consider and advise on this aspect.

Development Costs

The PPK report assumed at least 12 per cent of the cost of lakes etc should be picked up by the government. Is that still assumed? What will this cost?

A portion of the costs of development for the lakes was put forward in the Kinhill/Delfin assessment as a regional (public) cost of the order of $61 million as reported in the Kinhill Delfin Assessment.

Who will take responsibility for ongoing maintenance and replacement?

The ongoing maintenance of the lakes and the replacement of engineering components is a matter for negotiations between State and Local Governments.

How heavily dependent are the 'cost savings' for sites at Gillman/Dry Creek compared to other alternatives on site size?

How would development costs compare with similar density development east of Port Wakefield Road on the Greenfields site?

The relatively large site size of Gillman/Dry Creek, at 1 840 ha, has inherent economies of scale, given to the scope of bulk earthworks required and the opportunities for staging of works and sales.

No detailed costings have been done for site development east of Port Wakefield Road. It is reasonable to anticipate that the land development costs are cheaper given the site levels and that bulk earthworks are reduced.

However, in recognising the costs of land development are lower, one would also have to consider:

1. the purchase price of private land east of Port Wakefield Road;

2. the site would still require significant protection from stormwater flooding and rising sea levels as it is only 2-3 metres; and

3. works in the Dry Creek/Gillman area will be required for rising sea level, stormwater management, site clean-up;

4. the mangrove and samphire retreats are not provided; and

5. anticipated revenue from land sales is reduced due to no river or lake frontage. If an extensive lake system is proposed then bulk earthworks would be towards those required for Gillman/Dry Creek;

6. distance to schools and other community facilities will require additional public expenditure with limited benefit to adjoining communities as could happen in the Parks and Port Adelaide areas.

Development of land east of Port Wakefield Road for these matters would be at least similar in cost to Government than the Gillman site.

Wetlands (Stormwater Disposal)

Will the wetlands be constructed and operational before other site works commence?

The Gillman stormwater detention and treatment area is critical to the first stages of the Gillman urban development. The Dry Creek treatment area is not so critical but would follow prior to the Dry Creek urban development. Discussions on the creation of these stormwater wetlands is well advanced with the Port Adelaide and Enfield City Councils, Department of Road Transport and MFP Australia for early establishment.

Lakes

The EIS notes that leachates will need 'to be moved through the system as quickly as possible'. Where will they go and what are the possible effects?

The draft EIS reports that no leachates have been detected to date from the Wingfield waste disposal area. Monitoring by MFP Australia and the South Australian Waste Management Commission is ongoing.

The draft EIS advises that if leachates do arise then the lake system should be designed to move them through the lake system quickly. This has been designed into the lake system with a 4-7 days through movement.

The draft EIS also suggests that if leachates are detected then other management practices can and should come into play with responsibility back onto the polluter for example:

- clay capping;
- barriers;
- groundwater pumping.

Whether or not the MFP urban development proposal proceeds the risk of leachates and contamination of stormwater and estuaries exist and ongoing management is required.

Insects

What control methods are anticipated to be used on mosquitoes and midges? If insecticides are to be used which are likely?

The draft EIS identified potential problems with mosquitoes generally and midges in specific areas.

The Gillman/Dry Creek Urban Development Proposals EIS reports that there are salt water and fresh water mosquitoes in the core site study area.

Mosquitoes have been, from time to time, a problem in the area. They come from three environs:

1. the salt water/mangrove environs of the Port Adelaide estuaries;

2. the stormwater ponds and drains and other low lying areas which collect fresh water. These areas extend inland along drainage lines into existing residential areas; and

3. from stagnant water in rainwater tanks, old drums, tyres, car bodies and indeed, anywhere water can collect including pot plant bases. This is a major source of mosquitoes in most council areas.

The EIS recommends a four pronged strategy to minimise mosquito impacts.

1. Engineering—to remove stagnant fresh water ponds by design of land and lakes systems;

2. Environmental—by encouraging fish and birdlife within the estuary and lakes system;

3. Education—to avoid stagnant, pooled water around houses and businesses;

4. Chemical—but only as a last resort and primarily during the construction phases.

The Port Adelaide Council and other councils with the South Australia Health Commission do carry out periodic spraying for the control of mosquitoes.

The chemical used is Temos commonly known as 'Abate' and is produced by Shell Australia. The chemical is of a very low toxicity and breaks down in about 12 hours. The product is used to remove the mosquito larvae.

The spraying is carried out on a needs basis, usually as a follow up to complaints relating to stormwater drains.

The South Australian Health Commission is currently running a weekly spray program in the Torrens Island area which is based on mosquito counts taken weekly from October to April each year.

Supplementary questions by the Hon. Michael Elliott, MLC

1. The mangrove retreat rate at Swan Alley Creek has been measured, since 1936, at 17 metres per annum. The EIS compares this with an 18 metre advance at the Light River mouth, more than 30 kilometres north of the core site.

Is there any evidence of mangrove advance anywhere on the actual core site? Where else on the core site is mangrove retreat occurring and at what rates?

Given the existing levee system the only known site on or immediately adjoining the core site is in the Dry Creek drain where mangroves are moving inland into brackish water.

2. It is known that parts of the core site area are subsiding. What percentage of the land is involved? Is this at a common rate? If not, what is the greatest rate, rather than an average rate?

The Gillman/Dry Creek area is considered to be subsiding due to the decomposition of estuarine muds and regional subsidence suggested to be due to the dewatering of the underground acquifers and local strata movement. Calculations to date suggest about a 1 millimetre fall per annum which was taken into consideration in the EIS estimates.

3. Are there any known examples anywhere in the world where a contaminated site, containing subsiding land which is at the end of a major drainage area for a city has been successfully built on?

Yes, there are sites of stormwater and contamination (and without being farcical) the historic Port Adelaide Town Centre, West Lakes, Glenelg, and overseas, most of London Docklands which is now subject to major clean up of the waterways is known to have contaminated and is subsiding.

4. The EIS claims that building at Gillman would be cheaper than building on land north of Golden Grove and south of Seaford.

How were these figures arrived at? What is the comparative costs of building on vacant land near Technology Park?

The draft EIS does not claim that the cost of building at Gillman/Dry Creek is cheaper than Golden Grove and Seaford. What it says is that the public (regional) cost is less given the presence of existing infrastructure, the availability of Government land and the urban consolidation benefits.

5. It is suggested that the Wingfield dump could be capped and recreational facilities installed.

What investigation, if any, has been made of the mistakes made at Kingston (Brisbane) or Love Canal (WA) developments to avoid making the same mistakes? Monitoring is suggested. What form would that monitoring take?

Kingston (Brisbane) and Love Canal (WA) involved urban development over industrial liquid waste disposal sites. The MFP urban development proposal intends that the only area similar in nature, being the former Hopkins Liquid Waste Depot at Wingfield be used for field, forest and open space only. The draft EIS suggests a possible use of the waste dumps as a links style golf course to limit irrigation and possible leachates. Capping to the dump is proposed to capture methane gas for harvesting and limit water penetration.

6. How many mangroves will be removed to cut the entry to the canals.

The draft EIS revised the inlet locations to correspond to historical estuarine creeks. No mangroves are now intended to be removed.

7. The EIS points out the crucial role of samphire as a salinity regulator (page 62), then admits (p. 198) that there will be a net loss of saltmarsh on the site, but 'other areas remain in South Australia'.

How will the existence in other areas of the State assist in the salinity regulation on the MFP site?

Samphire, and its relationship to mangroves, is important as set out in sections 3.7 and 4.13 and figures 3.14 to 3.18 of the draft EIS. The existing levee system and salt pans stop mangrove retreat and samphire associated habitats. The proposal provides 100 hectare external habitat and potentially 100 hectare internal habitat for such a plant system.

8. One of the suggested methods of dealing with mosquitoes is to spread an oily material on the water surface.

What sort of material would be envisaged, and what testing or modelling has been done on other marine animals and plants to determine the wider impact of such a method?

The control of mosquitoes was dealt with in an earlier question. In summary the draft EIS recommends a comprehensive approach involving:

1. education;
2. environmental;
3. engineering; and
4. chemical as a last option and mainly in the construction phase.

Oily compounds, like paraffin wax are a safe and well used technique to stop mosquito breeding in stagnant freshwater areas like rainwater lakes.

Use of oily componds in the marine environment is not intended.

9. Water quality in the North Arm is not good now, yet this will be an intake area for the canals in the urban development.

How will the water quality in the artificial lakes and canals be . . .

North Arm is presently subject to two major sources of pollution: the Bolivar sewage effluent disposal and the stormwater discharges. The MFP urban development will reduce stormwater discharges into the Barker Inlet/North Arm.

The quality of the lakes would be protected by fairly quick (4-7 days) turn around time, the control of stormwater, the 70 per cent reduction in effluent discharge into the Port Adelaide River and by the lakes biologically based design.

10. In relation to stormwater management, page 20 of the EIS states that provision is made within the proposal for treatment of the runoff to reduce nutrients, heavy metals, bacterial and other contaminants.

What is the exact makeup of this stormwater soup? Given that it will be closely associated with water bodies on the urban development site, how can we be certain that children will not attempt to swim in this water?

The stormwater management plan is partly modelled on the Greenfields Project at The Levels, off Salisbury Highway and Port Wakefield Road. Here stormwater from Golden Grove and Adelaide's northern suburbs is retained, treated and, in part, reused or released to the creek system.

The so-called 'stormwater soup' is 99.5 per cent water plus heavy metals mainly lead and zinc, oils and debris from our roads and various nutrients.

The work of Patricia Harbison and the Salisbury council at Greenfields shows that 95 per cent of the heavy metals, oils and nutrients will fall from the water and be taken up by plant life or bind with soils within 4-7 days of retention. The result is safe and clean water, ready for use as a secondary water supply for open space and garden purposes.

These stormwater detention areas are no worse and far safer than the rivers, creeks and drains of Adelaide. However, direct contact would be discouraged by signs, low level fencing and the general location and design of these pond areas.

Surely the Democrats are not suggesting that we continue our disposal of stormwater directly into the marine environment or should not attempt to clean and reuse this precious resource.

11. How reliable is alkalinisation as a method to restrict the leaching of metals?

Alkalinisation is a sound and proven method to restrict the leaching of many metals for it forms by chemical process relatively stable salts.

12. In association with mosquitoes on the site, outbreaks of Ross River Fever and Murray Encephalitis will inevitably occur in the area.

Has this been taken into account in deciding to develop this area? Has the Government put a cost on developing a vaccine for these diseases? Does the Government recognise that such outbreaks will add to the pressures to destroy all trace of mosquitoes on the site?

There has been only three reported cases of Ross River Fever or Murray Encephalitis out of the Adelaide district in the past 50 years.

Yes there is a 'risk' in this of being bitten by a mosquitoe and some of the mosquitoes in this area can carry the vector of these diseases. However, Adelaide has a low risk compared to the northern and eastern seaboard of Australia and the risk is similar to any area of Adelaide where there is still water, for example, all the Adelaide creeks.

Therefore to suggest the Government must provide for the cost of a vaccine is beyond reasonable debate.

Similarly, as outlined in earlier questions, good management of mosquitoes does not rely on chemical means. Educational, environmental and engineering approaches in tandem will substantially address the current problem.

13. Has the Government undertaken any studies to determine the role of mosquitoes in the marine food chain? If so, what was the result? What would be the ecological impact of total destruction (if it was possible) of all mosquitoes on the site?

The Department of Environment and Planning and the Department of Fisheries have studied the important role the mosquitoes and other insects, especially in the larvae form, play in the food chain for fish breeding grounds. The draft EIS summarises these relationships.

No-one is talking about the destruction/removal of all the mosquitoes even if this was possible. The main target through environmental, engineering and education will be the freshwater mosquitoes now in the stormwater drains, rainwater tanks, pot plants and stagnant pools of industrial lots which together create the major sources of current mosquito problems.

Additional comments to questions in second reading speech

The following is provided following the question raised by Mr Elliott in Parliament about the extent of the investigative work carried out regarding the Pelican Point and Largs North areas that were not subject to the current EIS.

Coffey Partners International Pty Ltd (CPI) prepared a feasibility level assessment of aspects of the MFP-Adelaide site for Kinhill-Delfin. This assessment including a 'desk study' of the Outer Harbor and Largs North areas and covered geotechnical

groundwater, agronomic and soil contamination assessments. The results of the study were included in a factual report, CPI Report A2151/1-AS of December 1990 which is in the Parliamentary Library.

The 'desk study' makes reference to a number of sources of information. These included:

- Top Australia Pty Ltd—plant and land-based photographs;
- Belperio, A.P. 1985 site investigation in the vicinity of the Dean Rifle Range, Port Adelaide Estuary, Department of Mines and Energy, South Australian Report Book Number 85/54;
- Ludbrook, N.H. 1976 The Glanville Formation at Port Adelaide. Quarterly geological notes. Geological survey of South Australia 57:4-7;
- Belperio, A.P., Carr, J.H. and Costin, V.A. 1985 quaternary Stratigraphy and Costal Sedimentary Environments. North Eastern Gulf of St Vincent, South Australia;
- Bowman, G. and Harvey, N. 1986, Geomorphic Evolution of a Holocen Beach Ridge Complex, LeFevre Peninsula, South Australia. Journal of Costal Research;
- AMDEL 1985, Submarine Fitting Station—Environmental Baseline Data Report 1566;
- Coffey & Partners Pty Ltd Report No. A1472/1-AB. July 1987. Department of State Development. Port Adelaide Industrial Land Review, Geotechnical and Engineering Assessment;
- Belperio, A.P. and Rice, R.C. August 1989, Department of Mines and Energy South Australia. Report Book No. 89/62. Stratigraphic Investigation of the Gillman Development Site, Port Adelaide Estuary, Geological Survey;
- Centre for Groundwater Studies Report No. 14. September 1989. Gillman Development, Soil and Groundwater Contamination Assessment. Stage 1 Report;
- Social and Ecological Assessments Pty Ltd, in association with Pat Harbison. Proposed Gillman Residential and Recreational Development, Geotechnical and Hydrological Studies. Draft Report to the Gillman Development Committee, Department of the Premier and Cabinet August 1989;
- Fargher Maunsell, Wingfield Area Waste Management Study, Report No. 21684/2 for the Corporation of the City of Adelaide, May 1985;
- Kinhill Engineers Pty Ltd, Gillman Development Feasibility Study, Prepared for the Port Adelaide Industrial Land Review Committee, Department of the Premier and Cabinet, October 1988;
- Harbison 1986 and 1989, results of Testing on Sediment Samples and Water Samples—Gillman;
- Coffey and Partners Pty Ltd Report No. A2024/1-AB. Redevelopment of Old Acid Plant, Largs North, Preliminary Assessment of Acid Contamination, Report No. A2024/1-AB August 1989.

Reference should be made to these documents and sections 2, 5 and 9 of CPI Report A2151/1-AS of December 1990 which summarises this information.

Reference was also made to geotechnical studies carried out for the Australian Submarine Corporation and Eglo Engineering as part of the major construction works carried out on their sites.

Following form the 'desk study' field and laboratory investigations were carried out to add to the existing data. These investigations included several geotechnical and groundwater boreholes in the Outer Harbour area.

The findings from these investigations were consistent with the earlier information on fill zoning.

The general comments made with respect to Outer Harbor and Largs North are as follows:

Outer Harbor

This area was probably originally mangrove and samphire flats but has been progressively filled over the years with hydraulic fill dredged from the river and industrial fill. The fill materials include:

- hydraulic fill ranging from shelly sands to soft clays and thick organic seaweed layers;
- grit composed of sand, silt and clay sized particles with some hydroxides and calcium carbide. The grit is a waste product from the ICI facility at Osborne. It is understood that the ICI waste is contaminated with by-products from the ICI Caustic Plant;
- flue ash which was a by-product of the original coal burning Osborne Power Station;
- other waste products including by-products from a sulphuric acid works, iron pyrites and kiln dust and possibly other industrial wastes. The chemical composition of the various known industrial fill materials has been addressed separately by Kinhill Engineers;
- sand fill.

Largs North

In the Largs North area the main zone of interest has been the old sulphuric acid plant site located in the central eastern section of the area. Fill materials have been encountered on the site up to at least 1.7 metres thick and included hydraulic fill, acid plant waste and smaller proportions of ICI grit, quarry products, ash and cinders and building rubble.

The presence of fill within the above areas has been generally well defined through the various studies carried out. There is a need for further work to deal with the details of the composition and distribution of the range of fill material types identified. Recommendations were made by CPI for such studies as part of the further work to be carried out during the design stage of the project. Such studies will be incorporated into any development proposals.

The Hon. C.J. SUMNER: Further, the answer to question No. 4 by the Hon. Mr Gilfillan refers to the energy management performance statement, MFP-Australia First Village, and I seek leave to table that document.

Leave granted.

The Hon. C.J. SUMNER: I understand that honourable members may wish to comment on those questions and answers. When that general questioning is out of the way, I suggest that we can proceed with the Committee stage and clean up the outstanding issues.

The Hon. M.J. ELLIOTT: Both the Government and the Opposition, by supporting the Bill, could have pushed it through last Thursday. I am pleased that they saw it as inappropriate to do so, because there was a line of questioning that we wished to pursue, and we felt that in a democracy that should occur. It has indeed happened, and I thank the Attorney-General and the Opposition for their assistance in ensuring that that occurred.

There are a couple of issues in relation to the debate that we had in this place. The first issue is whether or not there should be an MFP. That is an issue I have not in fact debated substantially during the second reading stage or during the Committee stage, not because I think it is unimportant, but because I think that some more fundamental issues need to be addressed.

In terms of the legislation itself, there is a concern about the corporatisation of State development. It seems that the issue of corporatisation and questions of accountability, etc, will be addressed substantially by way of amendment, as long as those amendments made in this place stick and as long as the Opposition does not back down on some of those it has already supported. If it does so, the level of accountability will very rapidly drop.

However, the issue we are confronting substantially in this clause is the issue of what is called the core site itself. We have expressed a concern that, should the MFP proceed, the core site itself may prove to be a major mistake, regardless of any other arguments about the MFP. We have argued that the core site is in fact substantially a residential development. It is also, in part, an integrated development. We have argued that that form of development could have happened elsewhere within inner metropolitan Adelaide.

We do not have to take the risks that will be taken and I argue they are substantial risks—economic as well as environmental—in terms of developing the core site itself. I think that those issues need to be addressed and looked at very carefully. That is what the line of questioning during the second reading stage last Thursday was about. The Government itself acknowledges in the response it has given us that the urban development proposal is an important part of the concept—but only part of it. It is only part of it and we are arguing that it is transportable and that in fact it can happen elsewhere.

Also, the Minister in his introductory comments said that issues relating to soil types, landfill waste disposal sites, etc, affect only a small part or about 20 per cent of the nomi-

nated core site. We in fact argue that substantially more of the core site is affected than that which is admitted and part of the problem is inadequate testing. That is something we are attempting also to address by way of questions. It is something we will also pursue very vigorously during the environmental impact process.

Finally, in the introduction the Minister talks about the potential to reuse waste, stormwater and sewage effluent. That is not site dependent. In fact, many of the responses given through the question and answer process where benefits for the site are claimed are not site dependent. Other sites can have all these benefits and not the negatives that we believe the current site has. That is the line we take. The Minister says, 'I would challenge the Democrats not just to raise problems.' What we are saying is that there are problems and it would be remiss of us not to raise them.

The Hon. C.J. Sumner: Just raise them.

The Hon. M.J. ELLIOTT: What do you think our role should be? If there are problems, it is our obligation—

The Hon. C.J. Sumner: Be constructive—not just raise problems.

The Hon. M.J. ELLIOTT: We have been constructive because, in the very beginning, we said that, if there is to be an MFP, it should be a different core site. That is constructive. We have pointed to an alternative potential core site and the line of questioning I think establishes that. I will not respond to all the answers, but several do demand a response. In answer to the second question asked by the Hon. Mr Gilfillan relating to aquifers and the storage of stormwater, the Minister says:

> It will probably be necessary to have temporary storage facility for periods in which supply exceeds demand. This would be provided through underground aquifer storage.

This is something that the Democrats support. The point I would make is that it is not site dependent. It is something the E&WS was already looking at. It is something that is applicable to the whole of metropolitan Adelaide and, indeed, has nothing to do with the core site.

In relation to question 4 where questions were asked by the Hon. Mr Gilfillan about the MFP site using 50 per cent less energy and 70 per cent less fossil fuel, superficially, that sounds attractive and, indeed, that initial target is worthwhile, but anybody who works in the energy area will tell you that 50 per cent energy efficiency is not startling. That can be achieved simply by siting, by the positioning of buildings on blocks, by shading over windows, by using fluorescent lighting rather than standard incandescent lighting and by using gas rather than electricity for a number of functions. Those figures look quite marvellous, but in fact they are using everyday technologies one can buy in shops now and are not in fact marvellous breakthroughs. It is a nice base to start from, but if we are building an MFP or a model for the future, I think people would say, 'So what?' It is nothing startling at all. In answer to question 6 about the Adelaide City Council dump, the Minister in final response says:

> The alternative site proposed by the Democrats would require closure of the Wingfield dump.

We agree. The Hon. Mr Gilfillan asked some questions about dumping of top soil at the Wingfield dump. One part of the question which I think is essentially avoided is: why is it illegal for a council to place contaminated soil in a dump? Such dumping is banned in South Australia by the Waste Management Commission but, once the MFP takes over the dump and stops using it as a dump, it is then legal to use it for depositing contaminated soil. I will not have this debate going backwards and forwards, but the point I make is that it really does beg that question.

In regard to the first question that I asked about using land east of Port Wakefield Road and also in the Northfield area rather than using the core site, the Government at one stage talks about wanting to demonstrate environmental management well beyond any easy site, which is an interesting notion. In fact, again, as it has so often tried to do, it has tried to make something sound positive that is indeed a negative. It says:

> It is too easy and not demonstrative of our commitment to rectification and resolution of environmental issues as part of urban development growth in the environmental management industry.

