

## LEGISLATIVE COUNCIL

Wednesday 21 October 1992

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

### LEGISLATIVE REVIEW COMMITTEE

The **Hon. M.S. FELEPPA**: I lay on the table the twentieth report 1992 of the Legislative Review Committee.

### STAMP DUTIES

The **Hon. C.J. SUMNER (Attorney-General)**: I seek leave to table a ministerial statement given in another place by the Treasurer on the subject of stamp duty.

Leave granted.

## QUESTIONS

### CREDIT CARDS

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

Leave granted.

The **Hon. K.T. GRIFFIN**: In her answer to a question last week by the Hon. Robert Lucas on this subject of credit card fees, the Minister said she was happy to consider the question of a small up-front fee for credit cards provided that it is linked with a drop in interest rates on credit card balances and provided that there is agreement among all Consumer Affairs Ministers. Today's report of the Prices Surveillance Authority recommendation quotes the Federal Treasurer as calling for State Ministers to meet urgently to settle uniform legislation, otherwise the Commonwealth will consider acting unilaterally. The report also indicates that when the matter came before the last meeting of the Standing Committee of Consumer Affairs Ministers, both Western Australia and Queensland opposed credit card fees. Of course, the difficulty with the Federal Treasurer's proposition is that if he is referring to uniform credit legislation that legislation deals with other controversial issues as well as credit card fees and it may be that this issue will still not be resolved for some time. My questions to the Minister are:

1. Is she able to clarify whether or not South Australia supported credit card fees when the issue was last before the Standing Committee of Consumer Affairs Ministers?

2. In the light of the Prices Surveillance Authority report, can the Minister say whether or not she will now support the charging of fees on credit cards?

3. Can she indicate when she would expect the issue to be resolved, and if there is any plan for Ministers to meet urgently?

4. If fees on credit cards are allowed by legislation, does she yet have any information as to how that is going to be linked with a drop in interest rates on credit card

balances, or is it a matter for the market to determine once the fees have been permitted?

The **Hon. ANNE LEVY**: As I understand it, at the last couple of meetings of Consumer Affairs Ministers the position was taken by all Ministers that they would be happy to consider up-front fees for credit cards provided that there was a substantial drop in interest rates charged on credit cards. South Australia has taken that position. It was at a meeting of the Consumer Affairs Ministers earlier this year that a request was made to the Federal Treasurer to ask the Prices Surveillance Authority to look at this matter, and it was hoped that, given his knowledge of the banks and other credit organisations, he would be able to provide information as to what drop in interest rates could be expected for what up-front fee.

I have seen several media reports that suggest a 2 per cent drop in interest for every \$10 of an up-front fee, but I am unaware of any information on which that linkage is based. I was very much hoping that the report of the Prices Surveillance Authority, even if not making any recommendations, would at least provide information in this regard. I have not yet been able to obtain a copy of the report from the Prices Surveillance Authority, but I understand that the report does not contain these sorts of figures, which was something I was hoping would be there in order that evaluations could be made to quantify the principles that have already been enunciated.

That was and remains the position of the South Australian Minister. As to when this matter will be resolved, I cannot give any definite date. Certainly, there are suggestions that the next meeting of Consumer Affairs Ministers should be brought forward. It is not due to take place until the middle of next year, but I would support any moves by the Chair of the next meeting of the Ministers (the New South Wales Minister) to have a meeting long before that time. Without wanting to put a specific time on it, because obviously it will depend on commitments of Ministers, I would support any move to have a meeting of Consumer Affairs Ministers to discuss this matter in the very near future. As I say, the initiative in this regard lies with the New South Wales Minister.

The **Hon. K.T. Griffin**: Are we making that known to the New South Wales Minister?

The **Hon. ANNE LEVY**: Yes, there have been various press comments by Consumer Affairs Ministers from around the country. This morning the New South Wales Minister is reported in the press as indicating that she would like a meeting of Ministers in the near future, and I have indicated to the press that I would be very happy to be part of such a meeting at the earliest opportunity.

The final technical question that the honourable member raised is perhaps harder to give a response to, but obviously it could be done through legislation by using some formula. I am not suggesting that legislation should state what an interest rate should be, because then, in a time of falling interest rates such as we have at the moment, it could be very much to the detriment of consumers to fix an interest rate in legislation. But it could, I presume, be some sort of formula that links various market interest rates and I presume that such a formula could be dreamed up. I am not saying I am necessarily wedded to that as a concept but there certainly are means by which this could be done. It is

important to note that discussions on uniform credit legislation have been going on for about seven years.

**The Hon. C.J. Sumner:** Twenty.

**The Hon. ANNE LEVY:** Twenty years, I beg your pardon. Since I have become Minister I have only chased it back seven years; obviously I have a lot more chasing to do. I can understand the frustration of certain people who feel, be it seven or 20 years, that far too much time has elapsed since this matter was first raised. I would certainly hope that uniform credit legislation could be achieved. The question of credit cards is, of course, not the only matter that needs to be resolved before uniform credit legislation can be agreed by all States. While many issues have been resolved, there are several other issues relating to credit on which agreement has not yet been reached, and obviously before uniform credit legislation could be achieved it would not just be the question of credit cards which would have to be resolved.

As to the Federal Treasurer's comments that the Federal Government could force this on the States, while one can see the reasoning behind his comments, it would certainly not be able to solve all the problems immediately. It would require legislation through the Federal Parliament and, as we know, that is not the sort of thing that can be achieved in five minutes. It would take time. Furthermore, the Commonwealth jurisdiction does not extend to State Banks, for instance, so while it would achieve greater uniformity than exists at the moment it could not achieve complete uniformity throughout the country, as State Banks are not able to be legislated for by the Commonwealth Government. So, while Federal legislation could bring about such changes, it could not bring about the complete uniformity that some people seem to think it could achieve.

This is obviously a very complicated issue. I certainly hope that it can be resolved before long and that agreement can be reached between the States. I reiterate that I am happy to meet with other Ministers whenever such a meeting is called. The guiding principle will be to achieve a situation that is to the maximum benefit of consumers in South Australia. While interest rates in general have fallen in recent times, the fall in interest rates for credit cards has been much less and much slower. That has been to the detriment of consumers and I, for one, would certainly like to see greater benefit to the consumers of this State with respect to credit card interest rates.

### MOTOR REGISTRATION DIVISION

**The Hon. DIANA LAIDLAW:** I seek leave to make an explanation before asking the Minister of Transport Development a question about advertising material.

Leave granted.

**The Hon. DIANA LAIDLAW:** Following the most recent issue of motor registration renewal notices, I have again received telephone calls and letters protesting at the inclusion of advertising material, this time three glossy pamphlets, for Bob Moran cars, JM Insurance and SGIC. I am not sure whether the Minister has seen them. The people who have contacted me object to this Government agency, the Motor Registration Division, acting as a source for the distribution of junk mail. In addition, those

people are upset about the content of the pamphlets, particularly the one from Bob Moran cars. The front cover of the pamphlet states, 'Don't pay your registration for the next 12 months', and it contains a mock cheque made payable to the Motor Registration Department (I suspect it means 'Division') for the value of 12 months registration on a car purchased from Bob Moran.

I received one letter on this matter from Mr H.D. Hunt of Whyalla, who stated:

I was disappointed the other day when I received my registration renewal only to find that the Registrar of Motor Vehicles is obviously advertising for Bob Moran cars due to the free registration offer included in the envelope. I have since found other people receiving the same thing, so I can only assume it is happening all over South Australia.

Everyone who has contacted my office has argued that the inclusion of advertising material with official Government notices gives the impression that the Government officially endorses the product. Indeed, like Mr Hunt, many people had not seen the small print disclaimer on the back of the pamphlet until I pointed it out to them. It reads, 'The Government of South Australia does not warrant, endorse or recommend any of the goods or services advertised in this material.'

Therefore, I ask the Minister:

1. Why has the Government given approval for the inclusion of advertising material with motor registration renewals?

2. What procedures have been approved by the Government for selecting the companies permitted to include their advertisements in registration mail-outs and for ensuring that selected companies are vetted in terms of their business practices and financial status?

