LEGISLATIVE COUNCIL

Tuesday 5 May 1992

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

STATUTES AMENDMENT (ILLEGAL USE OF MOTOR VEHICLES) BILL

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

That the sitting of the Council be not suspended during the continuation of the conference on the Bill.

Motion carried.

WORKERS REHABILITATION AND COMPENSATION (MISCELLANEOUS) AMENDMENT BILL

The Hon. T.G. ROBERTS: I have to report that the managers for the two Houses conferred together but that no agreement was reached.

The PRESIDENT: As no recommendation from the conference has been made, the Council, pursuant to Standing Order 338, must either resolve not to further insist on its amendments or lay the Bill aside.

The Hon. T.G. ROBERTS: I move:

That the Council do not further insist on its amendments.

The Legislative Council's position did not prevail at the conference, and other members will have an opportunity to comment on that. But I believe that there are two ways in which we can proceed from here. One way is to take a negative view out to the community and advertise to everyone that the Bill, which was an important part of the reform that had been foreshadowed to the Act, will bring the sky down. In my view that is a negative way to proceed publicly, advertising that South Australia's position in relation to its industry development will be severely disadvantaged in comparison to other States. The other way is to take the positive position and proceed duly to note the administrative change that is occurring in WorkCover now and advertise nationally in particular that we can all get in behind the WorkCover Act as it stands, and industry, commerce, small business and labour, that is, unions and employees, can get in behind an administratively changed Act which will have time to overcome some of the administrative problems that are inherent in the administration of the Act itself.

That can be done in a positive way by being able to sell to the community a unified position that allows for a healing process, if you like, to occur. The Act itself administratively is being attended to by WorkCover management, and there are signs of a turnaround in many of the major problem areas that have occurred administratively over the past 12 months, in particular. The positive gains that can come out of a unified position being sold to the community and to industry generally can be seen as a positive way forward for South Australia to have unified labour relations and a unified industrial network as a springboard into what I believe is the changing economic framework that has been put in place, particularly by the Federal Government, which will allow industry generally to expand.

We are coming into a period of general advancement. Interest rates are coming down; inflation is at zero level; and the general economic climate and framework will put South Australia in a position to advance itself in parallel with other States. If the negative aspects of knocking not just WorkCover but other financial institutions associated with the State continue, I am sure that South Australia will be put in the position where those who knock consistently will achieve what they set out to do.

The Hon. L.H. DAVIS: I oppose the motion. I believe that the Legislative Council should insist on its amendments. By a clear majority, the Legislative Council believed that there were two areas of importance that needed to be addressed in this Bill: that both measures needed to be supported; one should not be supported at the expense of the other. Through its intransigence, the Government has failed to support the very reasonable proposals supported not only by the majority of this Chamber but also by a select committee.

Quite clearly, Premier Bannon has been handcuffed to the unions, and the Labor Party has thrown away the key. Premier Bannon is a captive of the trade unions. There has been an outrageous backdown by the Bannon Government on this matter of workers compensation. Just one week ago today the Premier, at a private meeting with three employer groups (the Chamber of Commerce, the Employers Federation and the Engineering Employers Association), agreed that change was overdue and necessary in the very important area of the second year review process.

He told the employer groups that he believed the change would be possible in this session of Parliament. He has had three opportunities to put his legislation where his mouth is and has failed on each occasion, first in the House of Assembly (when the Bill was first debated), here in the Legislative Council (where, again, the Labor Party refused to back it) and, finally, at the conference. I challenge the Premier to explain this wicked, outrageous backdown. Why did he sell his soul to the unions? Why did he break his promise to the employer groups?

The Bannon Government has refused to accept this vital amendment to overcome the problem with the second year review process. I am disappointed that the Legislative Council's majority decision has not been accepted because, by refusing to accept this amendment, we are consigning WorkCover to a loss of at least $10 million before we have the opportunity to review this legislation again in the August budget session. This Government, because it is handcuffed to the unions and they have thrown away the key, has also just thrown away $10 million in a cold and calculated decision to kowtow to the trade union bully boys. The unions have made no secret of the fact that they wish to press on with industrial action if the Labor Government dares to change anything in WorkCover, and the Labor Government has bowed to that union pressure and refused to support the Legislative Council's majority decision. As a result, WorkCover's financial viability has been threatened in the short term. We all know that a recent adverse Supreme Court judgment has meant that WorkCover will become a *de facto* unemployment agency for employees who have been disabled for two years or longer. That occurs in no other State in Australia.

Employer groups have pleaded with the Bannon Government to reduce business costs in South Australia. Our workers compensation rates in South Australia are already the highest in the nation and, because we have refused to accept vital amendments, we have the prospect of WorkCover premiums blowing out to perhaps 3.9 per cent to 4 per cent, in the opinion of the actuary, because we need to bear in mind that at 30 June 1992 the actuary will be making a judgment as to the levy rate required to keep the WorkCover fund fully self sufficient. The point that employer groups made to Premier Bannon in that meeting last week (which

was reported on) was that workers in South Australia are losing their jobs. Already there are 80 000 unemployed people in South Australia and, if employers are burdened with unnecessary and excessive costs, they cannot make profits, they cannot create jobs.

Our WorkCover levies in South Australia are the highest in the nation and, as a result of the Government's back down, they will remain the highest in the nation for the rest of 1992. This State is battling economic recession and trailing all other States in most economic indicators, yet the Government refuses to recognise economic reality. So, I believe that, in rejecting the Legislative Council's very reasonable proposals, the conference today did this State a disservice, because my Legislative Council colleagues at that conference argued for a position that had already been agreed upon by a select committee of both Houses looking at the WorkCover legislation. The proposals that we were debating were not new proposals; they had been agreed upon by the Minister of Labour himself (Hon. Bob Gregory) in the report that he signed and tabled on WorkCover in another place not many weeks ago. They have been agreed to by the Independent members in another place, by the Australian Democrats, by all Labor Party members and also by the Liberal Party.

So, why was there this change of heart? It gets back to the fact that the Premier has gone cap in hand to the unions like a little schoolboy and asked, 'Can we do this?' and they said, 'Put out your hands, John.' They put a pair of handcuffs on his hands, threw away the key and said 'No'. That is the truth; that is what has happened in South Australia. It has been a sad day for employers and, sadly for the Labor Party, which claims to care about the workers, it will have even more dire consequences for unemployment in South Australia. It will only increase unemployment in South Australia, and we will remain with the highest compensation levies in the nation.

The Hon. I. GILFILLAN: I rise to oppose the motion. There is a certain amount of sanctimonious hypocrisy from the Opposition here when it piously claims that the recommendations of the select committee were the sort of divine writ that should have been supported. The Opposition moved amendments to give the cripples of unemployment due to work injury dramatically reduced benefits and to make WorkCover one of the more stringent post-injury systems in Australia. I cannot sit here too comfortably hearing this sort of pious accolade for the so-called amendments from the select committee, because the Opposition did not support them—it moved for much stronger amendments and put in a dissenting report on the select committee.

Let us get some facts straight. The Opposition has been forced into a position of supporting the Democrats amendments because its outrageous amendments were totally unacceptable. On the other hand, it is reasonable to have expected the Government of the day to take some responsibility for the economic viability of the scheme that it trumped, touted and insisted was the great gift to work injury and workers compensation rehabilitation and when it is faced with virtual bankruptcy and gets a report from the select committee which it supported, what does it do? Government members sit on their fingers and hope that something will be done by the others so that they can have the benefits of it and still hold their nice comfortable position on the right side of the trade unions.

That is not the action of a Government that is prepared to do the right thing by the workers and employers in South Australia. It is the action of squibs. It is all very well for the Hon. Terry Roberts to talk about its being unified. It will never be unified unless this Government has enough guts to get up and say that this is the right thing to do and that it will do it, regardless of getting on the wrong side of some of our erstwhile supporters.

Until that day occurs, I am damned if I am going to stand up and take the rap for the Government's dirty work. It is dirty work in so far as the unions have a position, which is expected from their vested interests to fight for the maximum benefits and to hell with the costs in the system. They are not fussed about the unfunded liability. They will not shed tears as we see the unfunded liability blow out to multiple hundreds of millions of dollars as the Zelling finding impacts on the costings. They will not shed tears as the employers are forced to pay ever increasing premiums and eventually close up shop and shed their work force. They will say that this is an example of callous employers crying hypocritically while really they should be reducing their accident rate.

All that sort of background argument I find totally disgusting because the ultimate aim of this debate should have been to re-establish WorkCover on an economically viable basis, to have retained benefits at the most adequate level in Australia. There was never reason for them to have been threatened. To change the original intention of the Act, as happened in the Mullighan and subsequent reports, was obviously wrong. Having gone through the select committee, having debated the amendments and having had the opportunity to be up front, having made public statements, having worn the approbrium and having worn the aggression of the unions, what did the Government do this morning? It went to water! I despair whether Government members will ever have the guts to do something substantial about this legislation.

The people of South Australia deserve better than this. We must have an appropriate WorkCover levy level. It is no good living in cloud cuckoo land—the Government knows that. If our levies are 10 per cent to 30 per cent more than any other State, obviously employers will feel that in their costings. Potential employers will not come to South Australia. This is a day of shame for the South Australian Government. It is now time for it to say, if it wants to hold any credibility, 'Okay, this Bill has lapsed, but we recognise our obligations at last and will have to shoulder the responsibility. Early in the next session we will guarantee to introduce a Bill which will address the problems of the Mullighan finding, we will have assessed the problems of the Zelling finding and we will back it regardless of what criticism may come from people who feel they have been hard done by because we recognise our responsibility is to keep employment and business in South Australia viable.' I regard this as a very sad day. I am sorry to see this Bill laid aside. Amended it might not have been perfect, but it was a substantial step towards improving the WorkCover Act. I most strenuously oppose this motion.

Motion negatived.

Bill laid aside.

QUESTION ON NOTICE

The PRESIDENT: I direct that the written answer to question on notice No. 199 be distributed and printed in *Hansard:*

STATE TRANSPORT AUTHORITY

119. **The Hon. DIANA LAIDLAW** asked the Minister for the Arts and Cultural Heritage: In respect to the public relations section within the State Transport Authority—

1. What is the estimated budget this year for operating costs, including salaries?

2. What are the names of all officers working in the section and what salary and other remunertion/benefits are payable for each officer or are part of a condition of contract?

The Hon. ANNE LEVY: The State transport Authority's (STA) Customer Services Department covers the following functions: marketing promotions, public relations, media relations, advertising, anti graffiti coordination, design services, publications, video production and telephone information.

1. The estimated operating cost this year including salaries is $1.395 million.

2. The following is a list of staff positions of the officers employed by the customer Services Department including their salary levels:

Badge No.	Title	Salary $	Classification
Customer Services—General			
S57751	Customer Services Manager*	76 119	SOPOCS.01
S7752	Editor—Publications	34 615	SOCL05.03
S7757	Video Coordinator	30 504	SOCL04.03
S7758	Marketing and Promotions Officer	30 875	SOCL04.03
S7760	Correspondence Officer	28 285	SOCL03.03
S7759	Clerk	30 875	SOCL02.03
S7938	Information Officer/Clerk	20 262	SOCLAF.20
S1701	Project Manager—Anti Graffiti	46 055	SOSO03.03
Design Service			
S7926	Graphic Artist	36 155	SOLE06.02
S7922	Graphic Artist	32 140	SOLE05.02
S7934	Graphic Artist	27 925	SOLE03.03
S7932	Graphic Artist	25 820	SOLE02.03
Telephone Information Centre			
S7762	Chief Supervisor	30 875	SOCL04.03
S7756	Supervisor	28 285	SOCL03.03
S7774	Supervisor	28 285	SOCL03.03
S7792	Supervisor	28 285	SOCL03.03
S7766	Information Officer	25 820	SOCL02.03
S7768	Information Officer	25 820	SOCL02.03
S7770	Information Officer	25 820	SOCL02.03
S7773	Information Officer	25 820	SOCL02.03
S7775	Information Officer	25 820	SOCL02.03
S7786	Information Officer	25 820	SOCL02.03
S7780	Information Officer	25 820	SOCL02.03
S7782	Information Officer	25 820	SOCL02.03
S7784	Information Officer	25 820	SOCL02.03
S7796	Information Officer	25 820	SOCL02.03
S7794	Information Officer	25 820	SOCL02.03
S7798	Information Officer	25 820	SOCL02.03
S7800	Information Officer	25 820	SOCL02.03
S7806	Information Officer	25 820	SOCL02.03
S7808	Information Officer	25 820	SOCL02.02
S7704	Information Officer	25 122	SOCL02.02
S7777	Information Officer	23 376	SOCLAF.05
S7802	Information Officer	12 561	SOPT02.02
S7803	Information Officer	12 561	SOPT02.02

* The Customer Services Manager is on a 3 year contract.

QUESTIONS

STATE GOVERNMENT INSURANCE COMMISSION

The Hon. R.I. LUCAS: I seek leave to make a brief explanation before asking the Attorney-General, representing the Treasurer, a question on the subject of the SGIC.

Leave granted.

The Hon. R.I. LUCAS: In April last year the Opposition raised questions in the Parliament about the role of the State Government Insurance Commission in investing in a private company involved in casino operations. In response, in a letter to the Leader of the Opposition dated 23 April 1991, the Tresurer admitted the SGIC's role in investing 9.98 per cent of the capital in Pedara Management Ltd and the Under Treasurer's role as a director of that company. The Treasurer said that the money was 'seed capital' and that a 'substantial opportunity existed' for its outlay because Pedara was 'part of a syndicate that is involved in making submissions for the development of casinos throughout Australia and internationally.'

The Liberal Party has now obtained a leaked treasury briefing which puts this investment in a completely different light. This briefing is dated 30 January 1991 and hence precedes the information given to the Opposition by the Premier. That information provided by the Premier can now be seen to have been very misleading. This treasury briefing, rather than referring to this investment as, to use the Premier's words, a 'substantial opportunity,' instead boldly and unequivocally states that Pedara 'is not expected to be profitable in the short term as it is a highly speculative investment.' My questions to the Attorney-General are:

1. Will the Attorney-General provide a report to the Council as an explanation as to why the Treasurer did not reveal that the SGIC's investment in Pedara Management Ltd was 'highly speculative'?

2. Will he also report on how successful the investment has been and whether Pedara is still 'making submissions for the development of casinos throughout Australia and internationally'?

The Hon. C.J. SUMNER: There is no necessary inconsistency between something being 'a substantial opportunity' and 'highly speculative'. I would have thought that was fairly obvious. It is not a matter—

Members interjecting:

The PRESIDENT: Order! The Council will come to order. As long as there are interjections, I would request the Attorney-General not to answer the questions.

The Hon. C.J. SUMNER: Thank you, Mr President. I will refer the questions to my colleague and bring back a reply.

CREDIT CARD CHARGES

The Hon. K.T. GRIFFIN: I seek leave to make a brief explanation before asking the Minister of Consumer Affairs a question about credit card charges.

Leave granted.

The Hon. K.T. GRIFFIN: A report from last Friday's Standing Committee of Consumer Affairs Ministers indicates that Ministers have reached agreement on the controversial question of up-front charges on credit cards in return for a drop in interest rates. I asked the Minister a question on this issue in February 1991 following submissions by the Australian Bankers Association to the Federal Parliamentary Inquiry into Banking in relation to up-front fees. In her answer in February 1991 the Minister said that the Standing Committee of Consumer Affairs Ministers had reaffirmed its opposition to up-front fees in 1990. In February 1991 she said:

> ... if there was a new proposal, obviously Ministers would want to listen to that but, in my opinion, there would have to be some new information or some new pressing reason to lead us to change our minds on this question.

Later in the same answer she said:

> As I have already indicated, unless there has been some enormous shift in circumstances, which I cannot envisage, then I do not envisage that the South Australian Government would be changing its position on this question.

My questions to the Minister are:

1. What 'new information' or 'new pressing reason' has occurred for the Minister to change her mind?

2. Has the Government approved the Minister's change of mind and, if so, what 'enormous shift in circumstances' has occurred to require that change?

The Hon. BARBARA WIESE: I preface my remarks by reminding members that this question is one of a number of issues that have been under consideration by the Standing

Committee of Consumer Affairs Ministers for many years as part of its deliberations on the drafting of uniform consumer credit legislation. As I have indicated in this place on many occasions previously, there have been a number of matters upon which it has been very difficult for Governments around Australia to reach agreement in drafting this legislation. There has been a considerable lack of agreement amongst the representatives of financial institutions on the one side and consumers organisations on the other, and there has also been almost as much disagreement on these matters amongst the various Governments.

Since 1988 South Australia has played a role as the drafting State with respect to this legislation and since that time has attempted to draw together the more extreme positions of some States on the outstanding issues in order to reach some uniform agreement for the whole of Australia, in the interests of our economy generally and consumers in particular with respect to their dealings on consumer credit issues. The meeting of Ministers on Friday received a report from the Ministers of New South Wales and Victoria who, over these past few months, have been meeting to discuss some of the outstanding issues. This has been a significant development because, historically, Victoria and New South Wales have tended to represent the two most extreme positions on most issues with respect to this draft legislation. The Ministers of those two States have been able to reach substantial agreement on a range of matters, and they brought to SCOCAM on Friday a report on these issues and, as part of a package of agreements, that they have reached they recommended to SCOCAM that we should change our stance, subject to a number of conditions, on the question of fees for credit cards.

As I have already outlined, this was one issue that was presented as part of a package, and in all these matters one can expect trade-offs where there is such a wide divergence of opinion on the issues to be resolved. The decision that was taken by SCOCAM on Friday is not necessarily the end to the matter because the decision taken, as I have said, is a conditional one. Consumer Affairs Ministers have resolved that, provided financial institutions provide a substantial drop in interest rates on credit cards and give guarantees to sustain that interest rate drop for at least three years, they would be prepared to change their stance on the question of fees on credit cards.

That matter will be put formally to the financial institutions in Australia and, if they agree to the conditions that have been outlined by Ministers, it would be the intention of the Ministers of each State to incorporate such a proposal within a complete package of measures relating to this legislation and present it to the respective Cabinets around Australia.

To answer one of the questions that was raised by the Hon. Mr Griffin, this is not a matter that has been agreed to by the South Australian Cabinet; at this stage it is too early for such a proposal to be put to the South Australian Cabinet. Whether I will take such a proposal to Cabinet will depend on the outcome of the negotiations with financial institutions during the next few weeks.

It is important to point out that other parts of the package of measures upon which Ministers have reached provisional agreement include a range of improved protections for consumers in the area of consumer credit. One issue on which there has been considerable debate in past years is the question of civil penalties in this area, and the financial institutions have been strongly opposed to any sort of civil penalties regime applying where financial institutions are found to have made mistakes in their dealings with consumers on credit issues. In that area Ministers have maintained support for civil penalties and have been able to reach agreement on the terms under which such penalties would apply. I believe that that is important.

Another issue upon which there was substantial disagreement but about which there has been agreement in principle is the question of preserving the principle of insisting that financial institutions should present a comparison rate for consumers when they are advertising various credit products, and some effort has been made during past months by financial institutions and some State Governments to do away with such a concept. That, I believe, would not be in the interests of consumers. There has also been agreement reached that, in principle, we will maintain our support for a comparison rate on the understanding that we are able to achieve a satisfactory means by which such a comparison rate can be presented to provide reliable information to consumers.

So, there is a range of issues, as I have indicated, that are of significance to consumers. There is now substantial agreement on the framework of legislation. However, as I have also indicated, there are still some undertakings to be given by various people and also some further research work to be done before final decisions can be taken. However, I hope that by July this year, when SCOCAM is next due to meet, that we will have an agreement at last on uniform consumer credit legislation for Australia.

ETSA PROPERTY TRANSACTIONS

The Hon. L.H. DAVIS: I seek leave to make an explanation before asking the Attorney-General a question about the sale of 1 Anzac Highway and ETSA's head office, and matters relating to that transaction.

Leave granted.

The Hon. L.H. DAVIS: The recent disclosure that the Electricity Trust of South Australia has paid $14.6m for the vacant building at 1 Anzac Highway owned by United Land Holdings Pty Ltd, in which Mr Vin Kean, Chairman of SGIC, has a major interest, has renewed public concern about the financing of this building. ETSA bought this building and is apparently paying for it immediately and selling its head office building at Greenhill Road, Eastwood to United Land Holdings Pty Ltd for just $5 million, even though it is on the book at $19 million.

The Liberal Party understands that substantial landholdings surrounding the ETSA office are also included in the sale. ETSA apparently is not demanding the $5m payment until June next year. Nor did ETSA put up its head office and valuable surrounding land for tender. The Liberal Party understands that zoning regulations would now prevent a building of similar size being erected on this site if the building was demolished.

The Liberal Party has recently obtained from internal sources in SGIC further disquieting evidence about the $20 million loan made in mid 1988 to United Land Holdings. The loan represented 100 per cent of the total purchase and construction costs of the new building at 1 Anzac Highway. This was at sharp variance with SGIC's normal policy of lending only up to two-thirds of the value of real estate. This fact has been confirmed by real estate experts in Adelaide.

It has been put to the Liberal Party that the documentation for this loan was regarded as flimsy by the Crown Solicitor when he investigated this transaction in April 1991. It has also been suggested to the Liberal Party that SGIC has never made a mortgage loan before or since of such a large sum. In fact, it has been claimed by internal SGIC

sources that this $20 million loan to Mr Kean's company, United Land Holdings, was many times larger than the next biggest mortgage loan made by SGIC. It has also been claimed that SGIC's mortgage loan book was not a large one and that real estate and property developers were always knocked back if they approached SGIC for a loan of any reasonable size.

The other point that has been made is that 1 Anzac Highway was regarded as a blue-sky development, in as much as it was the first major office building in the area and there was not one major tenant signed up for the building when the loan was agreed to in June 1988. Indeed, the building remained empty four years later, until the recent sale to the Electricity Trust. I asked a question on notice on 25 March relating to whether the interest on this $20 million loan has been capitalised. I requested an answer from the Premier and Treasurer by 27 March, but no answer has been forthcoming. This $20 million loan was clearly at variance with commercial practice and way out of line with SGIC's normal practice in mortgage loans.

In view of the persistent and serious allegations made with respect to this transaction, will the Attorney release the Crown Solicitor's report of April 1991 on this particular matter? Will the Government also release full details of whether or not interest on the $20 million loan has been capitalised and will it respond this week to questions I have had on notice since 25 March? What is the status of this $20 million loan now that the building is being sold to the Electricity Trust of South Australia for $14.6 million, and what is happening to the balance of that loan? Does the Attorney believe that the circumstances surrounding this loan throw a dark cloud over Mr Vin Kean's continued chairmanship of SGIC?

The Hon. C.J. SUMNER: The honourable member has made a number of assertions and has expressed a number of opinions during his commentary. He has also raised a number of questions which obviously I will have to take on notice. I will discuss the matter with the Minister responsible for the SGIC and, having done that, bring back a reply.

TELECOM FAX

The Hon. I. GILFILLAN: I seek leave to make a brief explanation before asking the Attorney-General a question about racial discrimination.

Leave granted.

The Hon. I. GILFILLAN: Earlier today I received a copy of a fax entitled 'Licence to Shoot Aborigines', from Whyalla Councillor Mr Eddie Hughes. Councillor Hughes contacted my office over this matter this morning after being gagged during debate on questions without notice at a meeting last night of the Whyalla council when he attempted to have the document tabled and raise questions about the matter. The document, dated 25 July 1990, was provided to Councillor Hughes last week by a source known only to Councillor Hughes. The document carries a fax identification which states, 'From Electrical Discounters to Whyalla Electrical Discounters'.

According to Councillor Hughes the reference to Electrical Discounters apparently refers to either the Port Augusta or Port Pirie outlets of this chain. The Whyalla store is jointly owned by Whyalla Alderman Roger Thompson, who last week was fined $500 for attempted false pretences, and Whyalla Councillor Tom Antonio, who is currently facing a Federal charge of using Telecom services for menace. I have a copy of the document that I am about to read into *Hansard*. I have asked that the Attorney-General be provided with a copy also. The document reads:

GOVERNMENT OF SOUTH AUSTRALIA

To whom it may concern:

Your licence has been granted, subject to two hours target practice at your nearest Aboriginal reserve.

Failure to get bag limit will also mean a loss of demerit points; however, this may be redeemed with the prize scalps of Michael Mansel, Ernie Dingo or Gary Foley.

On proof of bag limits you will be given free bullets for 100 per cent shooting. You will be asked to spend seven days at one of our country zones where these pests are in plague proportions. The worst areas are Port Augusta, Port Lincoln, Renmark and Ceduna.

You will be asked to confront our committee comprising of Bruce Ruxton and Ron Casey for renewal of licence.

Happy shooting.

Yours sincerely,

KESAB

That is followed by the South Australian logo, under which appears:

LICENCE TO SHOOT ABORIGINES

Subject to the provisions of the Pest Eradication Act 1965. Full conditions set out below:

I would not be reading this document except that I am assured that this document is now being circulated around the community and the media, and it is with great displeasure and distaste—

Members interjecting:

The PRESIDENT: Order!

The Hon. I. GIFILLAN: —that I read it. The document continues:

Licence No: Abo 154

14 Coon Street,
Blacktown, S.A.

Expiry date: 30.6.99
Bag Limits: Full Blood—200 per week,
Mixed Blood—No Limit

Conditions

1. The bearer must own a firearm of sufficient calibre to penetrate the Abo's thick skin (.44 mag at least).

2. The bearer must ignore any—

Members interjecting:

The PRESIDENT: Order!

The Hon. I. GILFILLAN: I do not have any pleasure in reading this material.

Members interjecting:

The PRESIDENT: Order!

The Hon. I. GILFILLAN: In that case—

Members interjecting:

The PRESIDENT: Order!

The Hon. I. GILFILLAN: —there have been enough interjections for me to be persuaded to stop, but there are other parts of this document that I believe members should read. I also believe that it is inescapable that this Chamber must face up to the fact that this document is being and has been circulated by Telecom fax, and it indicates what we have all wished to ignore—that there is a basic element of racism—

The PRESIDENT: Order! The honourable member is tending to debate the issue; I ask him to confine himself to the question.

The Hon. I. GILFILLAN: I was making observations about the document, which is factual: it is here. The contents of the document are a slur on the community of Whyalla, and people such as Councillor Hughes are outraged that such shockingly racist material is apparently being circulated. We know from information we have that it has been circulated to certain media outlets. I am certain that many South Australians would be disgusted that such material is being distributed. I believe that the publication and distribution of this material is a breach of the Commonwealth Telecommunications Act 1975, section 86 *(c)*, which deals with the offence of using a telecommunications system, in this case a fax machine, to distribute information that would cause serious alarm or serious affront to any reasonable person. It may well be a breach of section 33 (2)

of the Summary Offences Act 1953 relating to the production of any material which contains matters of violence and cruelty and which, if disseminated, would cause reasonable persons serious and general offence. My questions to the Attorney are:

1. In the Attorney's opinion does this document contain material that breaches any existing laws and, if so, will he ensure that prosecution takes place?

2. Will the Attorney undertake a full investigation into the authors and recipients of this document?

3. Will he ensure that the outcome of the investigation is made public?

The Hon. C.J. SUMNER: I cannot answer the first question, obviously, as to whether any breaches of the law are involved in the distribution of the document. However, I will certainly examine that issue, as the honourable member has asked me to do. As to an investigation into where the document has come from, I would have to consider whether that is possible. I do not know anything about the document, except what the honourable member has raised in this Council. If it came from Telecom, perhaps some inquiries could be made of that organisation, although I would fully expect that it had no official authorisation from Telecom. Apparently, the honourable member asserts that the document was sent by—

The Hon. I. Gilfillan: By fax.

The Hon. C.J. SUMNER: So, Telecom had nothing to do with it?

The Hon. I. Gilfillan: No.

The Hon. C.J. SUMNER: I am sorry; I misunderstood that part of the question. I do not quite know how Telecom got into the act, in that case.

The Hon. I. Gilfillan: Under the Commonwealth Act, it is an offence to use Telecom equipment for this material.

The Hon. C.J. SUMNER: The matter has nothing to do with Telecom, except that the document was sent by fax. The honourable member mentioned that a breach of the Telecommunications Act may have occurred. That is a Federal Act, obviously, and it is not something for which I have any direct responsibility. The best thing I can do on the questions asked by the honourable member is to examine them and to write to him with a response to those specific issues that he has raised. However, obviously, the production of a document such as this is quite an appalling thing to have occur in our community. Clearly, it is the product of a sick and twisted mind. It is not humour in any sense and should be rejected by all decent members of the Australian community. However, I am not sure whether the document should be given the credit that it has been given by the Hon. Mr Gilfillan by raising it in the Council in the way in which he has. In my view, it is not worthy of any credit whatsoever.