It is a load of bull!

In relation to question 3, I asked: if the core site is to act as a model for future development of cities, of what relevance is the form of this development, that is, lakes and islands? Are all our new suburbs to look like this? The answer to that question is that it happens to be because of the site that we have to build these islands and lakes. The point is that canal developments are not the way that new cities will look. The canal development in that particular area is forced upon us because of things at sea level and they have to use a cut and fill method to try and solve the problems. It does not demonstrate the way we are to build new cities. I think the answer avoided that aspect. Also, I think it avoided the question raised: as most people do and will live in existing suburbs, why are our efforts not directed towards their redevelopment? A redevelopment model is more relevant than a development model.

We have to learn how to make our existing cities more efficient, because that is where most people live and will continue to live. They note that the design is not a prerequisite of all new urban form. It is a response having regard to site constraints, which they now admit, and that which is Adelaide's historic form, namely a north-south grid, and they say that that is what Colonel Light did. Well, I will not comment further on that as it is just ridiculous.

As to the question about sustainable development, I am sure I made it clear during the second reading debate and the Committee stage that sustainability has to be central to any modern city, any new city or any redeveloped city. The answer did not address the question at all. It admitted that there were significant costs in dollar terms but totally ducked the question about the massive amount of infrastructure that has to be built just because of the site; in other words, additional inputs that otherwise were avoidable, additional infrastructure that has to be maintained. That is not consistent with a model of sustainability, where inputs and future demands—ongoing inputs—have to be minimised. That site will never be consistent with those constraints. I ask the Minister whether he can provide me with an immediate response in relation to my question about the modelling of the lakes. He said that modelling had been done by Kinhill and reviewed by PPK. Will that modelling be available for inspection?

The Hon. C.J. Sumner: Yes.

The Hon. M.J. ELLIOTT: Questions were asked about the ground level of the lakes and parklands, and we note that the parklands are barely above sea level. In fact, they are not all that far above mean lake level. The reason for that is there is simply not enough fill on-site to build them any higher. The village sites are built higher, but the parklands are not all that much above it. Questions then can be asked about how we will protect that land in the longer term, and the basic response is that there are other parts of Adelaide which are very low and we need to defend those as well. The point can be made that it is much easier to protect ordinary suburban development by way of levee bank than it is to protect a lake or island development, as

we are creating here. The demands for protection will be far more difficult.

The other part which is being avoided is the question of flushing of the lakes. Clearly, as the mean sea level goes above the mean lake level, problems will be created with lake flushing. The lakes cannot be emptied as the low tide level gets higher and higher. Water does not flow uphill. There will be increasing difficulty and flushing will become less efficient as the sea level rises. That is beyond dispute.

I asked the Minister for quantification of the amount of soil to be removed from the site because of contamination, and asked also for the level of contamination of this soil. Those questions simply were not answered. We are told that the soil testing to date has been comprehensive, yet the EIS states that much more testing needs to be done. So, the claim about comprehensive testing is simply not defensible by what is said elsewhere in the EIS, and the failure to quantify the amounts suggests that that testing has not been adequate.

Having only received the answers a short while ago, I can only comment at this stage that the estimate of 30 000 cubic metres of acid soils needing to be excavated appears to be overly optimistic. I have not had a chance to further confirm that at this stage. The question was asked in relation to what field and laboratory trials have been carried out. Kinhill (at volume 1, page 2-39) states they should be done. However, the answer is that no specific field and laboratory tests have been carried out. It goes on to say, 'But really, there is not a problem.' It does note that sand will be used for foundation materials, and that is an issue that is confronted in the next question.

When I asked questions about the volume of sand in the stranded low shore face, the answer given is 16 million cubic metres. As I said, I have only had this answer for a short while, but a source which I have taken to be very reliable has told me that there are two million cubic metres, and there is a vast difference between two million and 16 million. When one considers that the Government and the EIS both acknowledged earlier that there was not enough fill (I think it said that the majority of fill can be found on site), if 16 million is not enough, and it turns out that the figure is closer to two million, an awful lot of soil will have to be brought on-site. I asked where the additional fill would come from. Other than an indication that some material would be available due to demolition in metropolitan Adelaide, that question has been largely avoided.

I asked about which areas had been set aside for mangroves, except for those areas that had no other use. As an example, I referred to the area where the gas pipeline is. The Government made a virtue of the areas it has set aside for colonisation of mangroves. In fact, the areas set aside are those which cannot be used in any other way. The area mentioned, the 100-200 metres along the existing levee bank at Gillman, is an area that cannot be built on because of the gas pipeline that is there. The area around Magazine Creek has soil difficulties, and is not really suitable for development and therefore has been set aside. But some 100 hectares is really a token area in any case.

I asked questions about the survival of mangroves in the lakes. I am not sure whether the Government is aware that there were attempts to establish mangroves at the northern end of West Lakes. Approximately 6 000 were planted, but none is alive. I hope that the experts who give advice on the planting of mangroves in the lakes are a little better than the people who advised on the planting of mangroves at the top end of West Lakes, because they did not make it. There is a further comment that, if the mean sea level rises due to rising sea levels and/or land subsidence, the mangroves will, over time, retreat to the appropriate tidal variation. They cannot retreat for two reasons. First, the mean lake level will not be allowed to rise, so they cannot retreat. If it is allowed to rise, it causes other problems. Ultimately—and since many of the diagrams in the EIS itself show that they are growing next to rip-rap walls—mangroves will not grow up the side of rip-rap walls and disappear across the parklands. So that response really is a nonsense and is demonstrably false.

In response to questions about mangroves and the limitations that will be caused in the long term by the MFP site, the only real response is that the proposed management plan for the Barker Inlet Conservation Park will consider and advise on this aspect. That really ducks the question. The question was posed: 'Who will take responsibility for ongoing maintenance and replacement?' It is now made clear that responsibility is a matter of negotiation between State and local government. Is local government aware of that possibility? If it is the State Government, it really substantiates my other concern that the State Government not only has to provide infrastructure up front but then, for ever and a day, it will be left with the maintenance costs of it. So there is an additional burden placed on the State, a State that cannot maintain its infrastructure already. We have been under-spending on infrastructure by approximately $200 million to $300 million per year, and we are building more unnecessary infrastructure that we have to maintain—absolute stupidity.

I asked a question about how heavily dependent on site size are cost savings for sites at Gillman/Dry Creek compared to other alternatives. In the EIS there was a comparison of the cost of sites at Gillman/Dry Creek with other areas, but it never discussed the question of site size, and that question again has not been answered. I suspected that we were not comparing apples with apples, and clearly that is the case. To compare the cost of a very small development site in the Gillman/Dry Creek area and a much larger urban fringe block is not comparing like with like.

I went on to ask, 'If we had similar density development east of Port Wakefield Road but with the same sorts of densities of development, what would be the relative cost?' That matter has been largely avoided. Certainly, as the Government acknowledges, the purchase price of private land east of Port Wakefield Road is an upfront cost, but then it starts talking about requiring significant protection from stormwater flooding and rising sea levels. That is really a nonsense when one compares it to the problems faced on the Gillman/Wingfield site.

It talks about the need to protect Dry Creek/Gillman from rising sea levels. In fact, you do not need to protect Gillman/Dry Creek from rising sea levels; you simply shift back the levee banks and let the mangroves grow there. It says that mangrove and samphire retreats are not provided. If, as I suggested, the levee banks were shifted there would be retreats not of 100 hectares, as the Government is proposing, but of perhaps 1 500 hectares.

It says that the anticipated revenue from land sales will be reduced due to there being no river or lake frontages, and then goes on to suggest that if an extensive lake system is proposed, presumably on the site east of Port Wakefield, bulk earthworks would be towards those required for Gillman/Dry Creek. What a nonsense. We are not suggesting that such a development should take place, and I do not think the MFP development requires that. We are looking for new urban form, it does not need to be of the urban form described in the Wingfield/Dry Creek area. It then talks about distance to schools and other community facilities. There are schools and community facilities within easy

reach of quite a bit of the area east of Port Wakefield. That statement is a nonsense.

A question was asked about the comment in the EIS that leachates will need to be 'moved through the system as quickly as possible'. I asked, 'Where will they go? What are the possible effects?' Those questions were not answered. It does not say where they will go if they are moved through quickly and it does not say what the possible effects are. However, it does acknowledge that something may have to be done, particularly about the dump area in terms of clay capping, barriers and groundwater dumping. Obviously they are additional costs that will have to be picked up.

In response to a question about stormwater management the Minister said, 'Surely the Democrats are not suggesting that we continue our disposal of stormwater directly into the marine environment or should not attempt to clean and reuse this precious resource.' Of course we are not suggesting that. What we are arguing is that there are other solutions which in fact may be cheaper. It needs to be noted that even the so-called solutions being offered by MFP Adelaide are not solutions at all. If a wetland is set up and stormwater is run into that, it will become contaminated in exactly the same way as the present contaminated sites have been contaminated. There will be an accumulation of lead, zinc and whatever else is in stormwater in that area, and we will create a new polluted area which eventually will have to be cleaned up. The final solution is to tackle pollution at its source. If we do that we will solve not only the problems at the Gillman site but also the problems of the Patawalonga, Onkaparinga and Torrens. The MFP clearly does not do this. It is a problem we have throughout metropolitan Adelaide, and will ultimately be solved only by tackling the source of those polluting materials.

The Minister makes some additional comments about questions in the second reading speech. In particular, he responds to questions about investigations at Pelican Point and Largs North. It is quite plain, from the response that he has given, that much of the so-called study was a desk study. In fact, the EIS as a whole (which is a separate document) has been substantially a desk study, going through any documents that seem to be halfway and sometimes quarterway relevant, and then doing very limited on-site work. I now ask the Minister another question. There is some mention of field and laboratory investigations, and I again ask the Minister whether they will be made available for inspection?

The Hon. C.J. Sumner: Yes.

The Hon. M.J. ELLIOTT: We have only had these responses a short while. In fact, the responses leave most of the questions substantially unanswered, but they do at least give us an indication as to whether or not there are real answers. It has been a useful exercise for me because it has been very informative. I think that other people in the community will find the information provided by the Government very useful in terms of further discussion about the site. I thank the Government for carrying out this exercise. In light of the information we have received—and I know the Government would say not surprisingly—my opposition to the site continues just as strongly as before.

The Hon. C.J. SUMNER: I think that those who were responsible for preparing these answers would almost certainly object, and I do so on their behalf, to the assertion of the Hon. Mr Elliott that the questions he raised were substantially unanswered. That is not the case as far as we are concerned. The honourable member may not like the answers, and he has already indicated that he does not in some respects. It is his prerogative if he wishes not to like the answers and give reasons for it. But it is wrong to say that the questions have been substantially unanswered.

The Hon. I. GILFILLAN: I have two brief questions that relate to the answers that have been provided by the Attorney. I would like to add my comments to those of my colleague in relation to appreciating the way in which this matter has been dealt with, and I think that that may very well set some good examples of how detailed questioning can be pursued constructively in this place. I congratulate the Minister and those who were involved in the work behind it.

The Hon. C.J. Sumner: You mean the Attorney-General?

The Hon. I. GILFILLAN: In this case you are the Minister handling the Bill, are you not?

The Hon. C.J. Sumner: Who is the Attorney-General?

The Hon. I. GILFILLAN: Well, he does happen to be the Attorney-General, but that to me seems to be incidental.

The Hon. C.J. Sumner interjecting:

The Hon. I. GILFILLAN: Before I am provoked into getting grumpy before dinner, as the Attorney is inclined to stir me to, the only point I would like to make, in regard to our reaction to the questions, is that it is reasonable that a serious attempt to answer questions does not necessarily satisfy our concerns. Obviously many of our concerns are not satisfied, but that does not mean that we denigrate the people who made the effort to answer them.

The Hon. Diana Laidlaw: Would they ever be satisfied?

The Hon. I. GILFILLAN: If a certain situation is wrong in various aspects, and the answers to the questions identifying those deficiencies are inadequate, it is very difficult to be satisfied in the terms that the Hon. Di Laidlaw believes could happen. My two questions relate to the answer to the second question asked by my colleague the Hon. Mike Elliott. That says in part:

> And, there will be 'industrial' areas relating to the MFP concept off the site, as well as research, commercial and institutional activities at sites like Science Park, Technology Park and the Adelaide CBD.

What industrial activities are envisaged will take place in the Adelaide CBD that are part of the MFP?

The Hon. C.J. SUMNER: That relates to the fact that South Australia, obviously, will continue to want to attract industrial development, some of which will not be suitable for the core site of the MFP because of its nature. It may be too noisy or there could be other reasons why it is not suitable to be integrated into or in close proximity to residential areas. The answer says that there may be other industries related to the MFP which are not on the core site and which cannot be there because of their very nature. I cannot speculate as to what they might be. That is the industrial matter, industries that cannot be in the core site because of their nature, but the document refers here to other activities of a research, commercial and institutional nature such as take place at sites like Science Park and may be also in the Adelaide CBD. Presumably, some research, commercial and institutional activities will be suitable for the Adelaide CBD. It might be something associated with a financial institution or a research activity associated with the university which would also be related to the MFP.

The Hon. I. GILFILLAN: That answer opens up a range of images as to what activities will not be acceptable near residential areas that might be placed in the Adelaide CBD.

The Hon. C.J. Sumner: That is really just a half smart answer.

The Hon. I. GILFILLAN: If you look at *Hansard*, it is actually a pretty fair interpretation of your attempt to answer my question.

The Hon. C.J. Sumner: It is not. It is absolutely wrong and I resent that. Misinterpret it if you want to. I went on

and stated the sort of activity that could be contemplated for the CBD.

The CHAIRMAN: Order! The Hon. Mr Gilfillan.

The Hon. I. GILFILLAN: My second question relates to the answer to the Hon. Mike Elliott's question 4, the first paragraph of which reads:

> The site development costs for Gillman/Wingfield/Dry Creek are not cheap. It is anticipated that bulk earthworks will cost, in 1990 values, a little under $200 million and total land development costs, inclusive of bulk earthworks, some $800 million.

How does that equate with the figure I recall the Executive Officer (Mr Keller) stating, that $150 million at approximately $9 million per year will be needed for site development?

The Hon. C.J. SUMNER: There is some confusion about the exact figure. I am informed that it is $250 million over the whole period of the project, which is the Government contribution. The $800 million includes the private sector.

The Hon. I. GILFILLAN: I should like to comment on and ask a question or two about the document that was tabled entitled 'MFP-Australia First Village. Energy Management Performance Statement'. Who compiled the document and when was it compiled?

The Hon. C.J. SUMNER: It was compiled after a community workshop held in November last year.

The Hon. I. GILFILLAN: What standing do the contents of the document have in so far as controlling the details of the MFP development?

The Hon. C.J. SUMNER: I am advised that the intention is to use it as a performance specification with which a development should comply.

The Hon. I. GILFILLAN: I take that as meaning that it has legal standing and that developers will need to match standards determined by this document or find that their plans are not approved.

The Hon. C.J. SUMNER: It does not have legal standing at this stage, obviously, but I am advised that the principles outlined there can be written into contracts and the like.

The Hon. I. GILFILLAN: On page 2 at point 2.1, 'Reliability and Cost Effectiveness', the document states:

> Proposals for the first village must demonstrate functional reliability. Technology must be available and proven reliable. Proposals must be cost effective on a whole of life basis.

I wish to go through the document and make some observations. I leave it to the Attorney whether he wishes to respond to my comments, but I am not pressing for direct responses to each point raised since I intend to make a series of observations which, in my opinion, reflect on deficiencies in the document. It appears to me that there is some conflict in that document. In relation to the first village, it states:

> Technology must be available and proven reliable. Proposals must be cost effective on a whole-of-life basis.

Later, the document states that the village must be a research centre for various technologies and an innovator. It is very difficult to see how those two requirements can be matched, certainly in this first village. On page 3, under the heading 'Housing', the document states:

> Energy consumption within residential buildings should be at less than the agreed benchmark.** This would be achieved through measures such as the following.

Point 4 states:

> Major appliances must be of high efficiency*** and must meet the highest rating standards of current appliance labelling schemes.

The asterisks refer to footnotes. In the latter case, the document states:

> See reference 6 for appropriate gas/electric appliance label rating.

My copy of the document does not appear to have any specifically enumerated references: that may be a deficiency of the document I have, or it may require some further explanation than I have gleaned from my reading of the document. The document, at paragraph 2.3, 'Housing' (page 3) states:

> Innovative building materials and methods that would reduce energy use or whose manufacturing process is less energy intense than competing materials should be considered for application in all building types, for example, latent heat storage materials, timber rather than aluminium or concrete.

I re-emphasise that this matter should be considered, because my reading of the document indicates that many 'shoulds', 'coulds' and 'mays' instead of clear instructions are contained within it. So, although the document reads quite well, for those of us who care about real improvement in energy efficient and environmentally responsible residential and industrial units, this document contains no injunctive factor. It is very much a case of, 'You can comply if you want to.' If we are to take this matter seriously, this document, or something similar, will have to be like a template, a benchmark, against which proposals must be measured and, if they do not line up, they should not get past the approval mark on the desk. In the same vein, I refer to paragraph 2.4, 'Commerce/Industry', which talks about office building energy consumption levels. The document states:

> For example, office buildings should attain an annual energy consumption level less than 300 MJ/m² (reference 7).

Once again, I do not know where reference 7 is. The document continues:

> To meet such targets the following measures could be employed.

Why not 'must be employed' or 'shall be employed' if we are really serious about this business? On page 4, the word 'should' appears again. The document states:

> Minor appliances used for heating, cooling, cooking, water heating, lighting, etc, should meet the highest rating standards of existing appliance labelling schemes.

Why not use the word 'must'? If we are really serious about this legislation, why do we not use a little bit of positive, firm instruction? The document states that public facilities should be exemplars of energy efficiency. What about making them exemplars of energy efficiency, if we really are as a community serious about addressing the environmental challenge of the world? This document has come up very much as a sop, as a palliative. It purports to say, 'Look, we are serious; we've got the right statements here; we will really turn the environmental world on its head with what is spelt out in this document.' Under the heading 'Transport' (page 4), the document states:

> The first MFP-Australia village must demonstrate a transport system which is at least abreast of current overseas advances and preferably at the leading edge; especially in regards to such aspects as energy, safety and environmental responsibility.

If we really want to achieve these objectives, let us put some real emphasis into it. In the bottom paragraph (page 5), the document states:

> To achieve the transport energy use targets specified above it may be necessary to encourage people who travel to villages in the core site for work to car and van pool or use public transport.

It says, 'It may be necessary to encourage.' How much result will we get from that? We have been encouraging people to ride their bikes to work. How many will ride tomorrow morning? That is a oncer—a concentrated day.

An honourable member interjecting:

The Hon. I. GILFILLAN: That's good for you. There's a bike rider, I'm a bike rider; and the Attorney is probably walking. I wonder whether the honourable member is coming to work tomorrow by bike. Under the heading 'Alternative Energy Supplies' (page 6), the document states:

> The first MFP village will need to research, develop and demonstrate energy sources which are renewable.

That is fine: it is a very important aim and an exciting aspect of the MFP. Why will that be integrated into the first MFP? Where can we see the hard-line definitions of what research, development and demonstration of what energy sources will be exposed there? Under the heading 'Maintaining Performance' (page 6), at paragraph 2.8, the document states:

> In order to achieve the overall energy objectives for the first MFP village, it will be necessary to ensure that consumers are both informed and motivated in relation to energy efficiency and use of alternative energy forms. This will require that:
> - owners and occupiers have adequate access to energy information and education programs concerning the efficient operation of buildings;
> - information systems provide owners and occupiers with adequate and timely feedback on their performance as energy users and managers; and
> - energy pricing structures provide appropriate incentives.

I congratulate the compiler of this document on this clause; I think it is excellent. It is the sort of practice that should be in place right across Australia. We do not have to wait for the MFP to do it. The right incentives are contained therein, including energy pricing, information and education. Why must we wait for some MFP to put these measures in place? Of course we do not. At paragraph 3, under the heading 'Industry Development' (page 7), the document states:

> The first MFP villages should contribute to the development of the Australian environmental management industry by providing for pilot projects, technology transfer, performance testing, etc.

These are worthy objects, but I am baffled about how these aims will be implemented when there is so much vagueness about what will be the composition of these first villages. Where are the pilot projects that will be in place to marry with the statement that I read to start with, namely, that proposals for the first village must demonstrate functional reliability, technology must be available and proven reliable, and proposals must be cost effective on a whole-of-life basis? An inconsistency is contained in it: the document does not hang together properly. Further, under the heading 'Research and development' the document states:

> The first MFP village should be designed and operated as a laboratory for energy management.

The last sentence of that paragraph states:

> Each new village will need to be an improvement on its predecessor.

They are very good, worthy motives. Let us have a steady line of improvement. But I ask who will determine whether the village number of 10—or whatever the number is—is an improvement on its predecessor. If it does not match that, what is the penalty. How will it be measured?

I do not want to be meanminded about this matter, because I do think the document opens up some thinking that I am pleased to see is, at last, being taken seriously. However, if it is to be taken really seriously, it must have legislative capacity and the power to be imposed on the development. The document contains inconsistencies and waffly thinking, which really will not stand up to accurate analysis. As I mentioned before, there seems to be a lack of references in the document itself, but that may be just a deficiency in the way that the document has been put together. My comments may not stir the Attorney to a specific answer. I have not made an issue of getting answers to those questions as being critical in this stage of the debate. Obviously, if he wants to, I will be glad to hear the answers. I repeat my earlier expression that the Democrats have profound concerns about the consequences of developing the site that the Government is determined to stick with.

In those circumstances, I feel very pessimistic about the ultimate result of this project taking place on that location. My pessimism would not be present if I felt that we were realistically looking at what could be done in other appropriate sites and developing the themes. Many of the themes emphasise very strongly the thrust that the Democrats want in State development, so I am not out of harmony with very much of what has been said about the MFP project. Unfortunately, however, I am profoundly concerned about the assistance we have received with regard to the ill-fated Gillman site.