3. How much is the Government charging companies or some other agency for the right to include advertising material with registration renewal notices?

**The Hon. BARBARA WIESE:** As I understand it, it was decided some time during the past 12 months to allow for advertising material to be included with motor registration renewal notices.

**The Hon. Diana Laidlaw:** It was three months ago.

**The Hon. BARBARA WIESE:** Yes, I said it was within the past 12 months. The reason for that decision was to raise revenue for the Motor Registration Division and to assist with the very difficult budgetary situation that we face right across Government. I must say that I would be reluctant to withdraw the approvals for such advertising material to be enclosed with renewal notices. In some cases it can provide a reasonable service to members of the public. As has been shown in surveys conducted in the past relating to various forms of so-called 'junk mail' which is distributed throughout the suburbs in letterboxes, many members of the public actually approve of such advertising material and welcome receiving it.

So, I think it is certainly reasonable to give this new idea a reasonable go before any decisions are taken as to whether or not it should be continued. I am not familiar with the procedures that have been adopted by the officers of the Motor Registration Division with respect to the selection of such material or indeed how much is charged, but I will certainly make myself familiar with those matters and bring back a report which provides that information for the honourable member.

### SCHOOL SPORT

**The Hon. R.I. LUCAS:** I seek leave to make an explanation before asking the Minister representing the Minister of Education a question about school sport and physical education.

Leave granted.

**The Hon. R.I. LUCAS:** The South Australian branch of the Australian Council for Health, Physical Education and Recreation (known by the acronym ACPHER) earlier this year made a submission to the Senate Inquiry into Physical and Sport Education. In that submission ACPHER launched a stinging attack on Government policies in the area of sport and physical education. I quote from part of ACPHER's submission under the heading of 'Aggregation of Responsibility', as follows:

Similar examples of education systems backing off from commitments to physical and sport education are well known. The National Daily Physical Education Program and the South Australian Junior Sport Policy Development are two such examples. There is a direct relationship between deliberate policy decisions to reduce support and recognition and the decline in commitment observed in practice.

In South Australia, responsibility for the implementation of the junior sport policy was effectively 'handed over' to the South Australian Institute of Sport following years of preparation, consultation and liaison with schools, parents and community groups by the Education Department.

For schools, this act of abrogation of responsibility created confusion, uncertainty and a lack of direction and leadership. The assumption that junior sport belonged only to sport was fallacious and the expectation that sporting associations could be held to ransom in terms of funding if they did not meet the requirements of policy demeaned the important role of schools, teachers and parents in the implementation of the policy.

Not prepared to resource or administer the implementation of the junior sports policy with any conviction or commitment, the Education Department created a situation in schools where physical education, Aussie Sports and provision of sporting competitions were merged, interchangeable but never clearly defined in a curriculum sense. A view is often expressed that the Aussie Sports Program is an adequate replacement for primary physical education. The decline in participation by students, volunteers (parents and teachers) now speaks for itself.

My questions to the Minister are:

1. Has the Minister of Education been presented with any evidence to support ACPHER's view that there has been a decline in the participation by students, teachers and parents since the introduction of the new junior school sport policy?

2. What action does the Minister intend to take in response to ACPHER's general criticism of the Government policy in this area?

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

### TARIFFS

**The Hon. I. GILFILLAN:** I seek leave to make an explanation before asking the Attorney-General, as Leader of the Government in this place, a question relating to tariffs.

Leave granted.

**The Hon. I. GILFILLAN:** On Monday there was the hearing of the Federal Independent Inquiry into Tariffs and Industry Development—the Democrat promoted inquiry which unfortunately was opposed by both the

Federal Labor and Liberal Parties but which was supported by the State Labor and Liberal leaders.

*The Hon. Anne Levy interjecting:*

**The Hon. I. GILFILLAN:** Some members on the ALP side may not know that the State Government is preparing a submission for the inquiry, and the Leader of the Opposition is supportive of its intention and has sent an apology for not being able to attend. However, that is only an aside, in response to the interjection.

I was on the panel, and 14 witnesses appeared from a wide range of backgrounds—the Chamber of Commerce and Industry, the UTLC, Mitsubishi Motors, Riverland growers and engineering manufacturers and, most significantly, the Manufacturing Advisory Council, which is chaired by the Premier of this State, Mr Lynn Arnold, and has as members two other Ministers of this Government, namely, Ministers Rann and Lenehan. A very informative and worthwhile submission was given by Mr Lance Worrall, the Manager of that Manufacturing Advisory Council, and, in part, it states:

...if international trade is distorted by the barriers of other nations or by non-competitive behaviour of large multinational firms, then our unilateral moves to free trade do nothing to level the international playing field. Rather, they punish Australia and consign us to a lower standard of living...having an industry policy is in Australia's interest.

Further, the Manufacturing Advisory Council, chaired by the Premier of this State, states:

The MAC approach recognises that some industries are more strategically important than others—

and that is obviously the car industry—

which is to say that their linkages to other Australian industries are longer and stronger and that they provide significant spin-offs not registered by the price mechanism. In addition, the MAC position accepts that Australia needs, on a targeted and discriminating basis, to respond to assistance provided by foreign Governments, not to match exactly their programs in all industries, but to selectively assist local industry, matching the stimulatory intent and national resolve of other Governments.

Further on, this same excellent submission entitled 'South Australian Structural Adjustment in the 1990s' states:

Both the policy induced downturn and the tariff phase-down have had a greater effect on South Australia than on Australia as a whole. Work undertaken for the MAC by the National Institute of Economic and Industry Research indicates that the tariff phase-down accounted in 1990-91 for 20 per cent of job loss in South Australia, a full 5 percentage points higher than the national average. As the tariff phase-down continues, it is expected that its impact will become more and more significant both nationally and, to a greater extent, in South Australia. The MAC's doubts about the Federal policy direction notwithstanding, even on the assumption that there will be national benefits, South Australia expects to be a net loser from the tariff phase-down. NIEIR projections to 1997, taking into account the One Nation package and prospects for recovery, see South Australia becoming increasingly drawn into a vicious cycle of relative decline, with a diminishing share of national GDP, population and employment.

This is the council that is chaired by the Premier and has two other Ministers on it. It continues:

South Australia would need to lift its share of major national manufacturing projects to the order of 10-15 per cent (significantly higher than its share of national GDP) by 1997 in order to maintain its present share of national GDP. Such a sustained high level of private investment is unprecedented and reflects the size of the stimulus required to offset the impact of tariff decline. But, without it, the NIEIR advises South Australia cannot achieve the objective of 7 per cent unemployment by 2001. Unemployment is projected to remain unacceptably high (at 12-13 per cent).

There is more in that material that I recommend members look at to reinforce their argument about the impact of tariffs on South Australia. There were other witnesses, but I will not go through them in detail. The UTLC presented statistics showing that for every 1 000 jobs lost in South Australia there is a corresponding direct financial loss to the State's gross domestic product of \$43 million which, on its calculation, blows out to over \$1 billion under the multiplier effect.

The areas most seriously hit are Elizabeth, Salisbury, Munno Para and Noarlunga. The current unemployment level in Elizabeth is running at 23.9 per cent whilst the State average is 11.9 per cent (that evidence was given by the Engineering Employers Association of South Australia).

My questions to the Attorney are based on the fact that I do acknowledge the support of the State Government to the work of this inquiry and that one day's sitting is obviously nothing like enough to carry this argument. But, for the economic survival of South Australia everybody here and anyone who is concerned about it has to take this fight against the tariff program to those who are responsible for it—the Federal Government. Can the Attorney say why the Federal Labor Government appears insensitive to the dire consequences to South Australia of its current tariff policy? Could it be that it does not care, believing South Australia's economy could be sacrificed?

*An honourable member interjecting:*

**The Hon. I. GILFILLAN:** 'What about the Liberals', says an interjector. Their policy does not even bear thinking about. These projections are based entirely on what currently is in place from the Federal Labor Government, let alone the zero policies of Hewson and McLachlan. Finally, does the South Australian Government agree that the Federal Government's tariff policy must change for this State to survive with a viable economy?