The Hon. R.J. Ritson interjecting:

The Hon. C.J. SUMNER: Yes, of course, as the Dr Ritson interjects, it will now become the common property of the whole Australian community. It indicates a sickness in some aspects of the Australian community. As I said, the people who produced this document should be ashamed of themselves. It is an appalling document and, in my view, it is the product of a sick and twisted mind.

However, I repeat that I am not sure that raising it in Parliament in the manner that the Hon. Mr Gilfillan has done is the best course of action. All he has done is given publicity and possible credit to a document that simply does not deserve it. It is a document that deserves to be ignored and condemned: condemned by individuals who see it and ignored because it is not something that should be taken seriously in any way. However, the honourable member has seen fit to raise it in the Council and to quote it in detail. That is a decision that he has made. I respond by indicating my view of the document, which I have already done, and the honourable member has asked specific questions which I will examine and reply to him about.

DRIVER TESTING PROCEDURES

The Hon. DIANA LAIDLAW: My questions are to the Minister representing the Minister of Transport and they relate to the Government's proposal to part-privatise driving testing procedures, as follows:

1. What cost savings and employee reductions within the Department of Road Transport does the Minister anticipate following the introduction of this initiative?

2. How does the Government propose to address concerns that instructors who have also qualified as assessors may have a vested financial interest in failing learner drivers or in extending their period of instruction?

3. How does the Government propose to enforce standards of driving instruction under this new arrangement?

4. In developing this plan, and as part of its social justice program, did the Government consider means testing driver instruction courses?

The Hon. ANNE LEVY: I will certainly refer those questions to my colleague in another place. I had been given to understand that no instructor would assess anyone to whom he was giving instruction. However, I will bring back a reply as soon as possible.

SOIL CONTAMINATION

The Hon. M.J. ELLIOTT: I seek leave to make an explanation before asking the Minister representing the Minister of Education a question about soil contamination at school sites.

Leave granted.

The Hon. M.J. ELLIOTT: Several Ministers may wish to respond to this question but I will address it in the first instance to the Minister of Education. The question relates to the site of the former St Leonards Primary School in Bagshaw Street, North Glenelg. The school buildings have been demolished and a high fence has been around the site for some time. I understand that the site was to have been used by the Housing Trust, and it may still be used by the trust. Over the past week, double tipper trucks have been removing soil from the site. I have been told that workers have been wearing white protective clothing while digging up soil. Apparently, the soil is being dumped at Wingfield.

Inquiries to the Health Commission have revealed that the contaminant being removed with the soil is arsenic. Apparently 20 to 30 years ago it was common practice to spray weeds with a mixture of caustic soda and arsenic, not just in schools but along railway lines and on footpaths, etc. Apart from concerns for the number of children and teachers who have spent time on the site, there are concerns about the haphazard discovery of contamination on such sites. The contamination of the St Leonards Primary School site was discovered only because of a very good Government decision that, before land is sold or purchased by the Government, it be tested for contamination.

If the St Leonards Primary School were still open the contamination would not have been discovered. That raises the question: what about other Government owned sites, particularly those that were developed during the time that weedicides such as arsenic were used and before it was

recognised how dangerous they are? Is the Government planning to test other primary school sites and other public sites of the same age as the St Leonards Primary School site to determine whether students at those schools and other persons in those public areas have been exposed to unsafe levels of toxic chemicals previously used there? Is the Government considering requiring the private sector to carry out testing similar to that which is applied to its own sites?

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

MARIJUANA

The Hon. PETER DUNN: I seek leave to make a brief explanation before asking the Minister representing the Minister of Aboriginal Affairs a question about marijuana crops in the Pitjantjatjara lands.

Leave granted.

The Hon. PETER DUNN: This morning, it was reported that there has been a rather large find of in excess of 2 000 marijuana plants by a stockman mustering cattle on Walatinna Station in the Pitjantjatjara lands. The area is north of Cadney Park and, as I understand it, the plantation was well cultivated, ready for harvest and had been fed by a five-mile water pipeline. I would have thought that the finding of marijuana plantations in that area would be very easy. The colour differentiation is quite dramatic, marijuana being a light green and the surrounding country being either dark red or dark green. During the debate on the Controlled Substances Act, I remember the Hon. John Cornwall saying that it was very easy to find marijuana plants using infra-red photography.

If this crop has been grown on the Pitjantjatjara lands and, bearing in mind the vast area and the low population, my questions are: what action will be taken by the Minister to ensure that this area is not a constant source of infection of the controlled substance of marijuana for the rest of the State, and what action is being taken to find other plantations that might be being cultivated in the vast north-west area of South Australia?

The Hon. ANNE LEVY: I certainly represent the Minister of Aboriginal Affairs in this Chamber, but it would seem to me that the honourable member's questions are more properly directed to the Minister representing the Minister of Emergency Services. Law enforcement is not a matter for the Minister of Aboriginal Affairs. I suggest that I refer those questions through the Attorney-General to the Minister of Emergency Services.

REPLIES TO QUESTIONS

FAMILY PLANNING SERVICES

In reply to **Hon. BERNICE PFITZNER** (26 February).

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

1. The Family Planning Association (FPA) is not withdrawing its support for rural sexual and reproductive health services—it is simply altering its model of service delivery to reflect community demands and a need to ensure that rural women have a more regular and integrated service than is currently available. FPA has altered its model of service delivery in response to pressure from rural medical general practitioners who have expressed serious concerns about the effect on the continuity of medical care of women who only have access to a visiting clinical service.

In response to these concerns and resource constraints, FPA has changed its strategy in rural areas to one of assisting locally based health service providers to appropriately meet the community's sexual and reproductive health needs. These new arrangements will ensure improved continuity of care.

2. Alternative arrangements for Ceduna are still subject to negotiations between the Hospital and FPA.

Previously, local medical practitioners have not been supportive of the visiting FPA service. However, in the past year a general practitioner with an interest and expertise in women's health concerns has commenced practice in Ceduna. The FPA will have further negotiations with this GP and the Ceduna Hospital in March 1992 to plan for future developments.

Of major concern to FPA are the sexual and reproductive health concerns of Aboriginal women who attend the Yalata Maralinga Health Service and the Kooniba Health Service at Ceduna.

In responding to these women, FPA supported the local service providers in developing submissions to attract Commonwealth/State matched funding from the National Women's Health Program. Both submissions were successful and will provide these communities with the necessary resources for them to work with FPA in developing the most appropriate response to sexual and reproductive health needs.

3. In relation to Coober Pedy, in mid 1991 the Chief Executive Officer of Coober Pedy Hosptial offered to meet the costs of maintaining the existing service as an interim measure until locally based health professionals could be recuited and/or trained to fulfill this role.

The initiative taken by the Coober Pedy Hospital to maintain and expand the current FPA visiting service was a local decision and will be the subject of further discussions involving FPA and the Hospital.

DISABLED CHILDREN

In reply to **Hon. BERNICE PFITZNER** (27 February).

The Hon. BARBARA WIESE: In response to the honourable member's questions, the Minister of Health has provided the following information:

1. The State is not considering terminating its responsibility for these services.

2. These organisations are funded jointly by the State and the Commonwealth Government to offer services to people with disabilities and their families. The State has set aside its proportion of increased funding for organisations affected by the Disability Services Interim Award. The organisations are now receiving this proportional payment as they require it during the remainder of the financial year.

3. The State would not be willing to fund the Commonwealth's share of the increased funding required due to the interim award. The organisations will have varying amounts of unmet salary obligations which may be met in some cases by efficiency measures rather than changes in service delivery.

4. As stated previously, South Australia is not considering terminating these services.

HIV/AIDS

In reply to **Hon. BERNICE PFITZNER** (27 February).

The Hon. BARBARA WIESE: Further to the honourable member's question, the Minister of Health has advised that:

1. The issues are being formally addressed and a draft policy is being developed.

2. & 3. As indicated, the difficult task of formulating a practical, broad-based policy in this area is being addressed as a matter of priority, taking into account developments at the national level.

BUSINESS MIGRATION

In reply to **Hon. J.F. STEFANI** (15 August).

The Hon. BARBARA WIESE: In response to the honourable member's questions, my colleague the Minister of Industry, Trade and Technology has provided the following response:

1. The question asked by the honourable member regarding business migration quotes a budget item for Trade Promotion, which is a different area of expenditure. Travel for Migration is from budget program 2 and comprised six trips in the 1990-91 budget period.

2. The total cost of the six trips was $46 642.58.

3. As Business Migrant families enter Australia through many Australian International airports, it is not possible to define exactly how many have settled in South Australia. During the past two

years, 700 Business Migrants and family members were recorded as settling in the State.

4. The Federal Department of Immigration, Local Government and Ethnic Affairs carries out all processing of prospective business migrant applications. Whilst Accredited Migration Agents were responsible for preparing the applications on behalf of many prospective business migrants, the Singapore office assisted 83 and the Hong Kong office 246 potential clients during the period.

5. Due to the confidential nature of arrangements between Accredited Migration Agents and their clients, the department is not advise of the business activities of the majority of settled business migrants. It is understood that settled business migrants are involved in Aquaculture, Food Processing, Precision Engineering, Cosmetic product manufacture, Tourism ventures, Retail, exporting, and property development.

ITALIAN OVERSEAS DELEGATION

In reply to **Hon. J.F. STEFANI** (13 November).

The Hon. BARBARA WIESE: In response to the honourable members question the Minister of Industry, Trade and Technology has advised the following:

1. Mr Terry Groom, MP who travelled on his parliamentary travel allowance and Ms Angela De Marco.

2. Mr Groom as the Member for Hartley and a speaker of Italian; and Ms De Marco as a senior Project Officer, Office of Multicultural and Ethnic Affairs and a member of the Campania Twinning (Gemellaggio) Arrangement Committee.

3. Mr Groom travelled on his parliamentary travel allowance. Ms De Marco travelled to Italy privately, but while accompanying the Minister was deemed to be on duty. Total cost for Ms De Marco including salary costs were $2 375.

4. The Italian regions visited were Fruili-Venezia Giulia, Tooscana, Campania and Lazio. Ms De Marco accompanied the Minister only to the latter three regions.

ELECTRICITY TRUST OF SOUTH AUSTRALIA

In reply to **Hon. J.F. STEFANI** (12 February).

The Hon. BARBARA WIESE: In response to the honourable member's question the Minister of Mines and energy has provided the following response:

1. The Minister of Mines and Energy is aware tht a consultant is advising ETSA on its total metropolitan property requirement. There will be a report produced. The total cost of the consultancy including the report will be $150 000.

2. The consultant is the South Australian office of KPMG Peat Marwick who is using South Australian sub-consultants to carry out detail work.

3. At the conclusion of the consultancy a report will be prepared, but the contents will not be publicised because of commercial confidentiality.

4. As a matter of course ETSA discusses all major issues with the Minister of Mines and Energy, who has agreed with the various steps taken by ETSA in managing its property requirements.

STREET TREES

The Hon. J.C. IRWIN: I seek leave to make an explanation before asking the Minister for Local Government Relations a question about street trees.

Leave granted.

The Hon. J.C. IRWIN: The Minister may be aware that a petition was presented to the House of Assembly last week signed by over 1 000 people complaining about section 315 (3) of the Local Government Act which relates to street trees. I understand that the Minister also received a letter from the organiser of the petition, Ms Heather Wardle, who has experienced considerable house damage from a street tree. Section 315 (3) provides:

> The council is not liable for any damage to any property which results from the planting of any tree in any street or road, or from the existence of any tree growing in any street or road whether planted by the council or not.

I understand that no one is complaining about accidents relating to people hitting trees or accidents of that nature but they are complaining about damage caused by tree roots. I know the matter was taken up by the Ombudsman following several complaints to his office, and in his 1990 report the Ombudsman said that he had taken up the general issue of street trees with the Department of Local Government and he suggested that it may be appropriate for the department to consider the various issues that have arisen on this subject when next undertaking a legislative review of the Local Government Act. There have been a number of Local Government Amendment Bills since 1990 but with no attempt to resolve the section 315 problem in those Bills. Can the Minister say whether the street tree problem has been seriously considered? Has consideration been made to amendments to the Act so that ratepayers have equal rights to a council in respect of street tree planting and damage? Does the Minister believe that this problem will be addressed in the next Local Government Act amendments?

The Hon. ANNE LEVY: I am not aware of any detailed discussions that may have occurred in the negotiation process on the matter of street trees at this stage. I hardly need to remind members of the negotiations occurring between the Local Government Association and the State Government. As I understand it, the matters currently being discussed relate to a Local Government Constitution Bill of which the honourable member is aware, and it would seem to me that street trees are not really a topic to be included in such a Bill. However, I can assure members that there has certainly been discussion on the necessity of having discussions relating to the whole question of streets, parks, reserves and areas over which the council has the care and control, if not necessarily the ownership. It seems to me that discussion on the question of street trees would come into that round of topics (if one can designate it that way), which would be the appropriate place for such discussions. Certainly, I appreciate the problems that street trees sometimes cause to private owners and I can understand the concerns of people who have been affected. On the other hand, I am sure the origin of the provision to which the honourable member referred relates to damage that street trees may cause to the property of other publicly owned organisations.

One can think of their potential damage to the pipes laid by the E&WS Department for water and sewerage and also to the overhead wires strung by ETSA. If there were not some sort of indemnity for councils for the damage that trees could cause to public facilities, we would doubtless very rapidly achieve a situation in which no council would ever plant a tree and would remove all trees that currently stand in our streets for fear of financial consequences to the ratepayers. I realise that there is a very difficult balance to be achieved between what seems fair and proper to individuals and to the citizens as a whole, as represented through their council. This will not be an easy matter to resolve to be fair to all concerned, but I can assure the honourable member that, when the next but one bunch of matters for discussion comes to the top of the agenda, I will ensure that street trees are considered along with the other matters referred to in those parts of the Local Government Act.

LOCAL GOVERNMENT ELECTIONS

The Hon. BERNICE PFITZNER: I seek leave to make a brief explanation before asking the Minister for Local

Government Relations a question about the entitlement to vote.

Leave granted.

The Hon. BERNICE PFITZNER: At last Saturday's local government election in the Woodville council, a Mr Joseph Rossi, who was a candidate and who lost by 23 votes, raised some issues of concern. First that a Mrs M. Melino, a resident of the area who had voted in the 1987 election, was refused voting rights. I understand that, under the Local Government Act, a natural person above the age of majority is entitled to be enrolled if that person is an elector of the House of Assembly, is resident at a place of residence within the area and is a ratepayer in respect of rateable property. Mrs M. Melino appears to qualify for that entitlement to enrol and, therefore, to vote.

Secondly, local Labor MPs for the area attended: Mr M. De Laine handed out how to vote cards and Mr M. Atkinson approached a candidate, Mr L. Aird, to seek second preferences for his colleague Mr D. Allen. My questions to the Minister are:

1. Will the Minister investigate why Mrs M. Melino was not allowed to vote?

2. How many others in similar circumstances to those of Mrs Melino, that is, not an Australian citizen but a permanent resident, were denied the local government vote in last Saturday's Woodville and Port Adelaide local government elections, taking into account that there is a relatively high ethnic population in those western suburbs?

3. What strategy has the Government in place to provide equal opportunity and equal access to persons who are entitled to vote but who, due to language difficulty, have not been made aware of their voting rights?

4. It is generally understood that local government should not be Party political, section 46b of the Act providing that councillors are elected as representatives of wards and not of political Parties. Does the Minister support the activities of the two Labor members of Parliament in last Saturday's local government election and, if so, will the Minister encourage Liberal members of Parliament to perform similar activities at future local government elections?

The Hon. ANNE LEVY: I am certainly not aware of the particular case to which the honourable member refers, but I would be happy to make inquiries. As she would no doubt know, the Local Government Act provides procedures to be followed for non-citizens to be placed on the electoral roll for local council elections. For people who are Australian citizens, their presence on the State and Federal electoral roll automatically places them on the roll for local government elections. However, I will certainly make inquiries regarding the individual to whom the honourable member refers. The State Government certainly believes that people who have voting rights should be encouraged to vote, whether or not they speak English and whatever their personal circumstances. The State Government has worked with the Local Government Association on numerous occasions to run campaigns to persuade people to vote at local elections.

The Hon. Barbara Wiese interjecting:

The Hon. ANNE LEVY: Yes: the major 'Have a Say' campaigns, which have been run in conjunction with local government elections, have been funded entirely by the State Government. We certainly encourage all means of making people aware of their voting rights. In the election last Saturday, which was held in only two councils of the 119 in this State, the Local Government Association joined with me in making statements regarding people's rights and opportunities to vote, and encouraging all who were eligible to take part in exercising their democratic rights. In like manner, I am sure the honourable member would agree that Messrs De Laine and Atkinson have a democratic right to hand out how to vote cards, and I would very much hope that she is not suggesting in any way that, because they happen to be members of Parliament, they should be forced to resign their democratic rights to assist friends who may be standing as candidates for local government elections.

I would support the right of anyone to campaign and assist any friend or colleague of theirs who was a candidate in any election, be it local, State or Federal. I would very much hope that the honourable member's question in no way suggests that she does not support this right or would wish to hamstring people and prevent them from campaigning in any election. Provided their campaign is legal and they use legal means, I see no reason whatever why Messrs De Laine and Atkinson should be other than applauded. In my view, the same would apply not just to Liberal members of Parliament but to every member of the South Australian community. It is our right to take part in the democratic process and to assist people whom we know and who happen to be standing for election in any legal way possible. I very much hope that this situation will never change.

The Hon. BERNICE PFITZNER: As a supplementary question, does the Minister know whether there is any translated material for people who have language difficulty, to make them aware of their voting rights and, if there is not, will she encourage local councils to produce such information?

The Hon. ANNE LEVY: When the 'Have a Say' campaigns were being run, I believe that material was available in languages other than English as part of the campaign. It was run on several occasions. With the new relationship between State Government and local government, the responsibility for campaigns and information about local government is now agreed to be that of the Local Government Association rather than the State or Federal Governments.

COURT TOURS

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

Leave granted.

The Hon. K.T. GRIFFIN: I have been informed that yesterday a legal studies teacher telephoned the courts to arrange for a conducted tour of the Sir Samuel Way building for his matriculation students who are studying legal studies. He was told that no more bookings will be taken, because the tours will no longer be available. Naturally, he was angry about this, particularly because a tour of the courts conducted by a person with knowledge of the facilities is regarded as an important part of the years 11 and 12 study process for legal studies. Other inquiries I have made indicate that an officer in the Court Services Department has had the responsibility for conducting these educational tours over the past few years and that, as a result of the GARG review, the officer will no longer be available after 1 July. All bookings until July will be satisfied, but after that there will be no guided tours of the courts, even for students. The concern which the legal studies teacher has expressed in relation to the detrimental effect on matriculation students in legal studies is shared by others, who have also made reference to it in discussion with me. My questions are as follows:

1. Have tours of the courts for students, including legal studies students, been terminated formally by the Government?

2. Does the Attorney-General view this with concern?

3. Have any alternatives been put in place or been considered to deal with this problem and, if so, what are they?

The Hon. C.J. SUMNER: I do not know whether the tours have been formally terminated. Certainly, there is a proposal by Government as part of the GARG initiative to terminate the provision of those tours. I believe that that will be implemented by 1 July. That does not stop tours. People are entitled to tour the courts as and when they wish.

The Hon. K.T. Griffin: It is a conducted tour.

The Hon. C.J. SUMNER: That is all right—a conducted tour. People responsible for teaching legal studies will have to conduct the tours themselves. I would have thought that, if they were teaching legal studies, they would be sufficiently familiar with the courts anyhow to—

The Hon. R.I. Lucas interjecting:

The PRESIDENT: Order!

The Hon. C.J. SUMNER: I would have thought that, if they were involved in teaching legal studies, they would be familiar enough with the courts in any event. However, with regard to what alternatives might be available, I will have the matter examined. The Court Services Department puts out a number of pamphlets, and it may be that a pamphlet or other information can be given to assist people who are on tours of the courts. The only decision that is anticipated is that there will not be a tour provided by the courts themselves because of the GARG process and the savings thereby involved. However, tours will not be stopped. They can be conducted by the teachers concerned.

PAPERS TABLED

The following papers were laid on the table:

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

Boating Act 1974—Regulations—Hire and Drive—Commencement.

By the Minister of Consumer Affairs (Hon. Barbara Wiese)—

Forestry Act 1950—Resumption of forest reserves—Hundred of Gambier—Resumption of Section 603—Hundred of Caroline.

Port Pirie Regional Health Service Incorporated By-laws—General.

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

Industrial and Commercial Training Act 1981— Regulations—Clerical Processing (Legal).

Metropolitan Taxi-Cab Act 1956—Applications to Lease.

The Hon. ANNE LEVY: I seek leave to table a copy of my reply to Mr Spence's letter to me which was mentioned in a question last week.

Leave granted.

GAMING MACHINES BILL

In Committee.

Clause 1 passed.

Clause 2—'Commencement.'

The Hon. DIANA LAIDLAW: Clause 2 relates to the commencement of this Act. It is to 'come into operation on a day to be fixed by proclamation'. There seems to be a lot of confusion as to when poker machines may be installed and operating in hotels and licensed clubs. I understood, from answers by the former Minister of Tourism, that it was critical for all members of Parliament to support this legislation because the viability of hotels was in question. The Minister indicated that the Act would be proclaimed shortly and poker machines would be readily installed in hotels and licensed clubs. I understand that the Hotel and Hospitality Industry Association believes that six months may be the time frame, but there is also speculation that, to get the system right, the regulations in place and all the monitoring procedures under control, it may be 18 months before the legislation becomes operative in the sense that these machines will be ready for playing in hotels and licensed clubs. Therefore, I would like some indication from the Minister as to when she believes this Act will be proclaimed and when the machines will be actually installed and operating in hotels and licensed clubs.

The Hon. ANNE LEVY: I am given to understand that it is difficult to give a precise time frame, because it depends on things such as whether the computing system works the first time up or whether it needs to be finetuned before it is fully functional. I also understand that, in Queensland and Victoria, there was a period of about 18 months from the time of the passing of the legislation to the time when the hotels and clubs started to operate poker machines, and I am sure that the honourable member would be aware that they started this week in Queensland. However, it is difficult to be more precise than that. I am sure that it will be the wish of everyone involved to have the system operating as soon as possible.

The Hon. K.T. GRIFFIN: All members will recognise that I do not support the Bill, and I will be opposing it at the third reading in whatever form it comes out of the Committee consideration. I have made clear my reasons for adopting that course but, if the Bill should succeed, I believe that a number of amendments ought to be made to improve it. The purpose of moving various amendments will be, as I judge it, to improve the Bill. Colleagues on both sides may not agree with that, but we will see. Because it is a private member's Bill, I suspect that we are all going every which way on a number of these amendments, so we will make some judgments about those amendments on each occasion.

It is essentially a conscience vote on this legislation, so there may be things in the Bill which get out of the Committee and which, if the Bill passes the third reading, may not necessarily be acceptable to the Government if finally agreed in the House of Assembly. The potential is there at present for the Government, which has the responsibility of proclaiming the legislation, to suspend particular provisions of the legislation or to postpone the day upon which certain provisions may come into operation.

If this Bill passes the Legislative Council and the amendments are agreed to by the House of Assembly, I think the amendments ought to be taken as a whole and accepted or rejected as a whole by the Government without seeking any Executive interference with the decision of Parliament in relation to the operation or suspension of particular provisions. It is for that reason I move an amendment that will ensure that the proclamation is of the whole legislation, that it all comes into operation at the same time, that no part is suspended and that there are not different dates upon which different parts of this Bill come into operation. I move:

Page 1, after line 15—Insert new subclause as follows:

(2) In making a proclamation for the purposes of this section, the Governor cannot fix different days for different provisions to come into operation or suspend any provision.

The Hon. ANNE LEVY: I oppose the amendment, and I think I can speak on behalf of the Government in opposing it.

The Hon. R.I. Lucas interjecting:

The Hon. ANNE LEVY: No, the Government.

The Hon. R.I. Lucas interjecting:

The CHAIRMAN: Order!

The Hon. ANNE LEVY: The Executive arm of Government. If the amendment were inserted into the legislation it would very much reduce administrative flexibility. It might be felt desirable to bring some clauses into operation at an earlier stage. For instance, the monitor's licence might be determined and dealers could be licensed so that purchasing could occur, and it would be asking a bit much to expect the whole thing to suddenly spring forward *de novo.* Before buttons can be pressed or handles can be pulled in clubs and pubs many administrative steps, such as awarding licences, would need to be undertaken, and I am sure that the Government would want the flexibility to enable that to occur in sensible stages.

The Hon. K.T. GRIFFIN: I do not accept that response. Certainly it might reduce Executive flexibility, but the example that was given by the Minister is not an example that I think justifies the emphasis she has put on the reduction of Executive flexibility. There is no reason why applications for licences cannot be made at the one time. The control of the granting of licences is in the hands of the Liquor Licensing Commissioner, and if the Liquor Licensing Commissioner believes that the monitor's licence should come into operation first then the Liquor Licensing Commissioner can make that decision.

If the Liquor Licensing Commissioner decides that gaming machine licences should come into operation in three months, that can be a condition that is fixed by the Liquor Licensing Commissioner to the particular licences which might be granted. I suggest that that is not a function of the Executive arm of Government but is a function of the Liquor Licensing Commissioner, and the sort of flexibility that might be required with respect to the granting of licences is already provided for in the Bill in the flexibility which is given to the Liquor Licensing Commissioner.

I do not think that any other provisions would require different dates for proclamation of various parts of the legislation. I suggest that it can all be done comfortably in the one proclamation if the Bill passes the third reading, and that the sort of flexibility that is referred to by the Minister can be flexibly built into the system by the Liquor Licensing Commissioner.

The Hon. M.J. ELLIOTT: I, too, am opposing the Bill as a whole, but by way of my own amendments and the discussion of other amendments I will seek to make sure that this Bill works as best it can in the circumstances. I am tempted to support this amendment. I do not think the Minister has as yet given a specific example of where it creates a difficulty. I acknowledge the sorts of problems that are raised by the Hon. Mr Griffin. Indeed, part proclamation of a Bill can be a way of getting around the intent of some of the clauses that have been passed by the Parliament.

I will support this amendment unless the Minister can, first, come up with an example of where it creates a difficulty. I think that if there is such a circumstance, there is another way around it, and that is probably along the lines that the whole Bill should come into force within 12 months, or something like that. Although that means that there may be some staging, at the end of the day the whole lot has to come in.

If there is a specific difficulty to which the Minister can allude, an alternative amendment such as that would solve the problem. If she cannot provide such an example that is not adequately addressed by the solution offered by the Hon. Mr Griffin, I will support his amendment.

The Hon. DIANA LAIDLAW: I am not convinced by the arguments presented by my colleague the Hon. Mr Griffin in this matter, because I suspect that both he and the Hon. Mr Elliott, in opposing this Bill, are possibly using this amendment to oppose many of the initiatives that I support, and that makes me uncomfortable. However, at the same time, I am not convinced by the Minister's arguments. As I have stated in this Parliament previously, I support the Independent Gaming Corporation as the monitoring agent but, as I understand it, that corporation has not been established at this stage, because that matter will depend on the consideration of the Bill. The appointment of various directors has been delayed. I would have thought that that would be an important step to take immediately this Bill passes. I am uncertain about the other areas that the Government might delay. What staged process does the Government have in mind? That goes back to my original question about the proclamation date which the Minister did not answer earlier. What staged process does the Government have in mind in view of the fact that the Hon. Mr Griffin has said that he does not believe that that would necessarily be important with the implementation of this Bill?

The Hon. ANNE LEVY: In response to the honourable members who have raised these questions, I am sure that if this amendent were passed it would not make the whole matter non-functional. However, it could add difficulties. The Liquor Licensing Commissioner certainly hopes to be able to proclaim the whole of the legislation at one time. However, it is hard to foresee the administrative wrinkles that may occur. It just seems unnecessary to have added difficulties created in what are administrative matters—not matters of policy at all.