Clause passed.

Clauses 2 to 9 passed.

Clause 10—'Chief Executive Officer.'

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

To delete subclauses (4a) and (4b).

When we last debated this Bill I indicated that the Opposition would support the amendment moved by the Hon. Mr Gilfillan in relation to a 14-day disallowance provision for the appointment of the Chief Executive Officer with a view to rethinking our position over the weekend and in the recommittal stage indicating our views on the debate that ensued last Thursday. As indicated last Thursday, the Liberal Party could understand the position of the Hon. Mr Gilfillan in relation to Parliament's having some say in what will be a very important and significant appointment. We indicated that we were not prepared to support similar amendments in relation to appointments to the corporation or to the advisory committee, and in fact we did not support those amendments last Thursday.

The Attorney-General and others, subsequent to the debate last Thursday, have made what we regard as very important arguments against this provision from the viewpoint of practicality. If the amendment stays as part of the Bill and if the Government of the day were to appoint a Chief Executive Officer when the House was not sitting, and given our view about the required qualities of such a person, it is possible that that person—who may be of international renown, or we would hope so anyway, and who would be paid accordingly—if appointed by the corporation as opposed to the Government, would have to sit around until the Parliament went through this process waiting for confirmation or non-confirmation. It is possible that this process could drag on for some time, even if the Parliament were sitting.

One could perhaps envisage changes to this amendment to try to hasten a decision. However, I know that, in relation to a disallowance motion for gaming machines in the House of Assembly, because of our convention that a disallowance motion is the province of the member who moves it, if that member does not want it voted on straight away and wants to see it further delayed, that is possible under our present arrangements. I concede it is possible to try to put in a restriction when the House is sitting to ensure that it is voted on within a certain period.

On balance, the Liberal Party has, as it indicated on Thursday it would, reconsidered its position. We believe it is not practicable to proceed with the amendment that the Hon. Mr Gilfillan has moved, although I am sure that the Hon. Mr Gilfillan will still see the need to continue. I have therefore moved to delete subclauses (4a) and (4b) for the reasons that I have just given.

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

The Hon. I. GILFILLAN: I am disappointed that on reflection the Liberals have slid away from the only chance that Parliament had to have a say on probably one of the most important positions in the State.

The Hon. C.J. Sumner: It is probably one of the dopiest amendments I have seen in recent times.

The Hon. I. GILFILLAN: That is a gratuitous and unnecessary observation, but I do not claim the Attorney to be a particularly astute judge of amendments, anyway; so it does not upset me very much.

This amendment is one of the pacemakers for establishing Parliament as a responsible forum involved in decision-making appointments which are critical for the State. We have seen some bloomers in the past which have cost this State dearly. I believe that other mistakes will cost this State dearly again. If the wrong person is appointed as CEO of the corporation, it will be a cause of great embarrassment and expense to the State. It is a most unfortunate change of heart or reconsideration by the Liberal Party that it is not prepared to accept that Parliament has a right of approval or rejection of the person who is appointed arguably to one of the most influential and significant positions in this State. I deeply regret its change of mind.

Amendment carried; clause as amended passed.

Clause 11 passed.

New clause 11a.

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

Leave out 'within the Gillman-Dry Creek site' and insert 'within the part of the Gillman-Dry Creek site shown as Area A in Schedule 1'.

The reason for moving this amendment is an indication that the Committee stage in the Legislative Council can be constructive and productive. Our position has been reconsidered and the amendments have been refined. Both the Hon. Mr Elliott and the Attorney-General raised questions in relation to the drafting of this amendment. I have had further discussions with my colleagues in another place and with Parliamentary Counsel and they confirm that our intention with respect to this amendment in the House of Assembly and then in the Legislative Council will now be met by the drafting that I have put to the Legislative Council.

The only EIS that has been conducted and the voluminous information that we have had relates to what is known as Area A in Schedule 1 of the Gillman-Dry Creek site as we now call it. Because we have changed the name 'MFP Core Site' to 'Gillman-Dry Creek Site' in other parts of the Bill, we need to amend this provision to ensure that we are talking about the EIS that has been conducted for what is known as Area A in Schedule 1 of the MFP Development Bill.

The Hon. C.J. SUMNER: Agreed.

The Hon. M.J. ELLIOTT: I asked a question because I felt that the clause, which is now going to be further amended, was rather ambiguous. The Hon. Mr Lucas needs to realise that, in attempting to clarify that the EIS was not in relation only to the Gillman/Dry Creek site, in fact he has created another form of contradiction, a contradiction that says it is not acceptable for the MFP to have the Gillman/Wingfield area as the core site unless an EIS is carried out and it is found to be suitable. Whilst there is an insistence on that, we have two other sites—the Largs North site and the Pelican Point site—both of which are acknowledged to be contaminated. The Largs North site now will not be used for development, but the Pelican Point site will in some form. They are quite seriously polluted in some cases. There has been no EIS, yet the Opposition is willing to accept that as part of the MFP site without an EIS, but is moving an amendment that insists there has to be an EIS in relation to the Gillman/Wingfield site. That is a great contradiction. It is an inconsistency.

If it is important that an EIS is completed on Gillman/Wingfield before it is acceptable to have development on it, why on another known contaminated site is it not just as important for it to occur? That is another inconsistency. That position should have been thought through more carefully. The Opposition knows that the Government avoids an EIS whenever it can. Questions were asked in the other place by the Hon. Mr Wotton in relation to Tandanya insisting that an EIS should have been carried out. There are logical inconsistencies in the argument. I do not think the amendment really addresses the wider issues. For that reason, I oppose the amendment—because it has clarified, I would argue, in the wrong direction.

Amendment carried; clause as amended passed.

Clauses 12 to 34 passed.

Clause 35—'Regulations.'

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

Page 13, line 9—Leave out 'division 5 fine' and insert 'division 8 fine'.

Last Thursday there was a discussion between the Hon. Mr Griffin and the honourable Attorney-General about the level of fine. The fine is being reduced from $8 000 to $1 000 by way of this amendment.

The Hon. C.J. SUMNER: Agreed.

Amendment carried; clause as amended passed.

Schedules 1 to 3 passed.

Title passed.

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

That this Bill be now read a third time.

The Hon. I. GILFILLAN: I indicate that I will be voting against the third reading of this Bill. I do not intend to repeat the situation—

The Hon. C.J. Sumner interjecting:

The Hon. I. GILFILLAN: —although I think the matter is serious enough to deserve it. It is rather unfortunate that the Attorney takes such a flippant attitude to this piece of legislation.

The Hon. C.J. Sumner interjecting:

The Hon. I. GILFILLAN: The Attorney does provoke me to explain in a little more detail than I intended: I do support the objects of the Bill. In fact, I successfully moved for their enhancement, to reemphasise them. There is direction shown in the objects of the Bill which I support but, unfortunately there is a serious trip up in the location, and I believe that many other members in this place have serious misgivings about it. I do not intend to dwell on that. I believe there are some deficiencies in the way the Bill has been finally amended that have left it far from perfect. However, I repeat: the main stumbling block and the reason I am persisting in voting against the third reading is the fact that there is this addiction to the Gillman site. It is an addiction to spoil what is an opportunity of showing some environmental responsibility. In that light, I cannot find enough justification for me to support the third reading of the Bill.

The Committee divided on the third reading:

Ayes (19)—The Hons J.C. Burdett, T. Crothers, L.H. Davis, Peter Dunn, M.S. Feleppa, K.T. Griffin, J.C. Irwin, Diana Laidlaw, Anne Levy, R.I. Lucas, Bernice Pfitzner, Carolyn Pickles, R.J. Ritson, R.R. Roberts, T.G. Roberts, J.F. Stefani, C.J. Sumner (teller), G. Weatherill and Barbara Wiese.

Noes (2)—The Hons M.J. Elliott and I. Gilfillan (teller).

Majority of 17 for the Ayes.

Third reading thus carried.

Bill passed.

[*Sitting suspended from 5.55 to 7.45 p.m.*]

SOUTH AUSTRALIAN OFFICE OF FINANCIAL SUPERVISION BILL

In Committee.

Clause 1 passed.

Clause 2—'Commencement.'

The Hon. K.T. GRIFFIN: I thank the Attorney-General and his officers for keeping me up to date in this matter—at least I think so, with the huge wad of material that has kept coming over my desk every week or so—as it has been important for me to be able to cope with the legislation and the development of the scheme. If I had not had that reasonable notice about the draft legislation and the draft regulations I do not think that I would have been able to cope adequately with the consideration of Bill. So, I thank the Attorney-General and his officers for that periodic information.

The most recent information that the Attorney-General sent to me was a letter dated 2 April in which he gave me an update as to the Queensland situation (and I will deal with the scheme generally, not only with this particular Bill). According to the annexure to the letter of 2 April, the New South Wales application of laws and State supervisor legislation is currently being drafted; the Victorian application of laws legislation has been drafted and the State supervisor legislation is currently being drafted; and in Western Australia the same legislation is currently being drafted.

I recognise that the drafting very largely has been done on a template basis (I think that is the correct description) and that it will have to be adapted for various States. In Tasmania progress is only at instruction stage, and I presume that that is because of the intervening election but I am not quite sure. In the Northern Territory and the ACT, legislation is currently being drafted. Can the Attorney-General indicate whether the target of 1 July for implementation is likely to be achieved in the light of the fact that it seems that the other States, other than Queensland, do not seem to be anywhere near the stage that we have reached with the drafting and enactment of our legislation?

The Hon. C.J. SUMNER: My advice is that the target will be met. Our session of Parliament is earlier than that of the other States but I am advised that they will be able to accommodate the passage of these Bills before 1 July. Obviously I cannot guarantee it, but the information I have from the officers is that we are on target for that date.

The Hon. K.T. GRIFFIN: I take it that if one State or Territory is not able to achieve that target some contingency plan is in place? If there is, will the Attorney indicate what that might be?

The Hon. C.J. SUMNER: The scheme could proceed without everyone being in it, although it would be preferable for them to be in it. There are two options. One is to proceed without all the States. If only one State, such as Tasmania or somewhere, has not passed the legislation, that probably would be the preferable option. On the other hand, if more than one State, perhaps one of the larger States, has not met the target date, it can be put off until everyone is ready.

Clause passed.

Clauses 3 to 22 passed.

Clause 23—'Times and places of meetings.'

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

Page 4, line 20—Leave out 'three' and insert 'two'.

The requirement that the member appointed to preside at meetings of the board of the South Australian Office of Financial Supervision must convene a meeting when requested by at least three other members of the board would be changed to two other members. The membership of the board comprises not less than four nor more than five members, and it seems to me not unreasonable to provide that, if two other members of the board should request a meeting, it should be held. If it were three, it would mean, I suggest, that the whole board would have to convene the meeting by notice. We have the presiding officer and three other members of the board, so that provision would be a nonsense. But if you have two other members, it seems to me that that is not unreasonable.

The Hon. C.J. SUMNER: The amendment is accepted.

Amendment carried; clause as amended passed.

Clauses 24 to 26 passed.

Clause 27—'Resolutions without meetings.'

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

Page 5, lines 15 to 22—Leave out subclauses (1) and (2) and substitute:

(1) if—

(a) notice of a proposed resolution of the board is given to all members of the board;

and

(b) at least three members of the board sign a document stating that they are in favour of the proposed resolution,

a resolution in those terms will be taken to have been passed at a meeting of the board on the day the document is signed, or if the members do not sign on the same day, on the day the document is last signed by a member of the board.

This clause deals with resolutions of the board that have been passed without there being a formal meeting. My amendment seeks to provide that a notice of a proposed resolution does have to be given to all members of the board. The present provision does not require that to be done, but it is appropriate that all members of the board be given notice of a proposed resolution so that, if there is any objection, that can be made known. If at least three members of the board sign a document stating that they are in favour of the proposed resolution, that is deemed to have been passed at a meeting of the board. Again, that seeks to allow signification of agreement to a resolution to be given separately by the members rather than all having to sign the one document, which is be one construction that could be placed on clause 27 (1).

It is possible that there will be members in different parts of the State and, where it is necessary to gain an urgent indication of support for a particular resolution, it may be possible to do it only by faxing that signification of approval from various parts of the State, rather than everyone signing the same thing. But in those circumstances it seems to me appropriate to regard that as a resolution, where a document is signed by at least three members of the board. So, I move my amendment to provide for that varied procedure.

The Hon. C.J. SUMNER: That is accepted.

Amendment carried; clause as amended passed.

Clause 28 passed.

Clause 29—'Disclosure of interests.'

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

Page 5, line 30—After 'direct or indirect' insert 'personal or'.

This clause relates to the disclosure of a direct or indirect pecuniary interest in a matter being considered or about to be considered by the board where the interest could conflict with the proper performance of the member's duties in relation to consideration of the matter, and the requirement for that to be disclosed. I recollect that there is a requirement in the code for disclosure of an interest, although I cannot put my finger on it immediately. Regardless of that, it seems to me that, if there are personal interests that are not necessarily of a pecuniary nature, they also ought to be the subject of disclosure under clause 29. It may be that there is a specific personal interest that might—

The Hon. C.J. Sumner: Like what?

The Hon. K.T. GRIFFIN: I suppose you have the question of relationship, if a member of the board is related to a member of the building society or credit union that is under scrutiny. It seems to me that that is a personal interest that should properly be disclosed. There may be no pecuniary interest. That is the one that comes immediately to mind. I know that there is a certain safeguard in 'pecuniary interest'. It may be that the member of the board is on a school council, say, which has significant moneys deposited with a building society or credit union. There is a personal interest but not a pecuniary interest, and it is appropriate for that to be disclosed. Those are the sorts of things that came to mind when I was looking at that. Clause 240 of the code provides:

A director of a society who is or becomes in any way, whether directly or indirectly, interested in a contract or proposed contract with a society must declare the nature and extent of the interest.

It probably goes a bit further than a pecuniary interest. Unless there is some objection that I have not identified, I will persist with the amendment.

The Hon. C.J. SUMNER: I understand that a formulation similar to this is used in a number of other Acts, as Parliamentary Counsel informs me. The problem I have is that 'pecuniary interest' is at least capable of reasonably specific definition, but 'personal interest' is not. One can draw a distinction in some organisations, at least, between the declaration of an interest and the consequences that flow from that declaration. It may be that, in a number of circumstances, declaration of the interest is sufficient—that that very declaration is enough to overcome any problems—and the individual can then continue to vote in relation to the matter.

I do not think that should be the case where there is a pecuniary interest to the person, which is in issue, but personal interest is a much broader criterion and much less able to be defined specifically. So, you could end up with a dispute about what is personal or you might end up with someone declaring an interest perhaps because their grandmother or someone has some investments in a building society. So, they declare that and, although it may be a very remote personal interest (yet arguably one), they are then precluded from deliberations on the matter. That is my only worry about it. I suppose it is something we can look at to see the precedents. It is not every interest that precludes a person from participating in the activities of an organisation.

It is fair to say that, where there is a direct pecuniary interest, a direct contract between the organisation and the individual, that person should not participate. If a person stands to gain some specific financial benefit out of it, he should not participate. There may be other personal interests that are more remote, where it might not be reasonable to preclude the person from participating in the deliberations of the board. That is my only concern about it.

The officers do not have any major problem with it, but I am raising it as an issue of principle. At this stage we will agree to the amendment and then do some research on the principles and the precedents. If need be, I could come back with an alternative proposition.

The Hon. M.J. ELLIOTT: I am attracted to the amendment. It seems to me that even pecuniary interests can vary in extent. Although a benefit or interest is clearly identifiable, I suppose that they can vary in extent in the same way as personal interests may vary in extent.

The Hon. K.T. GRIFFIN: I appreciate the point that the Attorney-General is making. The form of clause 29 is the same as clause 128 of the AFIC code, but it is different from clause 74. Clause 128 of the AFIC code relates to the board of AFIC. I knew that I had seen this point somewhere and, if the Attorney looks at clause 74 of the AFIC code, this relates to the Appeals Tribunal and it provides:

If a member of the Appeals Tribunal is or is to be a member of the Appeals Tribunal as constituted for the purposes of a proceeding, and the member has or acquires an interest, whether pecuniary or otherwise, that could conflict with the proper performance of the member's functions in relation to the proceeding—

(a) the member must disclose the interest to the parties to the proceedings; and

(b) except with the consent of all parties to the proceeding the member must not take part in the proceeding or exercise any powers in relation to the proceeding.

It may be that the Appeals Tribunal is to be treated differently or should be treated differently because of its quasi judicial power, but it seemed to me that it would be appropriate to try to have some consistency throughout. I recognise that my amendment still does not make the South Australian Office of Financial Supervision consistent then with the AFIC board, but on the basis that the Attorney-General will look at the issue and that he is inclined to support the amendment for the moment, I would be comfortable with that. If there is a different formula or a persuasive reason why we should put 'pecuniary' back in, it is not an issue of political controversy; it is an issue of trying to get the matter correct for the purposes of the operations of the South Australian Office of Financial Supervision.

Amendment carried.

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

Page 6, line 3—After 'direct or indirect' insert 'personal or'.

It is consequential.

Amendment carried; clause as amended passed.

Clauses 30 to 33 passed.

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

The Hon. K.T. GRIFFIN: I only wanted to make an observation. I raised the issue of consistency with the Statutes Amendment and Repeal (Public Offences) Bill and the Attorney-General responded that there is not consistency in the penalties but, if there were to be, then it may require a revision of other penalties in the Bill to ensure consistency throughout this Bill.

I note that observation. I accept that the Statutes Amendment and Repeal (Public Offences) Bill provisions would still apply in this environment, because there are officers involved, so that the provisions of clause 34 are another option for prosecution if that became necessary. I therefore do not intend to take any further the issue that I raised at the second reading stage.

Clause passed.

Clauses 35 to 38 passed.

Clause 39—'Delegation of SAOFS' powers.'

The Hon. K.T. GRIFFIN: Again, just as an observation, in response to the Attorney-General's reply at the second reading stage, I did raise the question whether any other powers under the Financial Institutions (South Australia) Code ought to be excluded from delegation. The invitation was made for me to identify others that should perhaps be provided for. I have not had the time to work through the code to enable that to be done, so I intend not to take the matter further under this clause. If there is a problem with delegation, we will find out about it quickly enough.

Clause passed.

Remaining clauses (40 to 43) and title passed.

Bill read a third time and passed.

FINANCIAL INSTITUTIONS (APPLICATION OF LAWS) BILL

In Committee.

Clauses 1 to 4 passed.

Clause 5—'Application in South Australia of the AFIC Code.'

The Hon. K.T. GRIFFIN: I want to raise one matter that was raised in the press a week or so ago and this clause is the appropriate place to do it. A report in Victoria indicated that concern had been expressed by some credit unions, as I recollect, about the draft prudential standards that had been published. The concern expressed was that they were much more stringent than the prudential standards applicable to other financial institutions, particularly banks. The report indicated some concern about that. Is that a matter that has been considered by the Attorney-General or by the Ministerial council and, if so, is there any answer to that concern?

The Hon. C.J. SUMNER: Those standards have been exposed for public comment. Comment will be received and discussions will then occur with the AFIC steering committee to try to resolve any outstanding problems.

The Hon. K.T. GRIFFIN: I presume it is not likely to create any reason for delay.

The Hon. C.J. SUMNER: I do not believe so.

Clause passed.

Clauses 6 and 7 passed.

Clause 8—'Application in South Australia of the Financial Institutions Code.'

The Hon. K.T. GRIFFIN: I presume that I can make some observations under this clause in relation to the levies which are to be imposed on the basis that under the codes the societies and credit unions are to be responsible for funding the operation of the scheme. During the second reading debate, I raised some questions about the way in which those levies would be calculated, and the Attorney-General indicated that consultation would occur and that an attempt would be made to reach some agreement with the industry in relation to the amount of the levy and the basis upon which it should be calculated and imposed. At one stage, I had contemplated moving an amendment which would require that to be fixed by regulation but, following the response given by the Attorney-General, I could see that a genuine attempt would be made to reach agreement by consultation.

My discussions with building societies and credit unions indicated that they were relatively comfortable with that procedure, although several weeks ago when I last spoke to them about this issue they were concerned—at least in some quarters—that it might be something of an open cheque. That was the main reason why I had contemplated some regulation to deal with that issue. Considering the structure of the scheme, I think that might be difficult because, as I recollect it, under the AFIC code, which is not subject to variation here, a mechanism is already established for consultation. So, to provide anything by regulation in South Australia would cut across the path that was set by that code. I merely put on the record that, although regulations were in my contemplation, upon reflection and considering the Attorney-General's reply and the responses of the credit unions and building societies, it is now inappropriate to pursue that course.

Clause passed.

Clauses 9 to 12 passed.

Clause 13—'Conferral of jurisdiction on Queensland Supreme Court.'

The Hon. K.T. GRIFFIN: Clause 13 confers jurisdiction on the Supreme Court of Queensland in relation to an appeal under the scheme legislation from a decision of the appeal tribunal. I raised this question during the second reading debate, but the reply needs some amplification. I presume from subclause (2) that the jurisdiction of courts cross-vesting legislation is intended to apply to everything other than an appeal from a decision of the tribunal, which must go to the Supreme Court of Queensland, and that there is no option for transferring that right to, say, some other State Supreme Court. Will the Attorney-General just clarify that? At the second reading stage, he said it was designed to try to get some consistency in decisions, but my concern is that it appears to provide that, in relation to appeal from the appeals tribunals, only the Queensland Supreme Court has jurisdiction.

The Hon. C.J. SUMNER: I do not want to make any bones about it: it is intended that appeals from the appeals tribunal should go to the Supreme Court of Queensland and that they should develop the relevant expertise in this area; that was part of the scheme. We are saying that nothing affects any other jurisdiction of any court or the operation of the Jurisdiction of Courts (Cross-Vesting) Act 1987. I suppose attempts could be made under the cross-vesting legislation to bring the actions back to South Australia, but presumably that would not be agreed to, because it would be considered wiser to enable the Supreme Court of Queensland to develop the expertise in this area.