**The Hon. C.J. SUMNER:** I do not know that there is much point in the honourable member asking me why I think the Federal Government has a particular attitude about something. I suspect that he should get his colleagues in the Federal parliament, of which there are a number, to put the question to Ministers in the Federal Government if he thinks that the Federal Labor Government is adopting a certain attitude towards South Australia.

I do not think that it is deliberately singling out South Australia in its tariff policy, and I also do not believe that it does not care about what happens to industry in Australia or in South Australia in particular. I am sure those members have not adopted their tariff policy just because they think it will result in the destruction of manufacturing industry in Australia; that is not the reason for adopting the tariff policy; in fact, it is the reverse.

**The Hon. I. Gilfillan:** Do you support it?

**The Hon. C.J. SUMNER:** I am just explaining the Federal Government's policy, Mr President. I will get on to the third question in a minute. It is an important issue but they are not doing it to destroy manufacturing industry in Australia or South Australia. What they are doing—and I understand the Opposition has a similar policy at least—is trying to make manufacturing industry in Australia internationally competitive. And the argument goes, unless you reduce tariffs, preferably in a

phased way, as has been done by the Federal Government, then you are not going to create a manufacturing industry in South Australia or Australia which is internationally competitive.

*Members interjecting:*

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

**The Hon. C.J. SUMNER:** No doubt the Hon. Mr Gilfillan has a much greater knowledge of economics than I have. No doubt he will be able to tell us how he intends to make Australian industry competitive while it continues to exist behind high tariff walls. The honourable member knows that in the past, in the 1950s and 1960s, we had strong export earnings from our primary industries—our agricultural sector and later from our mining sector. This enabled us to build up a manufacturing sector behind quite high tariff protection. However, the fact of the matter is that our export earnings from those two sectors now, for one reason or another, are much less proportionately than they were during that period. Therefore, how does the Australian community pay for levels of manufacturing if that manufacturing is not able to export in a competitive way with countries overseas? If the honourable member can answer that question then perhaps we can have a debate about it. But I can assure him that, while there might be a difference of view about tariff policies, the Federal Government and the Opposition have not gone into their tariff policy to decimate manufacturing industry in Australia. They have actually gone into it for the purpose of improving manufacturing industry in Australia by making it more competitive.

Opposition members have other policies, of course, where they say they differ to some extent from the Federal Labor Government in the area of micro-economic reform. For instance, they say that the Labor Government is not going fast enough, so they have their industrial relations policy and other aspects of micro-economic reform to assist making industry in Australia more competitive. The Labor Government believes it should be done by negotiation, by getting the agreement of employers and unions through enterprise bargaining, through the existing industrial relations system. So, there are differing views about that, but the one thing that is common—and it might well be common to the Democrats, I do not know—is that Australia needs to have a competitive, productive manufacturing sector and by 'competitive' and 'productive' I mean competitive and productive compared with its competitors overseas, so that it can sell overseas.

If that cannot happen then where does the Hon. Mr Gilfillan say Australia will get its national income to maintain its current standard of living, particularly as commodity prices are down for agricultural exports and also for our mining exports? That seems to me to be the question, and it is all very well for the Hon. Mr Gilfillan—and I suspect this is what he is doing—to come in here and say that the tariff policy of the Federal Labor Government and the Federal Opposition should be completely dismantled. If he says that then he has to have a response to the question that I have just posed. Of course, he does not have one and the Democrats do not have one.

*The Hon. I. Gilfillan interjecting:*

**The Hon. C.J. SUMNER:** You answer that question. You tell me what your answer is. You tell me what your answer to it is and then I will start having a debate. *Members interjecting:*

**The PRESIDENT:** Order!

**The Hon. C.J. SUMNER:** The Hon. Mr Lucas is suggesting that the Democrats' policy is to grow lentils in the desert.

**The Hon. Anne Levy:** Organically sound.

**The Hon. C.J. SUMNER:** That is right.

*Members interjecting:*

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

**The Hon. C.J. SUMNER:** I am not interjecting, Mr President.

**The PRESIDENT:** Everybody else seems to be.

**The Hon. C.J. SUMNER:** I do not think the Federal Government has been deliberately insensitive, or not caring about South Australia. However, I have already put on the record that the South Australian Government's view is that we have to take a case by case approach to tariff reform. We have previously made representations to the Federal Government on the car industry and on the clothing textile and footwear industry about the pace of tariff reform and, to some extent, we have had some success in slowing the phasing down of tariffs in those areas. That is the general policy. I think it is a reasonable policy in the circumstances. It is a case by case approach. However, the Federal and State Government policy, while there may be some difference of emphasis, has as its basis—and I would have thought it was a basis that the Hon. Mr Gilfillan should have also—the need to try to get Australia in a position where it has a competitive and productive manufacturing industry. As to the last question, I will see whether I can provide any further information and bring back a reply.

### SMALL BUSINESS

**The Hon. L.H. DAVIS:** I seek leave to make a brief explanation before asking the Attorney-General, as Leader of the Government in the Council, a question about small business.

Leave granted.

**The Hon. L.H. DAVIS:** The 57 000 small businesses in South Australia provide employment for around 55 per cent of all people working in the private sector and account for 96 per cent of all firms in this State. There is strong evidence to suggest that in the 1990s the small business sector will be responsible for 70 per cent of new jobs created in South Australia. However, a survey of the 1992-93 budgets for each of the five mainland States clearly reveals that South Australia is trailing dramatically in Government funding and support of small business.

In 1992-93 the Queensland Small Business Corporation will spend \$1.95 *per capita* on small business; in Western Australia the figure is \$1.74; in New South Wales, \$1.01; in Victoria, 87c; and South Australia is spending a measly 78c *per capita* on small business, little more than \$1.1 million in this financial year. In other words, expenditure *per capita* on small business in Queensland is a massive 150 per cent higher than in South Australia;

in Western Australia it is 123 per cent higher; and in New South Wales it is 30 per cent higher.

The South Australian Government is being badly outspent by all other mainland States in this vital area of small business. South Australia trails all other States, including Tasmania and the Northern Territory, in the provision of a one stop shop for small business owners requiring information about licensing and legislative requirements. In the past 12 months I have visited both the Queensland Small Business Corporation and the New South Wales Small Business Office. New South Wales has a state of the art computer system that provides a telephone service to potential small business operators on licensing and State and Federal legislative requirements.

In Queensland, which has exactly double South Australia's population, there are now 11 small business offices, each staffed by three people; three offices in Brisbane and eight regional offices. This year \$1 million will be spent in Queensland alone on financing business plans for small business operators. This is almost the total budget for the Small Business Corporation in South Australia. This Queensland scheme will provide 1 000 small business operators with \$1 000 each to subsidise the cost of a business plan.

In each of the 11 offices in Queensland, each week there is a three hour session for people seeking to establish a small business, and these introductory sessions have been most successful in dramatically reducing the level of small business failures. All this evidence clearly suggests that small business is being treated like a leper by the South Australian Government and that its recognition of the importance of small business is clearly light years behind other States. My questions to the Attorney-General are:

1. Does the Government have any plans to upgrade the financial and other support for the vital small business sector in South Australia?

2. Why is no reference whatsoever made to the goals of and programs for the Small Business Corporation in the Program Estimates for the current year?

**The Hon. C.J. SUMNER:** I do not know the answer to the second question but can check to see why not, if that is the case. I do not think it fair to look at merely what allocations are given to the Small Business Corporations in respective State budgets and naturally assume that they are comparable when trying to assess what assistance is given to a small business in one State compared with that in another. I believe that the budget documents announced the one stop shop proposal for business licensing. The South Australian Government does not treat small business as a leper.

The honourable member has made a number of assertions, which I do not necessarily support. However, I am happy to refer those questions to the new Minister of Business and Regional Development and bring back a reply.