The Hon. R.I. LUCAS: In response to the first question, the Minister indicated that she spoke on behalf of the Government in relation to this amendment. Has the Government established a position in relation to the amendments that are to be debated today? Will the Minister, along with the other two Ministers in this Council, be adopting a Government position as part of the executive arm of Government, or is she speaking only in relation to this particular amendment?

The Hon. ANNE LEVY: I can assure honourable members that there is no Government position on this Bill; it is a conscience matter. No amendment or any portion of the original Bill has been debated in Cabinet. There is no Cabinet decision relating to any portion of it. When I say that I have spoken to the Government, I mean that the Government will accept as legislation whatever is passed by the Parliament. It will implement that legislation and, in doing so, it would not want administrative difficulties that are totally unnecessary to the straightforward implementation of the legislation as it comes from the Parliament.

The Hon. K.T. GRIFFIN: In response to my colleague the Hon. Diana Laidlaw, the fact is that if we do not have this provision in the Bill, the Acts Interpretation Act will allow suspension of provisions and the fixing of different days. That amendment was made several years ago to the Acts Interpretation Act; so, if it is not in here, the Government can do that. There is one obvious reason why we should have this provision in the Bill. Later we will be talking about the establishment of a gaming tax fund under proposed clause 68. If the Government does not want that,

and if this Bill passes the Council, the Government can decide that it will suspend the operation of that provision. It seems to me that, if the Bill is finally going to pass the Parliament as a whole, it ought all to come into operation as a whole and not in a piecemeal way, and parts that the executive arm of Government does not find particularly pallatable it can suspend. It is for that reason that we need to ensure that the whole Bill comes into operation. If we look carefully at the various provisions of the Bill, there is no part where there would be difficulties if it did not all come into operation at the one time.

The Hon. ANNE LEVY: I do not want to prolong this debate, but I wish to make quite clear to all members that the Government will not play any games or tricks with this legislation. If the legislation is passed by the Parliament, the Government will implement it in good faith as it passes the Parliament, and there will be no subterfuges or tricks as suggested by the Hon. Mr Griffin.

The Hon. K.T. Griffin: I am not suggesting it would; I just said it was possible.

The Hon. ANNE LEVY: Well, I assure the honourable member that it will not happen.

The CHAIRMAN: Order!

The Hon. R.I. LUCAS: If that is the Government's position, there is no real cause to oppose the amendment. I indicate that I intend to support the amendment. I have not been convinced by the Government's response that there is any major or substantive problem with the amendment moved by the Hon. Mr Griffin. As a question of philosophical principle, I agree with it. Whilst the Hon. Mr Griffin and I come from opposite sides of the gambling sticks in relation to this particular question and our attitude to the Bill overall, it is a sensible amendment and I would urge members to consider it favourably.

Amendment carried; clause as amended passed.

Clause 3—'Interpretation.'

The Hon. ANNE LEVY: Before the Hon. Mr Feleppa moves his amendment, I wonder whether there could be agreement from the Committee to take this as a test amendment regarding the participation in the structure of the Lotteries Commission. If the amendment is passed, it will insert the Lotteries Commission provision in the Bill, and it would seem to me to be more practical to use this as the test clause. If this amendment passes, many other amendments on file will be consequential; if it fails, those other amendments would no longer be relevant.

The Hon. R.I. LUCAS: Whilst we have differing views in the Liberal Party, we do have a shared view on this question, and we agree that this ought to be the test case. We are happy; let the debate begin!

The Hon. M.S. FELEPPA: Because of the statements of the Minister and the Leader of the Opposition, I have mixed feelings and will make my contribution, at the same time measuring the reaction of members. I move:

Page 1, line 25—Leave out 'or' and insert as follows:

'*(ba)* in respect of premises subject to a gaming machine licence, the general manager of the Lotteries Commission and any employee of the commission who is authorised by the General Manager to exercise the powers of an authorised officer;

or',

The reason for this amendment is that in relation to clause 24 I would like to replace the 'Independent Gaming Corporation' with the 'South Australian Lotteries Commission'. This amendment is consequential upon the passage of the principal amendments to clauses 14 and 24. It is necessary because, during the execution of their duties, the General Manager and, indeed, any employees of the commission, should be authorised officers of the Lotteries Commission, so that they can perform their duties in the operation of the gaming machines.

The Hon. DIANA LAIDLAW: That was a very short speech. I thought perhaps the honourable member was going to go on—

The Hon. M.S. Feleppa interjecting:

The CHAIRMAN: Order!

The Hon. DIANA LAIDLAW: —for some length trying to persuade people but perhaps he believes that most members have made up their minds. I take note of the brevity of the honourable member's contribution. I indicate, though, that there is no way that I will support any role by the Lotteries Commission in this Bill. If this amendment and subsequent amendments were successful, I would vote against the third reading.

The Hon. R.I. LUCAS: Obviously, this is one of the more important aspects of the legislation, and I intend to indicate the reasons why I adopt the position that I do. There has been much debate, and in the past week or two, or however long it has been since the second reading debate, many members have been subjected to extensive lobbying in relation not only to the legislation generally but to the specific question of whether or not the Lotteries Commission or the Independent Gaming Corporation would be involved and also to the related topics of self-regulation, Government regulation or Government control.

I believe we are talking not about a question of deregulation versus a model of Government regulation but about a question of two models, of Government control and Government regulation. We have two variants of one model, if I can put it that way. Both models have, as common elements, three layers of Government control and regulation. We have had the privilege of having as a group of members a discussion with officers of the Liquor Licensing Commissioner's office in relation to their role and, importantly, we have the role and the authority of the Liquor Licensing Commissioner in relation to the work he and his officers will have to do as the principal controlling or regulating authority for gaming machines in South Australia, if this legislation is successful. That is common to both models.

The debate so far has been about Government regulation as opposed to self-regulation, but clearly the Police Commissioner is not part of any self-regulatory model. There is public oversight by the independent Police Commissioner and, obviously, of the staff of the Police Commissioner. The Police Commissioner is another layer of public oversight of Government control and regulation, is consistent in both models. The third level, in effect the appeal tribunal, is the well-known Casino Supervisory Authority, which again is common to both models. Of course, we are familiar with its role in relation to the casino operations in South Australia. The only substantive difference is: which body or group sits in a little black room somewhere here in Adelaide and, in the first instance, pays for, then, secondly, operates the monitoring licence?

In that little black room somewhere in Adelaide there will not be just the officers of the successful organisation that wins the monitoring licence, whether it be the Independent Gaming Corporation or the Lotteries Commission. Looking over their shoulder 24 hours a day, seven days a week will be the officers of the Liquor Licensing Commissioner. What we are talking about here is not allowing an independent group of the Lotteries Commission to run off and control this critical monitoring system by themselves without being subject to Government or public oversight or control.

What we are talking about is who ought to put the money up front and put in the officers to run the monitoring system with the Liquor Licensing Commissioner's staff telling them what to do, directing them in certain ways, outlining all the guidelines, restrictions and controls, correcting mistakes if any have been made and raising concerns that they might have with the other levels of public or Government oversight that are outlined in the Bill. It is not a model of self-regulation versus Government regulation or Government controlled authority. In my submission, they are two variations of Government control and regulation. All those levels of Government control and regulation remain the same; they are common to both models. The question that this amendment and a whole series of related amendments raises is who holds the monitor's licence and who puts the money up front, sits in that little black room and has the hands-on operation of the monitoring licence.

The system that has operated successfully in the Casino is exactly the same as the system that we are talking about, which I intend to support in relation to the Independent Gaming Corporation. Just across the road at the Casino, private enterprise people operate the monitoring system of the Casino in the Casino. In exactly the same location, the staff of the Liquor Licensing Commissioner look over their shoulder every minute of every day, every day of the week, every week of the year.

The Hon. M.S. Feleppa: In the Casino?

The Hon. R.I. LUCAS: Yes, in the Casino. The Liquor Licensing Commissioner's staff are there all the time in the one room. I understand that, at the Casino, they also have a separate room to themselves with monitoring equipment. There are other levels of Government control including the Police Commissioner (and we have heard a lot about that) and the Casino Supervisory Authority, with respect to the Casino operations. So there is Government control and regulation of the Casino operations to control the criminal element and to keep corruption out of the Casino. However, they are private sector people who operate the monitoring system for the Casino and they are subject to overriding layers of Government control and regulation. It is exactly that system that I intend to support in relation to the gaming machines: a private sector operator through the Independent Gaming Corporation with Government control and Government oversight of those operations in South Australia.

I indicate the reasons for the position that I intend to adopt on the whole series of amendments. It is a system that I believe is proven. It has worked successfully at the Casino.

I have had a number of discussions with the Hon. Mr Feleppa and I do not doubt the genuineness of the views that he holds in relation to this issue. However, if I had been convinced by the Hon. Mr Feleppa or any other lobby or interest group that, in some way, the model at the Casino was not successfully keeping out corrupt and criminal elements and could not successfully operate in relation to gaming machines, I would have been more prepared to give favourable or sympathetic consideration to the honourable member's amendments.

As a member of the Liberal Party, I begin fundamentally with the view that if a private sector business wants to operate something, then subject to appropriate Government controls and regulations why should I as a member of the Liberal Party not support that private sector interest? If it has the dollars to put up front and is prepared to do so, why should it not do so, subject to Government control and regulations so that appropriate restrictions and standards are applied, without having to rely on a Government agency, such as the Lotteries Commission, putting the dollars up front to pay for the monitoring system and those sorts of controls?

There will be some debate on this, but one of the questions that I have just put on notice to the Hon. Mr Feleppa and to which I intend to return at the end of the debate concerns the cost to the Lotteries Commission of the particular model that is being suggested as far as the monitoring system and staffing are concerned. I understand that staffing will be required 24 hours a day, seven days a week or, if not that, it will certainly encompass extensive hours depending on how long these machines operate in pubs and clubs throughout South Australia.

Whilst I accept that the Hon. Mr Feleppa might not have the figure at his fingertips at the moment, before we finish this debate I think it is important that members of this Chamber—and I understand that there are a number of members sitting on the edges of their seats prepared to speak on this matter—get some indication of what taxpayers, through the Lotteries Commission, will have to put up front in relation to this model as opposed to what private sector or independent interests might be prepared to put forward in relation to the operating of the monitoring system. So, I put that question on notice, and I indicate my general position.

The Hon. M.J. ELLIOTT: I support the amendment. Whilst I do not have this particular amendment on file, I have later amendments in relation to the role that the Lotteries Commission might play. I say at the outset that I am really surprised at the vigour that the Hotels and Hospitality Association has put into wanting the IGC. I would have thought that the more important issue to that association would be the obtaining of gaming machines. I am most surprised that it has put such heavy emphasis upon this matter. Nevertheless, that is a decision that it has decided to make for whatever reason.

It appears to me that there is only one reason for wanting the IGC and that is that the association feels the IGC might run the system more efficiently and, therefore, might maximise on the returns. I suppose that is not a bad reason in itself but, as I understand it, it is the sole reason for wanting the IGC. What is the major reason for not wanting the IGC and wanting another body? This question has been asked in other States with each State coming up with a different answer from what is contained in this Bill: that is, that someone other than the people who actually operate the machines should be involved in the monitoring process.

If we do this, we will have something that other States have made a conscious decision not to do. So, we would certainly be going against the tide. This decision was made in other States only recently, so it is not as though we are looking at ancient history in this regard. What is the danger that they feel? I think the danger is that in gambling operations the greater the level of vertical integration that occurs, the greater the danger there is for corruption to become involved. If not only the monitoring but also the purchase, issue and operation of machines occur through various structures by one group of people, vertical integration offers the potential for corruption.

One must realise that this sort of corruption is not something that will necessarily happen tomorrow. I am informed that a couple of attempts, which have been intercepted by the police, have been made by criminal families to get people into the Casino. The idea is to put them into very junior positions in the industry, leave them there as sleepers—they might be there for one, or even two decades—then switch them on when they get into a position of influence.

That is a risk in any organisation involving monitoring, and not just IGC. If there is vertical integration, it is easier for that sort of thing to occur, and that is no reflection on the individuals involved at the present time. I just think that the potential for corruption in gambling generally is proven internationally as well as within Australia and we would be great fools not to learn from the experience that others have gathered.

It is certainly my view that some other body, other than IGC, should be involved with monitoring. The Hon. Mr Lucas draws something of a long bow in trying to draw a parallel with the Casino, which is a one site operation. The monitoring occurs on site and everything is there in the one place. The monitoring in this case is going to be off site and monitoring not just of one site but literally of hundreds of sites throughout the State and so the capacity to watch what is going on at all levels becomes much more difficult, and that needs to be recognised.

One cannot draw parallels with the Casino, and the Hon. Mr Lucas should have realised that. To some extent I have concerns about another heirarchy which is really the third or fourth gambling empire in South Australia. We have the Lotteries Commission and the TAB, and now we have the evolving poker machine empire of which IGC is only a small component. While I push for the Lotteries Commission at this stage to be the body involved in monitoring, I would like to see a total restructuring of our gambling empires by bringing them back into one organisation—

The Hon. Diana Laidlaw interjecting:

The Hon. M.J. ELLIOTT: No; and, more importantly, some rather dramatic changes. The problem we have is that each one is competing for the gambling dollar and trying to invent new games to chase the gambling dollar, which in this situation is entirely unhealthy. That is really a side argument. I am not saying in the long run the Lotteries Commission will be the best but, when one looks at the possibilities at this stage, I support the Lotteries Commission.

The Hon. T. CROTHERS: I intend to be as brief as I can, but I am afraid that I will have to speak at length in respect of my contribution. I am pleased that the Council has made a determination that the Feleppa amendments to clause 3 will serve as a test case for like amendments to clauses 14, 20, 24 and 68. I am opposed to the Feleppa amendments and, if I can, I would like to ensure that a proper amount of factuality is placed in *Hansard*, otherwise the debate in respect of gaming machines runs the risk of encouraging people to make emotive contributions that really are far from those objects of the Bill that we ought to be considering.

As I said, it is eminently sensible of the Council to look at the whole position in respect of what best could be described as the Independent Gaming Corporation versus the Lotteries Commission. Let me say from the outset that there are no virgins in respect of the lobbying that has gone on so far as the Lotteries Commission is concerned. I will come to that further up the track. If anyone wants to paint the Lotteries Commission as being a virginal purist in respect of the activities in which it appears to be involved to further its point of view, they have rocks in their head, and I hope to be able to demonstrate that in my contribution. The Feleppa amendments relative to the support they give the Lotteries Commission seek to do a number of things, and I will try to go through and enumerate them.

The honourable member seeks not only to give the Lotteries Commission a role but to change totally the thrust of the Bill. The current Bill is about the participation of Government and industry in a controlled and well developed package that provides total Government accountability yet recognises the important role of hotels and clubs in whose premises machines will be located. In his contribution, the Hon. Mr Elliott said that he could not comprehend why some of us were up and heavily supporting the Independent Gaming Corporation. Let me tell him why I am on my feet doing that.

I suppose it is a paradox—an irony, if you like—that here I am as a democratic socialist supporting the involvement of private industry in a position that ought to be the other way round, yet we have some members on the Opposition benches who really ought to be sitting on our side of the Council. I do not know what position the Hon. Mr Elliott is taking but, as was once said, 'man who stand on white line in middle of road runs risk of being run over by traffic travelling in either direction'. I do not know what position the Hon. Mr Elliiott is adopting, but let me tell him why—

The Hon. M.J. Elliott interjecting:

The Hon. T. CROTHERS: And, if you listen, you'll learn. Long before the Hon. Mr Elliott was around the place—

The Hon. M.J. Elliott interjecting:

The Hon. T. CROTHERS: The honourable member might ask why my union, the Liquor Trades Employees Union, is supporting the hotels and clubs in having a role, a window role, a look in at the emplacement of gaming machines, and I will tell him why. Many years ago—and I said this in a general contribution some time back—the Dunstan Government introduced a Bill that made liquor licences much easier to obtain, and that applied in particular to the club industry. At that time there were some 30 clubs in South Australia, and the Government would not listen to the union in respect of the damage we said that would be done, because the person who was charged with looking after it did not have the expertise or the knowledge relative to those licences being forthcoming.

The consequences of that mistake—one of the few the Dunstan Government ever made—was that hundreds of jobs were lost and many of the old-time clubs such as the Democratic Club and others of that ilk, the old RSL Club in Victoria Square—

The Hon. Diana Laidlaw: The old Liberal Club.

The Hon. T. CROTHERS: You will have to ask Mr Griffiths why that closed down and which section of his recommendation that was contained in. But that is another matter. The position was that a number of the old-time clubs closed.

The Hon. R.I. Lucas: Tell us about Whyalla.

The Hon. T. CROTHERS: I will tell you about Whyalla. They closed for the simple reason that the hotels that were paying correct award wages could not compete with a number of the clubs. There were so many of them and they were using so-called voluntary labour. That was simply because the industry did not have a finger in there, saying that so and so was good for the industry and so and so was wrong. Members can say all they like about the Lotteries Commission: it does not have the same expertise in placement of machines as the hotels and clubs do. That is the position of my own union.

We are supporting them to the hilt in respect of that matter, in order to ensure that everyone is on a level playing field and that no employment will be lost as a consequence of the introduction of this Bill, unlike what occurred 20-odd years ago when club licences were made much easier to obtain. Those clubs that have made a success of it, obviously, support that position. They did not then, but they do now. They support the position of, at least, having a say. And that is what it is: having a say. The Liquor Licensing Commissioner will still be the controlling agent,

answerable to the Casino authority. That is the very same principle that operates in the Casino today, and there is not much point in the Hon. Mr Elliott's saying 'But you have to treat these two aspects of the industry differently, because gaming machines will operate at more sites than will be the case at the Casino.

In this age of electronic eyes in the sky, that does not matter one iota; they will all be centred on the one area which will be responsible for electronically monitoring. I am told by those who would know that it is very difficult, if not impossible, to get over that electronic monitoring of the machines. So, I hope that sets to rest the points on which the Hon. Mr Elliott has made pronouncement regarding why we should do what we do.

I want to return to the amendments that the Hon. Mr Feleppa has placed on file. He seeks to amend clause 3 to increase the number of people who will have some authority with respect to the governance and control of the machines: if his amendment were carried, it would mean that, in addition to the Liquor Licensing Commission, its inspectors and the Commissioner of Police, the Lotteries Commission would want its own employees to have some monitoring role in the industry. The amendment on file to clause 14 simply provides that the Lotteries Commission be the only supplier of machines. It prevents hotels and clubs from owning their own machines, and anyone who uses the machines can only rent them from the commission. The amendments to clauses 20 and 24 seek to remove the industry completely and give the Lotteries Commission the monitoring capacity.

Indeed, the amendment to clause 24 goes even further than that: it gives the Lotteries Commission total control not only over distribution and servicing but also over monitor licences. If these three elements are combined, that is a very powerful position. If anyone says to me that it is impossible for Government employees to be corrupt, I reply as kindly as I can: in my view, Government employees are no more exempt from or subject to corruption than anybody else in the community. To say that that is the case, as will be said no doubt when people are trying to paint glowing pictures of the Lotteries Commission, is in my view fallacious; it shows me that anyone who says that really does not understand or know human nature very much at all. The Feleppa amendment to clause 60 seeks that the Lotteries Commission itself collect the tax, not the Treasurer, as the Blevins Bill from another place seeks to do.

In summary, in respect to those amendments, the Lotteries Commission would seek through the Feleppa amendments to supply and own all machines, to monitor all machines and to service all machines—a position which is rather like a coming together of the stars and which would make corruption all that much easier to impose and all that much more attractive with respect to anyone who would seek to impose it. The amendments totally ignore the industry of the clubs and hotels. They undermine the expertise and credibility of the office of the Liquor Licensing Commissioner, and I believe that currently that is the only Government authority with expertise in gaming machines. In my view, this is not control: it is absolute bureaucratic intervention on the grandest scale imaginable. I will return to that matter.

I now refer to a matter that was first brought to the attention of this Chamber by the Hon. Legh Davis when he quoted from a letter that he said he had in his possession, purportedly written by Mr John Quirke from another place to two of his constituents with respect to a question they had put to him as to his position on the gaming machines question. I would know—in fact I would be almost sure of—the source of that letter. Regarding a lot of conclusions, I would have to leave the Chamber to make them. I have certainly made up my mind in this matter—it tells a very sordid tale indeed. The letter was sent to those constituents. It was later found by John Quirke that those constituents were employees of the Lotteries Commission. It was almost as though he was being set up with respect to the answer that he gave. The answer he sent to them was in the hands of the Lotteries Commission 24 hours after he sent it. That is the letter that the guru of small business in this place, the Hon. Legh Davis, was granted permission four or five weeks ago to read into *Hansard*. I do not blame the Hon. Mr Davis; he received a letter and he thought it would be a good tool to flog the Government with, and he used it. One must ask oneself from where he got a copy of the letter. I am assured that he certainly did not get it from John Quirke. Two weeks after the letter was written, I now seek leave to read it into *Hansard*.

The CHAIRMAN: The honourable member does not need to seek leave to read anything into *Hansard*.

The Hon. T. CROTHERS: I will read it. The letter, dated 19 September 1991, from John Quirke and addressed to the Chairman of the Lotteries Commission, is as follows:

Dear Jack,

Further to out conversation the other day, I will put down some points on paper which may clarify the situation. I believe that at this point the IGC proposal is well ahead because—

1. It was very well presented and argued;
2. It presented to people such as myself an option or a series of options which maximised the free choice for potential gaming machine owners and operators; and
3. It presented clearly and comprehensively a concept of a regulatory control body which did that and only that.

The lotteries proposal to do with ownership and/or marketing of machines does not square with my own view of the way to proceed, nor in my view the way other members wish things to progress.

The situation is indeed retrievable for the commission if:

1. They abandon ideas of ownership, marketing or, in any sense of providing gaming machines;
2. Put together a concise and well argued and presented case with the commission fulfilling its traditional role of a regulator; and
3. Start selling this proposal to regain lost ground.

I again confirm to you that I support the commission as the natural choice for a regulatory body. To that end I would be prepared, on the following conditions, to support that proposal, even to the point of putting up legislation or supporting arguments in the House. The conditions are:

1. That this legislation in its entirety is a 'conscience' issue, so that Party discipline will not apply;
2. That the commission brings out the above proposal as a regulator only and comes to grips with a freer, more market oriented, approach; and
3. Drops all notions of marketing, owning, leasing or anything else like that, and especially the questionable proposal to evade Federal taxation.

I will understand if this is too dramatic a proposal or position for the commission, given its previous stance, and it may well be that Cabinet or other members may wish to support the lotteries stance on ownership, etc. In that case I will support most, if not all, of the IGC proposal.

Yours sincerely,

John Quirke, Member for Playford.

That letter was never answered. This Committee must try to come to grips with what was the triggering element behind the Lotteries Commission role: what part did it play and what part does it continue to play? It is almost as if one is back in the Army and a decision has been made to take no prisoners. I will not forget what was done in the name of this Bill to one of our Ministers, the Hon. Barbara Wiese, and her partner. The Opposition was given information which it used, and it may be that we would have done the same. But if out of this inquiry comes a decision that clears the Minister and her partner, I believe that some people in our community will have an awful lot to answer for.

I do not want to say too much more about this subject. It is as clear as crystal to me that the only way to go so that all parties will be satisfied that the Bill, if it goes through both Houses of Parliament, will work at maximum efficiency, is to support the Independent Gaming Corporation as opposed to the Lotteries Commission. It cannot and must not be argued by anyone here that the Lotteries Commission has emerged in a clean skin as a commission of integrity. That is not and never will be my view on the matter. Those whom I would best trust are the people whom I have known and worked and argued with for over 20 years—the representatives of the Licensed Clubs Association and the AHA who have combined to form the Independent Gaming Corporation. They are worthy of all the support that we can give them. I urge the Committee to see things in their proper perspective and to reject the Feleppa amendments and support the Blevins Bill in its original form.

The Hon. BERNICE PFITZNER: I support the amendment for the Lotteries Commission, not because the commission is any better or worse than the Independent Gaming Corporation, but because we have talked about a level playing ground and having a say, so why are we not giving the Lotteries Commission a say? Although Liberal principles are about small business, they are also about opening the market to a wider section and preventing the monopoly of any one particular section which, if we vote against this amendment, would lock us into the Independent Gaming Corporation.

Although I support the amendment, I do not intend to support further that the Lotteries Commission should also sell, supply and install. I support the later amendment that the group that holds the monitoring licence cannot hold any other licence. Therefore, I signal my intention now.

The Hon. K.T. GRIFFIN: I have somewhat mixed feelings about the amendment. I do not have any great objection to the Lotteries Commission undertaking the responsibility proposed by the Hon. Mr Feleppa. I have some uneasiness about private sector involvement in monitoring. However, I am somewhat comforted by the provision for very careful scrutiny of the operations of the Independent Gaming Corporation by the Liquor Licensing Commissioner. Whilst I am somewhat ambivalent about it, I am inclined to support the provision which gives the monitoring licence to the IGC.

My understanding is that the IGC is a company limited by guarantee. That means that, under the Corporations Law, it is a non-profit organisation. Therefore, it will not be able to declare dividends. It will be able to provide a service, but it is established for fairly narrow purposes and there are fairly significant controls under the Corporations Law about what it can do with its funds in relation to its members. It is also my understanding that those who hold the shares which are limited by guarantee are the Licensed Clubs Association and the Hotel and Hospitality Industry Association. Therefore, I suggest that there is very little difficulty with that particular shareholding.

I have looked at the provisions of the Bill, and clause 19 must be complied with by the applicant for the monitoring licence. Clause 19 requires the applicant to satisfy the Commissioner:

(a) that the applicant is a fit and proper person to hold the licence;

and

(b) where the applicant is a 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.

The definition in clause 3 (2) provides:

. . . a person occupies a position of authority in a body corporate if—

(a) he or she is a director of the body corporate;

(b) he or she exercises or exerts, or is in a position to exercise or exert, control or substantial influence over the body corporate in the conduct of its affairs;

(c) he or she manages, or is to manage, the undertaking to be carried out in pursuance of a licence;

(d) where the body corporate is a proprietary company—he or she is a shareholder in the body corporate.

Further, clause 44 (2) provides:

A person must not assume a position of authority in a body corporate that holds a licence without the approval of the Commissioner.

Therefore, all the directors of the IGC will be subject to vetting and they cannot be changed without the approval of the Commissioner. I also think that, by virtue of clause 3 (2), one could say that the two constituent members of the IGC are in a position to 'exercise or exert, control or substantial influence over the body corporate and the conduct of its affairs', so that those two bodies may also be subject to scrutiny by the Liquor Licensing Commissioner.

On that basis, where there is that control, supervision and power to scrutinise, as I indicated, I tend to support the *status quo* provided in the Bill. As members will know, I have disagreed from time to time with the Lotteries Commission, particularly in relation to its marketing and provision of gambling opportunities, but I have no evidence to suggest that there would be anything improper in the Lotteries Commission holding the monitoring licence. I accept that there is always the potential, both in the Lotteries Commission and the IGC, for corruption, because human beings are involved, but there is no evidence in either instance that that has occurred or may occur. If it does occur, the provisions for surveillance in the Bill, reflecting the power of the Liquor Licensing Commissioner, are likely to be more than adequate to address that issue. If the Committee were to accept some, if not all, of my provisions for increased penalties for various offences, that would be an additional deterrent to corrupt activity. But one can never rule it out, and I acknowledge that. So I will support the provision in the Bill, although I am relaxed about the Lotteries Commission.

The Hon. R.R. ROBERTS: I oppose the amendment. In the second reading debate I referred to the role of the Lotteries Commission in the Casino and indicated that it was my intention to make further inquiries into the operation of the Casino in relation to who played what role. Members would recall that I compared my position with that of my colleague the Hon. Mario Feleppa and indicated that I would support the third reading regardless of whether the Lotteries Commission or the IGC were involved in the monitor's licence. The Hon. Mr Feleppa indicated that he would oppose the measure if the Lotteries Commission were not involved, and said:

To be more precise, I said it must be Government controlled, not necessarily the Lotteries Commission.

This prompted me to look very closely at the aspect of control. So, when I availed myself of the opportunity to look at the operation of the Casino, I placed a strong emphasis in my deliberations on the extent of Government control. As to the matter of the Lotteries Commission versus the IGC, I find myself in a somewhat different position overall from that of other members, as I will explain. I believe that the Bill as it stands provides for the proper involvement of the Government in the control of this industry. As all members know, it starts off with the Casino Supervisory Authority, goes to the Liquor Licensing Commissioner and then we get down into the area of monitoring, and this is where my argument seems to differ from that of other members.