The Hon. K.T. GRIFFIN: It is the one issue about which I am concerned. I have not moved an amendment deliberately, because that would affect, as I understand it, the agreement between the States and the Territory. But I do express real concern about vesting only the Queensland Supreme Court with jurisdiction in an appeal from an appeal tribunal. It may be that, because these are financial institutions, they can afford to travel to Queensland, brief Queensland counsel and take their entourage up to Queensland on an appeal, but that is unsatisfactory. Of course, there is no provision for the Queensland Supreme Court to sit in South Australia—or Western Australia for that matter—although there is provision for the appeal tribunal to travel around Australia. If the appeal tribunal travels around Australia, and perhaps hears something in South Australia or Western Australia, it seems to me to be not inappropriate that the State Supreme Courts have the appellate jurisdiction from decisions of the appeals tribunal. The nature and volume of the appeals is not likely to develop any particular body of expertise in the Queensland Supreme Court.

Whilst I acknowledge the rationale for the decision by the States, it seems to me that, if looked at carefully, it would not necessarily bear close scrutiny, so I do express concern about it. I do not believe it is necessary to limit the jurisdiction. It may be prejudicial to the interests of parties, particularly those who are a greater distance from Queensland, and, with respect, I do not believe that the Queensland Supreme Court will necessarily develop any body of opinion more quickly or favourably than any other Supreme Court. It is not like corporations law or the old companies and securities scheme, where there was argument about consistency of approach. I do not necessarily agree with that criticism, anyway. However, convenience may dictate that other Supreme Courts have an interest in this matter. I do not know that there is anything I can do about it, except to express that protest and concern.

The Hon. C.J. SUMNER: I think we are stuck with it as part of the national agreement. The only way that it could be altered would be to do a run around with all the States. The preferable course, given the time constraints we are

under with this legislation, is to pass it in this form. I will undertake to have the issue raised at the Ministerial Council after the scheme is in place. Amendments can be made to the scheme subsequently through the Ministerial Council. I expect that a number of amendments will have to be made once the scheme is up and running. I note what the honourable member says, and I will place the issue on the agenda for the Ministerial Council meeting.

The Hon. K.T. GRIFFIN: I accept that the Attorney-General will do that and express my appreciation.

Clause passed.

Clauses 14 to 16 passed.

The CHAIRMAN: I point out to the Committee that clause 17, being a money clause, is in erased type. Standing Order 298 provides that no question shall be put in Committee on any such clause. The message transmitting the Bill to the House of Assembly is required to indicate that this clause is deemed necessary to the Bill.

Clause 18 passed.

New clause 18a—'Premier to lay copy of AFIC's annual report, etc, before Parliament.'

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

Page 7, after clause 18—Insert new clause as follows:

18a. As soon as practicable after the Board of Directors of AFIC submits its report on the operations of AFIC during a particular financial year, together with financial statements for that financial year, to the Ministerial Council under section 116 (2) of the AFIC Code, the Premier must cause to be laid before the House of Assembly and the Legislative Council—

(a) copies of the report and financial statements; and

(b) a copy of the report by the Auditor-General of Queensland, in relation to the financial statements, made under section 116 (4) of the AFIC Code.

This new clause is designed to require the Premier, when receiving a report, to cause a copy to be laid before both Houses of the South Australian Parliament, whether copies of the report and financial statements or a report by the Auditor-General of Queensland.

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

New clause inserted.

Clause 19—'Amendment of certain provisions.'

The Hon. K.T. GRIFFIN: This is a technical matter. In clauses 18 and 18a there is a reference to the Premier. I may have missed a definition of the Premier in this Bill or the code. It is a question whether we need some definition to ensure that that is taken as the Premier of South Australia, not the Premier of Queensland.

The Hon. C.J. SUMNER: Parliamentary Counsel does not think so.

Clause passed.

Clause 20 passed.

New Clause 20a—'Differentiation between summary and indictable offences.'

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

Page 8, after line 39—Insert new clause as follows:

20a. In so far as the principles for differentiating between summary and indictable offences laid down by section 59 of the Financial Institutions Code differ from the principles laid down for that purpose by the Summary Procedure Act 1926, the latter principles prevail.

The Attorney-General said that he would consider an amendment which sought to import into the scheme, so far as South Australia is concerned, the distinction between summary and indictable offences laid down in the Summary Procedure Act. Basically, anything up to two years' imprisonment is a summary offence; anything over that is indictable.

Section 59 of the Financial Institutions Code provides that an offence against a relevant code that is not punishable by imprisonment is punishable summarily. In effect, any offence that is punishable by imprisonment appears to be an indictable offence. For the sake of consistency in South Australia the amendment needs to be approved.

The Hon. C.J. SUMNER: I agree with the amendment moved by the Hon. Mr Griffin, but I am not sure that I can accept it. The agreement that was signed by Premiers was that a State will not submit legislation to its Parliament nor take action for the making of regulations which will, upon coming into force, conflict with or negate the operation of the financial institutions legislation. I am advised in relation to this matter that officers have had discussions with the Queensland Treasury, which has been the secretariat for the purposes of getting this legislation together. They seem to think that the move here to remove the provision dealing with matters having to be tried summarily and making it accord with our own courts package of legislation might conflict with the template legislation and therefore is contrary to the agreement.

I am not sure whether there is very much in that. It has arisen in recent discussions with Queensland Treasury, and from its perspective and possibly that of other States, the proposed amendment would represent a material departure to the model application of laws approved by Premiers and, more to the point, it may not at this stage secure the approval of the States if that approval were sought. An alternative approach could be taken to the proposed amendment, and that is to amend the SAOFS Bill, the one we have just dealt with, to provide that SAOFS must prosecute on the basis of the courts package, but this alternative is not one that it is suggested we should pursue, as that would unduly complicate the issue. Alternatively, it is intended that a subcommittee of the working group should review again this problem after commencement of the penalty and sentences provisions presently contained in the scheme legislation, and the matter could then be brought up for consideration.

On a very quick reading of the agreement, our obligation as a State is to submit the legislation to the Parliament. We cannot guarantee that it will be passed in precisely the form in which it is submitted, and I really think that it would be unreasonable for other States to object as to how we should try offences created under the legislation in our own courts in South Australia. For the moment I will indicate provisional acceptance of the amendment because, as I said, I support its intent. It fits in with the principles to which we agreed before Christmas in the courts package of legislation. I will then use the next week or so before the matter is debated in the House of Assembly to see whether there are any problems. If there are, we might have to come back and reinsert the original provision and try to deal with this question after the legislation comes into effect. Personally, on my feet and without having given it complete consideration, I would not have thought that it was necessarily a problem, but I suppose that depends on other States. A further question is that, if they do see it as a problem, what will they do about it? That might be even more problematical. We will accept the amendment with those qualifications and on the understanding that the Council will understand if we must bring it back after its consideration in the House of Assembly.

New clause inserted.

Clauses 21 to 26 passed.

Clause 27—'Proceedings under Building Societies Act 1975 or Credit Unions Act 1989.'

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

Page 9, line 32—Leave out 'the Act' and insert 'either Act'.

This is largely a matter of drafting.

Amendment carried; clause as amended passed.

Clauses 28 and 29 passed.

The CHAIRMAN: I point out to the Committee that clause 30, being a money clause, is in erased type. Standing Order 298 provides that no question shall be put in Committee upon any such clause. The message transmitting the Bill to the House of Assembly is required to indicate that this clause is deemed necessary to the Bill.

Clause 31 and title passed.

Bill read a third time and passed.

LEGAL PRACTITIONERS (LITIGATION ASSISTANCE FUND) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 8 April. Page 4003.)

The Hon. J.C. BURDETT: I support the second reading of the Bill. It is in two parts, the first part relating to legal aid, and the Attorney explained that, in 1990, the Legal Practitioners Guarantee Fund showed a surplus of just under $2 million. He said that—and I verified this by consultation with the Law Society—he and the Law Society had agreed to allocate some money from this surplus to set up a contingency aid scheme to assist litigants who otherwise could not obtain legal representation. There is to be a ceiling allocation of $1 million and, as the Attorney explained, the fund is to be carefully administered, with the person making an application, an application to be received from legal practitioners, examined first by an assessment panel comprised of one member of the advisory board and two experienced practitioners, a decision then to be taken to the manager of the fund, and a final review to be undertaken by the advisory board. Where a case is considered to have merit and a chance of success, and the applicant for assistance satisfies a means test, assistance will be granted.

Where an action is successful, the percentage of the judgment will be contributed to the fund. It was explained that it is expected that there will be a dip in funds for the first few years of operation, but the expectation is that before long the fund will be self-funding.

I strongly support this aspect of the Bill. I asked a question some little time ago about legal aid and complained about the fact that, though it is available through the Legal Services Commission, it is not sufficient to guarantee access to the courts by those who need it. The Hon. Attorney agreed with that and said that that had never been the case and probably never would be. I agree with that also. This part of the Bill will certainly not be a panacea. It will not overcome all the problems of legal aid but, in my view, any assistance which there may be in this regard in providing people who would not otherwise receive legal aid, is to be supported.

The second part of the Bill allows the deputies of members of the Legal Practitioners Complaints Committee to be appointed by the Governor. That has not applied in the past. There was simply provision for the members as set out in the principal Act to be appointed and that was it. The Attorney-General in his second reading explanation recounted the recent case of a number of members of the committee having to disqualify themselves resulting in there being no quorum, and therefore the committee could not proceed. I think it is clear that that ought to be fixed.

What caused me a little concern was that it appeared to me that it was not explicit in the Bill that the deputies had to be qualified in the same way as their principals. It is not a matter of policy, it is just a question of getting it right. I raised that with Parliamentary Counsel, and it was agreed that it was not explicit. Parliamentary Counsel said that if the Bill was left in its present form we would have to place some degree of trust in Executive Council. I do not mind placing some degree of trust in Executive Council, but it seems to me that we can and ought to get this clear. To clarify what I am saying, section 68 of the principal Act provides:

> The committee [Legal Practitioners Complaints Committee] consists of seven members appointed by the Governor of whom—
>
> *(a)* three will be persons nominated by the Attorney-General, of whom one will be a legal practitioner and two will be persons who are not legal practitioners; and
>
> *(b)* four will be persons nominated by the society, at least one of whom will at the time of nomination be a practitioner of not more than seven years standing and at least one will be a person who is not a legal practitioner.

It was not explicit in clause 5 of the Bill that the persons appointed by the Governor as deputies were to be similarly qualified. Therefore, during Committee I propose to move an amendment to make this clear. To be able to give at least minimal additional aid in regard to the legal aid situation is good, and to overcome the situation which has arisen in regard to the complaints committee is also to be supported. I support the second reading.

Bill read a second time.

In Committee.

Clauses 1 to 4 passed.

Clause 5—'Establishment of the Legal Practitioners Complaints Committee.'

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

> Page 2, after line 9—Insert subsection as follows:
>
> (6a) A deputy of a member—
>
> *(a)* must be qualified for membership of the committee in the same way as the member of whom he or she is appointed deputy; and
>
> *(b)* must be nominated for the appointment by the Attorney-General or the society according to whether that member was nominated by the Attorney-General or the society.

I referred to this matter during my second reading contribution. It may be an excess of caution, but it is just to make sure (which I am sure is intended) that the qualification of the deputy shall be the same as the qualification of the member.

The Hon. C.J. SUMNER: The amendment is accepted.

Amendment carried; clause as amended passed.

Title passed.

Bill read a third time and passed.

STATE GOVERNMENT INSURANCE COMMISSION BILL

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

GAMING MACHINES BILL

Adjourned debate on second reading (resumed on motion).

(Continued from page 4205.)

The Hon. DIANA LAIDLAW: I support the second reading of this Bill, but indicate that I will reserve my decision on the third reading. I am keen to see and make an assessment of the terms of reference that the Attorney-General is to announce with respect to the proposed independent inquiry into allegations relating to the Minister of Tourism. Also, I am keen to see the fate of amendments that are to

be moved during the Committee stage, if this Bill passes the second reading. There is one thing about which I am very definite in relation to this Bill—that is, I will not support any role by the State Lotteries Commission. I support the administrative, monitoring and supervisory structure that is presently outlined in the Bill, and may be prepared to accept amendments to strengthen some aspects of that administration.

As has been outlined by other members who have spoken in this debate in the past few days, this is a matter of conscience for all members of Parliament. Certainly the Liberal Party does not have one fixed view on this Bill. I do not find the notion of poker machines objectionable, nor do I see them as a source of moral degradation. In fact, Australia has been a nation of gamblers ever since our colonial beginnings, and Governments have responded to this trait by introducing, progressively, a host of measures to legalise various avenues of gambling. I see no more social evil in playing poker machines than in betting on roulette at the Casino, gambling on the futures market, backing racehorses or dogs or playing bingo, the pools, X-Lotto or instant money games. At this stage I wish to incorporate in *Hansard* a table outlining the *per capita* expenditure on all legal forms of gambling in 1990-91.

Leave granted.

Per Capita Expenditure on all Legal Forms of Gambling 1990-91

Gambling Form	NSW $	VIC. $	QLD $	SA $	WA $	TAS. $	ACT $	NT $
TAB	115.82	95.36	77.83	70.47	69.10	79.40	63.72	73.59
On-course totalisator	19.51	15.17	12.80	10.11	7.40	4.96	5.08	6.36
On-course bookmakers	15.62	9.60	11.27	6.46	7.83	8.40	12.01	9.87
Off-course bookmakers	—	—	—	0.44	—	—	—	0.68
Total Racing Gambling	150.95	120.14	101.90	87.49	84.33	92.75	80.81	90.50
Lottery	11.26	1.59	3.52	0.00	0.52	1.26	4.42	2.91
Tattslotto, lotto	31.60	81.08	48.88	68.33	72.48	60.39	38.40	63.07
Pools	0.61	0.82	1.58	0.69	0.74	1.20	0.30	0.53
Bingo and minor gaming	—	38.39	—	39.83	—	22.25	—	7.36
Poker machines	357.33	—	—	—	—	—	320.35	—
Gaming machines	—	3.45	—	—	—	—	—	2.31
Casino	—	—	78.64	78.73	154.53	132.90	—	330.31
Instant lottery	12.26	13.54	41.38	15.89	22.69	16.71	10.78	13.08
Total Gaming	413.06	138.87	174.00	203.48	250.96	234.71	374.26	419.56
Total All Gambling	564.01	259.01	275.89	290.97	335.29	327.46	455.07	510.06

Source: Tasmania Gaming Commission.

The Hon. DIANA LAIDLAW: In terms of the enthusiasm for gambling in our society, it may be interesting for members to look at this table, which identifies very clearly that, in terms of total gambling on racing forms in South Australia in 1990-91, $87.49 million was spent, and on total gambling in that same year $290.97 million was spent. What is also of interest to me is to look at what happens in the States where poker machines are already operating. In New South Wales, out of a total gambling expenditure of $564 million in 1990-91, $357.33 million was spent on gambling on poker machines. So, it is quite clear that in that State the most popular form of gambling is on poker machines, when people have the option of different gambling forms.

In the ACT, $320.35 million was spent on poker machines in 1990-91 out of a total of $455.7 million gambled in that year. Many of the forms of gambling that I have noted, from horseracing to dogs, bingo and instant money games, are easily accessible to people. In fact, it is of interest to me that they are even available at the corner shop, in terms of the TAB shopfronts in this State, and they are even at the end of the phone. Members will recall the TAB's enthusiasm for the use of telephone credit accounts. I entered this Chamber 10 years ago and, while it may not necessarily be a proud record, it has certainly been a consistent record on my part in terms of my vote for gambling legislation, because I have supported, on reflection, all extensions to gambling in this State: betting on the Bay Sheffield run, the establishment of the Casino and the introduction of video gaming machines into the Casino.

I freely admit that never in my life, let alone in the past 10 years, have I bought a lottery ticket, nor have I spent any money on instant money games. Since 1983, when the Casino was established, I have visited that establishment perhaps once a year for a meal or a meeting, and in that time I have had perhaps one bet of $5, lost, and have not had another bet. I have never visited the video gaming machine area in the Casino.

I highlight those facts because I believe very strongly that people should have the option to spend their money as they wish and that it is not for me to dictate how they spend it, although it is not a course that I personally advocate for me or for others to follow. I have no interest in these forms of gambling. I have not bet on the races for at least 10 years. While I was very keen on the share market at one stage, because of potential conflict of interest allegations I have not bought any shares on the share market, other than Commonwealth Bank shares, and that was in the past 18 months. I have not bought shares since I have been a shadow Minister. I am very cautious in that regard, but it does not mean that, because I wish to be cautious in my own practices and responsible with my own money, I necessarily will deny others the opportunity to bet in these forms if that is how they wish to use their money.

That is an important point for me as a Liberal, because I believe very strongly that individuals must be deemed to be responsible or, at least, to be able to exercise responsibility in how they dispose of their income. I do not suggest that I would carry the notion of individual responsibility to the farthest degrees and that I am not prepared to impose limitations on individual liberties when it comes to road safety and a whole range of measures, but when it comes to the disposal of income, I will not be a person who tells people that they cannot spend their money on buying a new dress or suit or that they cannot gamble on the races, go out for an expensive dinner or buy an imported car. As long as they are responsible and prudent, I am quite relaxed about how people spend their money, and I note that the majority of people in our community are responsible and prudent.

I find it very difficult to say that, because we have a minority of people who may become addicted to gambling,

or a minority of people who cannot be responsible in terms of their own finances or for their family finances, I should deny the majority of people the opportunity to exercise their option to bet on poker machines, if that is what they wish to do.

The Hon. T.G. Roberts: Do you back your brother-in-law's horse?

The Hon. DIANA LAIDLAW: My brother-in-law does have a horse, but I have never bet on it. In fact, he has given the tip to others, and I bet that they wish they had not backed it, either. I do not obtain satisfaction from those things. Certainly, I have entered sweeps at Parliament House—but that is because it is almost compulsory to do so. These forms do not interest me. Arguments have been presented to me that, if I support the second and third readings of this Bill and the Bill passes, we will be depriving other racing codes of money that now comes to them; that we will be depriving retailers, restaurateurs and other people, particularly in a time of recession when it is tough, of money that is currently going to them.

It seems to me that this argument is about people exercising choice. I remember that the same arguments were used during the debate on the extension to shop trading hours, an issue I supported some eight years before the Liberal Party finally agreed to a Government Bill to support their extension to Saturday afternoons. It was always put to me that this would deny important income and trade to smaller retailers. I particularly remember angry representations from traders along Jetty Road, yet I went along Jetty Road at Glenelg four Sundays ago and could not believe how the shops were open not only on Saturday afternoons but on Sunday afternoons, and business was thriving.

It seems to me that there is always the argument of resistance from those who have a neat corner on a market at the current time, who may, particularly in these difficult times, be anxious to protect that corner of the market. However, it is my view that times are always changing and one cannot anticipate that people should maintain that corner of the market if opportunities are denied people from exercising choice as to how they wish to spend their money.

Many people have contacted me about this legislation and on most issues of conscience, whether it be gambling or abortion, the representations have been keen, enthusiastic, adamant and angry. I would say that all of them could be described as concerned, genuine and anxious. I suspect that, unlike the representations that the Hon. Mr Griffin has received, the representations that have come to my office have been almost evenly balanced. Perhaps that is because I indicated at an early stage that I did not object to this Bill outright.

The Hon. Mr Griffin indicated that he was against the Bill from the start and I suspect that that meant that a number of people did not bother to contact or lobby him thereafter. In an interview this morning, when speaking about this issue, the Minister of Agriculture, Mr Lynn Arnold, said that he had voted against this Bill, whereas he suspected that the majority of his electorate would support the poker machines Bill. So, notwithstanding whether the representations I received were evenly balanced for and against, I believed that I would be voting in the manner that I have indicated tonight, just as the Hon. Mr Arnold voted, notwithstanding his perceptions of the views of people within his electorate.

One concern I would express tonight is that, through the current member for Hartley, Mr Groom, Mr Bannon indicated some nine years ago, when debating the Casino Bill, that the Government would initiate an inquiry into the social impact of gambling in our State. I think it is extremely disappointing and irresponsible that such an inquiry has not been undertaken because, even people such as myself who have no objection to gambling or the extension of gambling in this State, recognise that the community is divided on this issue and that it is important for us to have as many facts as we can before us in debating this measure.

The select committee on the Casino Bill in 1982 judged that about .7 per cent of South Australians could be termed as keen gamblers bordering on addictive gamblers. However, 1982 is some time ago. We are now in a recession. It may be that more people are trying their luck these days through gambling than would have been the case in 1982, which perhaps was relatively a more buoyant time.

I want to canvass a number of specific issues in relation to this Bill. The first relates to the role of the State Lotteries Commission. It has been suggested by a number of members within my Party and in this place that the State Lotteries Commission should have a prominent role in the administration of this legislation, but that is something that I will not tolerate under any circumstances. If such an amendment did pass in this place, I would certainly not support the third reading of this Bill if that were the basis for the future operation of gaming machines.

The Hon. M.S. Feleppa: It's a conscience vote, isn't it?

The Hon. DIANA LAIDLAW: That's right. I am just saying that, if it was moved and supported by the majority of members in this place that the State Lotteries Commission did administer gaming machines, I would not vote in favour of the third reading. I just could not support such a role for the State Lotteries Commission. In 1987, I was appalled when the Lotteries Commission decided to introduce by stealth club keno facilities in South Australia. I named earlier a number of Bills and motions that have been before this place to debate the extension of gaming facilities. However, the State Lotteries Commission sees itself as almost above the law in a sense. The Chairman, Mr Wright, believed that just placing a reference in his Chairman's report of 1987-88 was sufficient to advise South Australians that the Lotteries Commission was going to place club keno facilities in South Australian clubs.

I find that approach unacceptable. There was no public debate, as is the case with this issue. As I say, the first anybody heard about it was reading the fine print in the Chairman's report. I also found it objectionable that the commission was only going to pick on licensed clubs but not extend the same opportunity to hotels. It finally did so after there was considerable uproar on the issue, but the commission was well prepared to divide and rule in terms of clubs and hotels in this State and I find that practice by a State authority, when it is dealing with private sector operators who operate on a commercial basis, absolutely deplorable.