### STATE CLOTHING CORPORATION

**The Hon. J.F. STEFANI:** I seek leave to make a brief explanation before asking the Minister of Transport Development, representing the Minister of State Services, a question about the State Clothing Corporation.

Leave granted.

**The Hon. J.F. STEFANI:** In the annual report for 1991-92, tabled in Parliament yesterday, the State Clothing Corporation posted an operating profit of \$185 929. The State Clothing Corporation had previously lost hundreds of thousands of dollars over a period of time, and the South Australian Government Financing Authority had written off approximately \$600 000 of its \$1.2 million loan to assist the corporation in achieving its financial restructuring.

Total sales for the year ended 30 June 1992 were \$2.4 million, comprising \$1.2 million of manufactured items and orders to the value of \$1.1 million from the South Australian Police Department uniform store. Major customers listed were as follows: Central Linen \$541 000; the South Australian Police Department for the manufacture of trousers \$211 000; ETSA \$187 000; State Transport Authority \$64 000; and Department of Road Transport \$50 000. The total of these sales invoiced to Government departments represents 83 per cent of the total manufactured sales. My questions to the Minister are:

1. Will the Minister advise whether the supply orders received by the State Clothing Corporation were won on a competitive tender basis?

2. How many tenders were received by the department calling for the supply of these manufactured items?

3. Does SAFA remain the beneficial owner of any shares in the State Clothing Corporation and, if so, will a dividend be payable from the profits achieved during 1991-92?

4. Were other tenders received by the South Australian Police Department uniform store for the supply of the uniforms for the year ended 30 June 1992 and valued at \$1.1 million?

**The Hon. BARBARA WIESE:** It is commendable that the State Clothing Corporation has shown such a remarkable turnaround in such a short time, but I did not hear the honourable member congratulating it on that performance as part of his explanation. I should like to take the opportunity to congratulate the people who have been involved with the State Clothing Corporation during this recent period and who have managed to bring about such a successful result. I will refer the specific questions to my colleague in another place and bring back a reply.

#### FARMERS

**The Hon. M.J. ELLIOTT:** I seek leave to make a brief explanation before asking the Minister of Transport Development, representing the Minister of Primary Industries, a question about non-English speaking farmers.

Leave granted.

**The Hon. M.J. ELLIOTT:** A recent survey undertaken in the Shepparton area of Victoria for the East Shepparton Land Care Group has revealed that cultural and language barriers play a significant part in reducing the production and export income of the area. The survey found that farmers from an ethnic background have suffered major fruit tree loss from salinity and high water tables compared with their Australian colleagues. The farmers interviewed had only recently become aware of

the reasons for their tree losses, and many did not know where to turn for help or what assistance was available from Government agencies.

Until recently, apparently, those agencies had operated on the basis of helping those who came forward, which left many non-English speaking farmers out of the picture.

*The Hon. Peter Dunn interjecting:*

**The Hon. M.J. ELLIOTT:** What did the Hon. Mr Dunn say about their coming to South Australia?

**The Hon. Peter Dunn:** Are they coming to South Australia?

**The Hon. M.J. ELLIOTT:** Are what coming to South Australia?

*The Hon. Peter Dunn interjecting:*

**The Hon. M.J. ELLIOTT:** You know very little about some parts of South Australia if you ask that question. The survey found that not only should printed information be provided in community languages but that one to one advice specific to each farmer's situation had to be made more accessible. The report following the survey recommended that an ethnic officer be appointed for a period to organise farmers and link farmers into groups that would cross ethnic backgrounds and become information sources on salinity issues on programs.

Having lived in the Riverland of South Australia for some time, I would agree that the same sorts of problems occur there. Although I do not have the statistics, I would say that over half the population, at least on the rural properties, is of various ethnic backgrounds. Quite a few are relatively recent arrivals. Considering that high ethnic population and the problems that they face, my questions to the Minister are:

1. Is the Minister aware of the results of the East Shepparton survey?

2. What is the department of Primary Industries doing to ensure that information reaches farmers in the Riverland from non-English speaking backgrounds and that those farmers are aware of and that they access assistance from Government agencies when required?

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

#### POLICE ESCORTS

**The Hon. PETER DUNN:** I seek leave to make a brief explanation before asking the Minister representing the Minister of Emergency Services a question about police escorts.

Leave granted.

**The Hon. PETER DUNN:** It has been reported to me that there have been some near misses, particularly on roads in the Outback and on the Eyre Highway, when wide or long loads have been transported across the State. A transport operator has approached me and said that he was unable to get transport escorts, that is, police escorts, when he wanted those escorts, and he was informed that they would be phased out. The operators themselves run escort utilities with rotating beacons, or motor bikes, from the front and behind those vehicles, but he informs me that the public take very little notice of these people and that they still tend to travel past the wide loads at

very high speed. The police escorts are really needed not so much on the densely populated roads, because, he says, the traffic tends to slow down because they see one another, but in the more sparsely populated areas where the problem seems to occur. Are police escorts to be phased out and, if so, when? If not, what are the guidelines for future escorts?

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

#### LOCAL GOVERNMENT RELATIONS

**The Hon. J.C. IRWIN:** I seek leave to make an explanation before asking the Minister representing the Minister of Housing, Urban Development and Local Government Relations a question relating to conflict of interest.

Leave granted.

**The Hon. J.C. IRWIN:** In the Estimates Committee, the former Minister of Local Government Relations was asked a question about an allocation of funding from the State-Local Governmental Relations Unit to help improve the conflict of interest provisions in the Local Government Act. In her reply to this question, the former Minister said:

We have set up a consultancy, one could call it, and have allocated \$10 000 for someone with a legal approach to work on this, look at all the submissions that were submitted in relation to the previous report [which was about two years before], to examine these and any other comments and to re-look at the matter in the light of the present relationship between State Government and local government. I certainly hope that this will result in some firm recommendations which can then be circulated for more comment prior to legislative action being taken to clarify the situation once and for all.

My questions are as follows:

1. Who is the 'someone' who is going to work on this solution?
2. As this matter has been awaiting resolution for more than two years, will the Minister indicate a deadline for any new provisions to be introduced in amending legislation?

**The Hon. ANNE LEVY:** I will refer those questions to my colleague in another place for him to respond. I do know the answers, but I think it would be much better if he formally responds to the honourable member's questions.

#### RAILCARS

**The Hon. J.C. BURDETT:** I seek leave to make a brief explanation before asking the Minister of Transport Development a question about new railcars.

Leave granted.

**The Hon. J.C. BURDETT:** On the concourse of Adelaide Railway Station and at the STA office on the corner of King William and Currie Streets there are video advertisements for STA services and, generally speaking, I think they are very good, but they say something like 'Red hens out: will be replaced by 50 new railcars'. I am informed that some of them have arrived and that there is a schedule for their arrival and acceptance by the STA, but I have heard from various sources a number of

reports that the number will be reduced to 30. My questions to the Minister are:

1. Is the schedule that has been announced being adhered to?
2. Is it intended that the whole 50 railcars will be accepted and, if so, if there is any revision in the schedule, what is it?
3. If the whole 50 are not going to be accepted, what effect will that have on maintaining the present rail services?

**The Hon. BARBARA WIESE:** As I understand it, it is still the intention of the STA to take delivery of 50 new railcars over the period of time that has formed part of the contracts that were signed by suppliers, and I know of no proposal to vary that.

#### INFLUENZA

**The Hon. BERNICE PFITZNER:** I seek leave to make a brief explanation before asking the Minister representing the Minister of Health a question about Haemophilus Influenza Type B (Hib) vaccine.

Leave granted.