What I see in the monitoring area is a situation where we give a licence to somebody to supply a monitoring service. I cannot understand why anyone would want the right to expend a couple of million dollars to put in a monitoring scheme. As I understand the structure of the Casino, if we apply that in a mirror situation, the infrastructure would be supplied by the person who holds the licence but the people who actually do the supervising would be employees of the Liquor Licensing Commissioner. So, to say that the IGC is getting involved in the scheme *vis-a-vis* the Lotteries Commission is incorrect.

In fact, the argument we ought to be having is whether the Government Commissioner involved in this exercise is the Liquor Licensing Commissioner or the Lotteries Commissioner, and that is actually a step further away from the monitor's licence. In that context I do not see that the IGC has any role in the actual monitoring and control of the industry: it does not, because the control is in the hands of the Liquor Licensing Commisioner. I will ask the Minister to confirm whether I am right or wrong in that assertion.

The Hon. Anne Levy: You're quite right.

The Hon. R.R. ROBERTS: The Minister interjects and tells me that my recollection of what was explained to me is correct. Therefore, I am confident that Government control starts at the top and works right the way through. The other aspect is the question as to who can and who cannot supply machines. It is my understanding that the legislation provides quite clearly that a number of people can have a dealer's licence to supply machines. Of course, they will have to be screened by the Liquor Licensing Commissioner, and if the Lotteries Commissioner wanted to play a part in the provision of gaming machines the Lotteries Commissioner would be at liberty to make that application and, with the commission's past impeccable record in relation to gaming in South Australia, I would assume that it would be very easy for it to become involved in the distribution of machines if it wished.

I also need to make another qualification, because one of the pivotal arguments that I used in my support of the Lotteries Commission was the important role I saw it playing in relation to the Casino. Again during my later investigations, it was put to me that the contribution of the Lotteries Commission in relation to the Casino was vastly overstated if one looked only at the legislation.

Some weeks ago I took the trouble to check with the Lotteries Commission the precise nature of the Bill. Members may recall that I mentioned that there were something like 19 clauses in the Bill that referred directly to the Lotteries Commission and I quoted only one. Some weeks ago, I asked a Lotteries Commission officer whether the legislation was the reality of the situation, and I was left with the impression that it was. However, in continuing my investigations I have become aware of a review of the Casino that has been undertaken by a working party, which has come up with a number of findings and recommendations. In the context of those deliberations, the working party has quoted a number of instances relating to this matter. One of the quotes was from the Auditor-General, as follows:

> As a general observation (and I must emphasise 'general'), I have the impression that the commission, in reality, does not play a significant part in the operations of the Casino. The Liquor Licensing Commissioner seems to be the important mechanism to ensure the integrity of operations of the Casino. It may be appropriate to review the commission's role. Opportunities may exist to avoid duplication of administrative processes.

On page 15, the working party states:

> It appears to us that it is the Casino Supervisory Authority and the Liquor Licensing Commissioner that are the principal regulators of the Casino's operations.

At point 3.1.25, the working party states:

> As already indicated, in its submission at the commencement of the review, the commission argued that it should continue to hold the licence. However, in view of recent developments which have emphasised the potential conflicts of interest, we understand that the commission would now prefer to surrender the licence and its attendant responsibilities. In our view, the conflict of interest between the commission as licensee and Aitco Pty Ltd as operator and the conflict of interest between the commission as the licensee and also as regulator are such that they outweigh the largely symbolic value of the commission as the public licensee. Accordingly, the working group recommends that:
>
> the Lotteries Commission of South Australia no longer played a regulatory role, whether of a supervisory or enforcement nature, and whether of a statutory nature or otherwise in relation to the Casino.

Further investigations with persons also associated with the Lotteries Commission have indicated to me—and this has been confirmed by another source—that, in fact, the Lotteries Commission agreed at least six months ago that it ought not to play a continuing role in the Casino. However—

The Hon. M.S. Feleppa: What relevance has that to the gaming machine industry?

The Hon. R.R. ROBERTS: The relevance goes back to my second reading contribution. However, what I have said is factual and the proposed legislation reflects the reality of what has been occurring in connection with the Casino. As I have pointed out, if one reads the legislation one gets a different picture of the situation. However, if I refer again to the legislation and to the Hon. Mr Feleppa's concern about strict Government control in this industry, I am convinced after all my investigations that there is strict Government control wherever control is needed.

If it comes to the situation of involvement of the distribution of gaming machines, again that control comes in whereby the person who has a licence has to be scrutinised under this strict Government control of the Liquor Licensing Commissioner. If we are talking about the monitor's licence, I would assert that the only real thing the monitor's licence achieves is the ability to spend a couple of million dollars. I am very happy for the industry that believes it can do that more efficiently to do so and save the taxpayers of South Australia the added expense. I am convinced that there is strict Government control in this which again reflects the will of the people in that 1965 referendum when two-thirds of the people of South Australia indicated they were in favour of lotteries in South Australia being promoted and controlled by the Government. I will not be supporting the amendment.

The Hon. M.S. FELEPPA: Allow me to respond to some of the remarks that have been made. It is a pity that I cannot be philosophical like other members, because I have not studied philosophy during my few years at school. I will be short and sharp with my remarks. First, with respect to the comments of the Hon. Mr Lucas, I agree with him that the Casino has operated brilliantly since its establishment and has done a wonderful job. No-one can take that credit from the Casino. However, as the Hon. Mr Elliott said, we are dealing here with an industry that will have machines spread all around Adelaide. In his second report to the Minister of Emergency Services, the Police Commissioner said that, initially, we would be dealing with between 1 000 and 1 500 machines and, in the not too distant future, we would be dealing with 10 000 machines. This is completely different from the Casino premises in South Australia.

The Hon. Mr Lucas made a point in relation to taxpayers' money—and this was repeated by my colleague the Hon. Ron Roberts. I agree with them in part but would also like to point out that, on reading the 1991 Annual Report of

the Lotteries Commission, there is up-front money of nearly $20 million. One can say that that money does not all belong to the Lotteries Commission, that some of it is taxpayers' money, but nonetheless the Commission has that money up front so it can meet some of the expenses of buying the gaming machines. I do not want to go through how this money has been accumulated. The details are in the annual report balance sheet for the year ended 30 June 1991.

With respect to the Hon. Mr Crothers, whose philosophy is something that I always admire (it is a pity that I am not of Irish background), he asked: why create this monopoly with the Lotteries Commission? What is wrong with having it operated by private enterprise? I must stress that this is not a general business concept. We are dealing with gaming machines, and they can cause all sorts of corruption. I will not repeat what I said in my second reading contribution. I would simply say that the reports that I have read are available for all members to read. It is that sort of reading that has led me to the conclusion that gaming machines should be under the control of a Government instrumentality so the Government can have total control of them. That is why I support a Government authority. There is nothing wrong whatsoever with people who represent the Independent Gaming Corporation: I respect them.

In enforcing my case, I refer to what the Hon. Mr Lucas said when he spoke of models. The Police Commissioner, in cooperation with the Liquor Licensing Commissioner, drew some conclusions on the models. As far as the Lotteries Commission is concerned, the Police Commissioner said:

> Under the proposed model the Lotteries Commission of SA would hold both the machine dealer's licence and the monitor system licence. These would be additional to existing Casino licence and the conduct of X-Lotto, Club Keno and associated games.
>
> The advantages in the Lotteries Commission having these responsibilities are:
>
> - Existing Statewide agency links could be used for gaming machines thus avoiding duplication.
> - The system of central supply of agency terminals could be expanded to include purchase/lease of gaming/poker machines.
> - Lotteries Commission would supply and install the monitoring system but would not have the key monitoring responsibility.
> - The main gaming licences would be held by the same Government commission.

In an article published in the *Advertiser* of 8 April 1992 entitled 'Give pokies to South Australian Lotteries Commission', Mr Hunt is reported as follows:

> 'The Lotteries Commission has an untarnished record of operation and integrity in this State,' he says.
>
> 'Public acceptance and confidence would be high. Certainly it would be much higher than that demonstrated to date in the Independent Gaming Corporation.'
>
> Mr Hunt says his model was developed after discussion with Mr Pryor [Liquor Licensing Commissioner]. 'He agrees with the main principle of the model in that it provides a high degree of protection against broad criminality and the perceived risk of corrupt practices from the gaming/poker machine industry,' Mr Hunt says.

We are then told:

> His model assumes there will be between 1 000 and 1 500 premises with poker machine licences in the medium-term, and about 10 000 licensed people would be involved.

I do not think I need to say anything more to explain why I have introduced these amendments. Certainly it is up to members to consider it, and I will leave it to their judgment.

The Hon. ANNE LEVY: I have listened to comments from members with great interest and I am sure everyone holds their point of view with great sincerity. I indicate that I support the proposal in the Bill, quite obviously, but I think that there are some points—

The Hon. K.T. Griffin: It is not obvious.

The Hon. ANNE LEVY: Well, I am handling the Bill. I feel that I should respond to some of the points that have been made relating to the dichotomy or the alternatives of the Lotteries Commission or the IGC. The Hon. Mr Elliott said that he felt that the concentration of control and integration gave greater opportunity for corruption, which is perhaps a valid statement, but I fail to see why he then suggested that, according to the amendments that have been moved, the Lotteries Commission should have the monitoring licence, a dealer's licence and do everything which would seem to me contrary to what he suggested. I certainly agree with the Hon. Mr Lucas that the control lies with the Liquor Licensing Commissioner and the Casino Supervisory Authority. They are the controlling bodies so Government control is built into the Bill right from the word go.

One honourable member suggested that the IGC would be granted the licence if the Lotteries Commission was not granted it or if this amendment did not succeed. I point out that the Bill before us only gives an opportunity for the IGC to apply for the monitor's licence. It is not automatically granted the licence under the Bill. The people in authority in the IGC have to satisfy all the conditions of clause 19 before they can be granted the monitoring licence. Under clause 19, they have to indicate that they are fit and proper persons to hold such a licence, that there is honesty and integrity of their associates and of their relatives, that they have financial credibility and that they have the requisite technical expertise.

Furthermore, as applies with the Casino, everyone involved will have to be put through the net by the Commissioner of Police and evidence has been given to us as to how successful this method of control has been in the Casino and how it has prevented corruption occurring in the Casino when it has been attempted on the part of various parties. The IGC does not automatically get the monitoring licence; it has to run this gamut.

Under the amendments that the Hon. Mr Feleppa is moving, the Lotteries Commission would automatically get the licence. There would be no vetting by the Commissioner of Police. People at the Lotteries Commission would not have to prove that they are fit and proper people, that there is complete honesty and integrity in their associates and relatives. They would not have to show that they have the technical expertise required for running the monitoring system. It would occur automatically.

I feel this is totally wrong. This is not a reflection on the individuals who work in or are associated with the Lotteries Commission, but they should have to prove that they are fit and proper people in exactly the same way as anyone else who is to be involved in running poker machines. It is important for the public of South Australia to be reassured that these stringent tests will have to be met by everyone—and I mean everyone who is in any way associated with the industry. I think this is a major defect in the amendments moved by the Hon. Mr Feleppa. People associated with the Lotteries Commission would not have to run the gamut of these tests or prove their credibility and fitness to hold such a position in the industry.

The Hon. Mr Roberts mentioned the official report, which suggests that the role of the Lotteries Commission should be moved from the Casino, because it plays a very minor role in the Casino and, as the honourable member stated and as I understand the Lotteries Commission has agreed, it has no real role to play in the Casino and could just as readily be removed from the legislation if the legislation were examined again by Parliament.

The Hon. Mr Elliott raised the point regarding the difference between monitoring machines in the Casino and

those that are spread amongst the numerous pubs and clubs around the State. In some respects, there is a difference. As the Casino is in one location, if the monitoring system indicates that a machine is not functioning adequately or is being tampered with, it is possible for an inspector to go immediately to that machine and deal with the situation.

The Hon. M.J. Elliott: In fact, there are cameras on all the machines.

The Hon. ANNE LEVY: There are cameras—

The Hon. M.J. Elliott: All the time.

The Hon. ANNE LEVY: Yes.

The Hon. M.J. Elliott: Under constant scrutiny.

The CHAIRMAN: Order!

The Hon. ANNE LEVY: The cameras in the Casino play a very important role, as many games cannot be monitored by computer. In respect of games such as roulette, blackjack, two-up and so on, no machines are involved. I suppose that a roulette wheel is a machine, but it is of a very different nature. Physical monitoring by individuals by means of cameras is necessary in respect of such gaming activities. However, when it comes to pokies, the development of technology is such that every machine in the State can be connected to the one computer. The Liquor Licensing Commissioner has indicated that before anyone can get a monitoring licence they will have to demonstrate that the computing equipment they intend to install is capable of shutting down any machine anywhere in the State simply by pressing one button. So, the fact that poker machines are spread throughout many locations in the State becomes irrelevant. If any poker machine in the State malfunctions or is tampered with in any way at all, that will immediately be indicated in the one central location where the monitoring computer is placed.

It will be possible to close down that machine or every machine in that club or pub simply by pressing one button at that central location. The fact that poker machines will be in many different locations is totally irrelevant in trying to make comparisons with the Casino. At this stage I merely indicate my support for the Bill as it came into this Chamber in terms of the monitoring controls. I for one certainly support the IGC being given the first opportunity to apply for the monitoring licence as it has indicated it wishes to do.

The Hon. M.J. ELLIOTT: The important issue is the question of the protections that we are going to build in. The Bill attempts to provide two kinds of protections in relation to potential corruption at a later time. One form of protection is a technological protection and the other is with people themselves. As members have been taken on guided tours, they have been mightily impressed, as one would have to be, by the technology. Most members in this place have by now probably seen a simulation in a single room of how the thing will operate. Machines have been opened up and we have been told they have an EPROM—an erasable read only memory chip—that is most impressive and it whirs, buzzes and does all sorts of amazing things and we have all sorts of assurances about the technology.

Quite simply, the technology is not fool-proof and anyone who thinks it is is very foolish. That is why we do not rely on technology alone. Without wishing to digress to much, even the potential to close down one machine, which the Minister suggested could be worth doing, might imply direct connections between the mainframe and individual machines, which increases the capacity for corruption because we have to have the machine communicated with unless it is to be done not by direct communication with the machine but by communication with the power source, which is more expensive. This Bill does not touch on those sorts of things.

If one starts communicating from the mainframe back to the machine, which the Minister just implied, it downgrades the security and also touches on one of the other problems, that is, vertical integration, where the two ends of the operation are potentially touched by the same people. This is where there is a greater risk. We have the technology and we try to get it as good as we can get it. The second question then, besides the technology, is what we do with humans involved. One part of it is tackling people at an individual level and we screen people and ask the police what they know about the people and the police do as thorough a job as they can. However, one last protection is also important, that is, the question of personnel structures, and that is really what I think this amendment is about.

When I first looked at the Bill my immediate reaction was to try to streamline it and make it efficient. When I started talking to security people they said that that was superficially attractive but streamlining structures increases the potential for corruption. The advice I have from police and other people with whom I have spoken is that we need different people involved so that they are looking over each other's shoulders, and that is what happens by bringing in the Lotteries Commission at one level. The Lotteries Commission will not be involved at all levels under the proposed amendments and that is what I call perhaps the personnel structure attack on corruption.

It is only one of several attacks that are necessary, and I suggest that, even with all those, from time to time things will go astray. But if we are serious about security, we need to tackle that. I do not think that the Bill does it, nor do I think that, in this debate as such, personnel structures and the way they can be used to attack corruption have been adequately addressed. Nevertheless, that is the reason why I support the Hon. Mr Feleppa's amendment.

The Hon. R.I. LUCAS: In his response, the Hon. Mr Feleppa quoted from some of the submissions made on this matter by the Police Commissioner. As I indicated during my second reading contribution, I believe that the Police Commissioner is genuinely misguided in some of his views in relation to the legislation.

The Hon. M.S. Feleppa: You really believe that he has been misguided?

The Hon. R.I. LUCAS: Yes, I do. I make no personal criticism of him, as I said during the second reading debate, but he does not understand the legislation. I said that during the second reading debate, I said it publicly and I say so again today. For example, the notion that the Casino Supervisory Authority should be the replacement for the Independent Gaming Corporation as the monitoring system is a complete misunderstanding of what the Casino Supervisory Authority is. It is the appeal body. If you have a problem with a decision of the Liquor Licensing Commissioner (and he or his officers will make a whole series of decisions), you appeal against the Liquor Licensing Commissioner to the appeal body, the Casino Supervisory Authority. To suggest as the Police Commissioner did that the appeal body ought to be the hands-on operator of the monitoring system in a little black room somewhere in Adelaide is a fundamental misunderstanding of the role of the Casino Supervisory Authority and of the legislation.

As I said, I do not make any personal criticism of the Police Commissioner. It is complex legislation, and I believe that he genuinely misunderstood it or was misguided in relation to it. Similarly, the Hon. Mr Feleppa quoted from another piece of the Police Commissioner's correspondence, when he referred to the following:

Under the proposed model, the Lotteries Commission of South Australia would hold both the machine dealer's licence and the monitor system licence.

First, there is no such thing as the machine dealer's licence; there is a series of machine dealer's licences. There is not to be just one. Secondly—and I hope that the Hon. Mr Feleppa will support the amendment I have circulated—it is my view that whichever organisation holds the monitoring licence ought not to have a machine dealer's licence. It ought to be quite separate as a further control against corruption or criminality, or vertical integration, as the Hon. Mr Elliott calls it.

In my view, it is very important to separate the monitor system licence from the machine dealer's licence. I would have hoped that the Hon. Mr Feleppa might have agreed with that proposition and supported my amendment. The suggestion from the Police Commissioner is to the contrary. He suggests that one organisation ought to hold both the machine dealer's licence and the monitor system licence. I merely raise the concerns that I indicated earlier, because the Police Commissioner is a respected person and a respected authority, and his publicly stated views on this matter have carried great weight, and I have been told, 'The Police Commissioner said this', 'The Police Commissioner said that', and 'You're going against the Police Commissioner' with respect to my personal views on this matter.

On that issue, again, I respectfully disagree with the Police Commissioner. We should not let the one body have both the monitor licence and the machine dealer's licence. I hope that the Hon. Mr Feleppa will also take that view. I am not sure whether the Hon. Mr Feleppa answered this or whether the Minister might have some response as to whether any calculation or analysis has been undertaken for the Government by the Lotteries Commission, Treasury or some other body as to what financial resources, if any, the Lotteries Commission would require if the proposed model for the Lotteries Commission were to be successful. If is has not been done pending the passage of the Bill, I would understand that.

The Hon. ANNE LEVY: I am not aware of any figures. Obviously, it would depend on the number of machines involved multiplied by the price of each machine. No doubt there would be a reduction for quantity, but it would be a considerable sum, obviously.

The Hon. M.J. ELLIOTT: I should respond just to one thing the Hon. Mr Lucas said. I will not debate the question about the Casino Supervisory Authority and the question asked by the Police Commissioner in relation to its role. However, if there is one thing on which the Police Commissioner should be in a very good position to give advice it is anti-corruption strategies. The anti-corruption strategy was quite clearly not to have the IGC involved at the monitoring level. One could argue whether it is the CSA, the Lotteries Commission or some other body, but the Police Commissioner argued very clearly that, from his knowledge of corruption (and there are probably very few people in South Australia who could give better advice than the police in this area), the anti-corruption strategy is to have some other body involved at that level, rather than a body that was involved at another level. For the reasons the Hon. Mr Lucas gave, I think the CSA is not a suitable body but, similarly, the Lotteries Commission would be suitable to carry out that role.

The Hon. K.T. GRIFFIN: I thought I was fairly clear on the responsibilities of the holder of the gaming machine monitoring licence, but this debate has tended to confuse me, so could the Minister clarify exactly what the monitor is required to do? Clause 14 *(c)* provides:

... a gaming machine monitor licence authorises the licensee to provide and operate an approved computer system for monitoring the operation of all gaming machines operated pursuant to gaming machine licences under this Act.

The conditions in schedule 2 are at least open to the interpretation that there is something more than just providing a computer system and a little room in which the monitoring occurs. Can the Minister clarify once and for all exactly what is proposed as the functions for the monitor? Is it, as the Hon. Mr Lucas says, the computer system which requires the monitor to have staff sitting in an office monitoring the functions of the computer or does it extend to going out to the various locations where gaming machines are installed, tick-tacking between that location and the central monitoring office and undertaking other functions, all related to ensuring the whole system is operating effectively?

The Hon. ANNE LEVY: As I understand it, under the legislation the holder of the monitoring licence owns and operates the machine, which is connected to every pokie in the State. The tick-tacking with different sites is not the monitoring agent but the Liquor Licensing Commissioner. His staff have that responsibility and they will be the ones to go around. They will be the ones who press the button to close down a machine that is malfunctioning. The monitoring licence holder provides the machine, but the control is always undertaken by the Liquor Licensing Commissioner and his staff.

The Hon. M.J. ELLIOTT: That begs a further question. I understood that staff would be sitting at the seat in front of the monitors in the black room, wherever it is, and would have been supplied by the IGC. It is more than supplying equipment. People sit there operating the system. I would have thought that the original provision of software and other things going on would have been from the IGC. It is not just a matter of putting the system there and the Licensing Commissioner running it. A lot of other IGC employees will be running it on a day-to-day basis.

The Hon. ANNE LEVY: Certainly IGC or whoever has the monitoring licence would have staff running it. They would be the computer people to see that it works, but in the adjoining room is the staff of the Liquor Licensing Commission, who can close down the operations at the press of a button at any time. It is exactly the same as in the Casino at the moment.

The Committee divided on the amendment:

Ayes (6)—The Hons L.H. Davis, M.J. Elliott, M.S. Feleppa (teller), I. Gilfillan, Bernice Pfitzner and T.G. Roberts.

Noes (13)—The Hons T. Crothers, Peter Dunn, K.T. Griffin, J.C. Irwin, Diana Laidlaw, Anne Levy (teller), R.I. Lucas, Carolyn Pickles, R.R. Roberts, J.S. Stefani, C.J. Sumner, G. Weatherill and Barbara Wiese.

Pair—Aye—The Hon. R.J. Ritson. No—The Hon. J.C. Burdett.

Majority of 7 for the Noes.

Amendment thus negatived.

The Hon. M.J. ELLIOTT: I move:

Page 2, line 11—Leave out paragraph *(a)*.

In discussions that I have had with people about potential corruption the point was made to me in no uncertain terms that one of the greatest single risks that we take in relation to corruption is the allowing of linked jackpot equipment. There are only two ends of a game at which corruption can take place. One is at the monitoring end where one may try manipulation and the other is at the machine. Nevertheless, most payouts are from individual machines. Realistically, a poker machine jackpot, where a single machine is involved, will be somewhat limited in its scope. If one starts being involved in linked jackpots, it means that one machine can

make quite massive payouts and the incentive for corruption at that point multiplies many fold.

I do not think that anybody who supports poker machines would argue that there is any necessity for linked jackpots—that is, super payouts—from a single machine. While some people might argue, 'Let us offer people this form of gambling because they would like to have it,'—poker machines—I do not think that there is this great demand for huge payouts of the sort that linked jackpots would provide. If we balance that against the fact that the incentive for corruption is multiplied many fold by linked jackpot equipment, it is sensible not to allow it to occur.

This amendment foreshadows the main amendment that I shall move later in relation to new clause 48a, which does not allow gaming machines to be fitted with linked jackpot equipment or to be linked in any manner that allows the winnings or part of the winnings from the machine to accumulate with the winnings or part of the winnings from any other gaming machine. I commend the amendment to the Committee.

The Hon. ANNE LEVY: I oppose the amendment. I am advised that on the technology which is currently available a licensing authority, such as the Liquor Licensing Commissioner, would not approve a Statewide linked jackpot system, but technology can change from day to day. Whilst accurate systems for such a State-wide linked jackpot may not exist at the moment, the technology may be able to produce them tomorrow or soon after, which would enable a safe and secure linked jackpot system. I point out to members that, although there is no State in Australia which currently has a linked jackpot system, the legislation in Victoria, Queensland, the Northern Territory and the ACT would permit linked jackpots to occur.

The Hon. Diana Laidlaw: Is that in all other States?

The Hon. ANNE LEVY: In all the other States it would be possible. They would have to apply for approval and, obviously, approval would not be given unless there was the technology to have a very secure linked jackpot system. But under the legislation in other States it is possible for approval to be given for a linked jackpot system, and I would certainly suggest to members that, if such technology becomes available and there is a linked jackpot system in Victoria, there will be a vast exodus of people from the South-East and the Riverland across the border to play the pokies. Therefore, the drain on South Australian resources will be exacerbated compared with what happens now, where, as we all know, vast numbers of people go from South Australia to Broken Hill, which is a lot further away than just a jump across the border from the South-East or the Riverland.

For those reasons, I oppose the amendment whilst indicating that, unless there are technological changes, no such linked jackpot system will be given approval at the present time. But if there is no prohibition in the Bill, and if the technological changes produce an adequate system for a State-wide linked system, it would then be possible to seek approval for it and it could be brought in.

The Hon. K.T. GRIFFIN: If there is no intention at the moment of bringing them in, it seems to me appropriate to support the amendment, and if, in the future, this Bill should go through and the Government decides that it wants to embark on this course, it can easily bring in an amending piece of legislation. In any event, I support the amendment because, if the linked jackpot system becomes feasible, it would add an even greater attraction to play the gaming machines than would exist without that linking. I think anything that makes them more attractive and even more likely to be addictive than they might presently be ought to be resisted, and that is the reason that I support the amendment.

The Hon. R.I. LUCAS: I do not have strongly passionate views on this particular matter but, if we are forced to have a division and a vote on it. I indicate that I am not opposed to the concept of linked jackpots. I acknowledge that one can adopt two courses: if it is going to happen further down the track, we can either get rid of the flexibility option in the Bill now and do it later by way of amending legislation, or we can leave it in the Bill, and it can be activated at some later stage. I acknowledge the views of some of my colleagues and others who do not support the concept of linked jackpots. For example, I think the Hon. John Burdett had an amendment on file indicating that he was not prepared to support linked jackpots, and obviously the Hon. Mr Elliott and others do not support them. Personally, I am not too fussed about them. If there is a division on this amendment I will support leaving in the Bill the option in future for linked jackpots. Therefore, I oppose the amendment of the Hon. Mr Elliott.

The Hon. M.J. ELLIOTT: The Hon. Mr Lucas needs to recognise that there are two reasons why people would support the amendment. One is in relation to the very vast incentive to gamble, which the linked jackpot would provide, and that is an argument that I personally did not raise. I raised the argument in another context, and that context was the much greater incentive for corruption. I believe that, if the Government wants to introduce such jackpots later, it should come back to this Parliament because I would argue that it is a significant change to the way gaming machines work in any event.

By that stage we would not only have a greater measure of how much gambling is occurring with the machines and how well supervision and so on is working but we would also know whether or not we have the technology to adequately supervise linked jackpots, which do imply direct connections between machines and are far harder to look after, easier to corrupt and provide a far greater reward for corruption. It would be very foolish not to take a suck-and-see approach with gaming machines and allow in this legislation the potential for linked jackpots just to sit there for a Government to pick up at any time and not have to come back to this Parliament for approval.

The Hon. DIANA LAIDLAW: I will also be supporting the amendment. When the Hon. Mr Griffin spoke he indicated that it could come back to this Parliament in the form of amended legislation. The Bill provides:

'gaming equipment' means—

(d) any other prescribed equipment:

It is clear that if we remove electronic monitoring equipment from the Bill, as proposed by the Democrats, it could be prescribed by regulation. I do not know whether the honourable member meant to get rid of that as well. Was that the case? I have not seen an amendment on file—

The Hon. M.J. Elliott: New clause 48a.

The Hon. DIANA LAIDLAW: That binds it together, so the Government would not be able to bring it in under paragraph *(d)*.

The Committee divided on the amendment:

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

Noes (7)—The Hons T. Crothers, Anne Levy (teller), R.I. Lucas, Carolyn Pickles, T.G. Roberts, G. Weatherill and Barbara Wiese.

Pair—Aye—The Hon. J.C. Burdett. No—The Hon. C.J. Sumner.

Majority of 5 for the Ayes.

Amendment thus carried.