I also disliked the fact that, when the State Lotteries Commission decided to extend club keno to hotels, it picked off one hotel against the other and divided communities and towns in regard to hotels. It would pick one hotel and, of course, the judgment that it made would have considerable commercial impact on the other hotel within that community. The other hotel was not even given the option of deciding whether or not it would like club keno; it was just frozen out of the whole deal. Again, I find deplorable the Lotteries Commission approach to divide and rule within communities, particularly in enterprises where commercial decisions are made, where mortgages may have been at stake and a great deal of finance tied up in that enterprise.

I have no doubt at all that, if the Lotteries Commission were given an opportunity in respect of gaming machines, it would again approach its task in the same divide and

rule manner that I find so objectionable. In fact, I was interested to hear this morning the comments of the licensee of the Boston Hotel in Port Lincoln. The licensee was equally concerned that all hotels in that area would not be given the option to install poker machines if they so wished.

I do not believe that all hotels or all licensed clubs in this State will install poker machines if they are given the option to do so, but it is their choice. It should be a commercial decision and it should be the licensee's decision. An overbearing State authority should not say, 'You can have a machine, but you will not have the opportunity to have anything.' I just find the role of the Lotteries Commission to be overbearing, all powerful and totally objectionable. I also find the concept of giving the Lotteries Commission any responsibility in this area quite frightening in terms of the monopoly it would have over gaming in this State. It has already gained in recent years—

The Hon. M.S Feleppa: You would prefer public monopoly?

The Hon. DIANA LAIDLAW: I do not like monopoly of any sort and, as a general principle, I have not liked it in business, I like to see competition. I believe that competition would be encouraged if the Independent Gaming Corporation had responsibility in this area, because we would be assured that clubs and hotels would make their own choice whether they wanted to have these machines. The decision whether a hotel or licensed club could have these machines would be based on commercial criteria and on community demand: it would not be made by the State Lotteries Commission. That is what I find appalling. I also dislike the fact that the Lotteries Commission already has considerable power with respect to gaming in the State.

For some crazy reason, this Government has also transferred to the Lotteries Commission responsibility for small lotteries in this State. I see that as a total conflict of interest, because the interests of small lotteries and charities are at odds with the operations of most of the other forms of gaming operated by the Lotteries Commission. In no circumstances would I support the extension of the Lotteries Commission's powers in this State by enabling it to have any involvement in gaming machines. The only scheme of arrangement that I would support for the operation, monitoring and supervision of this gaming legislation is that which is outlined in the Bill and which involves a key role in administration being designated to the Licensing Commissioner and a role for the Independent Gaming Corporation.

It has always seemed amazing to me that somehow the Lotteries Commission is seen as wonderful and credible, because it is a State instrumentality, while ignoring the fact that the commission itself is also a State operation and that the Licensing Commissioner has since 1983 been responsible for administering the Casino Act on behalf of the Casino Supervisory Authority. There was much shock and horror about the Casino Act in 1983 when all this was first mooted—

The Hon. R.I. Lucas interjecting:

The Hon. DIANA LAIDLAW: Yes, it was a little traumatic that year. However, the Hon. Mr Lucas and I voted for the Casino. I remember my colleagues and others saying that all hell would break loose, that crime would be rife and that every other dreadful thing that could happen in life would descend on South Australia. I have not seen any evidence of that at any time. In part, that is a major credit to the Liquor Licensing Commissioner and the commission who have had the responsibility over the past nine years for administering the Casino Act on behalf of the Casino Supervisory Authority. I have no doubt that the credibility and integrity with which our Casino has operated in this State will continue to be the hallmark for the operation of gaming machines in hotels and licensed clubs.

Also, I support a role for private enterprise. There has been such hypocrisy in the debate. I heard today that hotels are recognised to be important community assets not only in country towns but also in the metropolitan area. Certainly, in terms of tourism, they are critical assets, a great deal of investment having been made recently in terms of heritage restoration. Also, licensed clubs are very important in our sporting and ethnic communities. Generally, they return a great deal to our community in terms of support for a whole range of important social programs.

It is incredible that, notwithstanding all the wonderful things which I would say about hotels and licensed clubs and which others would acknowledge at other times, when it comes to gaming machines we think that our hotels and licensed clubs are almost evil; that they cannot be responsible for gaming machines; and that a company that they have established in the form of the Independent Gaming Corporation cannot be responsible for operating these machines. However, we seem to forget that Tattersalls, which is the major pools company within this country and overseas, is a private sector operation and has operated ably, efficiently and above board for numerous years. Again, I have no doubt that the Independent Gaming Corporation will run in exactly the same way. We will ensure that it does. If it were not keen to, we would ensure that it did by amendments to the Act in the other place and by further amendments that I understand the Hon. Mr Lucas might be looking at in terms of monitoring and supervision.

However, the hotels and licensed clubs have a great deal at stake. They do not want to lose their licence. I believe that the Australian Hotels Association and the licensed clubs management groups will be firm with hotels and licensed clubs to ensure that they keep within not only the letter but also the spirit of the law, because the reputation of both organisations is at stake in this matter. I am keen to move amendments, which will relate to the designation of a proportion of revenue from the money generated by these gaming machines to community service organisations and also for the purposes of tourism promotions.

In terms of tourism promotions, I note that every major tourism industry group in this State and the major operators in terms of the hotel and hospitality industry support the establishment of a tourism promotion fund. They know full well the importance of tourism and of the need to get more tourists to this State. Just last week, when speaking to the Supply Bill, I outlined how South Australia was falling behind on every key indicator in terms of domestic and international tourism and how we must do a great deal more if we are to come anywhere near the Government's statements about tourism being one of the five key industries for economic development in this State.

The industry groups and the key operators in this State also agree with the need for a tourism promotion fund. They are: the South Australian Tourism Industry Council, which wrote to me last year before it changed its name to the South Australian Tourism Federation; the Hyatt Regency Adelaide; the Terrace Hotel; the Grosvenor; the Hindley Parkroyal; the Hotel Adelaide; the Ramada Grand; the Adelaide Convention and Tourism Authority; and the Hotel and Hospitality Association of South Australia. It is of interest to me that, at a time when the State Bank is crippling this State in terms of the requirements for injection of extra money and when I understand that the SGIC, through CTP insurance, requires a top-up or guarantee of a further $35 million (and that was discussed in another place today), we have here a Bill which ensures that all

revenue that comes to the Government will go straight into the Consolidated Account—straight into general revenue.

That is not so with the State Lotteries Act under which handsome sums each year are directed to the Hospitals Fund and for sport and recreation. Honourable members will be interested to know that over the past 24 years $503 million has gone into the Hospitals Fund and over $3 million has been channelled into recreation and sport activities. All these funds from lotteries are not helping to maintain our public hospitals in the condition in which they should be maintained, but I can only believe that the input of these moneys through the State Lotteries Commission and the Hospitals Fund ensures that our hospitals are in a better state than they would otherwise have been. As happened in Queensland and Victoria when they discussed and introduced their gaming legislation in recent years, funds must be earmarked from gaming revenue for community purposes. Victoria is not only nominating tourism promotion but also the arts as one of those purposes.

Another issue that I raise briefly relates to minors. A number of people of my age and a bit older who have spoken to me are worried about their children in respect of pubs and gaming machines. Friends of mine and others know that kids of 15 and 16 are now frequenting hotels. I am not confident that the liquor licensing provisions are being enforced as stringently as they should be. I believe that the Australian Hotel and Hospitality Association must look at this issue more closely. I know that it is keen to introduce a pub card and that it has had some difficulty in terms of resistance from the Attorney-General in this State, unlike the circumstances in the Northern Territory. However, it is a matter that the Australian Hotel and Hospitality Association and the licensed clubs must look at. Under age drinking is of concern. I am concerned that, if they do not get their act together in this respect, there will be considerable difficulties in terms of their responsibilities for minors in relation to poker machines and gaming.

This Bill contains onerous provisions in terms of the responsibilities of operators. If a minor enters or remains in a gaming area, section 51 (2) of the Act provides that the licensee and the approved gaming manager on duty at the time will each be guilty of an offence and a division 5 penalty will apply. Division 5 is maximum imprisonment of two years and a maximum fine of $8 000. I hope that in terms of enforcing these provisions the licensees and approved gaming managers on duty are diligent in ensuring that minors are not on the premises. Otherwise, I suspect that Parliament will be prepared at some later stage, if the Bill goes through, to look at the whole issue again.

I do not see this Bill as being the saviour for hotels in this State in respect of the survival of all city hotels and clubs. Many clubs and hotels in country areas are struggling at present. In an article in the *City Messenger* of 8 April the Executive Officer of the Australian Hotel and Hospitality Association indicates that business is continuing to slide; that over the past two years floundering pub operators have walked out of their businesses; that there are at least five pubs in the city and North Adelaide on the market; that some have gone through in recent times; and that others are more vulnerable. It may be that this Bill will help some. The Lord Mayor, in some ridiculous statement today in the paper, suggested that it would not help others. As I said, I believe that it is a commercial and community decision whether these machines will be successful. The responsibility rests on the hotels not only to make that commercial decision, but also to ensure that in the community interest minors do not get involved and that criminal elements are certainly not involved.

Poker machines have not had a good image in other parts of this country or the world where they have operated. In part I suppose that it was that bad image that caused me such great concern when the allegations were first made in respect of the Minister of Tourism. It seemed to me that the allegations were reinforcing this bad imagine about poker machines at a time when Parliament was debating this important issue. On 22 March I indicated that I would not be prepared to support third reading of this Bill until an independent inquiry had been established. At that time I indicated that if the Government acted promptly the inquiry could not only have been established but also have conducted its proceedings and delivered its findings within the 23 days since these allegations were first made. Instead, it has taken 23 days for the Minister and the Government to decide even to establish such an inquiry. Valuable time has been lost in terms of the image of the Government and of this issue of poker machines. I am waiting to see the—

The Hon. Barbara Wiese interjecting:

The Hon. DIANA LAIDLAW: I will not even bother to answer that inane interjection. I have just—

The Hon. Barbara Wiese interjecting:

The Hon. DIANA LAIDLAW: You are in such a bad mood and so grumpy these days that it is not worth it. I feel that this inquiry, which could have been initiated a long time ago, could have been held by now and we could know its findings. This Bill would then have been discussed in a more civil environment than that in which it is being discussed at the moment and it would bring more credit to the Parliament as a whole and certainly to the Government. I have indicated that I will support the second reading. I will reserve my right on the third reading pending the terms of reference of the inquiry.

Finally, the Minister of Tourism—I would not have bothered to mention this if it were not for that last little outburst—in answer to a question asked by the Hon. Trevor Griffin on gaming machines, decided that she would have a go at me. In terms of the industry, she said:

> The real issue is that the industry of which the honourable member speaks will make its own judgment about her role in this and about her integrity. Don't worry about that.

To that I interjected:

> Are you threatening me?

The Minister replied:

> I cannot threaten you, Ms Laidlaw, but I am sure that the industry will make some very firm judgments about your integrity and about your role in this debate and in this issue.

I am not sure what the Minister is getting at, but I do not take kindly to being threatened either by the Minister or the industry. I have spoken to many people in the industry, and they appreciate the point of view that I have represented to them in discussions over recent days. I believe that, in terms of integrity, the Minister should be worrying more about her own than about mine, because I am certainly not subject to conflicts of interest allegations.

The Hon. Barbara Wiese interjecting:

The Hon. DIANA LAIDLAW: Well, it is a pity that you are not, because if I had such allegations raised against me and my integrity, I would certainly be concerned.

The Hon. Barbara Wiese interjecting:

The Hon. DIANA LAIDLAW: Well, if you do not seek to ask the questions, you are not going to get the answers, are you—and I suspect that that is what has happened in this case. But I am pleased that there will be an independent inquiry and that this matter will be addressed, because not only is the Minister's integrity at stake, but certainly this relates to the issue of poker machines in general, and it is a reflection on the Australian Hotel and Hospitality Association and licensed clubs. I am very keen to see that the

role that they have played in this matter is cleaned up, because I believe that they have acted with good grace and goodwill throughout this exercise. However, at this stage I will support the second reading and reserve my judgment on the third reading.

The Hon. M.S. FELEPPA: In searching for material related to gaming machines, the issue before this Parliament, I have gathered together a mass of information amounting to hundreds and hundreds of pages, without exaggeration, and which I will endeavour to summarise in a few main points. Let me say that the material which I have perused at this time for the issue before us to debate, has not convinced me that the people's attitude has changed when we consider the gambling area. Before I detail my contribution, I wish to remind honourable members of some of the remarks which I made when I debated the Casino legislation in 1982. On that occasion I said:

> Legislation that allows or forbids gambling cannot affect the basic nature of people. Those who have the gambling habit will gamble, and those who do not have this habit will not acquire it, for a society which has entertained one form or another of gambling for the entire period of its history, and which has developed even a custom about it, one cannot be perplexed by the various arguments for and against.

The first point I wish to reiterate is that human beings are given to gambling. It is in the nature of all of us to gamble one way or another, and some more than others. Secondly, there is a clear need for an impartial control of gambling. Thirdly, the Government is presumed to be the body most likely to be able to exercise this impartial control. Fourthly, the further the control is moved away from a Government's impartial position, the greater it is likely that gambling will suffer from corruption. Fifthly, organised crime will be attracted and will be likely to infiltrate gambling so as to manipulate the industry to the advantage of organised crime. Sixthly, young people should be protected from forming the habit of gambling so that in later life they can resist the temptation to use it excessively and so they do not abuse it.

Those are very important points which, in the course of my contribution, I will examine in more detail. However, before I start to do that, one other point I want to make in relation to gambling is a quote from Adam Smith who, in his book entitled 'Wealth of Nations' examined it and threw some light on the way of the habit. He stated:

> The chance of gain is by every man more or less over-valued and the chance of a loss is by most men under-valued.

He goes on to say that the chance of gain is over-valued because lotteries have always given a chance to gain and it is a gain on which one focuses, unfortunately, rather than the chance of a loss. There is no perfectly fair lottery where the whole of a gain compensates for the whole of a loss. If it were perfectly fair, then the operator could not make a profit. It falls from this that, if you bought the total number of tickets in a lottery, you would certainly lose, and the more tickets you buy, the greater chance there is of a loss. But if you outlay a small amount in order to gain a large reward, there is a chance of gain. That is the focus, and this principle is at the heart of gambling and some do win, but it is the many who unfortunately loose.

We can put this to a test. If you set a stake at a certain amount, sit at a gaming machine and play the one machine that returns a guaranteed percentage of what is paid in and you continue to gamble your winnings as they are returned to you, in the end the machine will eat all your money and perhaps all your winnings. It will take perhaps some time but that will be the final result; you can be assured of that. The one who gains on the gamble is the one who knows when to quit the machine.

One wins by controlling the habit. Because gambling is such a lucrative and certain way of making a profit for the operator, it attracts those who, with long-term investments, are prepared to develop gambling as an enterprise. The operation as an industry is attractive to a large number of interests such as hotels, social clubs and casinos, who are eager to operate gaming machines, and liquor and gambling seem somehow to go together, and these exceptions seem to attract those who wish to gamble. We all know that gambling is so attractive to the gambler and the operator that it must be under strict control and, in my view, this control should be impartial to gain and be disinterested in chance. Chance and gain are the two elements in gambling emphasised by Adam Smith, whom I quoted. Since the control itself should not focus on the chance or gain, it can focus on the integrity of gambling, the honesty of the operator and the fair game by the honesty of the gambler. Such control is fairest for all, according to the rules set for gambling with gaming machines.

It can be presumed that the Government is the most subjectively impartial and objectively disinterested body that can take control of gambling. Obviously it gains from gambling but only in the form of a tax, which is a quite legitimate charge. If the Government is not fit to control gambling, in my view there is no other body that can do it better.

In the Bill, the Government, through Parliament, will provide for the regulation of gambling while the Liquor Licensing Commissioner will provide the administration of the Act. What is left to be considered is the control of gaming machines. The Executive Government cannot directly exercise this control but, by legislation, can appoint a body that can assume such a responsibility and at the same time the Minister can keep close scrutiny and, possibly, supervision by regulation. There are other alternatives to Government in sponsoring the control of gambling, but these alternatives would remove such control beyond arm's length from the Government's position.

The literature on gambling from overseas and within Australia (which I have read), seems to condemn the lack of tight Government control of gambling because it leaves gambling open to criminal intervention. Such private control would create a private monopoly, and the public perception is that private monopolies are even less desirable than public monopolies. A private monopoly would have to be self-regulating under its code of ethics. New South Wales in no time found that it was mistaken in its belief that self-regulation of the gaming machine operation was possible. It found that the industry could not be trusted. In relation to the supply of gaming machines, Mr Keirav Daley, the Managing Director of International Gaming Technology, supports the view that the industry should not be self-regulating. He is prepared to back up his opinion and is reported to have said that his company will refuse to supply gaming machines to South Australia if there is self-regulation—and I hope that he sticks to his words.

The Bill as it now stands provides for a private monopoly under clause 24 which provides:

> The body corporate known as the Independent Gaming Corporation will, on due application being made and the Commissioner being satisfied as to the matters specified in sections 18 and 20, be granted—
>
> *(a)* a gaming machine dealer's licence; and
>
> *(b)* the gaming machine monitor licence.

Under section 18 the Commissioner has to be satisfied as to the fitness, credit worthiness, honesty and integrity of the person to be associated with the Independent Gaming

Corporation if that corporation is to hold the licence. The Independent Gaming Corporation is, to some degree, already in existence in that it already has an interim manager and telephone contact number. It should be noted that the interim manager is the Executive Director of the Hotel and Hospitality Industry Association. The nominated directors of the corporation are all members of the Hotel and Hospitality Industry Association or the Licensed Clubs Association and by public perception—and many people I have spoken to have said this—they would have a vested interest in the operation of gaming machines.

The Liquor Licensing Commissioner will have to take into account in considering an application for the licence under section 23 whether or not the Independent Gaming Corporation is really independent. There must be absolutely no hint of a connection between the control of gaming machines and the operation of gaming machines. I believe that the offer of the Independent Gaming Corporation is a genuine offer, that there will be no cost to the Government for the setting up of the control of gaming machines, but at the same time I cannot believe that the offer of the Independent Gaming Corporation will be a free gift to the industry. The Independent Gaming Corporation venture will have to be paid for by someone, and inevitably the cost will be recoverd by the promoters one way or another.

I now turn to the analysis of profit from gaming machines. The figures provided by the Independent Gaming Corporation show that the profit from six gaming machines supplied under its control is supposed to be $50 750 per year whereas the same number of machines supplied under the control of the Lotteries Commission would only be $4 250. I cannot accept these figures; there cannot possibly be such a difference. I compared those figures with the figures supplied by the Lotteries Commission which show that under its management the same number of machines for the same length of time would earn $55 640 (instead of $50 750) but not $4 250. After having examined these figures, I must agree with the Lotteries Commission and I cannot accept the figures of the Independent Gaming Corporation. I believe that this could be a mark against the competence of the Independent Gaming Corporation.

As I have already pointed out, Government control of gaming machines needs to be as tight as possible so that the profit licence should go to a body that is or could be under the closest possible scrutiny of the Government. There are already in existence two such bodies—the Casino Supervisory Authority and the Lotteries Commission. In my view and in the view of those many people to whom I have spoken, there is no need to create a third body. This can be done simply by further developing the capacity of one or two of the present bodies.

The South Australian Police Commissioner, Mr Hunt, in his report released on 5 March 1992, suggested granting the monitoring licence to the Casino Supervisory Authority. While this authority may be able to carry out the monitoring task, it could only do so after some extensive development. However, I think that the Casino Supervisory Authority would be an appropriate body to act as a watchdog by undertaking inquiries as provided under the Bill and conducting the appeals process, provided that these duties do not interfere with its very important role at the Casino. As I understand it, the authority has three part-time members who operate without a hierarchy and infrastructure. Therefore, without a great change, the Casino Supervisory Authority could not operate the monitoring system nor act as the central purchasing agent, approver and distributor of the gaming machines.

There is another objection to the Casino Supervisory Authority's holding the gaming machine monitoring licence and gaming machine dealer's licence. The Casino Supervisory Authority is the investigative and enforcement body as provided under clauses 11, 12 and 64 of the Bill and, as I have already said, hears appeals under clause 65. If the Casino Supervisory Authority held the licences, it would need to investigate itself, which could lead to a conflict of function.

The monitoring and dealer's licences should be held by a body separate and distinct from the investigative and enforcement body. On these clear grounds, I conclude that the Casino Supervisory Authority would, in my view, not be the appropriate body to hold the licences. The purchase, distribution and maintenance of gaming machines has some concerning problems under this Bill. I believe that the purchase of gaming machines should be between the Government authority and the manufacturers or their agent. This is a widely held opinion, not only here but interstate and overseas. In supporting this opinion, the Commissioner of Police in this State (Mr Hunt) in his report released on 5 March 1992 said:

> Having taken into account Australian and overseas reports directly related to the gaming machine industry and having had the benefit of discussions with persons responsible for daily regulation of the industry elsewhere, it is considered essential that a Government authority is given the monitoring and regulatory role. Further, the purchasing interface should only exist between the Government authority and manufacturers or their agents. A direct selling/buying relationship between manufacturers and hotel or club management should be regarded as a high risk alternative to the above.

The Police Commissioner therefore regards with concern a body such as the Independent Gaming Corporation, with its hotel and club management relationship and its distance from Government control. The Police Commissioner tells us in the same report:

> The most recent States to enter the gaming machine market are Victoria and Queensland, both of whom have chosen to introduce Government authority owned machines into an environment strictly monitored and controlled by a Government authority. This step drastically reduces the opportunity for contact influence/corruption/bribery between the manufacturers or agents and the purchasers (clubs or hotels etc). Experience, both in Australia and overseas, has shown quite clearly the abilities of the manufacturers or agents to engage in criminal or corrupting practices in order to make sales or maintenance agreements.