**The Hon. BERNICE PFITZNER:** The vaccine Hib protects children from diseases caused by the bacteria known as Haemophilus Influenza Type E. If all children were vaccinated against Hib, as they are against whooping cough, tetanus, diphtheria and polio, it would prevent approximately 20 child deaths and 500 major disabilities in children, ranging from deafness to severe brain damage. At present there is currently a vaccine for older babies, from 18 months onwards. It is expensive and so this Government has not included this vaccine in the routine immunisation. Infant lives are at risk. However, a new vaccine Hib, which is suitable for under 18-month-old babies and which can be incorporated into routine schedules, is expected to be licensed in about November this year. The Minister of Health in Western Australia is reported to have set aside \$1 million of State funds for this new Hib program, which will commence as soon as the vaccine is licensed. The Federal Government has deferred expenditure on this Hib program until 1993-94, which, in effect, is late next year. My questions to the new Minister of Health are:

1. Has the Hib vaccine for the under 18-month-olds been licensed and therefore available to the public?
2. Will the State Government begin an immunisation program on Hib as soon as the vaccine is licensed or will the Government wait until 1993-94?
3. What State funds will be available for this Hib program should the Government decide to begin the Hib program immediately, and prevent untold suffering?

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

#### STATE TRANSPORT AUTHORITY

**The Hon. DIANA LAIDLAW:** The Minister of Transport Development has advised that she has a reply to a question about the State Transport Authority that I asked on 8 September.

**The Hon. BARBARA WIESE:** I have that reply and I seek leave to have it inserted in *Hansard* without my reading it.

Leave granted.

I do not agree that the bus services introduced on 16 August 1992 cannot be maintained with the present timetable and staffing levels. The STA's crewing practices are amongst the most efficient in Australia.

Unfortunately, a number of bus operators were sick on the days in question which created some difficulties for staff in the STA's Control Centre. But it is in circumstances like this that the Control Centre plays a vital role in minimising the effects of any irregular incidents such as unexpected staff shortages. If everything went as planned every day a Control Centre would not be needed. The report from the Control Centre, to which the honourable member refers, is produced daily to alert management to difficulties being encountered with service delivery, so that the appropriate action can be taken.

Placed in its proper context, the 30 trips effected on Saturday, 5 September 1992 comprised .75 per cent of the two trips provided that day. On the Monday the services missed were even lower on a percentage basis, given that around 10 000 trips were undertaken that day. Nevertheless, the STA does not accept any missed service lightly and it makes every effort to ensure that published timetables are adhered to. There will always be occasions when, for reasons beyond the STA's control, such as traffic congestion, that the STA will be unable to maintain its published timetable. On such occasions the STA manages its resources in such a way as to minimise the severity of any problems and to ensure the fastest and most effective response to them. But where a problem exists on a regular basis the STA promptly takes the necessary action to remedy the situation by adjusting the use of its resources.

Contrary to what the honourable member implies, the STA does meet the vast majority of its published timetables. Also, it has ordered 50 new railcars and 307 new buses to replace older vehicles. Its service network is the subject of a major review commencing with a new network in the north-west sector in March 1993. All this action has been initiated with the corporate objective to provide a more reliable, modern and efficient service.

#### COURT, TRANSCRIPT AND BAILIFF FEES

Order of the Day, Private Business, No. 3: Hon. M.S. Feleppa to move:

That the regulations made under the District Court Act 1991 concerning court and transcript fees, made on 2 July 1992 and laid on the table of this Council on 6 August 1992, be disallowed.

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

That this Order of the Day be discharged.

Order of the Day discharged.

Order of the Day, Private Business, No. 4: Hon. M.S. Feleppa to move:

That the regulations made under the Magistrates Court Act 1991 concerning court, transcript and bailiff fees, made on 2 July 1992 and laid on the table of this Council on 6 August 1992, be disallowed.

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

That this Order of the Day be discharged.

Order of the Day discharged.

Order of the Day, Private Business, No. 5: Hon. M.S. Feleppa to move:

That the regulations made under the Sheriffs Act 1978 concerning court and bailiff fees, made on 2 July 1992 and laid on the table of this Council on 6 August 1992, be disallowed.

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

That this Order of the Day be discharged.

Order of the Day discharged.

Order of the Day, Private Business, No. 6: Hon. M.S. Feleppa to move:

That the regulations made under the Supreme Court Act 1935 concerning court and transcript fees, made on 2 July 1992 and laid on the table of this Council on 6 August 1992, be disallowed.

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

That this Order of the Day be discharged.

Order of the Day discharged.

#### PROBATE FEES

Order of the Day, Private Business, No. 7: Hon. M.S. Feleppa to move:

That the regulations made under the Supreme Court Act 1935 concerning probate fees, made on 2 July 1992 and laid on the table of this Council on 6 August 1992, be disallowed.

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

That this Order of the Day be discharged.

Order of the Day discharged.

#### GAMING MACHINES ACT REPEAL BILL

Adjourned debate on second reading.

(Continued from 14 October. Page 443.)

**The Hon. T. CROTHERS:** I oppose this Bill and I shall be mercifully brief because everything that could have been said about gaming machines and anything associated with them has already been said this year, both here and in another place. Yet, what do we find? Because of a technical, clerical error, the Hon. Mr Elliott has introduced this Bill. Moreover, he has given the flimsiest reasons for so doing. First, he suggested that five members in the House of Assembly did not register a vote during the May debate and that, because of that, they deserve a chance to do so. Secondly, the honourable member claimed, 'Since the original debate on the Gaming Machines Bill in May, there have been some fundamental changes to Parliament to the extent that the leaders of both the Government and the Opposition in the House of Assembly have registered their opposition to poker machines.' What utter nonsense!

I suggest that, should there be another vote in that place, their presence would make no difference to the end result, and the Hon. Mr Elliott well knows that. Although the two situations to which I have referred arise on other occasions in another place, Bills that have been dealt with are not recommitted. I made inquiries as to whether or not the same type of clerical error had been made in the past and was assured by our former (now retired Clerk) that they had but that other ways and means had been used to deal with them, thus preventing Parliament wasting its time debating the Bill again. I suspect that the Democrats have welcomed the chance to put up this Bill because they perceive that there could be some electoral enhancement in it for them.

**The Hon. Diana Laidlaw:** Do you really believe that?

**The Hon. T. CROTHERS:** I do indeed, with all my heart and soul.

*The Hon. M.J. Elliott interjecting:*



**The Hon. T. CROTHERS:** There was a majority; that is where the honourable member is wrong. Let us get the truth on the record. The shame of the Democrats' actions, in my view, does not lie just in the waste of Parliament's time and the further demeaning of the Westminster traditions. I suggest that the Democrats should be condemned for the manner in which they led genuine people into believing that this Bill represents a second chance to throw out the legislation, when that is obviously not the case.

On the other hand, the Hon. Mr Stefani, who opposed the Gaming Machines Bill, was much more forthright and honest. An article by Rex Jory and John Ferguson on 9 June 1992 reported the following:

Mr Julian Stefan said yesterday it was inevitable that South Australia would have gaming machines. This was because the present debate centred on minor clerical problems with the legislation. 'The present debate,' he said, 'is a cruel hoax and has got everyone hung up. The principles of the Bill have been confirmed and agreed to by both Houses of Parliament.'

I do not often find areas where I admire the honourable member, but on this occasion I 'dips me lid' because this was the most honest remark in a sea of cruel hoaxes.

Of course, the letter writers were encouraged to write to their MPs again in the mistaken belief that the original Bill would be overturned. I do not complain about that because receiving letters is par for the course for a member of Parliament. Indeed, it is part of our job. However, I wish to comment on a couple of elements about those letter writers. A large number of letters were written by the same person but were signed under different signatures. One could put up many reasons for that, but the reason I do not like is that the campaign against poker machines was run by very few people who determined to swell their number by this form of letter writing.

Secondly, some of the epistles that I received were most rude and threatening. I make this point because, last week, some members said that it was their belief that people on this side of the Chamber had their consciences interfered with, which is not true, of course. However, they were strangely silent when it came to saying anything about the letter writers who quite rudely and forthrightly tried to interfere with the conscience of members of this place. Last week, some members said that the introduction of poker machines into South Australia would leave a path of destruction in its wake, so far as the well-being of family life is concerned, particularly that of the families of gambling addicts. The Government has recognised that, if problems do exist, they will have to be understood, so it has established a select committee into gambling addiction.