The Hon. R.I. LUCAS: In his second reading contribution, the Hon. Mr Burdett raised his concerns about the general facilities licence. Is the Minister in a position to place on the record the advice from the Liquor Licensing Commissioner as to the concern that the honourable member raised in relation to this issue? It would be particularly useful to have on the record details of the range of general facility licences, involving hotels and clubs, university, football and jockey clubs, and so on. I would also be interested in having on the record the attitude of the Liquor Licensing Commissioner in relation to his processing of applications for gaming machine licences, should the Bill be successful, for that range of general facilities licensees.

The Hon. ANNE LEVY: The general facility licence covers a very broad range. The Bill provides that permission for a gaming machine licence would be granted only where it would not change the nature of the activity that normally occurs in that place. Clause 15 (4) *(f)* provides:

> That the conduct of the proposed gaming operations on the premises would not detract unduly from the character of the premises, the nature of the undertaking carried out on the premises or the enjoyment of persons ordinarily using the premises (apart for the purpose of gaming).

So, general facilities licences are held by the Strathmore Hotel or the Redlegs Club, which would probably get a gaming machine licence if they applied, but they are also held by places such as the Museum and the University of Adelaide—a whole range of places—where pokies are not part of the general atmosphere, and although they might have a general facility liquor licence they would not be granted a gaming machine licence.

The Hon. R.I. LUCAS: I understand the nature of the Minister's response, because we have had discussions with the Liquor Licensing Commission, and that is the reason for the questions. From the nature of the response, I gather that the University of Adelaide, for instance, with its bar, might not be deemed to be suitable for a gaming machine licence. Clause 15 (4) *(f)* provides:

> . . . the conduct of the proposed gaming operations on the premises would not detract unduly from the character of the premises . . .

With reference specifically to the University of Adelaide bar which, in the dim distant past I did have some experience with, so I can speak with some authority, when talking about detracting unduly from the character of the premises, there was an argument at that time that the character of the bar detracted from the character of the premises of the University of Adelaide. There was an argument as to whether there should be a bar on the university campus.

The Hon. Anne Levy: Tom Playford said we couldn't.

The Hon. R.I. LUCAS: It may well be that the Richmond Hotel agreed, because many of us used to go to the Richmond.

The Hon. M.J. Elliott: It improves one's character, though.

The Hon. R.I. LUCAS: The Hon. Mr Elliott can't talk about the Richmond Hotel, but we will not enter into that! The reason I asked the question is that, with respect to clause 15 (4) *(f)* and the reference to detracting unduly from the character of the premises, although I believe, and I accept that the Liquor Licensing Commission would argue similarly, that gaming machines in the University of Adelaide, which is there for the provision of education, would obviously detract unduly from the character of the premises in relation to the bar, where people drink and enjoy themselves, it may well be argued that the character of those premises is not too different from the character of any other bar that might exist in a hotel or club. I would be interested in the advice to the Minister as to how the Liquor Licensing Commissioner would interpret 'not detract unduly from the character of the premises' in relation to a specific example such as that.

The Hon. ANNE LEVY: If we take the University of Adelaide as an example, as I understand it, it is the bar which has the licence, not the university as a whole. One is not looking at the character of the Fisher Lecture Theatre or the Bonython Hall; one is looking at the character of the area with the general facility licence. However, the wording, 'the nature of the undertaking carried out on the premises—

The Hon. R.I. Lucas: That is drinking.

The Hon. ANNE LEVY: No, it is relaxation and leisure for undergraduate students. While it may have a general facility licence, it is not a general facility available to the broad public. It is designed to be a relaxing area for students. I understand that the Liquor Licensing Commissioner would not consider that pokies would be appropriate and would feel that they would considerably alter the environment and the purposes for which that facility exists.

Progress reported; Committee to sit again.

[Sitting suspended from 6.2 to 7.45 p.m.]

SUMMARY OFFENCES (PREVENTION OF GRAFFITI VANDALISM) AMENDMENT BILL

In Committee.

Clauses 1 and 2 passed.

Clause 3—'Posting bills and marking graffiti.'

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

Page 1—
Lines 24 to 29—Leave out subclause (2).
Line 30—Leave out "or (2)".

This clause was not in the original Bill and has nothing to do with graffiti at all. What it has to do with is the posting of bills, posters and placards and affixing them to property without lawful authority, which is already an offence. However, this new subsection makes it an offence for a person to distribute, organise or be concerned in the organisation of distribution of such bills, posters or placards that have been affixed without lawful authority unless that person took reasonable precautions to ensure that the bills, posters or placards were not affixed to property without lawful authority.

The Government opposes this new subsection. It may be that something can be done about this issue but I do not believe that it should be done in this way. The amendment strikes out new section 48 (2). My concern is the way the provision may impose criminal liability on innocent people. There is a specific reverse onus of proof in the sense that a person has to prove that he or she took reasonable precautions to ensure that the bills, posters or placards were not affixed to property without lawful authority. It is not the normal reverse onus of proof which is contained in the principal offence of affixing a bill, poster or placard without lawful authority.

In those circumstances, a person who may have been apprehended carrying out that action would have to prove that he or she had lawful authority to do it. That is provided for in the Summary Offences Act in respect of a number of offences. In this case we have a peculiar reverse onus of proof provision and we have these measures in our law from time to time but in this case I think it is obnoxious for the reasons I have outlined.

A defendant must prove that the posters were affixed with lawful authority, and a defendant cannot escape liability even though no blame can be attached to him or her. In other words, a completely innocent person could be found guilty of this offence, and I think that is something

that ought not to be countenanced in the law. To illustrate: a political candidate organises for his or her electorate to be letterboxed, and it is. Suddenly, his or her handbills appear posted on walls all over the electorate and he or she is charged with an offence. The prosecution proves that the handbills were posted on the walls, and that is all that has to be proved: the prosecution does not have to prove anything else. Everyone agrees that there was no lawful authority for the bills to be posted on the walls; in other words, they were put there illegally, possibly by persons unknown. In that situation, is the politician guilty of an offence?

The Hon. Diana Laidlaw: No.

The Hon. C.J. SUMNER: Well, I am sorry, but the politician is guilty under this provision. What reasonable precautions could the politician have taken to prevent the bills being posted on the walls?

The Hon. Diana Laidlaw interjecting:

The CHAIRMAN: Order! The honourable Attorney.

The Hon. C.J. SUMNER: That is not what the provision says. I am saying that, if you want to have this provision, it has to be worded in a different way. At the moment, it is too wide and it has these consequences. What reasonable precautions could the politician take to prevent the bills being posted on the walls? The posters were given out to the politician's workers, but they were not put up by the workers. The politician did not know that they were being put up, so the politician has no criminal intent yet clearly is or could be guilty of an offence under this provision. As I have said, I think that is carrying the law a step too far.

To take another example: every day newspapers and magazines are distributed to newsagents along with posters to be displayed outside the newsagents' shops. The distributor must take reasonable precautions to ensure that the newsagent does not affix the posters without lawful authority. Not only that: the newsagent is also concerned in the distribution, as are all other newsagents. They all have to take reasonable precautions to stop this or they will be guilty. Just what these reasonable precautions are is somewhat problematical. What can a distributor do if someone other than a newsagent displays the bill on a wall without lawful authority?

As long as the provision allows innocent people to be found guilty of an offence, it is defective. If we are to have a provision such as this, it needs to be more carefully thought out and looked at. Under this provision, the posters could be printed and distributed to newsagents by the printer. They would be the distributors of the bill, and they would be guilty of an offence unless they took reasonable precautions, but what precautions could they prove that they have taken?

What about the truck driver or taxi driver who transports the bills from the printer to their destination? That person distributes the bills. What reasonable precaution could that person take? Something like this could be looked at, but it is unacceptable in this form. I think it should be tossed out of the Bill at this point, sent back to the House of Assembly and then, if we need to look at it again, we can do so in informal discussions or, alternatively, by way of a conference.

The Hon. DIANA LAIDLAW: With mixed feelings, I listened to the Attorney speak. I believe that his speech exemplifies the frustrations of so many people in the community and so many non-lawyers in this place, because there is always every reason why we cannot do something and never any suggestion as to how we can address a community problem which is causing a great deal of concern to individual owners of properties who are the subject of indiscriminate bill posting and which is also costing councils throughout the State a great deal of money to tidy up.

The Hon. C.J. Sumner: I agree with that.

The Hon. DIANA LAIDLAW: Yes, but I am just saying that it is very disappointing that the Attorney's whole speech was related to reasons why we could not address this very amendment; the Attorney did not come up with some other suggestion to acknowledge and address the problem. I think it is fair and reasonable that this issue of bill posting which is undertaken without lawful authority is addressed in this Bill, the subject of which is the prevention of graffiti vandalism, because there is just no question that bill posting is a form of visual pollution, as is graffiti.

It is also a fact that someone has to be held responsible, and at this time we have almost the situation where we are condoning bill posting as something that is running rife in the City of Adelaide, and it is a subject that the Adelaide City Council is keen to see addressed. I note that, when graffiti laws were being addressed in Victoria—Victoria has been the pathfinder in measures in this field—the Bill to amend the Summary Offences Act in that State included a provision on bill posting.

I think it would be important for the Attorney and the Government to recognise that the simple provision that has been incorporated into this Bill, at the instigation of the member for Adelaide, Dr Armitage, is a mild version of the provision that was passed in the Victorian Parliament, including the Victorian Upper House, which in effect has a majority of Liberal and National Party representation at the present time. Rather than read all the Victorian sections and take up further time of the Committee when I know that the numbers are not on my side, I will provide the Attorney with a copy of the Victorian legislation, which is far more comprehensive in nature than the small measures proposed in this Bill.

I note that the Western Australian Parliament has passed a similar provision concerning bill posting; there is a reverse onus of proof situation, because it realised, as did the Victorian Parliament, that that is probably the only way that we can seek some responsibility in terms of the act of bill posting. In New South Wales, there is a more restricted version, and I suppose it reflects the provisions that the Attorney referred to in the current Act in this State, but I have determined today that the New South Wales Parliament is looking at this provision because, in Sydney, those involved are having dire trouble trying to stop people without authority indiscriminately sticking up bills, posters and other advertisements on buildings, bridges, shop windows and fences throughout the city.

I am disappointed that the Attorney cannot support this amendment, and I believe that the Australian Democrats will not be doing so. We do not have the numbers but, in terms of my mixed feelings about the Attorney's response, I suppose he did give some indication that he would be prepared to look at some other accommodation, and perhaps that can be undertaken by members in another place.

The Hon. C.J. SUMNER: I will reply quickly. I do not mind something going into legislation that will actually achieve something. This will achieve nothing as it is currently—

The Hon. Diana Laidlaw interjecting:

The Hon. C.J. SUMNER: I am sorry, it will achieve nothing as it is currently drafted except to raise the potential of innocent people being convicted of offences that they had nothing to do with and could not have had anything to do with. If members vote for this provision to remain in, that is the end of it and we will be putting in something that will be an inadequate clause. If we take it out at this

stage, as I have said before, it will give the opportunity for some informal consultation and, if need be, for the matter to be discussed at a conference. I am certainly happy to look at the material that the honourable member has to enable that to occur.

Amendments carried; clause as amended passed.

Title passed.

Bill read a third time and passed.

ASSOCIATIONS INCORPORATION (MISCELLANEOUS) AMENDMENT BILL

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

No. 1. Clause 13, page 7, line 20—Leave out 'and'.

No. 2. Clause 13, after line 31—Insert the following:

and

(c) by inserting after subsection (8) the following subsection:

(9) Where property vests by virtue of this section in an association, the vesting of the property, and any instrument evidencing or giving effect to the vesting, are exempt from stamp duty.

No. 3. Clause 21, page 10, line 10—Leave out 'Section 35 of the principal Act is' and substitute 'Sections 34 and 35 of the principal Act are'.

No. 4. Clause 21, line 20—Leave out 'as soon as practicable'.

No. 5. Clause 21, page 11 after line 7—Insert subclause as follows:

(2a) A prescribed association will not be taken to have complied with subsection (2) unless the accounts prepared for a financial year are submitted to the auditor in sufficient time to enable the auditor to audit the accounts and furnish a report in respect of the accounts in accordance with section 37 (3).

No. 6. Clause 22, page 12, line 12—Leave out 'an incorporated' and substitute 'a prescribed'.

No. 7. Clause 23, page 12, line 32—Leave out 'an incorporated' and substitute 'a prescribed'.

No. 8. Clause 23, page 13, line 32—Leave out 'an incorporated' and substitute 'a prescribed'.

No. 9. Clause 23, page 14, line 2—Leave out 'an incorporated' and substitute 'a prescribed'.

No. 10. Clause 23, Line 6—Leave out 'an incorporated' and substitute 'a prescribed'.

No. 11. Clause 25, page 15, line 8—After 'liability' insert 'to the association'.

No. 12. Clause 27, Page 18, after line 25—Insert subclause as follows:

(2) Where a provision of the Corporations Law referred to in subsection (1) creates an offence, the penalty set out in the schedule in relation to that provision is to apply as the maximum penalty for contravention of the provision as applied by subsection (1).

No. 13. Clause 28, page 18, line 27—Leave out 'by striking out from subsection (3) "On the publication of an order" and substituting "On the date specified in the order" ' and substitute the following:

—

(a) by striking out from subsection (3) 'On the publication of an order' and substituting 'On the date specified on the order';

and

(b) by inserting after subsection (4) the following subsection:

(5) The vesting of property in a body corporate by virtue of this section, and any instrument evidencing or giving effect to that vesting, are exempt from stamp duty.

No. 14. New Clause, page 21, after line 20—Insert the new clause as follows:

Repeal of s. 52

34a. Section 52 of the principal Act is repealed.

No. 15. New Clause, page 31, after line 5—Insert new clause as follows:

Insertion of schedule

47. The schedule set out in schedule 3 of this Act is inserted after section 67 of the principal Act.

No. 16. After Schedule 2, page 35—Insert the following schedule:

SCHEDULE 3

New Schedule Inserted in Principal Act

SCHEDULE

Penalties for Offences Against Section 41b.

Provision in Corporation Law	Brief Description of Offence	Penalty for Equivalent Offence under this Act
Section 590 (1)	Liability for non-disclosures, etc.	Division 5 fine or division 5 imprisonment
Section 590 (5)	Liability for pawning or pledging property in contravention of section 590 (1)	Division 6 fine or division 6 imprisonment
Section 591 (1)	Liability where proper accounts not kept	If the offence is committed in respect of a prescribed association—division 6 fine or division 6 imprisonment. If the offence is committed in respect of any other incorporated association—division 6 fine.
Section 592 (1)	Liability for incurring of debts or fraudulent conduct.	Division 6 fine or division 6 imprisonment.
Section 592 (6)	Liability for fraudulent conduct.	Division 5 fine or division 5 imprisonment.
Section 595	Liability for inducement to be appointed liquidator or official manager.	Division 8 fine or division 8 imprisonment.
Section 596	Liability for frauds by officers	Division 5 fine or division 5 imprisonment.
Section 1307	Liability for falsification of books	Division 5 fine or division 5 imprisonment.

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

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

The first amendments are to clause 13. These amendments, Nos 1 and 2, are intended to ensure that no stamp duty becomes payable when the property of amalgamating associations is vested as part of the amalgamation. In relation to amendments Nos 3, 4 and 5, which amend clause 21, the first amendment is consequential on the use of the definition of a prescribed association. The remaining amendments to this clause are also of a drafting nature and are designed to ensure that the obligation to prepare and submit accounts to a prescribed association's auditor must be discharged at a time that will allow the auditor to comply with the provisions of section 37 of the Act, which relate to auditing and auditors' reports.

Amendment No. 6 embraces four amendments of a drafting nature only and is consequential on the division of incorporated associations into prescribed associations and others. A similar explanation applies to amendments Nos 7, 8, 9 and 10 to clause 23.

The next one is amendment No. 11, to clause 25. This amendment is designed to ensure that proposed new section 39b operates to prevent only exemptions or indemnities in respect of liability that a member may incur to the association as, for example, through a breach of duty provided for in proposed new section 39a. Whilst it is obvious that an exemption or indemnity granted in relation to a duty owed to the association would defeat the point of imposing such a duty, it is now considered that there is no such obvious case for preventing indemnities or exemption in relation to liabilities to others.

The next amendment is No. 12, to clause 27. This amendment inserts a new subsection (2) into proposed new section 41b. Section 41b applies certain sections of the Corporations Law (with such modifications as may be necessary) as if an incorporated association were a company and if those sections were incorporated into this Act. Proposed new subsection (2) provides that, where a provision of the Corporations Law referred to in subsection (1) creates an offence, the penalty set out in the schedule in relation to

that provision is to apply as the maximum penalty for contravention of the provision as applied by subsection (1). It is considered that penalties for offences against the Act should be fixed in the Act and not be left to the regulations, or, for that matter, determined by reference to the Corporations Law. Of course, this point was made by the Hon. Mr Griffin.

Amendment No. 13, which is to clause 28, is similar to the amendment to clause 13 and is intended to ensure that no stamp duty becomes payable when the property of an incorporated association is vested in a body incorporated under another Act. Amendment 14 inserts new clause 34a. This amendment is of a drafting nature only and is consequential on the insertion of proposed new section 39c. The next amendments, Nos 15 and 16, insert a new clause which inserts a schedule. The insertion of the schedule is linked to the amendment to clause 27 and sets out the penalties for the offences against the Corportions Law that are applied by proposed new section 41b.

A number of these matters were raised by the Hon. Mr Griffin during the debate, when the matter was previously before us, and have been the subject of correspondence and discussion between us during the period when this matter was before the House of Assembly, and I understand that the amendments that the Government inserted in the House of Assembly, based on the honourable member's comments, for which I thank him, are now acceptable to him.

The Hon. K.T. GRIFFIN: What the Attorney-General has just indicated is correct: the amendments are acceptable to me. During the course of consideration of the Bill in Committee in this Chamber I raised a number of matters, and the Attorney-General undertook to consider them, and I thank him for doing so. Prior to the consideration of these amendments in the House of Assembly I was given an opportunity to peruse them. Two matters were amended in the course of that consultation. The first relates to amendment No. 11 and the other to amendments Nos 15 and 16.

In relation to amendment No. 11, a concern was expressed that the denial of an opportunity for an association to indemnify a member of the committee of management would militate against members of committees of management wishing to continue, or for prospective members to take up responsibility on committees of management. As a result of consultation it was agreed that contracts of insurance would not be avoided and that the indemnity should be avoided only in so far as it related to an indemnity of the liability of a member of the committee of management to the association.

It then avoided the problem that I spoke about where we have a committee of management doing the best it can but finding that a third person makes a claim against the incorporated body and also the members of the committee of management alleging negligence and the members of the committee face a substantial personal liability where they may have acted reasonably and responsibly. The amendment addresses the issue more specifically in relation to a liability by a member of the committee of management to the association. That resolves the problem. It is not identical to the Corporations Law, but addresses the issue more precisely then does the Corporations Law.

The other amendment made as a result of the consultation on earlier amendments was in relation to the schedule. Section 591 (1) of the Corporations Law provides for a liability of members of a board, in this instance committee of management, where proper accounts have not been kept in a period of two years prior to the winding up. It seemed inappropriate that there should be one penalty fixed for all associations in relation to such a failure to keep proper accounts. In consequence, members will note that there is a different penalty for a prescribed association from that for any other incorporated association. That maintains the consistency with the rest of the legislation where we have divided offences largely between prescribed associations and all other incorporated associations.

I do not need to address the other matters to which the Attorney-General referred as they are an accurate reflection of the amendments and the matters I raised in Committee. I have pleasure in supporting the motion to agree to the amendments. To make one general comment, after a year or two of operation it would be appropriate to have another look at the way that the legislation is working in relation to prescribed associations on the one hand and all other incorporated associations on the other to ensure that, particularly in relation to other associations, hardship is not created as a result of inexperienced citizens participating in those associations, doing the best they can but nevertheless falling foul of the law. That is a matter for the future and I would hope that in a year or two we can assess the impact of these changes, some of which are quite significant for associations.

Motion carried.

FINANCIAL INSTITUTIONS (APPLICATION OF LAWS) BILL

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

No. 1. Page 6, after line 24, insert new clause 17 as follows:

Levies, contributions and loans

17. (1) The section imposes—

(a) the levy payable under section 119 of the AFIC (South Australia) Code by a financial institution;

(b) the levy payable under section 95 of the Financial Institutions (South Australia) Code by a financial body;

(c) the contributions payable under section 98 of the Financial Institutions (South Australia) Code by a credit union;

(d) the support levy payable under section 99 of the Financial Institutions (South Australia) Code by a credit union;

and

(e) the compulsory loans payable under section 100 of the Financial Institutions (South Australia) Code by a credit union.

(2) An expression has in subsection (1) the meaning it would have if this section were in the AFIC (South Australia) Code or the Financial Institutions (South Australia) Code, as the case requires.

No. 2. Page 10, after line 19, insert new clause 32 as follows:

Miscellaneous transitional provisions

32. The following transitional provisions have effect for the purposes of the financial institutions legislation:

(a) an exemption granted under section 9 (4) of the Credit Unions Act 1989 from section 9 (1) *(b)* continues to have the effect after the commencement of the Financial Institutions (South Australia) Code as if it were an exemption under section 144 (4) of that Code;

(b) despite the Financial Institutions (South Australia) Code, rules made by a continuing society before the commencement of the Credit Unions Act 1989 continue to operate in relation to shares issued under those rules before the commencement of that Act:

(c) an approval in force under—

(i) section 20 (2) of the Building Societies Act 1975;

(ii) section 28 (5) of the Credit Unions Act 1989,

immediately before the commencement of the Financial Institutions (South Australia) Code continues in force as an approval under section 139 (5) of that Code;

(d) where a continuing society issued a disclosure statement under section 39 of the Credit Unions Act 1989, the disclosure statement is taken to be a dis-

closure statement registered under Part 5, Division 6 of the Financial Institutions (South Australia) Code;

(e) an application or order made under section 79 or 99 of the Credit Unions Act 1989 is taken to be an application or order under section 291 of the Financial Institutions (South Australia) Code;

(f) a direction under section 82 of the Building Societies Act 1975 or section 141 of the Credit Unions Act 1989 is taken to be a direction under section 107 of the Financial Institutions (South Australia) Code;

(g) a continuing society need not comply with section 140 (2) of the Financial Institutions (South Australia) Code until six months after the date of its commencement;

(h) charges of which copies were lodged with the Registrar under section 34 (4a) of the Credit Unions Act 1976 are taken to be registered under the Financial Institutions (South Australia) Code and rank in priority according to the time of lodgment of the copy with the Registrar;

(i) charges registered under the Credit Unions Act 1989 are taken to be registered under the Financial Institutions (South Australia) Code and rank in priority according to the time of registration;

(j) if a continuing society has been declared to be subject to supervision under section 118 of the Credit Unions Act 1989 the declaration has effect as if it were a notice placing it under direction under section 88 of the Financial Institutions (South Australia) Code;

(k) anything done under section 121 of the Credit Unions Act 1989 continues to have effect as if done under section 88 (3) of the Financial Institutions (South Australia) Code;

(l) a consent under section 60 (4) of the Building Societies Act 1975, or section 76 (3) of the Credit Unions Act 1989 continues in force as a consent under section 257 (3) of the Financial Institutions (South Australia) Code;

(m) where approval has been given under section 64a of the Building Societies Act 1975 for a continuing society to enter into a management contract, the approval continues in force as if given under section 245 (2) of the Financial Institutions (South Australia) Code;

(n) the amount standing to the credit of the Credit Union Deposits Insurance Fund under section 110 of the Credit Unions Act 1989 immediately before the commencement of the Financial Institutions (South Australia) Code is transferred to the Credit Unions Contingency Fund under section 97 of that Code (and the transfer is exempt from stamp duty and other taxes and charges under the law of the State);

(o) subsections (3) and (6) of section 110 of the Credit Unions Act 1989 apply in relation to the Credit Unions Contingency Fund for a period of two years after the commencement of the Financial Institutions (South Australia) Code as if references in those subsections to the Fund were references to the Credit Unions Contingency Fund and references to the Board were references to the SSA.

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

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

These clauses, being money clauses, were in erased type when the matter was before the Council. They have now been formally inserted by the House of Assembly and I think that we should agree to them.

The Hon. K.T. GRIFFIN: As they were money clauses and I had an opportunity to address the issues raised in them during the first consideration of the Bill in this place, I now indicate support for them. I raised the issue of possibly fixing the levies by regulation, but I recognised that would put this legislation at odds with the uniform legislation in other States. As the building societies and credit unions are supportive of the propositions in these money clauses, I do not propose to take the matter any further. I therefore support the motion.

Motion carried.

CRIMINAL LAW CONSOLIDATION (DETENTION OF INSANE OFFENDERS) AMENDMENT BILL

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

No. 1—New clause—Page 1—After clause 1 insert new clauses as follows:

Commencement

1a. This Act will come into operation on a day to be fixed by proclamation.

No. 2. Clause 4, page 3, after line 15—Insert 'and'.

No. 3. Clause 4, page 3, lines 19 to 24—Leave out all words in these lines.

No. 4. Clause 4, page 3, after line 26—Insert new subclauses as follows:

(12a) In determining an application for the release of a person on licence or for variation of the conditions of his or her licence, the court—

(a) must seek to make a determination that is the least restrictive of the person's freedom and personal autonomy as is consistent with the safety of the community;

and

(b) to that end, must have regard to—

(i) whether the person is suffering from a mental illness or has an intellectual impairment;

(ii) whether, if the person were to be released, his or her behaviour (whether or not arising from a mental illness or intellectual impairment) would be likely to constitute a danger to another person, or to other persons generally;

(iii) whether there would be adequate resources available to the person in the community for his or her treatment and support;

(iv) whether the person would be likely to comply with the conditions of his or her licence;

and

(v) such other matters as the court thinks relevant.

(12b) In fixing or varying the conditions of a licence, the court must also have regard to the interests (so far as they are known to the court) of the person's next of kin and of the victims (if any) of the offence with which the persons was charged.

No. 5. Clause 4, page 3, line 32—After 'cancelled' insert 'and the detention order is suspended while the person is in prison serving the term of imprisonment'.

No. 6. Clause 4, page 3, lines 33 to 39—Leave out subsection (15) and insert subsections as follows:

(15) Where the circumstances of a person released on licence pursuant to this section have not been reviewed by the court for a period of three years (either pursuant to an application under this subsection or an application for discharge of the detention order), the Minister must apply to the court that released the person on licence for a review of the detention order.

(15a) On completion of a review, the court may discharge the detention order unless it is satisfied that, in the interests of the safety of another person, or of other persons generally, the order should remain in force.

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

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

Members will recall that this was a private member's Bill introduced by the Hon. Dr Ritson, to which the Government agreed and for which it subsequently made Government time available for debate in the House of Assembly. After the Bill left this place I arranged for a copy to be sent to the Chief Justice as it impacts on the Supreme Court's and other courts' powers. He felt that there should be some provisions in the Bill which spelt out the considerations that a court would take into account in deciding whether to release a person detained as not guilty by reason of insanity or unfit to plead. That is one of the amendments.

The second purpose of the amendments is to provide for the suspension of the order by which such a person is detained if, having been released on licence, that person commits a criminal offence and is sentenced to a term of

imprisonment. The third category of amendments is to make it clear that the provision, which requires that the circumstances of a person released on licence be reviewed by the court if three years has passed since the last review, places the principal obligation for initiating that review on the Minister and not on the court.

The other amendment was to insert a proclamation clause into the Bill. I think it is fair to say that, normally, a Bill of this kind would probably come into effect on assent, but I received representations from the Minister of Health that officers in the Health Commission who would be involved to some extent in the administration of this legislation wanted some time to prepare for its introduction. Accordingly, we have inserted a proclamation clause. However, having said that, I do not anticipate that we would delay proclamation unduly. It will be proclaimed as soon as reasonably practicable.

During this process of consultation with the court and the Health Commission, the Hon. Dr Ritson has been kept informed and, as I understand it, he is agreeable to the provisions which have been added, albeit with some reluctance in relation to the proclamation clause. Nevertheless, I understand that he has agreed with the provisions inserting the guidelines which deal with the other matters of the procedure for the release of a person detained on licence. I think this is quite an important initiative. There is a lot more work to be done on the topic of impaired responsibility and the criminal law, and we will do that over the next year or so. In the meantime, I think this is a reform about which members can agree, and I would like to thank the Hon. Dr Ritson for its introduction and the process of consultation that has been involved in bringing it to a satisfactory conclusion.