Those States have put in place legislation to cover the genuine concern there is to protect the gaming industry from the influence of criminals. Let us not make mistakes: when criminal elements do sneak in, it could cost the whole industry irreparable damage. The alternative system is a dial-up occasional check that is not open to the closest possible scrutiny and supervision and is, therefore, more open to criminal manipulation. Of the three choices, then, the Independent Gaming Corporation, the Casino Supervisory Authority and the Lotteries Commission, I would say that the Independent Gaming Corporation is too far removed from Government control, open to corruption and not a worthwhile choice. The Casino Supervisory Authority is not sufficiently structured and equipped to carry out the task of control, even though it is under Government scrutiny, and would be therefore a poor choice. The Lotteries Commission can be closely scrutinised by the Government and has the necessary ability to implement the control of gaming machines and gambling. I should like to make another comparison. The Independent Gaming Corporation set out four points as its philosophy. The question is, will the Lotteries Commission fulfil the proposed philosophy? The first point reads:

> To ensure that participating hotels and clubs have access to coin operated gaming machines in a manner consistent with the

laws of South Australia in sympathy with the needs of the community of South Australia.

It is the primary intention of the Lotteries Commission to do just that. As an example, it is its intention that as patrons prefer to hear and see the drop of a coin into a tray rather than to receive a printed ticket to be cashed at the bar, the drop of coins will be the way a payout is made. In these and other ways, the Lotteries Commission will be fulfilling the first point in the philosophy of the Independent Gaming Corporation. The second point states:

To ensure that the appropriate Government authorities will be given total access to all aspects of the corporation's activities to ensure a high level of integrity.

This would not be an issue if the Lotteries Commission were given the control, as the commission is already under the Government's eye in its present operation. There would be the same kind of scrutiny of its gaming machine operation. The third point states:

To effectively develop and maintain a stronger support structure for members of the hotels and clubs to maximise their return and participation, while balancing the needs of the industry and the expectations of Government and the community.

Maximising returns and participation should not represent a major role of the control body. It is the role of the Hotel and Hospitality Industry Association for its members, and the Licensed Clubs Association for its members. It does not mean, however, that the Lotteries Commission will not be looking towards maximising the development of the industry, but that would be secondary to maximising control. This point of its philosophy would certainly involve a conflict of interest for the Independent Gaming Corporation. The fourth and last point of the Independent Gaming Corporation's philosophy states:

To encourage community development of services, facilities and standards within the industry by ensuring a greater level of viability through the provision of coin operated gaming machines.

The development of the viability of all aspects of the industry is at the heart of the activities of the Lotteries Commission and the commission, as I have said already, has the expertise to do it. The conclusion is that there is nothing in the philosophy of the Independent Gaming Corporation that would not be better met by the Lotteries Commission. However, in addition to that, Sir, the Lotteries Commission has set itself the task of maximising the management and profitability of the gaming machine industry as a whole but without having a stake in the industry or a conflict of interest in gambling.

The Lotteries Commission's interest is in control of gambling and the integrity of the gambling operation. In its activities the commission would and should be impartial to gain and disinterested in chance, which takes us back to Adam Smith's analysis upon which I have already commented. In the United States, the Oregon Lotteries Commission investigated and reported on gaming machine security and criminal activities. Its report states categorically:

Organised criminals always have an affinity for gambling of any sort and/or liquor establishments. Law enforcement must continue to be alert to hidden ownership issues and money laundering.

The literature supports that quote and the attraction that gambling has for organised crime should be borne in mind when deciding the most secure control over gambling, especially where gambling is associated with licensed premises. Criminal activities in regard to gaming machines are stealing from the cash box, false pay outs and interfering with the normal operation of the machines for the player's or licensee's gain. These crimes of larceny or fraud can result from inadequate security and monitoring of the machine, but criminal activities may go deeper than those which I have mentioned already.

All law enforcement agencies are concerned about hidden criminal activities. These activities are criminal association, undisclosed criminal interest, money laundering, tax evasion and payments of secret commissions and kickbacks. By the way, this view was endorsed by the Public Service Association which published such view in the *Public Service Review* magazine of February 1982.

Let me give you some details of these hidden criminal activities and the concern about them. The manufacture and distribution of gaming machines has been a deep concern of the Queensland Criminal Justice Commission and what it has said is endorsed by the Police Commissioner of our State, Mr Hunt. The Queensland Criminal Justice Commission states:

The issue of concerns here are that some gaming machine manufacturers in Australia have had a propensity for cultivating and on occasions corrupting persons responsible for their regulation (by regulation is meant here the manufacture, distribution and the use of machines in the industry); that inadequately secure machines have been produced; that a degree of industrial espionage which sometimes transgresses into criminality takes place between manufacturers that there may be undeclared interest in such companies; that criminal elements are employed or associated closely with such companies; or that they form vehicles for money laundering or tax evasion.

The same report goes on to state (and this part has possibly already been quoted by the Hon. Mr Griffin):

Historically, both in Australia and overseas, some manufacturers of gaming machines have often shown to be linked with syndicated or organised criminal interests. The nature of these links has included patterns of criminal or suspect activity by companies or their principals, disguised ownership by criminal interests, patterns of association with criminal identities and employment of criminal or suspect persons. In addition, there is the possibility of organised criminal activity on the periphery of the industry including involvement in entertainment, security, prostitution and money laundering.

The Queensland Criminal Justice Commission recommended that the manufacturers of gaming machines should be licensed in a way to exclude criminal identities and suspect persons. Therefore, in considering an application for any licence, the licensing authority should seek to uncover undisclosed criminal interests and criminal association.

Also, there should be property checks from time to time of those engaged in the day-to-day running of the gaming machine industry. These are my reasons why I will be proposing in the Committee stage that there be six licences instead of four. There will be a gaming machine manufacture's licence; there will be changes to the dealer's licence; and there will be a gaming machine service licence.

With the present Bill, the dealer's licence covers manufacture, distribution and servicing of gaming machines. I believe that those who want to engage in criminal activities will do their best to get around the licensing control, but the splitting of the licences and the granting of the dealer's licence and the service licence to a Government authority such as the Lotteries Commission should, in my view, lessen the opportunity for criminal infiltration of the industry. Having just the Lotteries Commission and the Liquor Licensing Commission there and not some other private sector body would hinder to a large extent criminal involvement. In addition to those two commissions, the Bill provides for investigations and enforcement by the Casino Supervisory Authority.

The last of the six points that I wish to raise (and it is very important to me and the many, many people to whom I have spoken and it has been amplified by the Hon. Mr Trevor Griffin) is protection of young people from being influenced by gaming machine gambling. Where a club or hotel makes provision for family gatherings there must be

proper supervision of gaming machines so that the young do not have access to them. To this extent clause 51 provides substantial penalties for those who are found to be guilty of an offence, but perhaps one other measure I would like to suggest to protect the young from being influenced is that, when issuing a gaming machine licence, the Liquor Licensing Commission would have to give special attention to this practical and social problem, set guidelines for assessing the situation, and perhaps refuse a licence unless strict supervision of machine use can be assured.

Concern for young should be of paramount importance when considering the granting of a licence to a club or hotel. In conclusion, let me summarise the main points. Gaming machine gambling needs the closest possible control to keep out criminals and to keep the industry honest. Experts and commonsense tell us that the Government or its agency is the one to keep the closest possible scrutiny over gambling. The Independent Gaming Corporation would be a private monopoly: it could not be impartial, would be too far removed from Government scrutiny, does not have public support and, more importantly, is not recommended by the Police Commissioner of our State.

The Casino Supervisory Authority is not equipped to control gaming machine gambling and the handling of the machines, although it is a Government agency and under Government scrutiny. The Lotteries Commission of South Australia is the Government's appointed licenceholder of the Adelaide Casino, and there is no question that the Casino is properly managed and operates successfully, and some credit for this can by all means be attributed to the Lotteries Commission for its involvement for many years. The Lotteries Commission has the expertise and the experience and, with its impeccable integrity, can work well with the Liquor Licensing Commission and the Casino Supervisory Authority, which are also Government bodies, sharing the responsibility of ensuring this new industry is able to operate in a secure and safe environment.

In a report as recent as 23 March this year, the Police Commissioner, Mr Hunt, said:

> The Lotteries Commission has an untarnished record of operation and integrity in this State.

Not only has the Lotteries Commission an untarnished record of operation and integrity (as stated by the Police Commissioner) but also the Lotteries Commission has proved to be a competent Government body in its every day administration. I read with interest from the *Business Review Weekly* of 21 October 1990, under the heading 'The Top 1 000', that the commission is rated fifteenth, previously sixteenth, with a turnover of $172 million and a return on investment of an extraordinary 711 per cent. Again, the Lotteries Commission is reported by the same magazine in October a year later, 1991, as being rated nineteenth, with a turnover of $203 million and a return on investment of 781.7 per cent, which clearly demonstrates the sound ability of the Lotteries Commission in making business profitable.

In a recent discussion between the Police Commissioner, Mr Hunt, and the Liquor Licensing Commissioner, Mr Pryor, they agreed to:

> ... the model which gives the Liquor Licensing Commission both licensing and regulatory responsibilities. Under the model, the Lotteries Commission of South Australia replaces the Independent Gaming Corporation completely.

It is expressed elsewhere in their agreed opinion that:

> Under the proposed model the Lotteries Commission of South Australia would hold both the machine dealers licence and the monitor system licence.

In the main, they have now come to the conclusion that I came to at the beginning of the whole debate on gaming machines, namely, that, if the Bill is to meet the highest expectations of the majority of the public and of those who have a professional concern for honesty and integrity with the gaming machine industry, then we should listen to our Police Commissioner and legislate for the Lotteries Commission with the strongest possible role for the Government. The Public Service Association of South Australia said that anything less 'could be a heavy weight on our conscience'.

Finally, I indicate to the Council that, during the process of consultation with many people on this concerning issue, I spoke also to some of the presiding officers (presidents or secretaries) of a number of unions who represent tens of thousands of blue-collar and white-collar workers. While their views do not necessarily directly represent the views of their members, they have spoken to me taking into account the concerns of the members. They strongly support the view which I have already expressed in support of Government authorities, such as the Lotteries Commission and the Liquor Licensing Commission. I now wish to thank all of them for their assistance and to list in *Hansard* for the public record the names of the respective unions.

I spoke to the Local Government Association, which strongly shares my views, the United Trades and Labor Council, from which I got a bit of mixed feeling. One presiding officer is completely against the legislation: the other one says that he does not entirely support it. He said that if the politicians want the poker machines to be introduced they must make sure that they will be under strict Government control. I will carry on naming the other organisations. They are: the Australian Society of Engineers, the Australian Postal and Telecommunications Union, the Australian Railways Union, the Australian Timber Workers Union, the Australian Social Welfare Union, Federated Miscellaneous Workers Union of South Australia, Federated Clerks Union of Australia, Gas Industry Salaried Officers Federation, Police Association of South Australia, National Union of Workers, the Union of Australian College Academics, Vehicle Builders Employees Federation of Australia, Waterside Workers Federation of Australia, Hospital Employees Federation of Australia, Public Service Association of South Australia Incorporated, Shops Distributive and Allied Employees Association, South Australian Institute of Teachers, Plumbers and Gas Fitters Employees Union of Australia and the Metal and Engineering Workers Union.

So, it can be seen that I have consulted with a number of unions including, I might add, the Liquor Trade Union. I spoke with its Secretary, Mr John Drumm, about this issue. Regrettably, we could not reach common ground in relation to the views that I have expressed regarding this matter. At this stage, it would be fair for me to indicate that I will support the second reading of the Bill. I have already indicated that I have amendments, and I hope that in due course a degree of sympathy will be manifested by the Minister in charge of this Bill in the Council, because that would be the only ground on which I will be able to support it. If not, I will reject the Bill at its third reading stage.

The Hon. I. GILFILLAN: I oppose the second reading of this Bill. There has been no wavering in my opposition to the introduction of poker machines in South Australia *in toto*. I object to them being used on trains travelling over South Australian territory, I have objected to them being introduced to the Casino and I most strenuously object to them being placed in hotels and clubs.

I have indicated from the outset my total opposition to any attempts by this Government to use additional forms of gambling as a springboard to increasing revenue by way of further levies and taxes. The effect that gambling has on any community is well known. It capitalises on the weak-

nesses of some people unfortunate enough to be addicted to gambling, from which this Government is now attempting to reap financial gain. Former US President George Washington summed up the effects of gambling in 1783 when he said, '. . . gaming is the child of avarice, the brother of iniquity and the father of mischief.' Those sentiments still hold true today.

The South Australian Council for Social Service (SACOSS) is well versed in dealing with the victims of this and other social problems within our community, and I would like to take some time to quote to members some statistics provided to me by SACOSS in relation to the effects on our community should this Government be successful in introducing poker machines into licensed premises.

Since 1985-86 the gambling dollar extracted by the State Government has more than doubled from $56 million to $128 million. In the past 12 months South Australian punters have gambled away more than $1.4 billion in 1 748 licensed premises. The Adelaide Casino already has 450 video gaming machines installed. Yet, in the 1983 Casino Bill a guarantee was given that poker machines would not be introduced. The Bill stated:

> No person shall have a poker machine in his possession or control either on premises or elsewhere.

This was a recognition of the problems associated with poker machines, and yet now this same Government is proposing to allow the widespread introduction and use of these machines.

I acknowledge that ostensibly it is a conscience vote, but there is little doubt that, apart from a couple of Ministers, there is very strong support for the introduction of poker machines by members of this Government, and the pattern of voting in the other place has confirmed that.

The Victorian board of inquiry, which was quoted by SACOSS in material presented to me, accepted the view that the consequences of the introduction of poker machines would be that some people who had not previously gambled addictively, or who had not even gambled at all, would become gambling addicts if widespread use of poker machines were allowed.

Results of a New South Wales survey on poker machines show some startling figures when extrapolated to South Australia. For instance, with the widespread introduction of poker machines in South Australia at least 350 000 people will be expected to play regularly. Of these, at least 34 000 (or approximately 10 per cent) would experience some form of concern in relation to poker machine gambling by not being able to afford the money they were spending on the machines. Another 9 000 gamblers would submit to gambling addiction. In Adelaide alone, 230 000 people would play poker machines, with 22 000 experiencing problems affording the money they are likely to spend and as many as 6 000 becoming gambling addicts. These are conservative figures because they are based on 1983 mean resident population figures, so in reality we could expect these figures to be higher in 1992.

The Government's action overlooks some of the very real problems involved for those with a gambling addiction. It is not just the gambler who suffers. The gambler's spouse, children, wider family, friends, employer and colleagues are all drawn into the problems of addiction.

The South Australian green paper on gambling addiction states:

> . . . it is beyond serious dispute that a small proportion of the population will gamble excessively on gaming machines. This will affect their own lives and those of their families. There is, therefore, a very powerful case for allocating a share of the revenue derived from gaming machines to finance the sort of activities referred to in the Victorian position paper.

On 13 May 1991, Detective Senior Sergeant Brian Smith, of the Fraud Task Force in Adelaide, in relation to gambling addiction, stated:

> . . . it is generally acknowledged throughout my peers in the CIB that gambling is a root cause of fraud and other crimes. And there is no common denominator as to age, sex or socioeconomic group. We are locking up bank officers who go to the Casino in their lunch hours, staked with the bank's funds raised through a loan they have approved to a non-existent person. We are locking up people who have held positions of trust in every level of trade and industry who have defrauded their employer to facilitate a gambling habit.

I remind the Council that that is a quotation from a senior police officer in South Australia in May last year.

In moving to allow the widespread use of poker machines in this State the Government is making itself responsible for increases in fraud and other crimes. The recent New South Wales Casino Control Bill includes an additional object for the Casino Control Authority which ensures that 'all reasonable steps can be taken to contain and control the potential of casinos to cause harm to the public interest and to individuals and families'. It includes the prohibition of automatic teller machines within casino boundaries, and the prohibition of credit betting and training courses for casino staff to assist them to identify problem gamblers.

That Bill also includes the requirement for the placement of signs informing people with gambling problems of sources of help, the availability of self-banning orders for those individuals with gambling problems, the regulation of gambling advertising and guidelines to cover inducements provided by casinos to gamblers. This is a clear recognition of the dangers associated with gambling and the problems experienced by many people with some form of gambling disease—gambling addiction. These controls do not exist in the Bill before us.

The Director of Medical Services at the Cumberland Hospital at North Parramatta in New South Wales, Mr C. Alcock, says that pathological gambling is now widely recognised within medical circles as a mental illness. He says that the incidence of this disorder in the general population is around 1 per cent which, translated into South Australian terms, means that approximately 13 000 people will suffer from this illness at some time in their lives. I remind honourable members that is not my definition. This is a diagnosis by the Director of Medical Services at the Cumberland Hospital at North Parramatta in New South Wales.

Given the explosion in poker machines that will take place in this State if this Bill is passed, it means that the Government will be profiting in a monetary sense from the misfortunes and illness of a significant number of our population. Referring to the findings of Mr Alcock, he describes the essential features of a pathological gambling disorder as 'a chronic and progressive preoccupation with gambling and the urge to gamble, gambling behaviour that compromises, disrupts or damages personal, family or occupational pursuits'.

In Victoria, the Government plans to use the profits from poker machines in a number of ways. First, it will use the money to meet the expenses of the Gaming Commission, the promotion of the arts and tourism and for the benefit of sporting and recreation clubs. But, more importantly, it plans to use the bulk of the profits to fund research into the social impact of gambling and for the provision of financial counselling services, support and assistance for families in crisis or programs for the prevention of compulsive gambling or for the treatment and rehabilitation of persons who are compulsive gamblers.

I repeat my opposition to this Bill for numerous social and medical reasons which briefly I have attempted to outline in this second reading speech. The down side of

encouraging widespread gambling is obvious and the notion that a Government willingly sets out to gain financial profit from the misfortune of many of its citizens is abhorrent and must not be tolerated if we are to become a caring and more equitable society. The actions of this Government over the gambling issue are best summed up in the words of W.C. Fields who, in 1923, wrote 'Remember, never give a sucker an even break.' I do not believe that many people in this Chamber would have heard that in 1923. In the pursuit of extra revenue, it appears that this Government has adopted that credo and does not want to give those unfortunate victims of gambling an even break.

I believe that the widespread introduction of poker machines into South Australia is iniquitous. It is threatening the quality of life and the ambience of places where we as a community enjoy our recreation and entertainment—in hotels and clubs. I most vehemently oppose the Bill and second reading.

The Hon. M.J. ELLIOTT: I rise to oppose this Bill. I am strongly against the introduction of poker machines in South Australian hotels and clubs. My reasons behind my opposition can be illustrated by a Victorian board of inquiry into poker machines, which reported in 1983 that any beneficial factors resulting from the introduction of machines into that State would be outweighed by three major objections:

1. The certainty of increased criminal activities in Victoria as a direct result of the introduction of poker machines.

2. The adverse effect upon many existing businesses, especially hotels and some types of restaurants.

3. The certainty that some Victorians will use the machines to gamble to an extent which is beyond their financial capacity, and that many will gamble to an extent that causes them serious concern. Those are not my findings, but are the findings of an independent inquiry. The report states:

> Taken singly, each one of these objections represents a powerful argument against the legalisation of poker machines in Victoria. Considered together, the case is overwhelming.

That case is the reason for my strong opposition to moves to legalise poker machines in South Australia. Poker machines are a form of gambling where chance alone, with no input of skill or merit, largely determines who are winners and who are losers. I know that the Premier disputed this when he first allowed these machines into the Casino, but the fact is that, while there is an element of skill involved with some of these machines, the games are constructed in such a way that, at the end of the day, one loses. The only question is how rapidly one loses. The skilled person does not lose as rapidly as the less skilled person.

The poker machines advance a growing desire within our society for immediate gratification and material gain without effort. We are seeing in our time the demise of what has been called the Protestant work ethic, where contribution to society and effort are rewarded, not only in monetary terms but also in a social sense. We are seeing a boom in mechanistic competition that encourages a person to seek gain at the expense of others, evidenced through the increasing level of corporate raiding, speculative investing and other more recognised forms of gambling. What does that changing attitude say about us as a human society, and what does it say about us as a Parliament if we are willing to accept and further promote that attitude, because that is indeed what we will be doing. If we accept the Bill, we accept the link between happiness and wealth and the desirability of easy money.

The arguments being put forward in favour of the introduction of the machines in South Australia are weak and do not adequately consider the accompanying social and economic effects. So why are poker machines being allowed into South Australian hotels and clubs? The first reason is fairly obvious: the Government needs to bleed more money from South Australian taxpayers to pay for its mistakes. It has seen poker machines as an easy avenue to use, one through which we may even enjoy helping to pay for Mr Bannon's bumbles. Just as Victoria is looking to a gambling-led recovery from its massive financial problems through the building of the Casino and the introduction of poker machines, despite strong advice against such a move, Mr Bannon is looking to do the same. Of course, it appears that the Liberal Party is supportive to some extent of this, because, should it win the next election, it will be left to figure out how to pay off Labor's debts.

The Hon. Diana Laidlaw: How do you reach that conclusion?

An honourable member interjecting:

The Hon. M.J. ELLIOTT: Yes, $2 billion for the State Bank bailout—

The Hon. Diana Laidlaw interjecting:

The Hon. M.J. ELLIOTT: I can think of any number of occasions when enough Liberal Party members have crossed the floor to make sure something gets through when they really wanted it to. So, $2 billion for the State Bank bailout, and there is SGIC, which has lost something like $80 million. The second reason that we are getting poker machines is that the Government is being convinced by the arguments of the hotel and hospitality industry that it is the answer to their recession induced problems. But is it an answer or a quick fix? In my filing system I have a folder full of correspondence that I received from the hotels and hospitality industry at about the time that poker machines were being considered for the Adelaide Casino. The correspondence states a position of vehement opposition to the machines and, in fact, has been very useful in formulating and supporting the arguments for this debate. The Australian Hotels Association, South Australian Branch, wrote to me on 4 February 1986 saying:

> We believe the introduction of poker machines into establishments such as hotels and clubs—presently the subject of a media speculation—would cause insurmountable problems for the South Australian community.