**The Hon. J.C. Burdett:** Why don't you call it together?

**The Hon. T. CROTHERS:** It has already met.

**The Hon. J.C. Burdett:** Once.

**The Hon. T. CROTHERS:** It was to meet last week, but one of your members was not available.

*The Hon. J.C. Burdett interjecting:*

**The Hon. T. CROTHERS:** I am not aware of that one.

**The Hon. J.C. Burdett:** It is just not being effective.

**The Hon. T. CROTHERS:** I am not aware of that. I am aware of only two meetings and, if this Bill had not been introduced, the committee might well have had the

opportunity to meet on other occasions, but I prejudice myself.

*The Hon. I. Gilfillan interjecting:*

**The Hon. T. CROTHERS:** That might be so. As I was saying before I was quite rudely and unnecessarily interrupted, the Government has recognised that there might be a problem and it has set up a select committee. The first thing to understand about gambling addiction is to learn whether it exists, so the Government has promised additional funding to that body if and as required. I think that step is in the right direction. For all those keepers of the moral soul, the Volstead Act was introduced in the United States in the 1920s to try to combat alcoholism, but it was found not to work. It led to huge profits being made from the sale of illegal alcohol in those States where the Act was in force, and consequently, to the establishment of organised crime on a scale never seen before in this world.

Such crime continues on today. So much for those people who would epistolise that, both in this Chamber and in other places, they are the keepers of the soul and morality. I do not believe that is the case; these people have to be in a position to make their own decision or, failing that, society has to be in a position to try to help them, or with any illness that they might suffer. The Volstead Act prevailed in a number of States and led to the establishment of crime on a scale never before seen on this earth, and this in a State such as South Australia which already has gambling instrumentalities such as the TAB, the Lotteries Commission, SP bookies and the Casino, so that, if we do have gambling addicts here in this State, there is no shortage of places in which they can gamble. Indeed, even if we Volsteaded ourselves, people could and would go interstate to gamble, just as they do now with respect to poker machines.

I put it to this Council that the way to go with respect to gambling addiction is via the select committee which, if it does the job that this Parliament intends of it, may well become one of the more important inquiries of its kind ever held anywhere.

**The Hon. I. Gilfillan:** What if it recommends to ban poker machines?

**The Hon. T. CROTHERS:** Well, that is what select committees are all about, isn't it? Finally, I now turn to some of the remarks made by the Hon. Bernice Pfitzner in her contribution to the subject matter last week. I quote from *Hansard* (and I am reminded of the Hon. Ian Gilfillan's interjection on this one, too) as follows:

However, that Bill, now our Gaming Machines Act, had to be passed, and pass it did with one vote. That individual was pressured; I have no doubt about that. The honourable member was pressured beyond endurance and he acceded to his superiors' demands.

Although the Hon. Dr Pfitzner did not name the honourable member to whom she referred, I have spoken to him and he has no objection to my saying that we both believe that the Hon. Dr Pfitzner is referring to the Hon. Mr Feleppa in her contribution, and he tells me for the record that the Hon. Dr Pfitzner is not correct in her assertion of his being turned over by his superiors, and I accept his word on that. I place that on record for, unless the Hon. Dr Pfitzner is a master of the ouija board or crystal ball, she is wrong in her assertion, because she was not there, as the Hon. Mr Gilfillan and Mr Burdett,

who now and again interject, were not there, either. It is pure guesswork.

Still, that has become par for the honourable gentlemen's course. On the crystal ball she is wrong in her assertion about Mr Feleppa's position. He set out (and I know this for a fact from well before today) wishing to achieve a certain objective and in his view, after many hours of discussion, he achieved that objective. I believe he did, too, and he has further advised me that his conscience is absolutely clear with respect to how he voted. I oppose the Bill.

**The Hon. R.I. LUCAS (Leader of the Opposition):** I, too, rise to oppose the Bill on two general grounds: first, on the general question of whether or not we should have poker machines in South Australia; and secondly, on the question of whether we should be repealing legislation that has been passed by the Parliament as recently as early this year. On 15 April this year I outlined my reasons for my support for the introduction of gaming machines into hotels and clubs in South Australia. I mention that because I do not intend in my contribution today to go over each of the reasons that I indicated back in April for the position that I have adopted.

However, on this occasion I do not want to be criticised by those who are following this matter with much consideration for not having outlined fully my reasons for adopting the position that I have. I have read again the explanations that I offered in April, and they remain my view and my position as to whether or not we ought to have gaming machines in hotels and clubs in South Australia.

I want only to highlight one aspect of that contribution, because it has been the subject of much discussion in the lobbying over the past two or three months in relation to overturning the poker machine Bill. That was in relation to the notion that had been put to me that the vote for gaming machines in South Australia would lead to an increase in family breakup, divorce, crime (particularly petty crime), bankruptcies, poverty, the number of gamblers in South Australia, and so on.

I think it is fair to summarise that those who oppose poker machines were arguing that the human misery index (if we could term it that way) would be much increased if poker machines were introduced. I indicated on that occasion, and I do so again, that I believe that those sorts of claims at least deserve some investigation and that those persons and groups who make those claims ought to offer some evidence. I indicated then, and I want to indicate again, that I undertook some study of those matters and, certainly, if poker machines are the evil that many quite fervently and genuinely believe them to be, one ought to look at the situation that exists in New South Wales at the moment, because that State has had poker machines for over 40 years.

If poker machines introduced into the Australian community are to have these sorts of effects, there should be some evidence (in my view) in New South Wales of those sorts of factors having become apparent after about 40 years. I do not think anybody could say it is too soon after their introduction at least to measure that, investigate it and to report back.

Let me turn to three of those measures. The Institute of Family Studies in Melbourne provided me with some

figures from the Australian Bureau of Statistics on family breakdown and divorce. The most recent were for 1990. In New South Wales the divorce rate per 1 000 population was 2.1, and in South Australia it is 2.8. In percentage terms, this is a 33 per cent higher divorce rate in South Australia than in New South Wales.

*The Hon. Peter Dunn interjecting:*

**The Hon. R.I. LUCAS:** My colleague, the Hon. Mr Dunn interjects. I will not be diverted. I want to try to finish within 30 minutes.

The second area is in relation to the figures on crime, and I went to a very reputable source, the Australian Institute of Criminology, and they sent some material to me, particularly on petty crime. The most recent figures were for 1990, and the rate of petty crime for 100 000 population in South Australia was 1 589.06, compared with 1 051.9 in New South Wales. The rate per 100 000 population for breaking, entering and stealing from dwellings was 51 per cent higher in South Australia than in New South Wales.

Looking at the total for breaking, entering and stealing for all dwellings (not just some), in New South Wales it was 1 650.86, compared with 2 949.02 in South Australia. So, in South Australia, breaking, entering and stealing per 100 000 population was 78.6 per cent higher than for the comparative figure in New South Wales, and many other figures supplied by the Institute of Criminology indicated similar statistics. Over a long period of time my colleagues have highlighted the high level of crime and petty crime in South Australia.

The third area related to bankruptcies. The annual report for 1991 by the Inspector-General in Bankruptcy indicated that South Australia had just under 12 per cent of the total business bankruptcies, with approximately only 8 per cent of the population, and similar figures are available for personal bankruptcies. Without going on, similar figures can also be offered in relation to poverty and other areas which might come within that general definition of the human misery index.

I have summarised those figures again—it is the only aspect of my contribution that I want to highlight again—because I accept, first, that those figures do not conclusively prove anything, but—

*The Hon. M.J. Elliott interjecting:*

**The Hon. R.I. LUCAS:** Let me explain. However, those who want to argue, like the Hon. Mr Elliott, that the introduction of poker machines will lead to an increase in crime, poverty, bankruptcies, family breakdown and divorce need to look at the evidence of the only State in Australia where we have had poker machines for 30 to 40 years and where the evidence indicates that New South Wales on all those measures is performing better than South Australia.