The Hon. R.J. RITSON: I thank the Minister for giving me access to people with whom I have consulted and to documents which I have considered as well as undertaking my own consultations with other professionals. It really has helped a non-partisan or tripartisan matter be dealt with fairly fully. In going briefly through some aspects of the amendments, it is true that I could not quite see why it needed an open proclamation date to give the administration of the Health Commission time to set up the administrative wheels, because there are in fact only three people detained at the Governor's pleasure and some six people living in the community on licence.

It seemed to me that the amount of administration was fairly small, but I do not want to be churlish on that point, and I feel comforted in the belief that the Government genuinely desires this legislation. Therefore, I have quite a lot of faith in the Attorney's assurance that proclamation will not be unduly delayed. I would like to make a brief explanation of the amendment which is a result of the Chief Justice's expressed opinions.

The initial draft of the Bill simply gave the judge, or the courts, broad powers to determine the matter and nominate parties whose interests were to be considered. Without spelling out what types of things should be considered an interest, and without spelling out the weight to be given to each of those parties and interests, the amendment deals with two different matters that have to be considered separately.

The first matter is whether the person is to be released from secure custody. The Bill makes it clear that safety is to be the prime consideration and the second consideration is the civil rights aspects of a person who has not been found guilty of any crime. The consideration of the victim's feelings—if there are any victims—or the next of kin's ability to cope is to be considered in the context of the conditions of a licence, once it has been decided that a person is to be released, and some examples are raised in relation to whether the social supports are there or whether the next of kin is likely to be distressed by having a person back at home.

So, there is a whole social world to be considered. Will the victims or the relatives of the victims—particularly those from a country area—be distressed by having that person living amongst them? If so, should there be hostel accommodation or some form of social support so that the person released will live in a place and in a manner that will not cause distress to the parties mentioned? That has been clearly put in the box of 'conditions of licence'. So, the justice now has a non-exclusive set of examples to give him the guidance that he felt we had not given him in the first place.

Finally, I want to comment on the amendment to the provision dealing with someone who offends while on licence. The wording is slightly different. It makes it clear that there are two separate matters here: the detention order and the licence. If the licence is cancelled due to an offence then the detention order, unameliorated by the licence, continues to exist; that is, if the person is sentenced to prison. If the prison sentence is suspended, the consequence is return to the hospital. If the prison sentence is to be served then the detention order is suspended while the person serves in prison. I believe that gives the court a choice. In a lot of cases the courts have made public statements that that is the sort of choice they want. There have been mentally abnormal offenders before courts and judges and magistrates have, from time to time—about every year or two—said that it is with great reluctance they have sent the person to prison. Clearly, if there were a place and a system it would be better to send them to a hospital, such as a psychiatric hospital.

In the case of somebody before the courts on an imprisonable offence, in relation to the few people to whom this Act applies, the courts would now have such a choice. In other words, the first step, sentence to prison cancels the licence. The suspension of the sentence (they have still been sentenced to prison) means they are not in prison as the amendment provides, so they go back to hospital. On the other hand, not to suspend cancels the licence and the person goes to prison.

If in the future other groups of mentally abnormal people who are presently not caught by McNaughton or who choose not to take the defence because of the previously unsatisfactory arrangements for reviewing the case, if new groups of people, those with depressive illnesses and intellectual subnormalities, are admitted to the same sort of legal process to which the Governor's pleasure patients are being admitted, we could see the bench faced with many more choices about prison or hospital. After all, in England, the Mental Health Act empowers any court, including magistrates courts, to issue from the bench a hospital order as one of the sentencing options, as it were. Thus, one might get a hospital order if there were psychiatric evidence that repeated shoplifting was not criminal but due to mental illness. In those circumstances, the order, of course, would not be anything like the Governor's pleasure order, but it would be for admission, by force of that order, but discharged by the psychiatrist when the patient seemed well enough. So, it would not be seen as anything like a penalty but rather getting the patient treated.

If we go down that track, it will have much bigger resource implications for the Minister of Health than does this tiny Bill. It would not necessarily have resource implications for the State because they may be people who otherwise might have been imprisoned anyway, so they will consume

resources whether in a hospital or from a community-based clinic, instead of from Yatala or Cadell. I do not think the net impact would be very much. Looking at the comparative populations of Britain and Australia, we could have up to 50 people who become patients under the Minister of Health as a result of going to prison for an offence. They would come from the prison population into the hospital population or would have appeared before the courts with mental illness, other than those with the present McNaughton madness who require institutional care. That does not worry me.

If someone does not have full adult criminal intent, it is more just if they are labelled as a person in need of care in a hospital than as a criminal requiring protection within the prison, as these people so often are, particularly those with very juvenile mental ages due to developmental problems. I would expect that this legislation would become a pimple upon the larger legislation before too long. Because of my personal interest in it, I hope that the Attorney gives me the same access to resources to determine my attitude to such legislation as he has given me in the case of my private member's Bill. I thank the Minister and support the motion.

Motion carried.

SUMMARY OFFENCES (CHILD PORNOGRAPHY) AMENDMENT BILL

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

No. 1. Clause 2, page 1, after line 19—Insert paragraphs as follows:

(ab) by inserting after the definition of 'child pornography' in subsection (1) the following definitions:

"computer data" means electronic data from which an image, sound or text may be created by means of a computer;

"computer record or system" means a computer disk or tape or other object or device on which computer data is stored:;

(ac) by inserting after paragraph *(d)* of the definition of 'material' in subsection (1) the following paragraph:

(da) any computer data or the computer record or system containing the data;.

No. 2. Clause 2, page 2, after line 3—Insert paragraphs as follows:

(d) by striking out from subsection (4) 'or delivery' and substituting ', delivery or possession';

(e) by striking out from subsection (5) *(a)* 'or delivery' and substituting ', delivery or possession';

(f) by striking out from subsection (5) *(b)* 'or delivery' and substituting ', delivery or possession'.

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

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

Amendment No. 1 deals with the question of including computer data and computer records or systems under the definition of 'material' for the purposes of section 33 of the Summary Offences Act. There have been some recent press reports relating to allegations of availability of child pornography on 'bulletin boards' which are accessed by a modem. While there is as yet, as I understand it, no hard evidence to support these allegations, pornographic material is available via bulletin boards, and it is possible that some of this material depicts children. This amendment broadens the definition of 'material' to include computer data or a computer record or system containing such data so that such material can be brought within the new offence of possession of child pornography. The Government is prepared to accept that amendment, which was introduced in another place, and recommends its acceptance here.

The second batch of amendments were put forward by the Government as they are consequential upon the amendments contained in the Bill. Section 33 (5) of the Summary Offences Act contains two defences to the offences provided for in the section. Section 33 (5) *(a)* provides that no offence is committed if it can be shown that the material was dealt with in good faith and for the advancement or dissemination of legal, medical or scientific knowledge. Secondly, section 33 (5) *(b)* provides a defence for a work of artistic merit. It is appropriate that the new offence of possession of child pornography should also be subject to these existing defences. I commend the amendments to the Committee.

The Hon. K.T. GRIFFIN: The Opposition raises no objection to these amendments, and I will support the motion that the amendments be agreed to. It is an interesting development that section 33 of the Summary Offences Act should now be moving into the computer area. I think it was last year or the year before that questions were raised about the classification of material on computer, and my recollection was that the Government response was that it was an area which was fraught with difficulty and where there could be little or no control.

I accept that, in this instance, we are talking about child pornography where specific offences are created under section 33 (2) of the principal Act, but I suggest that there are likely to be difficulties in relation to the proving of the possession of some of this material. Notwithstanding that, I think it is an important area to be addressed, particularly as the sophistication of computer material continues to be developed. As was indicated in the House of Assembly, there are still a few gaps, partly because of the overlapping nature of State and Federal laws in this area. Hopefully that can be addressed by the Government over time in consultation with the Commonwealth.

I suppose that the transmission of the material is in the grey area. The principal Act talks about the production of indecent or offensive material for the purpose of sale, and I suppose the putting together of the material on computer would come within that category. The selling of indecent or offensive material, the exhibition in a public place of indecent or offensive material so as to be visible from a public place, the deposit of indecent or offensive material in a public place or in or on private premises (that will be difficult to prove), exhibiting indecent material to a person so as to offend or insult that person, delivering or exhibiting indecent material to a minor and certain other offences are created. I suppose by the peculiar nature of computer data and computer records it might be difficult to establish the necessary ingredients for those offences. Hopefully that can be addressed so that the issue can be put beyond as much doubt as possible. Subject to those comments, I support the motion.

The Hon. C.J. SUMNER: The additions to the definition of material that pick up computer data and computer records or systems mean that material includes those things for the purpose of the whole of section 33; it is not just for the purposes of the child pornography section. I agree with what I said previously, namely, that this area is so fraught with difficulty and it is really something that will be extremely difficult to control because of the nature of computer material. I do not resile from that and, having been chided earlier this evening by the Hon. Ms Laidlaw for being negative, I do not want to be negative about this, even though I recognise that putting this in may do something but that it will still be fraught with difficulty as far as obtaining evidence for prosecution.

I also state what has been the position at meetings of Commonwealth/State censorship Ministers, namely, that this problem of pornography and computers was not one that seemed to be of major concern, there were not a great

number of examples of it. There were problems with its enforcement, even if it was found to exist. That is still the position, as I understand it, at the Commonwealth-State level: they have not agreed nationally to act in this area. On reflection, I do not think it does any harm to include this provision, but we have to recognise that it may not be a complete answer. In fact, we might have to recognise that there is no complete answer to prohibiting this sort of material. In so far as the law can assist, the provisions are worthy of support.

Motion carried.

STATUTES AMENDMENT AND REPEAL (PUBLIC OFFENCES) BILL

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

No. 1. Clause 7, page 3, after line 44—Insert clause as follows:

Parliamentary privilege not affected

239a. Nothing in this Part derogates from Parliamentary privilege.

No. 2. Clause 7, page 8, after line 11—Insert clause as follows:

Disclosure, etc., of identity or address of juror

244a. (1) Subject to this section, a person must not wilfully publish any material or broadcast any matter containing any information that is likely to lead to the identification of a juror or former juror in a particular trial.

Penalty: $8 000 or imprisonment for 2 years

(2) This section does not apply to the identification of a former juror with the consent of the former juror.

(3) In this section, a reference to the indentification of a juror or former juror includes a reference to the disclosure of the address of the juror or former juror.

No. 3. Clause 7, page 8, after line 11—Insert clause as follows:

Confidentiality of juror's deliberations

244b. (1) A person must not solicit information from a juror or former juror about the deliberations of a jury or harass a juror or former juror for the purpose of obtaining such information.

Penalty: $8 000 or imprisonment for two years

(2) This section does not apply in relation to the disclosure of information about the deliberations of a jury—

(a) to a judge or court;

(b) to the Attorney-General;

(c) to—

(i) a board or a commission of inquiry;

or

(ii) any person who is conducting research, appointed by the Governor or the Attorney-General;

or

(d) to a member of the Police Force acting in the course of an investigation of an offence or alleged offence relating to the deliberations of a jury or the obtaining of information about such deliberations.

(3) For the purposes of this section, the deliberations of a jury include statements made, opinions expressed, arguments advanced or votes cast by members of the jury in the course of their deliberations.

Amendment No. 1:

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

That the House of Assembly's amendment No. 1 be agreed to.

This amendment was introduced in another place in order to make it clear that the Bill was not intended to affect parliamentary privilege. It never was intended to do so, so there is no point in debating this matter. I do not know the genesis of it. It would appear that Mr Groom had a bright idea. It is unnecessary, but the Government does not have any difficulty with it.

The Hon. K.T. GRIFFIN: I support the motion to agree with the amendment, which I understand was raised by the member for Hartley (Mr Groom). Mr Groom is a member of the Joint Committee on Parliamentary Privilege at the moment, so that may have prompted him to raise the issue. It may be that some of the observations I made during the course of the debate about unintentional possible effects on members of Parliament might have prompted him also to raise it, but I see no harm in it.

I am not sure whether it achieves the objective which, from the reading of the debate in the Lower House, Mr Groom seeks to achieve, but certainly it will not affect what happens in the respective Houses. I think the difficulty is to determine where the privilege commences and ends when a member of Parliament goes outside the Chambers and actually undertakes what he or she regards as a responsibility to criticise public servants or other officers and bring pressure to bear either to have those persons shifted from office or otherwise dealt with.

I raise this prospect of a member in those circumstances being subject to prosecution. Some of that has been removed by the deletion of what I thought was the most difficult part of the Bill relating to members of Parliament, and that was where members sought to exercise influence or power, which are difficult concepts to define for the purposes of the criminal law. There is still a question about the scope of this amendment and I am not sure that it really goes as far as Mr Groom would want it to go. Notwithstanding that, I indicate support for it because, if it does help in some way to protect members from investigation where they are only doing their duty and there is no indication of their acting with a view to gaining personal benefit, that is important.

Motion carried.

Amendments Nos 2 and 3.

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

That the House of Assembly's amendments Nos 2 and 3 be disagreed to.

This matter was debated in this place previously: the matter of the confidentiality of jury room discussions was before the Council in 1984 and I refer members to what I said on 19 September 1984 (page 960 of *Hansard*), which still applies. This matter should be handled not by specific legislation prohibiting jury room disclosure but by the general rules of contempt of court. That allows for the necessary flexibility. The way it is drawn at present is unduly rigid and inflexible in a way that the law of contempt is not. It could lead to silly situations where, for instance, if a wife or spouse asks someone who has been on a jury, when they get home from the jury that night, what they have been doing, under the amendment the spouse would be guilty of an offence and the juror would be guilty of an offence if they disclosed information.

Amendment No. 2 deals with the disclosure of the identity or address of a juror. Amendment No. 3 deals with confidentiality of the jury's deliberations. Similar consideration applies to both amendments. My comments thus far have related to amendment No. 3, which provides that a person must not solicit information from a juror.

If the spouse of a juror asks a juror what went on in the jury room during the day, the spouse would be committing an offence under the clause, and that is bizarre. That is perhaps trivialising it, but the important point is that there are times when it is legitimate that the jury room deliberations be known. It might be a case of an investigative journalist looking at an issue or of someone researching the jury system, and what we have here is a total prohibition.

The Hon. K.T. Griffin interjecting:

The Hon. C.J. SUMNER: It is to some extent.

The Hon. K.T. Griffin interjecting:

The Hon. C.J. SUMNER: That is right. You have to go through the extraordinary rigmarole of going to the Governor and the Governor or the Attorney-General having to appoint the person to conduct the research. To my way of thinking, that is just over the top. Rules of contempt of court exist. If there are actions taken by individuals, be they

journalists or otherwise, that strike at the fundamental nature of jury confidentiality, the court has the power to take proceedings for contempt. That is a flexible way of going about it.

If, however, 10 years down the track someone is researching a case and talks to jurors to find out what happens, or talks to jurors to find out how the jury system works—what sorts of things motivate jurors—that, surely, should be permitted by the law. The law of contempt does permit that, and I am strongly opposed, as I was in 1984, to the introduction of this sort of clause in our legislation. I do not believe that it is called for in South Australia. We have not had any abuses in recent times of which I am aware, and I do not think that there is a problem that needs fixing.

The Hon. K.T. GRIFFIN: Although I proposed these two provisions, I was not successful when the matter first came on for consideration before the Bill went to the House of Assembly, and nothing I have heard so far indicates that I will be successful on this occasion. I was attempting to draw attention to what I thought was an important principle. That related to the protection of the institution of the jury. I took into account the legislation that has been enacted in New South Wales and Victoria, and it was my view that what was being proposed in these amendments was very much weaker than was enacted in the other States.

I take the Attorney-General's point that the law of contempt would to some extent cover this—he says to a great extent but I am not convinced about that. I acknowledge that the law of contempt does address this issue in some respects, at least. I have had several representations from the media since the passing of these two clauses was reported in the press. Quite properly, they raised the issue of the impact this will have on the ability of the press to make inquiries. I do not think it will create a significant disadvantage.

There has been no evidence of that in New South Wales or Victoria, although I acknowledge that it might do that. However, the representations have been moderate and responsible. In all the discussion on these two topics, the Splatt case keeps coming to the surface. It is true that, in that case, Mr Cockburn made contact with jurors, but the contact with the jurors is blown out of all proportion compared with other material to which he gained access and the doubts he was able to throw upon the forensic evidence, in particular.

The Hon. C.J. Sumner: He would still have been committing an offence under this.

The Hon. K.T. GRIFFIN: Yes, but I am saying that the contact with the jurors in that case has gained a prominence that is out of proportion to what it actually had in the review. I acknowledge that this could have disadvantaged Mr Cockburn in that research. It is a difficult issue to resolve. We need to maintain the jury system; we do not need to debate now the merits or otherwise of the system, and my intention was to try to put something into the law which recognised that more specifically than it is recognised at present. So, I would expect, on the basis of the vote that was taken last time in the Committee, not to be successful, but I maintain that it is still appropriate to consider something along these lines for inclusion in the law.

The Hon. I. GILFILLAN: The Democrats take a flexible and dynamic approach to all issues, and previous history is not necessarily a guarantee that it will be repeated. I have had no lobbying on the matter, so it is unlikely that I will do a complete about face in Committee tonight, but I am interested in a couple of points. The law of contempt, from what the Attorney-General says, must be quite wide and specific as far as the protection of jurors and deliberation of juries is concerned. It can be interpreted in that way; I am taking that assurance from the Attorney's statements and the confirmation of that, to an extent, by the Hon. Trevor Griffin.

I can see good reason why the identification of a juror or former juror should be protected. It may be argued why that does not need to be kept as a perpetual form of confidentiality, but I can certainly understand that there are very good reasons in controversial trials why members of a jury should be protected with every resource that we can offer for their anonymity and protection. So, I do not feel particularly uneasy about amendment No. 2, if that is its only effect. I am interested in what seems to be a little quaint in the penalties: they seem to be very specific in number rather than division. That may be just incidental, not specifically and deliberately done.

With regard to the question of confidentiality of juries' deliberations, I do feel much more persuaded to hold the Attorney's view. The confidentiality of juries' deliberations (244 *(b)* (1) as contained in this schedule) provides that a person must not solicit information from a juror or former juror about the deliberation's of a jury, or harass a juror or former juror for the purpose of obtaining such information. I take the Attorney's point: that appears to be far too wide in its potential interpretation. However, if the purpose was not so much for obtaining but for publishing, then that provision would restrict it and probably give it a more confined target of operation so that the incidental sharing of information in the extreme case with one's spouse or friend would not be caught by this clause if it were changed to include publishing.

However, I also agree that it happens to be very restrictive and rather quaint that the people who will be exempt in this matter would have to be appointed individually by the Governor or the Attorney-General. I make these comments because I can see the issue is important and I am really taking comfort in the fact that the Attorney has told the Committee that the law covering contempt of court does offer the protection which I think is essential for the confidentiality of the juror in particular. On that assumption, I do not intend to support the amendments.

The Hon. C.J. SUMNER: Certainly, the question of contempt is broad enough to cover jury room disclosures.

The Hon. I. Gilfillan interjecting:

The Hon. C.J. SUMNER: Yes, I think it covers the identity as well, and I refer to what I said on 19 September 1984 (page 1906) when I quoted a United Kingdom case, as follows:

> The case then goes on to discuss in what circumstances disclosure from the jury room would constitute a contempt, and they conclude:
>
> > This passage of Lord Edmund-Davies supports our view that each case of disclosure has to be judged in the light of the circumstances in which the publication took place.
>
> In the instant case the sole ground on which the allegation of contempt is based is the publication of some of the secrets of the jury room in this particular trial. Apart from that, there are no special circumstances which, it is suggested, call for condemnation.

From that it appears that disclosure from the jury room, and presumably the soliciting of disclosures, can constitute a contempt of court, but contempt of court is subject to review presently and is left to the courts to determine. If they thought that the jury system was being attacked front on by the media or by people surrounding a trial at the time or within a reasonable date of the trial, they would take action. If they thought that something was 10 years ago, they probably would not.

The Hon. I. Gilfillan: What about identification?

The Hon. C.J. SUMNER: I see no reason why contempt does not apply to the disclosure of the identity of the juror also. The honourable member said 'broad and specific'. Contempt is not a particularly specific offence, that is true. It is an offence taken on by the court—something that occurs in the face of the court—so it is a matter on which the court must take action. The whole area of contempt is currently being reviewed—it is part of the review of the criminal law. I believe that the situation is adequate. We have not had problems in South Australia. We should not be legislating for a problem that does not exist given that, in legislating in that way, we may be creating problems for ourselves in other ways.

The Hon. I. GILFILLAN: I have no enthusiasm to add unnecessarily to statute law. Is the identification of jurors who have served published? Is there any access to the list of jurors who have served in trials, and are their names generally available?

The Hon. C.J. SUMNER: The list of jurors for the particular month is certainly available to counsel, lawyers and judges. I do not know that it is published publicly—I do not think that it is. Certainly no list is available of the names of jurors on individual trials. If one wants to find out who were the jurors on the trial, one would probably have to go there, hear the names as they were called from the jury pool and note who went up and sat on the jury. There is no easy way that a member of the public can get the name of people on the jury. There is no list of the 12 jurors who sat on a particular case.

Motion carried.

The following reason for disagreement to the House of Assembly's amendments Nos 2 and 3 was adopted:

Because the amendments are unnecessary for the purposes of the Bill.

STATUTES AMENDMENT (SENTENCING) BILL

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

Clause 13, page 4—After line 36—Insert new subsection as follows:

(1a) The Minister cannot exercise his or her powers under subsection (1) to waive performance of more than ten hours under the one bond or order.

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

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

As was previously argued when this matter was before the Council, this provision was inserted after consultation with the Correctional Services Department which envisaged that the general provision would apply in circumstances where the person performing community service had fallen ill or gained employment. The Minister already has powers to increase hours of community service in the event of a default. In the performance of a community service order the Minister also has powers in relation to variation or discharge of a bond. The amendment, which says that the Minister cannot exercise these powers of varying a community service order by waiving performance of more than 10 hours, is unnecessary as it would represent approximately only one week of community service and would thereby apply to a very small number of cases. The Government, and I think the Committee, should accept that these matters are more properly judged by the Minister on a case by case basis.

The Hon. K.T. GRIFFIN: I propose that the Committee should agree to the amendment. It is identical with an amendment that I moved but on which I was unsuccessful. I believe that the Minister, in the exercise of executive discretion, ought to be limited. It seemed to me that 10 hours under any bond or order should be the maximum that the Minister could remit. I indicated at the time that I was flexible whether it was 10, 15 or 20 hours or something like that. As the Bill is drafted, the Minister's jurisdiction can be extensive and relate not only to the smaller number of hours at the end of a period of community service but to a substantial proportion.

The Liberal Party's view is that, where there is to be a substantial variation from the court's original order, the court ought to make that decision. I notice in the House of Assembly that, in essence, that was the view supported by Mr M.J. Evans, the member for Elizabeth, who was concerned to ensure a limitation on the ability of the Executive Government to set aside sentences. I believe that the amendment ought to be accepted.

The Hon. I. GILFILLAN: I believe that the clause in the Bill is competent to deal with the circumstances. I do not see any point in being specific about putting a number in the Bill. It really implies that an errant Minister cannot be naughty enough to relieve or waive more hours than the Parliament, not knowing any of the individual cases, and decides it should not be waived. I think it comes from a conception which I reject, and I believe that it is too proscriptive in the way this clause is intended to operate.

Motion carried.

The following reason for disagreement was adopted:

Because it is inappropriate to limit the Minister's discretion.

GAMING MACHINES BILL

Adjourned debate in Committee (resumed on motion) on the House of Assembly's amendments.

(Continued from page 4738.)

The Hon. R.I. LUCAS: I obviously would not want it read into *Hansard*, but I wonder whether the Liquor Licensing Commissioner—through the Minister—is prepared to provide, perhaps later tonight or tomorrow, a list of the institutions or associations that currently hold general facility licences.

The Hon. ANNE LEVY: Does the honourable member mean a generalised grouping of those who have general facility licences, or does he mean the specific naming of each one?

The Hon. R.I. LUCAS: I am not sure about the confidentiality or otherwise of this information. However, if that information is part of the public record I would be looking for the individual names of the institutions—say, the University of Adelaide bar, the staff association at the University of Adelaide or at Flinders University. I am aware that there are some 100 to 200 general facility licences and I am also aware of the general nature of those licences held by, for example, the Strathmore, most of the hotels in Hindley Street, the Adelaide Festival Centre, the universities, football clubs and so on. But, there are some quirky ones too, as I understand it, such as at Tandanya. Also, I believe that various river boats and things like that have general facility licences. I would appreciate the Minister's providing a list of those licences.

The Hon. ANNE LEVY: I am very happy to make such a list available. I understand that it would be very difficult to provide it this evening, but it could certainly be made available by tomorrow.

The Hon. R.I. LUCAS: Prior to the dinner break I was asking some questions, using the University of Adelaide bar as an example. I do not really have any specific interest in

that bar, but was using it as an example. I want to clarify—again upon advice from the Liquor Licensing Commissioner—how he would interpret clause 15 (4) *(f)* of the Bill and, indeed, any other clauses, if he were to be faced with an application from the students' bar of the University of Adelaide, for example, for a gaming machine licence. I was asking questions, in particular, about character of the the premises. We established that the premises we are talking about are, in effect, the bar premises and not the educational premises of the University of Adelaide. We are actually talking about—

The Hon. Anne Levy: They don't have a licence.

The Hon. R.I. LUCAS: Exactly, so we are talking just about the bar. I think some could argue that the inside of the University of Adelaide bar in relation to recreation and social intercourse—to use the phrase of the Minister—and to drinking might not be too dissimilar to the character and layout of many of the other clubs throughout South Australia, that is, there is recreation, there is social intercourse and there is drinking.

I accept the view—and this is a weakness of all these things—that the current Liquor Licensing Commissioner, with whom we have no quarrel, may interpret it in one way and the Liquor Licensing Commissioner in 20 years time may well not have the same attitude to similar applications. However, I cannot question those Liquor Licensing Commissioners through the Minister. I am interested to know how the clauses will be interpreted if the Liquor Licensing Commissioner is faced with a specific example along the lines I have indicated.

The Hon. ANNE LEVY: With respect to any application for pokies from a body with a general facilities licence, the Liquor Licensing Commissioner tells me he would be looking at whether it was of a similar nature or character to clubs and pubs which have a gaming machine licence. For instance, with respect to the University of Adelaide bar, the Commissioner would take it that it was granted a general facility licence under the Liquor Licensing Act on the grounds of enabling tertiary educational institutions to provide adequately for the needs of students, staff and visitors. That is the reason it has a general facility licence. That would be different from that which would apply to other places with a general facility licence if their reasons for that licence were similar to those of clubs and pubs with a gaming machine licence. So, it is not just whether an institution has a general facility licence but the reasons for which it obtained a general facility licence that would be taken very much into account.

The Hon. T. CROTHERS: I speak as a person formerly well connected with the Adelaide and Flinders Universities Student Union bars. At the outset we have to acknowledge that quite a number of the members of the Australian Union of Students who frequent those bars are adults. We must further acknowledge that the rules of the Australian Union of Students, at both Adelaide and Flinders Universities, would permit that students union body to have a vote with respect to whether or not they would apply for a licence relevant to running gaming machines. It is then up to the Licensing Commissioner to determine what weight he or she puts on such an application. I would imagine that a vast majority of the students in a properly inaugurated vote relative to their faculty would take a decision to make the application. Given all the due processes of democracy that would and should apply, it would be difficult for the Licensing Commissioner—and I may be wrong about this—to find against that application.

I am very much reminded that all the takings that evolve from the student union bar and refectory are ploughed back into assisting students who are in need of such assistance. For example, I know that 60 or 70 students are employed on an average of 10 hours per week in that position, and they are mostly students whose parents do not have the wherewithal relative to ensuring that they can pass the due process of university study and ultimately gain on education and their degree. I, as an ordinary worker, would be fairly loath to see such a democratic process constrained by virtue of the fact that people may believe that Adelaide and Flinders Universities are absolutely different from any other club.

Whilst it is true that they have a general facilities licence now, it is equally true that, from their inception through their application for a general facilities licence, they have held a club licence and that they were very much masters and mistresses of their own destiny. I hope that we do not interfere in any way with this Bill with respect to the democratic processes that exist in the Australian Union of Students. In addition to that, I have heard the Hon. Mr Lucas make reference to the Murray River passenger carrying vessels. I understand that the Victorian Government has already agreed to make the inception of poker machines law in that State, and I am very much inclined of the view that, if those vessels were to be held, not to be capable of having such a licence, the only thing that would be affected and affected very badly would be the tourism industry in South Australia, particularly as that tourism industry relates to the employment of people in the Riverland towns of Berri, Renmark and Loxton.