The letter went on to quote the same Victorian inquiry that I have already referred to today, stating:

> It found that the net employment gains would be minimal, increased criminal activity was certain, the adverse effects on existing business would range from significant to devastating, and the effect of impulse gambling on some gamblers and their families would be catastrophic.

The Hon. I. Gilfillan: What's changed since then I wonder.

The Hon. M.J. ELLIOTT: I do not know. Now, as part of the Hotels and Hospitality Industry Association, the hotels have decided that the problems which appeared insurmountable can be overcome in the name of profit. How easy it is for the industry to change its tune when poker machines are presented as a salvation of their industry in tough times. In another letter dated 29 July 1987 from Ian Horne, who is involved in the current Hotels and Hospitality Industry Association (AHA, South Australian Branch) stated:

> Advocates of poker machines argue that they are necessary for the survival of licensed clubs and quote impressive profits to support their argument. However, they fail to point out that, to attain such profits, the turnover of each machine must go far beyond the gambling budget of the average club member or guest.

I ask: have club members or hotel guests suddenly found their gambling budget to be of a size to now sustain those profits, despite the fact that unemployment has risen and we are now in a recession? The machines may have the

effect of increasing clubs' and hotels' turnover in the short term, but I fear that it will be at the expense of the quality of overall service offered by South Australian hotels. Another strong argument being put forward is that poker machines may boost employment in the hospitality industry. That may be so in the short term, but it will be to the detriment of other industry and other forms of entertainment. There are only so many dollars in one's pocket. One cannot spend a dollar twice. In an article dated February 1986, the Australian Hotels Association, South Australian Branch publication, 'AHA Affairs', quoted the then Chief Executive Officer, Mr Bill Spurr, as saying that poker machines exist on fast impulse gambling, something which he describes as a disease, having no place in the general South Australian community. He stated:

> At present there are more than 13 600 people working in the hotel industry in South Australia. If poker machines were introduced, 823 full-time jobs and just under 2 000 regular part-time and casual jobs would be lost. As well, family-run hotels would also be hard hit.

I am unaware of what has changed in either poker machine technology or the South Australian hotel industry to make the present situation any different. The Government Options Paper is even cautious about employment, saying on page 44:

> Most of the new gambling expenditure will occur at the expense of expenditure on other products. There is no way of knowing in advance which industries are likely to be affected, although other forms of entertainment are obvious candidates. This argument is advanced not so much to support a case for compensation to these industries (shifts in consumption patterns must be expected in a dynamic economy) as to sound a note of caution against claims that the introduction of gaming machines will 'create jobs' or otherwise have a beneficial effect on the South Australian economy.

Any job that is created in one part of the hotel and hospitality industry or which is retained, will be a job that is lost somewhere else, and that must be realised. There are no more dollars in people's pockets. Their survival is at somebody else's demise. Their job is the loss of somebody else's job, and we must be honest with ourselves and to anybody who is using this as an excuse in terms of jobs within one narrow sector of the economy.

Australians already gamble at a rate far higher than comparable western democracies. A 1991 survey of per capita spending on gambling found spending in Australia is 60 per cent higher than in the United States, 647 per cent higher than in Britian and 716 per cent higher than in Canada. Australian Gambling Statistics says that in 1989-90 Australians lost money gambling at the rate of $2 380 for every citizen over the age of 18.

States in financial trouble has meant that it has been boom time in Australia for casinos and poker machines, with almost every State allowing them or at least considering them. It has been suggested that lotteries bring the States around $20 billion per year while the combined revenue of Australia's casinos will hit $10 billion by the end of the decade.

The South Australian Treasury's take from gambling has increased rapidly—in fact it went up 1 623 per cent between 1972-73 to 1988-89. In raw figures that is an increase from $6.5 million to $112 million. In the past 12 months South Australians gambled $1.4 billion. The State Government's option paper estimated that the introduction of poker machines would channel an extra $50 million from taxpayers into general revenue. It appears that Governments have been extremely keen to accept the extra revenue that has been provided by gambling but somewhat less keen to acknowledge and deal with the adverse effects of the activity.

In 1983 the Premier promised to undertake a study into the social effects of gambling. This has not happened. In the meantime, lotteries and TAB facilities and options have expanded rapidly. Now a new opportunity is to be introduced to the South Australian public. Studies suggest that .75 per cent of the population have serious problems with gambling; that is, about 130 000 Australians are classified as compulsive gamblers. Each of those gamblers can adversely affect the lives of five to 15 people—their family, friends, work colleagues and employers.

Approximately 1.8 million innocent victims of gambling are suffering through this ripple effect. This is because compulsive gamblers lie, cheat and steal to feed their habit. Their families are often forced to rely on welfare payments, shoplifting and borrowing from friends and family to make ends meet. The *Bulletin* of 6 August 1991 reported:

> When the Salvation Army in Sydney conducted a phone-in seeking information from compulsive gamblers or their families, it had 352 callers. Of those who rang, 75 per cent said gambling had swallowed all their savings, 67 per cent reported family disruption and 61 per cent had outstanding gambling debts. Average indebtedness because of gambling was $20 860. Some 19 per cent said their habit had forced them into committing crimes and 7 per cent had served gaol terms.

A study by Mark Dickerson, Associate Professor of Psychology at the University of Western Sydney, found that two-thirds of the wives of pathological gamblers who were interviewed admitted that they were forced to borrow to pay for basic family needs. He also estimated that in the work force compulsive gamblers may function at no more than 50 per cent capacity—evidence of the wider social economic costs of gambling addiction. It is a cost to their employer.

The same *Bulletin* article of last year quotes a Uniting Church Minister who works with compulsive gamblers as saying that children of gambling addicts suffer more severely than those of alcoholics. A study conducted by Gamblers Anonymous in Victoria found that, on average, compulsive gamblers took 215 days off work because of their problem before seeking help. The estimated annual cost to employers for that was $2 billion.

We are not talking here about a small problem; we are talking about the Government actively promoting—and that is what we are doing—what is the root cause of major social and economic suffering. Funding for the social agencies that deal with the fallout from excessive gambling must be part of any gaming machines legislation if this Parliament is to have a shred of respect in the welfare sector. If the individuals in this Council decide that it will be in the best interests of the State that poker machines be widely available, measures must be set out in the legislation to provide assistance to the largely private organisations that deal with their adverse effects. The Premier has still not had the 1983 promised inquiry. No money is directed to those people.

I would like an indication from the Minister of what assistance the Government currently provides to groups which provide services for compulsive gamblers and their families; in particular, what support is given to Gamblers Anonymous. I did ask that question in this Council two years ago and the answer was zero. The options paper that was released by the Government in June 1991 devoted a considerable amount of space to the issue of compensation to assist welfare agencies and their clients. The paper states:

> There is therefore a very powerful case for allocating a share of the revenue derived from gaming machines to finance the sorts of activities referred to in the Victorian position paper.

The Hon. Diana Laidlaw: What's in this Bill?

The Hon. M.J. ELLIOTT: None of it. It is simply the money grab—nothing more, nothing less. That position paper mentioned activities which include:

> . . . innovative research and development projects related to the social impact of gambling, prevention, treatment and rehabilitation programs directed at compulsive gambling and financial counselling and related family support services.

Yet, when the South Australian Bill finally appeared it contained nothing about allocation of gambling proceeds. Measures taken interstate to channel money into those areas which are perceived to be adversely affected by the introduction of poker machines include levies on licensed operators and appropriation from consolidated revenue for special funds.

In Victoria, new gaming machine legislation requires that a proportion of the funds collected must be directed to a hospitals and charities fund, a mental hospitals fund, a community support fund and a research and development fund. Queensland laws require licensees to pay a percentage of their turnover as levies to a sport and recreation benefit fund and a charities and rehabilitation benefit fund, in addition to paying their gaming machine tax. These levies are used to substitute funding for those groups which stand to lose because poker machines attract the money which had gone to them through bar raffles and other fundraising activities. These groups include the smaller charities and sporting clubs.

Another option is to earmark a portion of gambling tax for social services, perhaps through the Department of Family and Community Services. The term for this is hypothecation, and it means that the budget papers each year would show a specific amount being channelled from gambling revenue to the agencies which would cope with the social problems that gambling causes. The danger in this is that this money would not in fact be additional revenue for this sector but merely would replace what would have been appropriated from Consolidated Revenue anyway. In reality, that is what has happened with money that has been raised through lotteries, which was supposed to help hospitals. Essentially, it has become general revenue. The fact that the Government is spending not a cent to support the victims of gambling at this stage I believe justifies the setting up of a fund.

The South Australian Council of Social Service is calling for some form of compensation for its member agencies—the charity and community groups which may suffer revenue loss through decreased fundraising opportunities and increased demand on services. These charities and community groups are already under pressure from the Labor Party induced high levels of unemployment within our community. The options paper says revenue loss will be experienced because money which had previously been donated or raised by community groups through raffles will be diverted to poker machines. SACOSS is calling for the Act to:

> . . . contain a statement explicitly acknowledging the purposes of Parliament in seeking to provide from revenue generated additional funds for charities and community agencies across the board in consequence of their reduced opportunities for fundraising . . . contain a statement explicitly acknowledging the purposes of Parliament in seeking to provide from revenue generated additional funds for addiction and financial counselling services, and related assistance for families of gamblers.

This amount, SACOSS says, should be a minimum of 1 per cent of total revenue although 3 per cent would be more appropriate. I note that an amendment along these lines which was moved in the Lower House contained the figure of .5 per cent. I intend moving an amendment to ensure that a proportion of the total revenue is set aside for the purposes identified by SACOSS.

Should enough individuals in this Parliament decide that poker machines are a good thing for South Australia, the next step is to establish a system of machine distribution, tax collection and monitoring which can guarantee minimal criminal involvement. In a submission on the proposal, the Police Commissioner, David Hunt, has warned of the ease with which criminal elements have become associated with gaming machines elsewhere.

The Victorian board of inquiry opened its section on criminal activities associated with poker machines and clubs with the statement:

> Since its earliest days and wherever it has travelled, the slot machine has been associated with criminal activity.

As the technology of machine manufacture advanced, so did the technology of the criminals. In evidence to the Victorian inquiry, a former engineering manager of the Ainsworth organisation, a poker machine manufacturer, said:

> Every time we make a machine, there is new technology which is available to the person trying to beat it.

Any system established in South Australia needs to be the best possible in terms of minimising opportunities for corruption or criminal involvement. Two major areas that must be scrutinised with this in mind are the structure and nature of the controlling system and monitoring body, and the way in which the individual machines are made available to hotels and clubs. It is proposed to have all machines around the State connected to a central computer monitoring system with reports of machine activity and alarms built in.

The Gaming Machines Bill currently before us has proposed the Casino Supervisory Authority have overall supervision of the system, with the Liquor Licensing Commission responsible for licensing operators. The monitoring licence, provided that it fulfils the requirements set out in the Bill, is to go to the Independent Gaming Corporation, a joint venture between the club and hotel industry. It is a non-profit company limited by guarantee.

I am unhappy with that approach, even though it requires investigation of individuals involved in the IGC and access for the Liquor Licensing Commissioner's inspectors to the computer licensing system it sets up and maintains. Any interests making profits from gaming machines should have no involvement in the system set up to monitor the machines' operation. The IGC will have an effective private monopoly over gaming monitoring.

Information provided by the IGC says that its board is made up of representatives of the Licensed Clubs Association, the Hotel and Hospitality Industry Association and up to five independent directors. Despite the reassurances of the IGC that it will merely provide the centralised computer control system as specified by legislation and regulation, at no cost to the Government, and provide total access to the Liquor Licensing Commission, the IGC's literature is emphatic that IGC is not the controlling body. I would argue that IGC staff will be in control of the monitoring system.

I have heard that it is not uncommon for organised crime families to plant junior members in junior positions in organisations and sit back and wait for them to attain positions of influence. I have been told that this has been attempted with the Adelaide Casino. There have been at least three cases of which we are aware where crime families have attempted to place people in junior positions, where they have been intercepted.

The Hon. Diana Laidlaw: They have been intercepted.

The Hon. M.J. ELLIOTT: That is that we know of. It is also why it is important that we have the two ends totally at arm's length. The computer monitoring system will only be as secure as the people in direct charge of programming and running it at its central location. In evidence to the Victorian Inquiry Dr Gregory Ross, Senior Lecturer in the

Department of Electrical and Electronic Engineering of the Swinburne Institute of Technology, said:

To design a secure microprocessor-based poker machine and then place hundreds of them in publicly accessible locations is a contradiction. It is directly analogous to designing the best possible safe and then having hundreds of them scattered around for criminals to practice on.

The Uniting Church in its discussion paper of the issues surrounding the introduction of poker machines says:

... it is apparent that the part of the Licensed Clubs' Association's argument which is based on the security afforded by modern technological advance is founded on a naive assumption which is demonstrably false. Indeed this assumption is not only naive, it is also dangerous. For the greater security level it achieves will prevent cheating by the majority of poker machine players, authorities may be lulled into believing that it thereby deters everybody. The reality of the situation is that, as more sophisticated systems of security are introduced, so will those who see manipulating poker machines as an easy source of revenue become more organised. This simply means that the locus of cheating will move from the user to those involved with operation, supervision and servicing. Thus it becomes more likely that cheating poker machines will fall within the province of organised crime.

As the machines and monitoring system become more sophisticated, so does the criminal activity they attract. Through greater Government control via agencies answerable to Parliament the risk of infiltration of the industry by criminal elements either from within the State or from other States and countries can be reduced. Vesting the monitoring function completely in a Government agency answerable to a Minister and then to Parliament ensures public scrutiny of its decisions and operations. Allegations raised recently about questionable practices involving club keno and hotel owners have added to my concerns over industry involvement the monitoring system.

This Chamber has been told that the manager of a prominent sporting club had defrauded the Lotteries Commission of $40 000 by placing wagers without paying and hoping winnings would cover the cost of the wagers, while other club keno outlets had been shortchanging prizewinners. Although it is only a few hotel and club owners and game operators involved in this kind of practice, it illustrates the difficulties of ensuring the integrity of a system run by thousands of individuals in hundreds of locations. The Police Commissioner and Liquor Licensing Commissioner have made some submissions—I am not quite sure of the status of those—in relation to the Government's approach involving the IGC, and there have been some suggested alternatives. Their positions are similar in that they propose the Lotteries Commission as the holder of a single machine dealer's licence and the monitor system licence. This would be consistent with the fact that the Lotteries Commission already holds the Casino licence. There are differences between the two commissioners in the mechanics of the system.

The Police Commissioner proposes a gaming authority be established under which the Liquor Licensing Commissioner would have responsibility for the licensing functions of the system while a Gaming Commissioner would have the administration, regulation and monitoring functions. The rationale behind that position is that, in separating the functions, responsibilities and key decisions, the risk of corruption is minimised. It is simply an anti-corruption strategy, apparently a similar form of strategy to that adopted within the Police Force itself in its forms and structures.

The Liquor Licensing Commissioner's proposal sees his office taking on all roles except the provision of the monitoring system and holder of a gaming machine dealer's licence. The Casino Supervisory Authority's role is unchanged from the Government proposal in that it has a watchdog role, hearing appeals against licensing decisions and conducting inquiries as directed by the Minister or as it sees fit. Both proposals standardise the Casino and proposed gaming machines industry. I intend to move amendments to remove the IGC from the Bill and instead insert the Lotteries Commission as preferred holder, once satisfying the criteria laid down in the legislation, of the monitoring licence.

The Lotteries Commission should also be the only holder of a gaming machine dealer's licence. Victoria and Queensland, which have both recently passed gaming machine legislation, have chosen to prohibit direct supply of machines from manufacturers and dealers to club and hotel operators. Although this Bill contains a clause requiring notification of gifts, favours or benefits given or offered in connection with gaming machines, it is naive to hope that this will necessarily occur. The Commissioner for Police in a memo to the Minister of Emergency Services supports the proposal that a Government authority act as purchaser of machines. He says:

This step drastically reduces the opportunity for contact/influence/corruption/bribery between the manufacturers or agents and the purchasers (clubs or hotels, etc). Experience both in Australia and overseas has shown quite clearly the abilities of the manufacturers or agents to engage in criminal or corrupting practices in order to make sales or maintenance agreements.

My amendments will also propose that the licensing and monitoring functions necessary for the system to operate would be handled by two distinct offices. The Liquor Licensing Commissioner would remain responsible for the licensing of operators and their staff but the monitoring, along with the necessary regulation and administration, would be undertaken by a Gaming Commissioner.

Modelled on the proposal put forward by the Commissioner of Police, this structure provides a high level of responsibility and accountability and has safeguards against corrupt practices built in. What we are doing here, if this Bill is passed, is creating for South Australia what will be a fourth gambling empire. The existing kingdoms of the Lotteries Commission, TAB and Casino are constantly looking for new ways to get people to gamble to satisfy the growth in profits demanded by their corporate structure and outlook.

The role of the Government in this State's gambling opportunities needs to be scrutinised. It is one thing—and this is the distinction that many people are not drawing—for the Government to tolerate and control gambling: it is another for it to be involved in the active promotion and encouragement of it. The TAB was first established to get rid of the SP bookies who often operated in hotels. Since then, it has expanded its services so that, rather than just covering the wins, places and doubles, it introduced quadrellas, trebles, quinellas, betting interstate, trots, dogs, Grand Prix and flies on the wall I think are actually coming in next week.

The Hon. T. Crothers: Leave our flies alone.

The Hon. M.J. ELLIOTT: No, I believe that flies are about to be done. The TAB has gone from providing a regulated supervised service aimed at cutting the illegal operators out of business to becoming a growth industry in its own right and there is a distinction there. The Lotteries Commission has had a similar history. It was set up to provide South Australian based lotteries when it was realised that many South Australians were investing in interstate lotteries. It has gone from lotteries with small prizes to ones with bigger prizes, to X-Lotto, mid week X-Lotto, scratch tickets, keno and club keno. Every time revenue looks like falling or interest in its product flags, a new game or gimmick is created. While this was going on, the State

was also convinced we had to have a casino and, once it was established, it had to have gaming machines.

Should this Parliament set up a fourth gambling empire, there will be pressure for growth in it. Not all hotels and clubs but a number of them will eventually want more than 100 machines allowed under this legislation. There will be pressure to produce State-wide linked jackpots which, might I add, is the ultimate temptation for corruption. The inclusion of a definition within this Bill is acknowledgment that pressure will come to bear, should interest in individual machines flag, to create the opportunity to gamble for bigger prizes.

Eventually—and this is a warning I think the hotel industry should take on board—the family owned hotels supporting this will have their throats cut by it. They will be unable to compete because there will be in this State a couple of super clubs with huge numbers of machines that will put on various forms of entertainment that the average family hotel will not be able to present and, having supported the introduction of gaming machines, they will cut their own throats.

I think that history will judge the Hotels and Hospitality Industry Association very badly for having pressured for this first move, because that is inevitably what will happen in the long run. One has only to look at the history. There will be pressure for growth. The growth will not happen in all hotels and clubs evenly; some will eventually go under.

Each empire is competing against the other for the gambling dollar—it is not the same dollar, because they are actually dragging in extra dollars as well—leading to increase in promotion and expansion of opportunities. The Uniting Church in its paper on poker machines states:

> It is undesirable for the Government to become dependent on gambling revenue to the point where it has to continually introduce new forms of gambling, thus stimulating gambling in the community.

We have got to that point in South Australia where the Government perceives poker machines as an easy $50 million and has no conscience about the human cost that money will entail, especially in these times of recession and high unemployment.

This Bill has nothing positive to offer this State. There is no bad effect that it seeks to overcome. There are times when certain activities are decriminalised. I have suggested we may need to look at decriminalisation of some drugs, because we have created a greater harm by the criminality than by decriminalising it. What good are we producing for this State by the passing of this legislation? I say that we are creating no good whatsoever. Any jobs that are created will be jobs that are lost elsewhere. This is a raw attempt by the Government to get more money and, unfortunately, by the hotel hospitality industry chasing some more money it will hurt some of its own members in the short term as the entertainment dollar gets redistributed and, in the long term, I would suggest that many more of its members will suffer.

There is a real danger that we will make a drastic mistake. I am not making those comments as a person who is a wowser about this sort of thing. I bet very rarely but I do bet, so I will not accept a wowser tag about gambling. I frankly think that we are making a mistake. We have some people in this Council who do not bet at all but who support the expansion of the gambling opportunity. I must wonder really whether they really appreciate what they are doing.

I cannot support the introduction of the machines and, more importantly, what I cannot support is what we have allowed to happen in South Australia: as distinct from allowing gambling to occur, we have allowed it to be promoted and encouraged. That is what we have done and there is a significant difference between the two. One issue is an issue of libertarianism to allow people to do what they will, but promotion is a distinction that I draw in other activities. It is one thing to say people can smoke, but it is another thing to say people can encourage them to smoke. It may be one thing to decide we will allow prostitution to occur in this State but it may be quite another thing to allow it to be positively encouraged and there are distinctions between the two.

The Hon. Diana Laidlaw: You don't think people can make that distinction?

The Hon. M.J. ELLIOTT: I think that what I am saying—

The Hon. Diana Laidlaw: The Democrats can, but others can't.

The Hon. M.J. ELLIOTT: What I am saying, and the Hon. Ms Laidlaw seems to be missing it, is that I do not have a problem with allowing gambling to occur in this State but it is the way that it is being encouraged and manipulated that I find very, very offensive. That is why I oppose its introduction. An increase of 1 263 per cent in gambling from 1972-73 to 1988-89 is not minor and the effect it has had in the community is not minor, either. I, for one, will not have that on my conscience.

The Hon. T. CROTHERS: I rise to support the second reading of the Bill and, in so doing, I want to place in *Hansard* a statement about what I believe needs to be said in respect of some errors that have been placed into *Hansard* tonight. The errors that I can discern tonight—and I want to provide the following as a factual rebuttal—are that, first, there was reference to the involvement of the Lotteries Commission in the supervising of the Casino. This is simply not so. In fact, the front edge of the supervising of the Casino activity is the Liquor Licensing Commissioner and not the Lotteries Commission.