As I said, I do not indicate by that that it conclusively proves anything. What I say to those who want to convince me—as some have done in a not too subtle way in the past six to 12 months by way of personal representation or telephone submission in relation to my attitude to this Bill—is: let us look at the evidence and at what has occurred in the State where poker machines have been introduced. When I have debated this matter with the Hon. Mr Elliott on a number of occasions, on radio and on television, I have challenged him—and if I am wrong, and I am the first to admit I have been wrong

on many occasions and probably will be in the future, but at least I am prepared to admit it or acknowledge it when it is demonstrated—in those public debates to show us where it is wrong and to produce evidence to the contrary.

However, on none of those occasions has the Hon. Mr Elliott produced any evidence at all. All he has done, on radio and on television, is shake his head and say, 'That doesn't prove anything and it's going to happen, anyway. I have been told it will occur.' That may well be, but what I want from the Hon. Mr Elliott and what we did not get again in this debate and did not get in April was evidence to rebut the facts that have been demonstrated by the Institute of Criminology, the Institute of Family Studies, the Bureau of Statistics and the Inspector-General in Bankruptcy—a whole range of independent bodies that have no vested interest in the debate on gaming machines. I leave that with the Hon. Mr Elliott as a challenge again for him to demonstrate, by way of evidence, by way of facts, the effects of the introduction of gaming machines in South Australia.

*The Hon. M.J. Elliott interjecting:*

**The Hon. R.I. LUCAS:** The Hon. Mr Elliott says that I am very nearly telling lies. That is always the refuge of the scoundrel: when you have lost your argument you start saying that someone is telling lies. All I am saying is, 'There is the evidence and, if you can show that it is wrong, I will be the first to acknowledge it.' It is the refuge of the scoundrel to say that because I produce information I am very nearly telling lies in relation to this matter.

In my contribution today I want to address three new issues in relation to this matter. First, I want to talk about the notion of the role of a member of Parliament in our system of government. Very many people have lobbied me, in particular in the past two or three months—and it is, I suspect, the view of the *Advertiser* in many of its leader articles—indicating that the majority in South Australia want gaming machines stopped and therefore members of Parliament ought to respond in that way. There were a number of leader articles in the *Advertiser*, and I will quote briefly one of 6 August this year as being an indication of the view that it has adopted on this matter. The article states:

The South Australian public is overwhelmingly opposed to the introduction of poker machines into every licensed hotel and club in the State. That is the single overriding reason for the *Advertiser's* strong campaign opposing the introduction of the Gaming Machines Bill.

A number of other references in its leaders have highlighted that as being the reason. Similarly, when members of the community have spoken to me or lobbied me they have put the view that, because the majority of people in South Australia have said they do not want gaming machines, it is the responsibility of members of this Parliament to reflect that view by way of their vote in this Chamber. Some have been even stronger than that, but that is the notion which the *Advertiser* and many of the people who have lobbied me have put to me.

I reject that notion of my role in this Chamber as a member of Parliament. It may well be that other members have differing views, and I accept and respect that; I respect their differing views on this legislation. However, in relation to my role as a member of Parliament, I reject the notion that I am here slavishly to follow the majority

view on all issues, including the issue of gaming machines. It is my view that I am here to listen to the views that are expressed, obviously to take notice, and to respect the views of the majority and the minority on a range of issues.

However, it is then my responsibility to weigh up those factors and to make my judgment accordingly, and in the end I must be beholden first to my Party and, secondly, to the community whenever I come up for election or for preselection. I reject the view that I have to reinforce or represent the views of the majority on issues.

Let me give members some examples. I take a view, which again is a minority view, in relation to capital punishment. In South Australia all the opinion polls have shown, for a considerable time, that 70 per cent to 80 per cent of South Australians want the introduction of capital punishment in South Australia for at least a restricted range of crimes. Some want it for a wide variety of things, but the vast majority want it in relation perhaps to terrorism, killing police officers, perhaps murder or whatever. Certainly, however, 70 per cent to 80 per cent—the vast majority of South Australians—want capital punishment back on the books in South Australia.

I reject that view for a variety of reasons which I will not go into at the moment. I accept that my view is a minority view, although it is a larger minority view, as it is on gaming machines. I reject the notion that, because a majority of South Australians say to me that they want capital punishment, I ought to respond by way of vote in this Parliament. As I said, the majority in favour of capital punishment is a larger majority than the majority that want to stop gaming machines. The three *Advertiser* polls that have been done this year indicate that the view has fluctuated between 55 and 60 per cent. It started at 57 per cent; it dropped to 55 per cent; and it went up to 60 per cent. It has varied between 55 per cent and 60 per cent. If one knows anything of the statistical error factors in those polls, one could say that they were basically *status quo* and have remained at the same level because the error factor is about 3 per cent to 4 per cent in a survey sample of that size. The minority that wants gaming machines in South Australia is about 40 per cent or a little under here in South Australia.

Capital punishment is a good example because it is similarly a conscience issue for members of Parliament. However, one could go into a range of other areas, although I highlight only one, for example, the Federal Coalition's goods and services tax. I suspect if that were put to a referendum, an opinion poll or some sort of community judgment by itself the majority view in the community would be to oppose its introduction.

Again, I support the minority position, probably, in relation to that, that for the sake of Australia and for the sake of South Australia sometimes members of Parliament do take decisions that are not in accord with the majority view in the community for a variety of other reasons. In the end, members of Parliament have to then be beholden to the community or their own Party for the votes and decisions that they take.

I reject the notion that has been put to me, and again put by the *Advertiser* and the Hon. Mr Elliott, that prior to our final vote in April or May, whenever it was, of this year, that those groups in the community that

opposed poker machines had not been active in their lobbying campaign against poker machines. Again, there are a number of references in the *Advertiser* which reflect the views that have been put to me. For example, the *Advertiser* editorial of 14 August stated:

There was no effective community debate on poker machines outside the vested interest groups which undertook a campaign of intensive political lobbying to lay the groundwork for their silent coup.

The Hon. Mr Elliott in debates I have had with him on television and radio repeated the view that the church groups and community groups that opposed poker machines had been caught unawares prior to the debate in April or May, and that in some way this legislation had been slipped through the Parliament almost unbeknownst to them. Indeed, some church and community leaders have also reflected that view in some of the public statements that they have made. I can only say in relation to the lobbying that I received that I had more lobbying, more telephone calls, more letters prior to the vote in May or April, whenever it was, than I had in relation to this particular Bill. I was lobbied extensively. I said, in my contribution in April, that my staff member was suffering stress from the telephone calls that he was having to take in relation to the poker machine Bill and debate.

*The Hon. Anne Levy interjecting:*

**The Hon. R.I. LUCAS:** He had a thick ear but not from my having hit him.

*The Hon. Peter Dunn interjecting:*

**The Hon. R.I. LUCAS:** He was getting sick of it is a better way of describing it.

**The Hon. Diana Laidlaw:** The honourable member should have taken the calls.

**The Hon. R.I. LUCAS:** The member did take some calls, I can assure you. I gave that as an example, on the record in April, as an indication of the widespread community opposition from the churches and other community groups that we received, and certainly I received, prior to my forming a position on the Bill in April. I reject the view, as put by the *Advertiser*, that there was some form of silent coup, that in some way the Bill had been snuck through with the assistance of the political lobbyists to the detriment of at least a consideration of the views of the opposing groups in the South Australian community.

I have said publicly, and I say again, that I accept that the Hon. Mr Elliott has the legal right, the parliamentary right, to introduce this Bill. It would be a nonsense in my view to suggest otherwise. However, I believe we all ought to, in this Chamber, be cautious about the widespread application of this principle, and I am sure the Hon. Mr Elliott and other members will be.