I hope that again the Licensing Commission—and I have no way of telling this—would make those judgments on even perhaps wider issues that may well exist in a local sense than what may or may not exist in the metropolitan area of Adelaide or that which might exist in the rural townships of South Australia. As I said, unlike Robert Lucas I was not a student at the Adelaide University, but I pride myself on being a student of the university of adversity and the school of hard knocks, when I represented the union for eight oir nine years, with respect to dealing with a number of issues. Many of the students at university are mature age students and, as such, they would demand the right of us or, indeed, any other Parliament, to exercise their democratic rights relative to any process of decision-making that may or may not apply for a licence such as the one we are discussing.

I understand what the Hon. Mr Lucas is saying and it is commendable that he raises the matter, but that is on the one hand. On the other hand, we have the position that moneys raised by that body have always been utilised for the well-being of students who are not so well off that their parents can afford to keep them at university for the four or five years necessary for them to complete their degree. That question should be asked of the Licensing Commissioner, but I simply speak to widen the vistas of the question that the Hon. Mr Lucas directed to the Minister. Having said that, I hope I have done so.

The Hon. M.J. ELLIOTT: Without passing any judgment one way or the other, quite clearly, I must point out that, when the general facility licence was granted, it was at the discretion of the Licensing Commissioner at the time, and I know more than most in this place about that because I was a typical student witness who represented the student association when it applied for the licence. It was a matter of discretion and they had no idea whether or not they would get the licence. The Licensing Commissioner granted it.

The Hon. T. Crothers interjecting:

The Hon. M.J. ELLIOTT: The original licence, I should say. What is happening is that the discretion is being placed on the Licensing Commissioner and this Bill will allow the Commissioner to grant a licence for gaming machines, so one would have to accept that it is a likelihood in the longer term.

The Hon. R.I. LUCAS: Can the Minister indicate whether there has been a growing tendency in recent years for an increasing number of hotels, particularly, to take out general facility licences for a variety of reasons? Is it the view of the Licensing Commissioner or the Minister that such a trend is likely to continue in the coming years?

The Hon. ANNE LEVY: In recent times there has been a trend indicating an increasing number of applications for general facility licences but it is difficult to say whether or not that will continue. It is always at the discretion of the Licensing Court judge as to whether the licence is granted. In recent times most of the applications have been granted on the ground of their tourist potential. The relevant section of the Liquor Licensing Act is section 44 (1) *(a)* which states, 'to provide adequately for the needs of those attracted to premises that, in the opinion of the licensing authority, are or will prove to be a substantial tourist attraction'. It is on those grounds that the Licensing Court judge has used his discretion in granting a number of general facility licences.

The Hon. R.I. LUCAS: Does the Festival Centre have a general facility licence? Is the Minister able to indicate how 15 (4) *(f)* and other related provisions might be interpreted if the powers that be decide that the Festival Centre ought to have a designated area for gaming machines, and how might that be determined?

The Hon. ANNE LEVY: The Festival Theatre has been granted a general facility licence under section 44 (1) *(c)* of the Liquor Licensing Act which provides that a ground for having such a licence is to provide adequately for the needs of patrons of a cinema or other theatre at which cinematographic or theatrical entertainment of a high standard is provided. The Licensing Commissioner suggests that the purpose of a liquor licence is to provide for the needs associated with theatrical productions. In the case of the Festival Centre, gaming would have nothing to do with the provision of theatrical or cinematographic entertainment. The principal activity is 'theatrical' or 'cinematographic'. The general facility liquor licence is incidental to that, and there would be no reason or rationale for including gaming in that situation.

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

Page 2, line 37—After 'director' insert 'or a member of the governing body'.

Clause 3 (2) provides that for the purposes of this Act a person occupies a position of authority in a body corporate if he or she is a director of the body corporate, and certain other factors are also taken into consideration. It is all very well to refer to a director of a body corporate, but that does not apply to all bodies corporate. 'Director' would certainly be an appropriate description for a person on the board of a proprietary limited company, a public company or the Independent Gaming Corporation. That is a company limited by guarantee and, under the corporations law, the former Companies Code, 'director' is the appropriate description for a person on the board, but it is not an appropriate description for a person who is a member of the committee of management of an association incorporated under the Associations Incorporation Act.

There are many community clubs, in particular, that are incorporated under the Associations Incorporation Act. I think it is appropriate that not only directors of bodies corporate but also members of the governing body of a body corporate should be regarded as occupying a position of authority in a body corporate by virtue of that definition clause. Otherwise, it is quite likely that the control that the Liquor Licensing Commissioner would have over the membership of governing bodies would be limited. It is for that reason that I move this amendment. I suppose it is relevant also because there may be one or two cooperatives that may operate clubs. I do not know of any, but it is quite possible, and the description 'director' would not be appropriate in that case either, but 'a member of the governing body' would be. With the intention of widening the definition to ensure that all those in positions of directors or members of governing bodies are covered, I move the amendment.

The Hon. ANNE LEVY: Personally, I am happy to support the amendment. It strengthens the definition of the person in authority and it will cover club executives.

Amendment carried; clause as amended passed.

Clauses 4 and 5 passed.

Clause 6—'Procedural powers of the Commissioner.'

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

Page 4, line 2—After 'fine' insert 'or division 7 imprisonment'.

This is the first of a number of amendments that I have on file seeking to toughen up penalties and, rather than suggesting that this is a test case and that the others ought to follow automatically, I believe we ought to look at each amendment because in some instances there will be no dispute about imprisonment being an appropriate penalty in addition to a fine but, in other cases, there may be some dispute. I will deal with each amendment on its merits.

The Hon. Anne Levy interjecting:

The Hon. K.T. GRIFFIN: The Minister indicates that there is a measure of support for the amendments, but it is still appropriate to look at each one on its merits. Generally speaking, I sought to place the imprisonment penalty two levels below the fine penalty in divisional terms, except in one or two instances where they are on the same basis. This amendment relates to refusal to appear before the Commissioner after being served with a summons, refusing to produce equipment or other items, or books, papers or documents without reasonable excuse and refusing to be sworn or to answer any questions. A division 5 fine of $8 000 is appropriate but a six months period—division 7—ought to be an option to ensure that that is an adequate deterrent.

The Hon. ANNE LEVY: I certainly support the amendment.

Amendment carried; clause as amended passed.

Clause 7—'Conduct of proceedings.'

The Hon. DIANA LAIDLAW: Are the proceedings before the Commissioner held in public?

The Hon. ANNE LEVY: Yes.

The Hon. K.T. GRIFFIN: Is that by virtue of the operation of any specific provision in the Bill or just as a matter of an understanding that that is the way the Commissioner will do it?

The Hon. ANNE LEVY: The Liquor Licensing Court has always been an open court. While it may not be specifically mentioned, it would be taken that that practice would continue.

The Hon. K.T. GRIFFIN: While I do not disagree with that procedure, it may be that we will need to consider an amendment to that effect to ensure that it is open. I do not want to hold up consideration now. It may be that I will talk to Parliamentary Counsel and, if necessary, we can recommit to deal with that at the appropriate time. I would not like to see anyone take the point that it is not open by virtue of the fact that there is no specific provision, even though the Commissioner says that that is the way he deals

with liquor licensing matters. It may need to be specifically addressed.

Clause passed.

Clause 8—'Representation.'

The Hon. M.S. FELEPPA: I move:

Page 4, line 22—After 'by' insert—

'—

(a)

(b) by counsel.'

Under subclause (2), the Commissioner of Police might be represented by a member of the police, but it does not stipulate 'or by counsel'. I believe that, whilst members of the police might be well qualified to participate in such proceedings with some expertise, it is conceivable that occasions could arise on which the Commissioner of Police should be represented by counsel. I note from *Hansard* of 31 March 1992 that Mr Terry Groom moved that the word 'also' be inserted after the word 'may' in line 22, subclause (2), perhaps aiming to achieve the same thing I attempt to do with my amendment. Mr Groom's amendment was rejected, after some confusion, and the Minister (Hon. Frank Blevins) said on that occasion:

It appears to restrict the Commissioner to formal intervention.

He further stated:

I do not want to be restrictive to the Commissioner of Police in any way. I believe that we have given the Commissioner of Police the broadest possible powers to intervene and make representation, either in his own right or through counsel . . .

That interpretation is quite clear in subclause (1), and I believe that there should be the same clarity in subclause (2). Perhaps as final comment on this amendment, I cite the concern of the Police Commissioner in relation to this clause, as follows:

This clause enables parties to proceedings before the Liquor Licensing Commissioner to be represented in various ways, including by counsel. Clause 8 (2) ensures that the Commissioner of Police may be represented in proceedings before the Liquor Licensing Commissioner by a member of the police. I can envisage circumstances in which I would wish to be represented by counsel before the proceedings. It is not clear to me that I may do so, as I am not sure that I would be a party to the proceedings.

So, I do not think I need to say much more. All I am seeking is to have the word 'counsel' inserted in subclause (2). So, I commend the amendment to members.

The Hon. ANNE LEVY: I am sorry about the misunderstanding: I obviously have got an earlier version of the amendment, but the purport of the amendment is exactly the same as the earlier version as far as I am concerned and I am very happy to support it. It relates to an amendment to clause 40, which will be moved later and which I also wish to support.

The Hon. K.T. GRIFFIN: I do not have any difficulty with this. It puts beyond doubt that the Commissioner can be represented by either a member of the police force or council, and that is an appropriate method of representation.

Amendment carried; clause as amended passed.

Clause 9 passed.

Clause 10—'Appointment of inspectors.'

The Hon. K.T. GRIFFIN: This is a matter to which I did not address my mind specifically in terms of amendments and probably it is not necessary, but I presume from the way clause 10 is drafted that it is the Commissioner who actually appoints the inspector. Although I note that an inspector is a Public Service employee, and this might then bring that person under the jurisdiction of the Government Employment and Management Board, I do not think that board appoints; I think it is the Commissioner. Could the Minister just clarify that?

The Hon. ANNE LEVY: I understand that a person would be appointed to a position under the general provisions of the Public Service, but the Commissioner would specifically appoint the person as an inspector with the roles and duties of an inspector.

The Hon. DIANA LAIDLAW: Will the Minister advise how many inspectors it is anticipated the Commissioner will employ or what budget provisions are being made for that purpose? Is it to be their sole job or are these same people to be involved in other functions that are the responsibility of the Commissioner?

The Hon. ANNE LEVY: The Commissioner tells me that he has not as yet been able to work out the numbers required because it will depend on whether the legislation is passed and in what form. He would certainly want people with multi skills so that they would be able to perform their roles as inspectors under the Gaming Act and also undertake other responsibilities such as being inspectors under the Liquor Licensing Act. Obviously it would be more efficient for the one person to be an inspector under each Act and so be able to carry out inspections in relation to liquor licensing and gaming at the one location rather than have a liquor licensing inspector one week and a gaming inspector the next week.

The Hon. Diana Laidlaw: And two Government cars.

The Hon. ANNE LEVY: Indeed. Obviously, it is more efficient to have people with multi skills who can undertake more than one specific duty.

The Hon. DIANA LAIDLAW: In Queensland gaming machines were introduced in the past week. Is the Minister aware of what inspectorial role is undertaken there, in particular the number of inspectors who have been employed in that State? I understand that poker machines have been tremendously successful in the past week, but I am not aware of the number of machines there. What is the Minister's anticipated ratio of the number of inspectors to machines or premises licensed for this purpose? Is it anticipated that these inspectors will be paid out of general revenue or is it to be a self-funded service through licensing fees and inspectorial fees paid by the operators or holders of these licences?

The Hon. ANNE LEVY: With regard to the second question, I understand that the costs of the inspectorate will be made out of general revenue. We are not sure of all the details in Queensland, but it is known that the gaming division has a staff of about 70 people. However, in Queensland the gaming division and the liquor licensing division are entirely separate and have no relationship one to the other at all. From our viewpoint, that is a very inefficient means of running an inspectorate.

The Hon. M.J. ELLIOTT: Is there any estimate as to how many multi skilled inspectors we are likely to end up with?

The Hon. ANNE LEVY: As I indicated earlier, the Liquor Licensing Commissioner has not been able to estimate that at this stage. It will depend on the form of the legislation which is passed. Without knowing the details of the legislation it is impossible to work out.

The Hon. M.J. ELLIOTT: I noted from the Minister's response that there are 70 inspectors in Queensland.

The Hon. ANNE LEVY: They are not necessarily all inspectors.

The Hon. M.J. ELLIOTT: How many inspectors are there in the Adelaide Casino?

The Hon. ANNE LEVY: I understand there are 15 full-time inspectors in the Casino.

Clause passed.

Clause 11—'Authority may conduct inquiries.'

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

Page 5, after line 11—Insert new subclause as follows:

(3) The Minister must, within six sitting days of receiving a report under subsection (2), cause a copy of the report to be laid before each House of Parliament.

Clause 11 authorises the authority to conduct inquiries of its own motion and at the request of the Minister. Those inquiries are into *(a)* any aspect of the gaming machine industry; *(b)* any matter relating to the conduct of gaming operations pursuant to this Act; or *(c)* any aspect of the administration of this Act. Upon completion of an inquiry, whether of its own motion or at the request of the Minister, the authority must submit to the Minister a report of the inquiry and the findings, and any such report may include recommendations for legislative change or other action to be taken. It seems to me that it would be appropriate for such a report, when received by the Minister subsequently, to be tabled in the Parliament. I think that such inquiries are of interest to the community, particularly in relation to gaming operations under this legislation. For that reason I propose that within six days of receiving a report the Minister must cause a copy of the report to be laid before each House of Parliament.

Amendment carried; clause as amended passed.

Clause 12—'Powers and procedures of the authority upon an inquiry or appeal.'

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

Page 5, line 44—After 'fine' insert 'or division 7 imprisonment'.

This is one of the penalty provisions. Again, it is similar to the one that has already been—

The Hon. Anne Levy: I thought it was the penalty clause you were doing earlier.

The Hon. K.T. GRIFFIN: No.

The CHAIRMAN: It has gone through.

The Hon. Anne Levy: I thought you were talking to a completely different amendment.

The CHAIRMAN: I suggest that there be a recommittal of clause 11 at the end of the Committee. We are on clause 12 at present.

The Hon. K.T. GRIFFIN: I am sorry if the Minister could not interpret what I was saying, but it had no bearing on penalty.

The Hon. Anne Levy: I was trying to get a briefing.

The Hon. K.T. GRIFFIN: What I am now moving is the penalty provision, which is similar to the one which has been passed because it relates to failure to appear on a summons, to produce documents and papers, misbehaviour before the authority, refusing to be sworn or to answer any question, all in the presence of the authority. It seems to me that a penalty of imprisonment is necessary to ensure a reasonable level of compliance.

The Hon. ANNE LEVY: I support this amendment. Perhaps I can take this opportunity to indicate why I will oppose the amendment to clause 11 on its recommittal. There is no provision in the Casino legislation for the report of the Casino Supervisory Authority to be tabled in Parliament; it is merely presented to the Minister, and I think with very good reason. The report may contain confidential information from, say, the Commissioner of Police, who would not want such information to be freely available, because it could prevent the proper carrying out of his duties if certain information was made public; such confidential information would be better kept confidential. It is for this reason that the report of the Casino Supervisory Authority relating to the Casino is not tabled in Parliament. It is felt that the report of the Casino Supervisory Authority in relation to gaming machines should, likewise, not be presented to Parliament.

Amendment carried.

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

Page 6—

Lines 5 and 6—Leave out all words in these lines.

Lines 7 and 8—Leave out 'the ground that the answer would tend to incriminate him or her' and insert 'that ground'.

I am seeking to remove the provision in subclause (3) relating to legal professional privilege. There is some concern about requiring a person to answer questions, even if the answer would tend to incriminate, but the provision is one which has been followed in other legislation, such as the Corporations Law, the old Companies Code and various other legislation, where it is necessary to get information. If it does tend to incriminate, it will not to be admissible in civil or criminal proceedings if the objection is taken, but the answer is required to be given, and that may then provide the basis for further inquiries or even for action against some other party.

There is no great difficulty with that although, in writing to me on that provision, the Law Society was concerned about the inroads that were being made into the general principle that no person is required to answer questions which might tend to incriminate. I think the introduction of the legal professional privilege is likely to cause some difficulty. If one could provide that a person may be required to answer a question of the person in respect of whom the legal professional privilege applies, could be compelled to answer, that is a different matter from the lawyer being required to breach legal professional privilege.

It is possible that, where the solicitor is required to obtain access to information that is necessary for the purpose of advising a client, it might mean the breakdown in the framework of that solicitor/client relationship and ultimately prejudice the general operation of the law. If this information were required, it may even be information that may have been given to the lawyer as part of preparation of a defence. In those circumstances, in my view it would be quite improper and unreasonable for an authority to require that privilege to be overridden and answers to be given.

Generally speaking, that privilege is recognised throughout the law, even in taxation law, which these days is becoming more and more intrusive into citizens' rights. So, I do not think it would prejudice the operation of the Act if that general recognition of legal professional privilege were maintained in this law, as it is in the general law, and that no mandatory intrusion into that relationship were authorised by the legislation. It is for that reason that I move the amendment.

The Hon. ANNE LEVY: I oppose this amendment. While obviously the relationship between client and professional adviser is an important one, there are many occasions, say, with the medical profession, where the law stipulates that information must be provided. It is not a holy writ that can never be breached.

The Hon. K.T. Griffin interjecting:

The Hon. ANNE LEVY: There is an identical phrase to this in the Casino Act. We are dealing here with the Casino Supervisory Authority, which must have the power to have the widest possible inquiry and to inform itself as widely as possible in these matters. This is the same authority that we are dealing with—the Casino Supervisory Authority—and it would be anomalous to give it the power to have a very broad, far-ranging inquiry that can override professional privilege when dealing with the Casino but not for it to have that same power when dealing with gaming machines. It is surely desirable that the Casino Supervisory Authority should always have the widest possible power to obtain information that it deems necessary in investigating these matters.

The Hon. M.J. ELLIOTT: I will not support the amendment.

The Hon. DIANA LAIDLAW: The penalty of division 5 fines relates to subsection (3), does it?

The Hon. K.T. Griffin interjecting:

The Hon. DIANA LAIDLAW: Only to subsection (4). How is it intended that this be enforced?

The Hon. K.T. Griffin: Because it relates to subclause (3), which is related to subclause (2).

The Hon. DIANA LAIDLAW: And there is a division 5 fine plus imprisonment related to that.

The Hon. ANNE LEVY: There is a division 5 penalty in subsection (2).

The Hon. DIANA LAIDLAW: I would not want the lawyers to get away with anything, and I note the fact that the Hon. Mr Griffin has increased the fine for that section.

The Hon. K.T. GRIFFIN: With respect to the Minister, because the Casino Supervisory Authority has a special provision in the Casino Act, I do not think for the sake of consistency we ought necessarily have exactly the same provisions here. The point I will make is that this gaming machines legislation applies right across the State to a whole range of bodies which will be seeking legal professional advice in relation to what they can and cannot do. Throughout the law there has always been a recognition that, when giving legal advice as to what a person may or may not do, that is absolutely privileged. A lawyer may not be required to divulge that advice unless the client agrees.

The Hon. Anne Levy: They can. It is in the Casino Act.

The Hon. K.T. GRIFFIN: I am saying that this is across the board. I know that it is in the Casino Act. The point I want to make in relation to this Bill is that it is wide ranging across the State with respect to clubs and hotels and a whole range of facilities where people will be seeking advice. I still say it is inappropriate for this privilege to be infringed in the light of the special relationship of advising which has always been recognised in the law as a necessary protection, not just for the relationship between lawyer and client but for the client in dealing with agencies such as the Casino Supervisory Authority.

The Hon. R.I. LUCAS: It is a difficult area for a non-lawyer to speak on with any authority, but nevertheless—

The Hon. Anne Levy: It's never stopped you before.

The Hon. R.I. LUCAS: That's true, it has never stopped me before, so why now? As this is a conscience issue, I guess we cannot hide behind the Party's views on these issues. That is why it is such an interesting debate. I cannot recall this aspect of the debate in 1983, as we were deluged with protests about the general concept of the Casino, but we acted probably in general terms out of an excess of caution. We threw every protective device we could at the Bill to try to show we were attempting to keep out criminal elements and corruption.

At this stage, my view is that I will support this amendment. If in the future there is some indication that there is a problem in this area, obviously I am not set in concrete on the issue and, if there had to be amending legislation, I would not be too fussed about changing it. I accept the general premise put by the Hon. Mr Griffin that, in general terms, we do not do this. We did it in relation to the Casino because of the special nature of the Casino debate. If we have to do it in the future because there is a particular problem, I indicate that I will look at it favourably. However, at this stage, I indicate my support for the Hon. Mr Griffin's amendment.

The Hon. ANNE LEVY: I indicate my surprise. Numerous people have been saying that security for the Casino is one thing; security for pokies right across the State is a very different matter and is much harder to achieve. Here we have a suggestion which will make it weaker. There will not be the same degree of authority on the part of the Casino Supervisory Authority. Its powers are weaker for pokies across the whole State than they are for the Casino. It seems a contradiction in terms, and I suggest that the Committee should be consistent.

The Committee divided on the amendments:

Ayes (7)—The Hons. L.H. Davis, Peter Dunn, K.T. Griffin (teller), J.C. Irwin, R.I. Lucas, R.J. Ritson and J.F. Stefani.

Noes (13)—The Hons. T. Crothers, M.J. Elliott, M.S. Feleppa, I. Gilfillan, Diana Laidlaw, Anne Levy (teller), Bernice Pfitzner, Carolyn Pickles, R.R. Roberts, T.G. Roberts, C.J. Sumner, G. Weatherill and Barbara Wiese.

Majority of 6 for the Noes.

Amendments thus negatived.

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

Page 6, after line 19—Insert new subclause as follows:

(5a) The authority may sit at any time and in any place (including a place outside this State) and may adjourn its sittings from time to time and from place to place.

I want to ensure that the authority can sit at any time and in any place. I think that was probably implicit, but I want to ensure also that it can sit outside South Australia and can adjourn its sittings from time to time and from place to place. The gaming machine industry is nation-wide. It may be appropriate for the authority to sit interstate—

The Hon. M.J. Elliott: What about overseas?

The Hon. K.T. GRIFFIN: I think it should sit overseas, too, but that will add a complication because that will then need to depend upon the treaties that the Federal Government has with other countries. I did not think it was necessary to go that far and complicate it unnecessarily.

The Hon. M.J. Elliott: Doesn't that allow them?

The Hon. K.T. GRIFFIN: The honourable member is right, it does allow them to do that. However, I was thinking more of interstate than internationally. The committee would have problems sitting outside Australia in terms of compelling witnesses to attend. The authority to sit outside the State is important and it will enable the committee to take evidence if it needs to in relation to any matter.

The Hon. ANNE LEVY: I understand that Parliamentary Counsel's view is that the authority already has the ability to sit interstate, if it wishes, and to that extent the amendment by the Hon. Mr Griffin is superfluous. I neither oppose nor support it. I remind members that the authority would not be able to subpoena witnesses outside the State because its authority to do so applies only within South Australia.

The Hon. K.T. GRIFFIN: It is acknowledged that the power to compel witnesses and to compel the production of documents is not available to the authority outside this State in the absence of some special arrangement or complementary legislation interstate. The authority may well have power to sit interstate but I just think it ought to be put beyond doubt.

Amendment carried; clause as amended passed.

Clause 13—'Representation before the authority.'

The Hon. K.T. GRIFFIN: I do not intend to move the amendment on file because it does much the same as the Hon. Mr Feleppa's amendment, and that amendment is in a form that is consistent with an earlier amendment and, for the sake of consistency of drafting, it would be better to support his amendment, if he moves it.

The Hon. M.S. FELEPPA: I move:

Page 6, line 38—After 'by' insert—

'—

(a) a member of the Police Force;'.

After line 38, insert—

'or

(b) by counsel'.

These amendments are similar to one I moved to clause 8 and, for that reason, I think it is important that we consider them.

Amendments carried; clause as amended passed.

Clause 14 passed.

Clause 15—'Eligibility criteria.'

The Hon. K.T. GRIFFIN: Subclause (4) *(g)* provides that a gaming machine licence will not be granted unless the applicant for the licence satisfies the Commissioner that no proposed gaming area is so designed or situated that it would be likely to be a special attraction to minors. What sort of criteria will the Liquor Licensing Commissioner take into account in making that determination?

The Hon. ANNE LEVY: I take it that the sort of criterion the Liquor Licensing Commissioner would look at is whether the gaming area is so situated or projected as to appeal particularly to young people. For instance, one would not want it in the same area as pinball machines, or one could perhaps say that it should not be visible through a plate glass window at a bus stop—criteria which might make it look particularly attractive to minors.

The Hon. K.T. GRIFFIN: I suppose I can discern some direction from what the Minister has said. That is not a critical observation, but I can recognise that there is difficulty in describing the criteria that might be used. The clause uses the words 'special attraction' and so it is not just an attraction to minors. One could foresee that, if there were pinball machines and video type machines that were not gaming machines within the definition, that might be attractive to minors. It is a question whether it would be especially attractive to minors.

The words 'special attraction' seem to make it even more difficult for the Commissioner to say that these premises or this gaming area is so situated or so designed that it would be likely to be a special attraction. That is the difficulty I have in finding out how he is likely to make the assessment about special attraction to minors.

One could see that, if it were near a dining room and had a few flashing lights, it might be an attraction, but it might also be an attraction to 18 year olds as much as to 17 year olds and of course 12 year olds are a different matter. There will be different characteristics that might make it more attractive to 12 year olds and that would be obvious but, when we look at people of 16 and 17 years compared with those of 18 and 19 years, it might be more difficult to draw the conclusion that it is especially attractive to minors. I am trying to get a feel for how this is to be assessed or whether it is impossible to assess and therefore will be largely of no consequence in making the final decision.

The Hon. ANNE LEVY: The Commissioner suggests that any pokies placed in a dining area would certainly be especially attractive to minors who are likely to be in a dining area. Likewise, pokies in a disco which minors frequent often would again be regarded as being especially attractive to minors and so would not be appropriate. Each situation would have to be judged on its merits but, where one might expect to find a large number of minors and ancillary items that are attractive to minors, such as video games and pinball machines, it would be inappropriate to have gaming machines in that location.

The Hon. R.I. LUCAS: The question of access of minors to gaming areas, obviously, is a matter of community concern, as the Minister would appreciate. It is a concern to parents in the first instance, but also to the community in relation to the access of minors to licensed premises already. The difficulties of policing licensed premises in regard to under-age drinkers is a matter that has exercised the mind of many people for a long time, not just in South Australia. Will the Minister indicate, particularly in relation to some of the other provisions (and I note clause 53, for example), whether or not it is fair to say that the powers under this legislation are much more stringent and restrictive in relation to controls, restrictions and penalties regarding the access of minors to gaming areas, as opposed to current community concerns about under-age drinking, for example?

The Hon. ANNE LEVY: There is a considerable difference. It is legal for minors to be on licensed premises, although it is not legal for them to drink alcoholic beverages, whereas under this legislation it will be illegal for minors to be in a gaming area. Consequently, the gaming area is likely to be a side room off the bar. In consequence, it will be much easier to police than under-age drinking, because the very presence of minors in the gaming area will be illegal, without their actually touching a machine. It is much harder to catch minors actually drinking than just being present in the location.

The Hon. DIANA LAIDLAW: Clause 15 (4) provides:

> A gaming machine licence will not be granted unless the applicant for the licence satisfies the Commissioner, by such evidence as the Commissioner may require—
>
> *(a)* that the proposed gaming area, or gaming areas, within the premises in respect of which the licence is sought is or are suitable for the purpose;.

I should like some elaboration on what the Commissioner may require in terms of a premise or premises being suitable for that purpose. Also, in respect of paragraph *(d)* of that subclause, which provides that the conduct of the proposed gaming operation on the premise would be unlikely to result in undue offence, I am not too sure how the Liquor Licensing Commissioner intends to determine that—whether the undue offence, annoyance, disturbance or inconvenience to those who reside, work or worship in the vicinity of the premises will be determined in similar fashion to any extention to the liquor licensing hours.