Secondly, the authority which it is proposed will supervise—the Independent Gaming Authority—if that is the way this Council votes, already exists. It is the same body which currently supervises the Casino, that is, the Liquor Licensing Commissioner, with the Casino authority having the final say and this is the body currently being proposed to supervise gaming machines—a Government body which is currently, as I have said before, in existence and which will not, as has been stated by a previous speaker, have to be brought into existence as a third and newly created body of supervision.

I would have thought that no-one, not even the Lotteries Commission, as has been suggested, knows the industry better than the Licensing Commissioner. I speak with some considerable first-hand knowledge of the industry, having worked—

The Hon. R.I. Lucas interjecting:

The Hon. T. CROTHERS: I will come to you in a moment if I need to—having worked in the industry, which is more than can be said for anyone in this Chamber except, I suppose, for the President who would know as a truism that what I say is right and that is that nobody, but nobody, knows the hotel/club industry scene better than the Liquor Licensing Commissioner. As I said, I know that you, Mr President, would concur, if you were permitted to speak, with the statement that I have just made.

To put the issues of that lack of factuality of which I spoke previously, I wish to refer also to the Police Commissioner. I want to read into *Hansard* the proposed roles of the Casino Authority, the Liquor Licensing Commissioner, the Commissioner of Police and the Independent

Gaming Corporation, to be appointed if the Council votes in that way.

I say that so that for once and all time the decks are cleared of any further erroneous statements on the matter. The role of the Casino Supervisory Authority is: first, to hear and determine appeals on decisions of the Liquor Licensing Commissioner and, secondly, at Ministerial direction or of its own motion to inquire into any aspect of the industry and report it to the Minister. On the other hand, the role of the fellow at the work face, the Liquor Licensing Commissioner, is much wider and is as follows: first, to grant licences, including gaming machine licences to hotels and clubs; a gaming machine dealer's licence for sale and supply; a gaming machine monitor's licence to provide for a central monitoring system; gaming machine technicians' licences, installation, service and repair; to approve managers and employers, subject to appropriate police checks; to approve all machines and games; to approve the transfer of any licence; to instigate disciplinary actions against licenceholders; to review decisions, to ban players; to collect monthly returns; to approve terms and conditions of machine purchase; to approve the premises; to approve locations of machines; to approve the number of machines; and to monitor all outlets via the holder of the monitor's licence.

In my view—and I hope it is the view of the rest of the Council—that is not a person who is not endowed with any power to enact punishment for any offence that may be committed by the holder of a gaming licence. On the contrary, that person has considerable power reposing in his or her hands. Indeed, that is the same person or authority that exercises a similar role relative to the Casino. In spite of the bodings and ill-considered comments that were made when the Casino was being introduced to this State, as a fact of the State's future social life, who can say that he or she has not been anything but effectual in ensuring that the Casino operates as a clean skin authority?

The proposed role of the Commissioner of Police involves the enforcement of the Act in addition to the Liquor Licensing Commissioner. It also involves cooperation with the Liquor Licensing Commissioner and the recording and profiling of checks of all people engaged in the industry. I know for a fact that its arm is long, because some of our members were denied licences to operate in the Casino. At the time, my own union expended some $20 000 on a particular person to fight the Liquor Licensing Commissioner. We fought it all the way backwards and forwards from America, via Canada and the Cape, and we went down—I believe quite rightly, because we found out later that the person—

The Hon. R.I. Lucas: Who was the Secretary?

The Hon. T. CROTHERS: I was. We found out later that the—

The Hon. R.I. Lucas interjecting:

The Hon. T. CROTHERS: You want to watch whether or not we get two new Leaders of the Liberal Party. I would be more concerned about that at the moment if I were you than whether or not the Liquor Trades Union needs a new Secretary. We found out afterwards—although it would not tell us at the time—that the person to whom it would not give a licence to practise in the Casino was a member of what was then termed as an alleged South Australian mafia family. It had been well hidden; in other words, a sleeper, in their view. The union, being the champion of justice and unaware, as it always is, of the information that was being shielded from us, ploughed on, to our horror ever since. I return to the role of the Police Commissioner. First, it involves the enforcement of the Act in addition to the Liquor Licensing Commissioner, to record and profile checks of all people and to make representations to the Casino Authority, Liquor Licensing Commission and appropriate Minister on any issue affecting the conduct of the licensees. I want to turn briefly, if I may—

Members interjecting:

The Hon. T. CROTHERS: Well, it was before you were born—or at least the limitations of your knowledge show it was before you were born (in fact it was 1980). I want to place on record the final report from Commissioner Hunt, who has been much maligned this evening by several speakers in so much as he has been misquoted and quoted out of context. If they knew what they were talking about, members would know that the Police Commissioner handed down a report consisting of three component parts: one dated 13 February this year, one dated 24 February this year and one dated 4 March this year.

The Hon. J.F. Stefani: Why has he omitted some of the names?

The Hon. T. CROTHERS: Unlike your colleagues, I have more faith in your capacity to learn. If you listen to me, you may learn something of value. The latest, most up to date information that the Police Commissioner had is contained in his report of 4 March. In the final component of his report, Commissioner Hunt said:

> In so far as the section of my previous report headed 'Concerns and Solutions' is concerned, I confirm that it is advisory in nature in an all-encompassing sense and does not infer defects in the Bill.

Again, on page 2, Commissioner Hunt went on to say:

> The Liquor Licensing Commissioner [not the Lotteries Commission] agrees with the majority of those safeguards, and together we acknowledge that most of the solutions have already been catered for in the Bill and that the remainder may be achieved easily by regulation or administrative direction.

So, let us not hear in the ongoing nature of this debate any more misquotes that are attributed to Commissioner Hunt. I simply ask that people who wish to speak do their homework properly and not allow others to write speeches for them or take advice from people in other areas who may not have checked out their facts. Having disposed of these defects in tonight's speeches, it is incumbent on me if I can contribute to this Council's consideration of the Bill that is presently before us.

For the matter to be fully understood, I believe it will be necessary for me to give a precised history of the hotel and club industry and other connected industries in the State of South Australia. As I know only too well, you, Mr President, would be well aware that, prior to the middle of the 1960s, there were only some 30-odd clubs in this State and, whilst they played their part in the industry, they were not as important a component part in that industry as were hotels, breweries, soft drink factories, wineries and malt stores. However, there will be more on clubs and licensed restaurants later. These employing institutions at that time between them engaged some 11 500 people, mostly in those days as part of a permanent work force.

Those industries, of course, are as old as the State itself. In fact, the breweries, soft drinks factories and the malt stores were also in all probability amongst the first industries outside mining to employ labour on any sort of intensive scale within the confines of South Australia. Even in those days the industry was not without its detractors. The Women's Christian Temperance Alliance and the various church groups had much to say about the evils of the demon drink, and the early minute books of my own union, the Liquor Trades Employees Union, are full of references to the various tactics used by different groups in order to close down the industry or else bring it to its knees. In fact, during a referendum held in South Australia in the early part of this century on the opening and closing hours of

hotels, it was decided that hotels should close on every day of trading at 6 p.m. and that they were not to open on Sundays at all. That was the position for the next 50 years or more.

This position of early closing led to the practice of sly grogging, and as a consequence there was never a shortage of beer in South Australia for those who wanted it. On the contrary, some people finished up very rich indeed on account of the exorbitant prices which for the most part were characteristic of the sly grog trade.

I for one have never held the view that Parliaments create a more just or better society simply by imposing a blanket restriction on some frowned on activities which go on in all societies everywhere. I see, for instance, that when the United States in the 1920s introduced prohibition under the Volstead Act, all they succeeded in doing was to provide a jumping off point for organised crime to become enormously wealthy, thus laying the foundation stone for what has become a society where it is estimated that organised crime in the United States is the sixth largest industry, with all the evil, murders and mayhem that such well-financed and well-organised crime carries in its wake.

The question that I pose to myself is: what purpose did the pre-Volstead Act do-gooders and vested interest groups do for the good of the fabric of American society? The short and the long answer is, 'None at all.' Yet all the evil that their good intentions created lives on, and the likelihood is that it will remain very much a part of the American scene for as long as that country remains a nation. Truly, the road to hell is paved with good intentions. Have we ever stopped prostitution—

The Hon. L.H. Davis interjecting:

The Hon. T. CROTHERS: The honourable member has interjected at an appropriate moment. Have we ever stopped prostitution in our society simply by making it illegal? Of course we have not. All that we have done is make it easier for the pimps and the standover merchants to make a living out of an industry which simply could not happen if that poor blighted industry were legalised. Do we advocate the closure of all chemists because some members of the human race become addicted to pills? Of course we do not. Do we advocate the cessation of horse and dog racing because it spawns the occasional chronic gambler and fixed horse and dog races and illegal bookmaking to boot? Of course we do not. Even though Governments the world over have tried every device known to man to stamp out illegal bookmaking, it continues to flourish. Come to think of it, illegal bookmaking is probably Australia's oldest industry. It is still extant. I do not know about the other industry to which I referred, but I will settle for bookmaking.

The point that I am trying to make is that if society is confronted by any problems, we do not resolve them by completely banning them. Indeed, I for one would contend that the opposite is the case. For instance, who would have thought that with 10 o'clock closing as the law one could walk into most pubs and clubs now through the week and find very few customers there? This tenet would have been absolutely unthinkable in the days of the six o'clock swill, for those of us who remember it. People would still have been hanging by their toes from the rafters above the bar in order to get that last drink. It is as plain as a pike staff to those of us who know the industry that it has changed. No longer are hotels and clubs simply beer barns, as they once were. They have changed into a social gathering place for the whole family.

People may say to me, 'Well, that little homily was fine, but what has that got to do with the gaming Bill presently before us?' I will tell the Council exactly what I believe it has to do with it. It is simply this. Once before this Parliament had an issue before it which was carried and put into effect with absolutely catastrophic consequences for employment in what was then the hotel industry. Whilst I believe that this State owes much to the Labor Governments of that time, on one issue they got it awfully wrong. Many hundreds of permanent jobs were lost to the industry with even licensed clubs of the time shutting their doors. I refer, of course, to the decision taken to increase the number of liquor licences available without too much thought being given as to what that would do to the industry's future. As a consequence of that decision, hundreds of club licences were issued, and this led to the loss of many hundreds of jobs in the hotel industry.

My union was not averse to more club licences being issued but, if we and the rest of the industry had been listened to at that time, it would have led to many fewer bankruptcies in the hotel and club industry and to a much more stable industry overall. I think that the industry as a whole has never again been stable and in many instances viable since that time.

What with one thing and another, the .05 level of the breathalyser test and changes in social lifestyles, and so on, two weeks ago four hotels went bankrupt in this State. That had never happened in the hotel industry since the 1890s, until the past 10 years, and since the Women's Christian Temperance Alliance was extant and running full tilt at that Don Quixote that was then their behemoth, the liquor industry.

Remember what I said, and I look at the Hon. Mr Davis who is fond of quoting almost *ad nauseam.* I will not say that because I want his support. However, he is fond of quoting facts that occur in this State in small industry. I put it to him that bankruptcies—this is worth repeating—never occurred in the hotel industry since the 1890s until 10 or 12 years ago. That was because of a wrong decision made in the 1960s by the Dunstan Government to ensure that more licences were issued. Had the industry and the union been listened to at that time, we would not be in the horror stretch that we are in now.

Two weeks ago four hotels went bankrupt. From memory, they were the Tivoli, the Richmond and the Austral, all of which were in the city. My old friend Ron Roberts had one, the Jubilee, go bankrupt in his home town of Port Pirie. I talk to people who would know about these matters—the organisers of my union who are in touch with the industry every day of their working lives. I question them about these matters and they tell me that today, 14 April (and turnover tax is being taken from the industry by the Government), there is capacity for about 8 per cent (or one in 12 hotels) of the hotel industry (and there are 608 or 609 hotels in this State) to go bankrupt.

There is a capacity for one in 12 hotels to go bankrupt, with the loss of a hundred or more jobs that Bannon Government will take away. Mr Feleppa talked about contacting unions, but he never contacted my union, the Liquor Trades Union, which is the union that has most to lose in the employment of its members if the economic situation of hotels and clubs further deteriorates. I believe that these bankrupcies are the first of many more to come.

The Hon. L.H. Davis: Have you told the Premier about this?

The Hon. T. CROTHERS: The Premier knows my point of view.

The Hon. L.H. Davis: Have you told the Premier?

The Hon. T. CROTHERS: Have you told your Leader yet? Who is your Leader? Have you told him? The Premier knows my point of view. As I said, 8 per cent of the

industry, one pub in 12, could go bankrupt and, with that, many hundreds of jobs could be lost. This is the price that hundreds more employees in the industry will pay if any form of additional capacity is not forthcoming to alleviate this dire stress.

Irrespective of what some community groups may do or say, it is a question of this Parliament keeping a balance between those such as the Volstead Act supporters who would want to destroy Sodom and the other profligate sons and daughters of the State who would want to save Sodom. But the industry is in dire straits; it desperately needs some help, and we in this Parliament have an opportunity to do so by supporting the Bill now before us. Of course, I realise that the matter is a conscience vote, but I would still appeal for each and everyone here to think very carefully before casting their vote.

Having said all of that, there is much more that I could say. Of course, I could canvass what has already been said and endeavour to rebut that or, alternatively, I could try to second guess future speakers and rebut that if I could. But I think that the precis history lesson was important as a contribution, because I hope and trust that members understand what are the components that make up the industry that is looking to us for some additional economic sustenance. They are not looking for a grant or for a subsidy from the Government, but for a way in which they can save a number of their members from going bankrupt and, as a consequence, save a number of the Liquor Trades Union members from losing their employment. If they are unemployed, there will be an additional loss of payroll tax to the Government, and an additional charge in relation to our taxation because of the social services that will then have to flow on from the coffers of the Federal Government. As I said, I could say much more, but I will not. I shall listen to what is said and, if I need to say any more, obviously the Committee stages would be the most appropriate time.

Finally, I notice that the Hon. Dr Ritson has spoken, as has the Hon. John Burdett. I find myself in disagreement with what the Hon. Mr Burdett had to say, although I must say that, when I dealt with him, as indeed I had to when I was Secretary of the Liquor Trades Union and he held the liquor licensing portfolio, I found him to be very helpful. Indeed, I must place on record that he was a superb, understanding Minister, as I know other officials who went with me when I dealt with John Burdett would attest to. He was a superb Minister and I think one of the very best—if not the very best—Minister with whom our union ever dealt. I place that on the record, and it is not before time that I do so. I trust that that statement coming from me will not land him in any trouble with his colleagues.

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

SUPPLY BILL No. 1

Adjourned debate on second reading.
(Continued from 31 March. Page 3698.)

The Hon. R.I. LUCAS (Leader of the Opposition): I rise to support the second reading of the Supply Bill and indicate that I really only want to address one specific issue, which is in relation to the amounts of money that this Government is currently spending on consultancies of various sorts in various Government departments and agencies. Over recent months I have asked a series of questions of various Ministers and the Government in general in relation to the amounts of moneys that the various Government departments spend on Government consultancies. I first asked these questions some two or three years ago and again put a series of questions on the Notice Paper at the end of last year, and for the past two months the answers have started to dribble back through the system. I am still waiting for replies from five or six Ministers in relation to departments and agencies under their control, and I can only indicate in this second reading debate of the Supply Bill that I hope those Ministers will ensure that the answers to those particular questions on the Notice Paper are provided before the House gets up at the end of this session in the last week of April.

We have seen examples of some $4 million being spent on Booz-Allen Hamilton consultants into public hospitals in South Australia, in a series of questions and statements that I made on that particular issue. We have seen evidence that the Electricity Trust of South Australia has spent some $10 million in 20 months on consultancies of various sorts. The most recent example which I raised and which I want to spend a little time on this evening relates to some $4 million which was spent on consultancy costs and the cost of introducing a new financial management system for SACON.

Before I address some specific comments to that particular issue, I indicate, as I have to a number of consultants, that the Liberal Party, in asking these questions, is not indicating in any way that it opposes all consultancies that have been appointed by Government departments. We certainly do not take the approach that consultancies are inherently wrong, and in many cases there are obviously good reasons why departments or agencies may well need to appoint consultancies. It may well be that there is not sufficient expertise within the Government department, and therefore there is good reason for a particular consultancy to be appointed. Of course, there are other reasons why consultancies may be appointed, and with which we would agree.

The point we make is that, in our judgment, there needs to be a sensible cost benefit analysis before consultancies are appointed, in particular before some of the very big consultancies—the ones that bring in hundreds of thousands of dollars or in some cases millions of dollars—are appointed. In some cases we believe that a proper cost benefit analysis has not been done and that international consultants have been appointed when good Australian-based consultants could have done the same job at a much lower cost. That is an essential matter that ought to be considered by members of Parliament and Governments when looking at the question of appointing consultants and the cost of consultancies.

I now want to address the specific issue of SACON, its consultancy costs and the new financial management system that was appointed for it. If one looks at various Auditor-General's reports over the past two or three years one sees that the Auditor-General has been extraordinarily critical of the financial management systems available within SACON. I do not intend to read the detail of all the Auditor-General's reports; suffice to say that a range of criticisms have been made by the Auditor-General and his officers during the past two to three years. A decision was taken back in 1989-90 to introduce a new financial management system for SACON which was to be operational before 30 June 1990. I quote briefly from the 1990 report of the Auditor-General, as follows:

> The proposed system involved interfacing new and modifying existing systems rather than the integration of those systems. This approach was seen as a practical interim solution to meet the

immediate need to overcome deficiencies and inefficiences in the existing system. At the time the department also proposed to allocate resources to enable the replacement of the resultant system in 1995.

It is important to note that what the Auditor-General was saying, and what SACON was obviously saying to the Auditor-General, was that it was introducing a new financial management system in 1989-90 which was to last some five years until 1995 when a new system would, for some reason, be implemented to take over this system that was to be provided for only five years.

The point that I made in a press statement that I released some six to 10 days ago was that the long-term financial planning and management of the Department of Housing and Construction was almost non-existent, and I gave as a reason for that statement the fact that soon after the department had introduced that new system in 1990—in fact, within six months—it appointed another set of consultants to implement a new system. So, we had a situation where SACON had spent some $1.3 million on consultants and associated costs to implement a new financial management system by July 1990 and, within six to 12 months, the Minister and the department were saying that that was not good enough and that it needed to appoint a new set of consultants—different consultants again—with an approved cost of $2.5 million for the consultancy and the associated costs of introducing yet another financial management system.

The Minister of Housing and Construction, after I had made my statement early last week, made a ministerial statement in another place last week about which I want to make some specific comments. It is clear from the Minister of Housing and Construction's ministerial statement of last week that he has seriously misled the House on the subject of consultancy costs and the costs of introducing a new financial management system for SACON. Last week the Minister made a ministerial statement on this issue in which he stated that $1.3 million was spent on the introduction of a new financial management system for SACON. He further claimed that the new system had led to computer cost savings of approximately $210 000 per annum.

When it comes to talking about creative accounting, it is clear that Mr Mayes is to SACON what John Friedrich was to the National Safety Council, and just as Mr Friedrich was ultimately nailed for not revealing the truth so, too, will Mr Mayes be nailed. The Minister knows that there are documents available within SACON that conflict violently with his statements to the House, yet he has deliberately and in a calculated fashion ignored those reports in concocting those responses to Parliament on this issue. For example, on 5 September 1989 a report entitled 'The SACON FMS Project—Analysis of Estimated Costs and Benefits' was prepared within SACON. In fact, SACON estimated that the total all-up cost of implementing the new system (which it described as option 3) was just $324 000; that was not just the consultancy cost but the total cost of implementing the new system.

So, it is quite clear that there has been a cost blow-out of $1 million in the establishment of the interim financial management system for SACON. The Auditor-General noted in his 1990 report that the new financial management system was meant to last until 1995. However, within six months of spending $1.3 million on this system the department had decided to scrap the system and spend $2.5 million on implementing another system. In fact, a new consultant was appointed and has been working on the new system since last year.

There is great concern within SACON that a similar blow-out might occur with this $2.5 million project. There is also great concern that long-term financial planning and management in SACON is gravely deficient. Why not just introduce the one new system rather than mess around as it has done? It is quite clear from the Minister's ministerial statement of last week that he has seriously misled the Parliament on the issue of consultancy costs and the associated costs of the introduction of financial management systems in SACON. I am also advised that in response to two specific questions today in another place the Minister again has seriously misled the House as to his knowledge of various documents that exist within SACON, and in a deliberate and calculated attempt ignored those documents in his ministerial statement of last week.

As I indicated earlier in my contribution, I believe that as John Friedrich was nailed for his sins in relation to the NSC so, too, will his South Australian political counterpart Kym Mayes be nailed in relation to this particular matter. The Minister well knows that those documents exist in his department, yet he has deliberately chosen to ignore them in the statements that he has made in another place. With those words, I indicate my concern about this aspect of the series of questions that I have raised on consultancies and in particular in relation to the introduction of a new management information system in SACON. I would urge the Minister for the Department of Housing and Construction to come clean on this issue and reveal to either House of Parliament that particular document to which I have referred and other documents which give the lie to the statements that he has made to the Parliament. I support the second reading.

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

WILDERNESS PROTECTION BILL

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

PARLIAMENTARY SUPERANNUATION (MISCELLANEOUS) AMENDMENT BILL

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

MFP DEVELOPMENT BILL

The House of Assembly intimated that it had agreed to the Legislative Council's amendments Nos. 11 to 13, 22 to 27, 30, 32 and 36 to 38, and had disagreed to amendments Nos. 1 to 10, 14 to 21, 28, 29, 31, 33 to 35 and 39, and to the suggested amendment as indicated in the annexed schedule.

ADJOURNMENT

At 11.59 p.m. the Council adjourned until Wednesday 15 April at 2.15 p.m.