I must admit that I have some interest in this matter, residing near the Old Lion Hotel. I have always appreciated that local residents have an opportunity to comment on an application for any extension to hours. Perhaps the Minister could explain how the Liquor Licensing Commissioner will determine whether I or others will be unduly offended or annoyed by these machines in a nearby premise.

The Hon. ANNE LEVY: With regard to the first question of the Hon. Ms Laidlaw, I am sure the Commissioner will be looking for a high standard of premise. They must be suitable premises of a decent standard; it is not a question of shoving a few pokies into an old lean-to out the back. The general standard and tone must be of a suitable—

The Hon. Diana Laidlaw: And secure.

The Hon. ANNE LEVY: Certainly, of a certain standard and secure, and that is very much what is meant there. The second question that the honourable member asked was in relation to causing annoyance and offence. Certainly, there will be provisions for community consultation and community objection; the Commissioner of Police would be consulted, so that the local police officers could indicate whether they felt that it would cause problems in the area, in the same way as they can give such opinions with regard to liquor licences; there would be investigations as to whether there was adequate car parking and proper provision of necessary facilities for patrons; and very definitely there would be an opportunity for nearby residents to state their point of view, as applies for liquor licences. So, there certainly would be opportunities for local residents to have their case put.

The Hon. DIANA LAIDLAW: Under the Liquor Licensing Act there have been occasions when residents in North Adelaide generally have protested about an extension of hours and, while the Parliament has provided for an extension of hours, residents have protested and the Commissioner has refused the application. Does the Minister envisage that there would be occasions when there would be such strong local community protest that the Commissioner may deem that it would cause such offence that he would not recommend the machines in that location?

The Hon. ANNE LEVY: Most definitely.

The Hon. R.I. LUCAS: Is there public advertising for notification of an application for gaming machine licences so that people may protest or complain? How is it advertised if it is done publicly?

The Hon. ANNE LEVY: That is in clause 27, which we have not come to yet.

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

Page 8, lines 14 to 20—Leave out subclause (5).

Subclause (5) is designed to provide an evenhanded approach to all those who might be eligible to be granted gaming machine licences. Whilst that may to these people be evenhanded, to the rest of the community that may have to put up with these premises with gaming machines installed, it is not much consolation. I would have thought that it is relevant to subclause (4) *(d)* that the Commissioner does have regard to the two factors contained in subclause (5). With one or two premises the conduct of gaming operations would not be likely to result in undue offence, annoyance, disturbance or inconvenience to those who reside, work or worship in the vicinity of the premises, but if there were half a dozen or more premises within the vicinity, all of which have gaming operations approved, it may be that the granting of the licences would result in undue offence, annoyance, disturbance or inconvenience. It is for that reason important that the Commissioner have regard to the proximity of premises in respect of which gaming licences are either applied for or held and the number of them in a particular locality.

As a matter of general principle, whilst each case is determined on its merits, it is important to have regard to the impact it will have generally (and not just in relation to subclause (4) *(d)*) on the community if there are a whole range of proposed gaming operations to be conducted in the area. Whilst that may detract from the evenhanded approach subclause (5) is designed to provide, I do not think that should be regarded as a major issue. The locality, numbers in the locality, the number of licences likely to be granted in the locality and the number of activities that will be associated with those gaming operations should all be considered so that the Commissioner can make a decision based on all the information which is relevant or which he is entitled to have before him.

The Hon. DIANA LAIDLAW: I am not inclined to support this amendment. One of my reasons for being so adamantly opposed to any involvement by the State Lotteries Commission has been its practice in the past of picking out establishments that it felt comfortable in supporting for having TAB or Club Keno. I have said in the past—I will not go through all the arguments again—that the manner in which it was dividing and ruling communities and determining which small businesses or commercial enterprises it would or would not support was a most offensive practice for any Government agency.

The comment made by the Hon. Mr Griffin about this being an even-handed approach is exactly why I have been supporting the Liquor Licensing Commissioner and the Hotels Association through the Independent Gaming Corporation. I believe that is what is being reflected by the Government in the Bill and through this amendment. I see that as being very important in terms of the operation of this Bill and gaming machines in this State. It is interesting to have these conscience debates in Parliament. When I got up to speak, it reminded me very much of a Party room meeting, at which the Hon. Mr Griffin and I have many discussions—

The Hon. K.T. Griffin interjecting:

The Hon. DIANA LAIDLAW: Well, we have many discussions on many matters, but usually they are behind closed doors. I am pleased that the Hon. Mr Griffin is concerned about the well-being of people around the Old Lion Hotel and other hotels in Adelaide and in suburban areas in particular. However, I was reassured that there will be public notification and input and the Commissioner will be taking note of that to the extent that he may even overrule an application on the degree of public response to the application.

The Hon. M.J. ELLIOTT: I think this might be the only amendment to limit poker machines that I shall oppose. I oppose it because it is patently unfair to businesses which are similar in every way if one gets machines first and the other is denied the machines. We need to recognise that the customers for such businesses are fairly mobile anyway, so I am not sure that proximity is important. Any fears that we might have had about the impact on a neighbourhood would not be any greater than a hotel would have in any case.

The Hon. Diana Laidlaw: Hotels or clubs.

The Hon. M.J. ELLIOTT: Hotels or clubs. More importantly, it is the numbers of customers and the time that they leave; it is not necessarily related to the machines. The only risk to the neighbourhood is if we end up with a few clubs which get very big because they have large numbers of poker machines. We shall perhaps have an opportunity to address that issue on clause 16. As I said, this is probably the one amendment which might have some tendency to limit poker machines that I shall oppose, but I do so on the basis of fairness between hotels and clubs which are competing with each other and which, in other ways, are operating on equal terms.

The Hon. BARBARA WIESE: I want to record my opposition to this amendment as well. I feel very strongly that the even-handed approach that this Bill provides should be maintained. It is very important that all hotels and clubs wishing to participate in the provision of gaming machines for their patrons should be allowed to do so. I take the point raised by the Hon. Ms Laidlaw: that it was largely for the reason that the Lotteries Commission has not taken an even-handed approach in determining which premises around the State will have access to such things as Club Keno and other games that the industry has taken such a strong stand in wanting to ensure that the Liquor Licensing Commissioner and the Independent Gaming Corporation should be the framework around which this legislation would work.

I think it would be undesirable for there to be introduced now an element of decision making which would take away the right of free competition amongst the various hotels and clubs around the State. I believe that market forces will ultimately determine the number of machines that exist around the State and the level of gaming that is undertaken, and will also determine which hotels and clubs will choose to take up the rights that they have under this legislation. I feel very strongly that this aspect of the Bill's provisions should be strongly supported and maintained.

The Hon. BERNICE PFITZNER: I support the amendment, because I think this institution of pokies is not just an ordinary business; it is something very special and, as such, I think that the more monitoring restrictions there are on it, the better the initial outcome will be. If we do not have an overall view, we will not be able to achieve subclause (4) *(d)*, relating to undue offence, annoyance and disturbances. Although we might like to be even-handed, we are not dealing with a newsagent or a public library: it is a very serious proposal which we are putting forth. I support the amendment.

The Hon. R.I. LUCAS: I indicate my opposition to the amendment for the reasons which I think have been substantially given by an unusual collection of members of the Chamber, including the Hon. Mr Elliott on this occasion. The only additional point I would make relates to one of the interviews I saw with the licensee of, I think, the Feathers Hotel and a variety of other hotels, on the *7.30 Report*. That particular licensee made the point that whether he would have gaming machines in his hotel would be very much dependent on what other hotels did in his area.

I think the argument was that, if other hotels such as the Marryatville Hotel in that area were to go down the gaming machines path, the licensee of the Feathers Hotel may well take the view that a certain section of the market might like to go to a hotel which did not have gaming machines. Perhaps the Hon. Mr Griffin, the Hon. Mr Elliott and others might like to go to hotels without gaming machines. I think that backs the point which the Minister has just made that, to a degree, market forces will wrinkle this one out, and some licensees will decide not to go down the path, because they will do the sums and make the judgment that it is not viable. Nevertheless, the Quirke amendment, as it was originally, is deserving of support, and I therefore oppose the proposed deletion.

The Hon. ANNE LEVY: To complete the record, I also oppose the amendment, for the same reasons that have been so eloquently expressed by the Hon. Mr Lucas, the Hon. Ms Laidlaw, the Hon. Ms Wiese and the Hon. Mr Elliott.

The Committee divided on the amendment:

Ayes (6)—The Hons L.H. Davis, Peter Dunn, K.T. Griffin (teller), Bernice Pfitzner, R.J. Ritson and J.F. Stefani.

Noes (14)—The Hons T. Crothers, M.J. Elliott, M.S. Feleppa, I. Gilfillan, J.C. Irwin, Diana Laidlaw, Anne Levy (teller), R.I. Lucas, Carolyn Pickles, R.R. Roberts, T.G. Roberts, C.J. Sumner, G. Weatherill and Barbara Wiese.

Majority of 8 for the Noes.

Amendment thus negatived; clause passed.

Clause 16—'Maximum number of gaming machines per licence.'

The Hon. G. WEATHERILL: I move:

Page 8, Line 23—Leave out '100' and insert '40'.

The figure 100 is too high at this stage. If in the future—

An honourable member interjecting:

The PRESIDENT: Order!

The Hon. G. WEATHERILL: The honourable member interjects every time I stand up. If anyone speaks while he is on his feet he seems to get quite upset about it. I am getting upset because every time I get to my feet he does the same thing. I am trying to reduce the figure from 100 to 40. The reason I am suggesting that is that a lot of damage would be done to hotels in this State—and I am referring to small businesses that employ a lot of people. Many people in this place seem to forget that. For the past several years in this place I have listened to arguments from the other side and from the Democrats about small businesses and how we should look after them. If one considers how some people have voted tonight it is absolutely incredible that they have the nerve to come into this place and rave on about small businesses. The hotel industry is one of the largest small business employers in this State. I believe the figure should be reduced to 40; that is a fair figure. In addition, any time after that—and I think it will be some time before we get to that stage—if required, they can apply for an increase in that number.

The Hon. M.J. ELLIOTT: I have a similar amendment on file, but am suggesting 30 as the upper limit rather than 40, for sentiments similar to those of the Hon. Mr Weatherill. During the second reading debate I stated my concern that, whilst the motivation of the Hotel and Hospitality Industry Association was that it sought to find an extra income for businesses that were struggling, there was a very real risk that in the future a couple of hotels and clubs would do extremely well out of it and a number of others would end up being hurt, which might ultimately lead to their demise. The size of the operation of some hotels and clubs, with large numbers of machines operating, is the very thing that will divert the leisure dollar away from one business to another. One might say that that is the way of the world, but, if we are willing to leave 100 as the maximum number of machines allowed into a place, we need to recognise that that ultimately will be the death knell for some of the small businesses that theoretically this Bill is supposed to be helping. I believe that the figure of 30 is not unreasonable for any club or hotel to have as its maximum number of machines. It will be a nice little earner for them, to paraphrase a well-known television figure, and I hope that members give serious consideration to this amendment.

The Hon. ANNE LEVY: I oppose both amendments and think that 100, which was inserted into the Bill in another place, is eminently reasonable. I appreciate that the intention is to prevent the establishment of mini casinos. However, to have limits like this could, in the longer term, inhibit the development of the gaming machine industry in this State.

The Hon. M.J. Elliott: I thought we were helping the hotel industry, not the gaming machine industry.

The CHAIRMAN: Order!

Members interjecting:

The Hon. ANNE LEVY: Certainly it has taken off in Queensland. In the short time it has been available there, it has been very popular indeed. We need to look at the situation in other States. In New South Wales there are large clubs that have up to 1 500 pokies operating. If anyone has ever visited these institutions—and 'institutions' is all one can call them—they would agree they are really huge places. One can appreciate the fact that many people in this State would feel it undesirable to have numbers like that. I point out that the Adelaide Casino has 750 video gaming machines at present. I am sure that many members would have seen the set-up in the Casino. It is certainly a large room but it does not in any way overwhelm the Casino. By comparison, the 100 is quite a small number as a maximum limit. Perhaps members are not aware that, for some reason, the Victorian legislation has set a limit of 105 machines per venue.

The Hon. R.J. Ritson interjecting:

The CHAIRMAN: Order! The honourable Minister.

The Hon. ANNE LEVY: There is a limit of 105 on premises in Victoria. Victoria has passed its legislation. No pokies are yet operating in that State, but I am also told that the plans for Victoria are to start the pokies along the

South Australian border. Victoria will start its pokies in the South-East and up near the Riverland. So, we do need to be aware of what is happening very close to our borders. In the light of those facts and figures from around Australia, a limit of 100 machines on premises in South Australia is very reasonable. The market will determine whether all such premises have 100 machines. It may well be that premises will have five or six, but the market will determine it, and I would have thought that those who are in favour of free enterprise would support that proposition.

The Hon. T. CROTHERS: After some considerable consideration, I rise to oppose the Hon. George Weatherill's amendment. In so doing, I would like to draw to the attention of the Committee those matters which are in my mind and which leave me with a good knowledge of the industry—much better than that of Mr Weatherill—that would lead me to oppose his amendment of 40 machines per outlet. I recall much better than he the position with respect to community hotels. For instance, the Berri Community Hotel employs over 100 of my union's members. Is the Hon. Mr Weatherill saying that the hotel can have only 40 machines when the Loxton Hotel, which is over the river and which employs some 30 or 40, equally can have 40 machines? I think not.

The Licensing Commissioner must decide how many people are employed in each hotel or club which applies for a licence. Who can deny or defy that the Renmark Hotel employs some 80 people, that the Berri Hotel employs some 100 people and that all the other community hotels, whether they be in the Riverland, at Murray Bridge or on the West Coast in the lands of the Hon. Mr Dunn, employ numerous people? South Australia is very unique in respect of the number of community hotels that hold licences. They are unique simply because, at the turn of this century and before, the number of people who, if you like, were democratic socialistic in their outlook were determined that the Government would set up entities such as Loxton and other places which, unfortunately, failed as they did in the inland and southern areas of South America.

The position to me is quite clear: the other place has determined that there ought to be a limit of 100 machines—no more than that. The Hon. Mr Weatherill's position is equally quite clear, that is, there should be no more than 40 machines in each area that applies for a licence. In so far as the Hon. Mr Weatherill is concerned, the difference is that, if there is a position that 100 machines can be gainsaid and other elements of that pre-positioning can have only 40 machines, it is almost like ensuring that a person will not be playing on the same level playing field or, if they do, that person will have one arm and one leg. I do not think that is what this Chamber is about.

This Chamber is about ensuring that everyone will comply with the Bill and will involve themselves as participants on an even playing field. I do not think that the Hon. Mr Weatherill's proposal for 40 machines per application does that. I do not think for one moment it does that; nor do other members think that. It is just a figurative approach which is no different from the figurative approach of 100 machines. The Hon. Mr Weatherill might say, 'Well, you are not right, Trevor Crothers.' If a licensee has had the wherewithal and the right to carry on in garnering his licence—because he can afford the money to do so—he will be able to afford 100 machines, whereas a person or an entity who cannot afford more than 40 machines will be better off as an entity than that which is the *force majeure* for a person who can afford 100 machines. I do not agree with that.

If people want to ensure that their capacity to buy machines is better than 40 machines per unit of exposure, they will be no different from people who want to show that unit of exposure for machines, or from those who carry the capacity not only of obtaining but purchasing the 100 machines that are allowed in the Bill from the other House. That will be the effect if the Committee carries this amendment. I do not think it is trite for me to suggest that, if the Committee carries the amendment that has been moved by George Weatherill to lower the number of machines from 100 to 40, we will carry what George Weatherill fears most, and that is that anyone can put up the money for 40 machines. I believe that the fact that we have 40 machines in place tells us that it will be only those people who have thought the matter through and who have been in the business for a very long time who will manage to secure the rectitude required by the Licensing Commissioner. I think that is the case rather than *vice versa*. Those people who can only afford to purchase 100 machines or more rather than those who can afford to purchase only 40 machines or less would act to the betterment of the industry and not to its detriment. It is my view that, if the number is reduced to 40 machines or less, it will create a position that will act to the detriment of the industry, whereas if the number is held at 100 machines, as has been suggested by the Lower House, you would ensure—

The CHAIRMAN: Order! The honourable member is going around in circles. He is being very repetitive.

The Hon. T. CROTHERS: I do not know whether that is a point of order, but I will listen to your repetitive nature, Mr Chairman. In conclusion, I wish to say—and I hope that other members due to your interjection, Mr Chairman, did not miss out on what I had to say—that people who want to purchase 100 machines have to be much more secure financially than those who want to purchase 40 machines or less. I hope that my repetitiveness, as indicated by you, Mr Chairman, would by dint of commonsense involve all other members of this Chamber apart from myself.

The Hon. G. WEATHERILL: I am not insisting that a hotel, whether it be the Berri Hotel or the Loxton Hotel or any hotel in that area, has to take on 40 machines. Some hotels might apply for only two machines. I am saying that the starting figure should be 40 machines and, if necessary, that could be increased at a later date to, say, 200 machines if they are required and if members of this Parliament approve such an application.

It was interesting to hear what the Minister had to say about the situation in Victoria. In Victoria 105 machines are being requested as a maximum. We are asking for 100 machines as a maximum. There are 1.5 million people in South Australia, whereas Victoria has 4.5 million people. We cannot compare ourselves with Victoria or New South Wales. Let us look at the situation in New South Wales. How many pubs do you see in New South Wales? They have all closed down because of the number of machines in the clubs in that State.

That is what will happen here. The clubs will get 100 machines straight away or as soon as they possibly can. They will have these machines in the hotels, which employ a lot of people in South Australia, and they will kill them stone dead because the people will be more attracted to go there, just like we see in this State when people visit from interstate. Over the past two weeks the queues have stretched from the Casino door past the railway station. It is rubbish to say that people do not want poker machines; of course they want them. I am saying that we should start with 40 machines. If they want 50, 60 or 130 machines, let them

apply for them later, but let us not start off with too high a figure at this stage.

The Hon. DIANA LAIDLAW: I support the amendment moved by the Hon. Mr Weatherill. With respect, the longer Mr Crothers spoke the less convincing I felt his argument. He has been more forceful, more colourful and more articulate on other occasions. I feel it is important to look at the experience in New South Wales where clubs have had poker machines for, I understand, 33 years. There are 1 500 so-called pokie clubs in New South Wales and, of that number, 1 241 have fewer than 50 machines. By far the greatest majority over that period of time have determined that 50 machines is the maximum which they can afford and which the communities can accept. When one again looks at the population and tourism figures, one sees that there is just no question that New South Wales outscores South Australia in every instance. Therefore, I feel that the limit of 40 is eminently reasonable as a starting point for this new initiative in South Australia.

It is an initiative that has divided our community. Every member would be aware of the representations both for and against this issue and I feel that, if we start from a more limited number, we can see how they are accepted and the position can be reassessed if there is a need and a demand, but I suspect that there will be neither the need nor the demand, other than possibly by the Government for more Government revenue from these machines. I support the amendment.

The Hon. K.T. GRIFFIN: I am all in favour of reducing the total number, but for different reasons. The Hon. Mr Weatherill hinted at least that on this side with some of the voting we were anti-small business, and I take exception to that, because I do not regard this as being pro-small business or anti-small business legislation. One of the arguments against the Lotteries Commission being involved in gaming machines is that, with things like Club Keno, hotels are making losses, and they do not want a repeat of that with gaming machines if the legislation should get through. No-one can argue that this is necessarily pro business or anti business. In any event, I think there is a bigger issue involved in dealing with this legislation.

I believe the maximum number of machines ought to be reduced. If it happens to help hotels, as the Hon. Mr Weatherill suggests, well and good, and that is another advantage. There is not much difference between 30 or 40 and, in all the circumstances and hopefully to short-circuit things, I am happy to support 40.

The Hon. R.I. LUCAS: I must say that I was genuinely undecided and a bit wobbly before the debate, but the contribution of the Hon. Mr Crothers has tipped me over the edge, and I am right behind him: I will support the 100 machines limit. Given that the amendment was drawn up by the Premier in another place and given that he has not had too many victories in recent years (I suspect that he may not have one in this case), I will support the amendment. The argument that was put in another place and put in part in this Chamber makes sense to me.

The Minister and others have referred to the limits in Victoria and New South Wales. In New South Wales it is unlimited, and we talk about 1 500. In Queensland, there is a distinction between clubs and pubs, and the limit for clubs is 250. That is the most recent. It is the State most similar in population to South Australia. Queensland has a restrictive number for hotels, that is, 10. In the argument put by the Premier in another place, he settled on the figure of 100. At the Casino we have 750 or 800 machines so, if we are talking about 100, we are talking about just over 10 per cent of the number of machines that exist in the Casino. If we are talking about 30 or 40 machines, as per the amendments of the Hon. Mr Elliott and the Hon. Mr Weatherill, we are talking about 3 per cent or 4 per cent of the number of machines, and the size of the gaming machine area, in the Casino.

It is really a very restrictive number, and I am certainly not attracted to that position. The market will sort out a good part of this. I cannot see too many clubs or pubs in the early stages being able to put up $1 million plus for 100 machines—to purchase the machines, prepare the area and train the staff. I am not a supporter of the Port Adelaide Football Club but, if that club or the South Australian Jockey Club, for example, were to be successful in gaining gaming machines, had areas designated for gaming machines and wanted 100 gaming machines, I do not intend to stand in their way if the legislation is successful. For those reasons and, as I said, because of the contribution of the Hon. Trevor Crothers, I indicate my support for the proposition of 100 machines and my opposition to the amendment.

The Hon. BARBARA WIESE: I oppose both these amendments. My preferred position was that which was provided by the Bill as introduced in another place. I do not see any need for limits to be placed on the number of machines. I agree with the comments that have been made by the Hon. Mr Lucas that, to a large extent, the market will determine the number of machines in South Australia. I also agree with the Hon. Ms Laidlaw when she says that the community at this stage is taking a fairly cautious approach to this matter. I believe that that will also be reflected in the approach taken by the operators of hotels and clubs in South Australia.

They will test the water, they will test the market, in determining how many machines they want to introduce in their various premises and, of course, numbers also will naturally be determined according to what individual premises can afford. It seems to me that limits are not necessary, but there was an amendment that was successful in the other place to limit the numbers in South Australia to 100. That seems to me to be a reasonable figure if there is to be a limit placed upon the number of machines.

I say that bearing in mind that, if I recall correctly, in New South Wales about 90 per cent of premises have fewer than 100 machines, and the machines have been in the marketplace for many decades. I feel that the Bill as it has arrived in this Chamber is quite acceptable as it stands and, therefore, I oppose both amendments.

The Hon. R.R. ROBERTS: I support the amendment of the Hon. George Weatherill. I see the 40 as an establishment figure only. There are a number of attractions in that there is undoubtedly, amongst a significant proportion of the community, a great deal of concern about the introduction of gaming machines. I see the setting of an upper limit at a reasonably high level as giving some people who have access to finance a springboard start in the race to establish gaming machines.

Another consideration that I feel is important is that we are talking about establishing a new industry involving a whole range of different people who want access to that industry. We have the chain hotels that have access to finance and the small company pubs that do not have the same level of finance available, and what we would be doing by setting an upper limit of 40 would be enforcing some caution on the marketplace so that people would be forced to resist the temptation to rush out and spend money on 100 or 200 machines.

It also gives the people in charge of monitoring the system the opportunity to do a bit of crawling before they start to walk or run. So, I think the proposition of an establishment

figure of 40 is reasonable. I personally would expect to be guided by the Casino Supervisory Authority and the Liquor Licensing Commissioner (although probably more by the Liquor Licensing Commissioner in this case), to advise the Government of the position in the industry and to give some advice whether particular times are right to allow these limits to increase. For those reasons, I support the amendment.

The Hon. M.J. ELLIOTT: The Hon. Mr Roberts has hit the nail right on the head. The Hon. Ms Wiese is correct in so far as she said that the vast majority of hotels will be very cautious and it would have involved a significant amendment, but that very caution to many could also be highly dangerous because I think it is fairly predictable that certain major sporting clubs and certain major hotels, particularly the cashed up chains, will do exactly what the Hon. Mr Roberts said. Given the chance, they will go straight to the maximum number immediately and will establish themselves in a prominent position and get a cash flow that sets them up so that they would be in a position to take advantage of any further movement. In any event, I would argue that they would largely corner the market and create the sorts of problems suggested. Even those who believe ultimately that a higher number is suitable may consider that to start with a lower number that allows for more reasonable entry by a lot of players is fairer and better in the long run and will probably have fewer ramifications throughout the hotel and hospitality industry than something that allows cashed up groups to take early advantage of the situation.

The Hon. BERNICE PFITZNER: This is a new industry and as such it gives me great concern that we talk about the numbers being reasonable and sounding right and about right, but to me we do not seem to have any figures about whether it is viable and whether there are any economic feasibility studies. How do we judge 100 or 30? Do we judge it by population—by the people around? I do not seem to have any indication or criterion of which numbers to go for. It is a new industry, with potential to destroy if not restricted and with firm guidelines. We talk about the market forces but we do not know how market forces will work, because it is a new industry. We might start with 100 and then not be able to utilise them. How can we sell these machines again and decrease the number to 30 or 40? We do not know all these figures and nobody seems to have worked them out; we can only compare with the larger States. I support a lesser number of 30 or 40.

The Hon. T. CROTHERS: We have all forgotten that which we debated earlier today and which was carried in favour of those who supported the fact that the Liquor Licensing Commission would be the commission that would make the determination on poker machines. It is not hard to forget these matters. It is not amazing to me, when I understand that people want to push a particular point of view. The effects are that it will be the Liquor Licensing Commission, subject to the review of the Casino authority, that in my view (and I may be wrong) will determine not only where machines will go but what their number will be. I may be wrong in that: I do not think I am. I think I am quite right that that will be the determining factor. I hear my colleagues on this side and my colleagues on the opposite side telling me for differing reasons why they oppose the Weatherill amendment and why as in most cases they support it.

The position really is this: if we have a situation of where the Act allows the Liquor Licensing Commission to grant 100 machines, that is what we have got. It can also grant 30, 45 or 50 machines, but if we want this Bill to be enacted in a maximum and proper way, we must allow the maximum capacity for that to happen. That is not 30 or 40 machines but 100 machines. That does not mean that everyone will get 100 machines but that everyone will get the number of machines that the Licensing Commission deems appropriate.

I will go back again, for those who do not know the industry, to the hotels in the Riverland run by the community. I refer to the community hotels in Berri, Renmark, Loxton, Barmera, Ceduna and Murray Bridge. I could keep going. Such hotels hand back profit to the community in which they operate. What will we do with respect to Berri where the Berri Community Hotel will, if this amendment is carried, be allowed a total of 40 machines?

The Hon. R.I. Lucas interjecting:

The Hon. T. CROTHERS: I will pretend that I did not hear the honourable member formerly from the South-East. Other hotels will be allowed and permitted to have 40 machines also, but the Berri hotel employs over 100 people. The Murray Bridge hotel—which as a community hotel and would be allowed 40 machines if this amendment is carried—employs 35 people, and that is one of the problems confronting us. How gracious would we be if we agreed with the Weatherill amendment? How correct or exact would we be if we supported the Bill as it has come up from the Lower House allowing for 100 machines? If we allow for 100 machines we will allow for the position put by the supporters of the 40 machines, namely, if it is not right let us fix it up later. Let us make it 100 and, if that is not right, let us err on the side of being divine about the matter and fix up the number of 100 if it is not right.

The Committee divided on the amendment:

Ayes (13)—The Hons L.H. Davis, Peter Dunn, M.J. Elliott, M.S. Feleppa, I. Gilfillan, K.T. Griffin, J.C. Irwin, Diana Laidlaw, Bernice Pfitzner, R.J. Ritson, R.R. Roberts, J.F. Stefani and G. Weatherill (teller).

Noes (7)—The Hons T. Crothers, Anne Levy (teller), R.I. Lucas, Carolyn Pickles, T.G. Roberts, C.J. Sumner and Barbara Wiese.

Majority of 6 for the Ayes.

Amendment thus carried.

The Hon. G. WEATHERILL: I move:

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Line 27—Leave out '100' and insert '40'.

Line 30—Leave out '100' and insert '40'.

Amendments carried; clause as amended passed.

Progress reported; Committee to sit again.

ADJOURNMENT

At 12 midnight the Council adjourned until Wednesday 6 May at 11 a.m.