**The Hon. M.J. Elliott:** It is the only time I have done it.

**The Hon. R.I. LUCAS:** The Hon. Mr Elliott says it is the only time he has done it so far, and I hope that we will not see a widespread application of the principle. But I say again, I acknowledge his right to introduce this measure in this way. I believe that he owes one thing to members of Parliament and to the community in particular, so that it is not a cruel hoax, to use the phrase of my colleague the Hon. Mr Stefani, or a waste of time in relation to the lobbying and the activity of the community and members of Parliament. There needs to

be some justification that there might be a change of vote in the Legislative Council. The legislation passed in April or May of this year, and for an introduction of a repealing Bill soon afterwards, in my view, there would need to be some justification from the member to think that somebody in the Legislative Council has changed his or her mind. Because it does not really matter (and I do not want to enter into the debate about this) whether or not there have been changed numbers in the House of Assembly. The Hon. Mr Elliott knows before the Bill can get to the House of Assembly it must pass the Legislative Council. So there must be some justification in introducing the Bill that someone change their mind.

I know that the Hon. Mr Elliott, for the last two or three months, has been telling any journalist prepared to listen that he believes that this Bill will get through the Parliament, and that a number of members had approached him and indicated they were considering changing their minds on this legislation from the Legislative Council. Let me refer to a couple of references. The *Sunday Mail* of 9 August states:

Mr Elliott believes his Bill could be before Parliament within three weeks and passed within days.

*The Hon. M.J. Elliott interjecting:*

**The Hon. R.I. LUCAS:** I am not talking about the timing; I am talking about whether or not the thing will pass. I know, because journalists have been telling me for some two to three months, that the Hon. Mr Elliott has been indicating that members had spoken to him, indicating that they were considering changing their minds on this issue. It has been those little tidbits that the Hon. Mr Elliott has been feeding to the media that he has realised have been essential in maintaining interest in this Bill the notion that someone was going to do a flip-flop, so that the repeal Bill would be passed and that gaming machines would not go through.

*The Hon. M.J. Elliott interjecting:*

**The Hon. R.I. LUCAS:** There are none on the record in the Legislative Council.

**The Hon. M.J. Elliott:** I will respond to that. That is the fourth time you have done that in this debate.

**The Hon. R.I. LUCAS:** The Hon. Mr Elliott can respond at the end of the second reading. I know that on the Liberal Party side there are only two members who supported the Bill: the Hon. Ms Laidlaw and myself, who potentially could do a flip-flop, in the words of the Hon. Mr Elliott.

**The Hon. M.J. Elliott:** They are not my words, either; that is the fifth lie.

**The Hon. R.I. LUCAS:** Sorry, in the suggestion of the Hon. Mr Elliott that it might go through. I know for a fact that we certainly have not spoken to the Hon. Mr Elliott indicating anything of the sort.

*The Hon. M.J. Elliott interjecting:*

**The Hon. R.I. LUCAS:** We have not indicated anything of the sort to the Hon. Mr Elliott, and for him to be suggesting—

**The ACTING PRESIDENT (Hon. M.S. Feleppa):** Would the honourable member please direct his remarks to the Chair.

**The Hon. R.I. LUCAS:** Thank you, Sir. For him to be suggesting to members of the media that members in the Council had expressed views that they may well change their vote—

**The Hon. M.J. Elliott:** I have not.

**The Hon. R.I. LUCAS:** Yes, you have.

**The Hon. M.J. Elliott:** I have not said that.

**The Hon. R.I. LUCAS:** Do not by to back off now. He has had two or three months saying this around the media and now he is trying to back off.

*The Hon. M.J. Elliott interjecting:*

**The Hon. R.I. LUCAS:** He is now trying to back off, because I have had calls from members of the media for the past two or three months telling me that this Bill might get through, in relation to some of these comments that the Hon. Mr Elliott has been making in relation to the Legislative Council, and I know for a fact that we had not spoken to him. And, Mr Acting President, I suspect you know for a fact that members of the Labor Party, and perhaps from your own position, had not spoken to him to give him any indication of that particular position. Of course, you are in the Chair at the moment and cannot respond. Who was the Hon. Mr Elliott talking to? Where are these mysterious members of the Legislative Council?

**The Hon. Diana Laidlaw:** Perhaps he was talking to himself.

**The Hon. R.I. LUCAS:** Or perhaps he was talking to his colleague. But they opposed the Bill in the first place. Where are these mysterious members of the Legislative Council who supported the Bill and who are going to switch against it?

**The Hon. Anne Levy:** It was not me.

**The Hon. R.I. LUCAS:** The Hon. Ms Levy says that it was not her. A few others in this Chamber indicate, by way of their demeanour and their nodding of heads, that it was not them. Where are these members of this Chamber? They are not here, because they do not exist. The Hon. Mr Elliott had to keep interest in this Bill going for a couple of months and had to keep feeding little titbits to the media, and he did that. I kept getting the telephone calls from the media as recently as last week in relation to what was going on with this issue.

When the final vote is taken, it may be that if there is to be any differing view—not that members have changed their mind but some members may, for differing reasons, express a different view. That is for them to explain—not that their position has changed on whether or not they support poker machines, because it has not. Each one expressed his or her view and made a judgment, but in relation to the procedure of this Bill and what we as a Parliament ought to do, perhaps some members may express different views, although not in the direction about which the Hon. Mr Elliott was talking.

And the Hon. Mr Elliott knew that full well. If he had said, 'I'm introducing this Bill and I don't know, no-one's spoken to me', then so be it. That is a judgment for him to make and he is entitled to take that position. But for him to go that further step to keep interest in this Bill and to keep it in the forefront, together with the *Advertiser*, that is where I express some opposition to the way the whole matter has been approached.

The last area I want to discuss relates to the approach of the *Advertiser* on this issue and the whole role of the media in relation to the gaming machines debate. I know that in some universities already the gaming machines debate is the subject of research and papers about the parliamentary process and community debate, and I

suspect that it will continue to be the subject of some research over the next 10 years or so. I want to place on record some views in relation to the role of the media.

**The Hon. Diana Laidlaw:** On ethics?

**The Hon. R.I. LUCAS:** On a number of things. First, I accept that it is the prerogative of a section of the media such as the *Advertiser* to change its mind in relation to an issue, and the *Advertiser* has acknowledged—

**The Hon. Anne Levy:** It's called back flipping. That's what you called it.

**The Hon. Diana Laidlaw:** He called it flip flopping.

**The Hon. R.I. LUCAS:** Its position has flip flopped from 1990 to 1992. I accept that it has done that, and that is for it to explain as, indeed, it has attempted to do. In 1990 the *Advertiser* editorialised that it was time for pokies, and in 1992 it had changed its view quite considerably. The best explanation of the *Advertiser's* position is demonstrated by its leader of 6 August of this year, when it argued as follows:

The South Australian public is overwhelmingly opposed to the introduction of poker machines into every licensed hotel and club in the State. That is the single overriding reason for the *Advertiser's* strong campaign opposing the introduction of the Gaming Machine Bill—a campaign in which our forthright opinions, expressed on behalf of the public, have been scrupulously confined to these leading articles. In our editorial pages we have endeavoured to present a balanced picture of the competing facts and concerns.

I want to explore that in greater detail in a moment. As I said, I do not criticise the *Advertiser* for the new view. I do reject its attempted explanation as to why it has changed. It argued that it had changed its position because the strong public opposition to gaming machines had become apparent, and I reject that. I accept the view that there is strong public opposition, but all market research for the past decade in South Australia has shown strong public opposition to gaming machines in this State.

Back in the late 1970s and early 1980s the opposition was stronger than the 55 to 60 per cent that exists at the moment. So, I accept the view that there is majority opposition, but I reject the view that that is something that has occurred in the past 12 months. It is a public opposition that has been apparent and has even been reported in the news pages of the *Advertiser* over the past 10 to 15 years. As most people know, the real reason is that there was a change in senior management at the *Advertiser*.

In 1990 the senior person there had a view supporting poker machines but, because of a change in personnel in 1991-92, the new man on top had a view against them; therefore that view was reflected in the *Advertiser*.

**The Hon. M.J. Elliott:** The same thing happened in the hotel industry—a change of leadership.

**The Hon. R.I. LUCAS:** That is right; I accept that, and I am not criticising it. All I am saying is that its attempted explanation in its leader for its changed position does not bear close examination. That is not the reason for it: the reason was the change in personnel at senior level. The attitude of the *Advertiser* is important because of this whole debate about the media and media monopolies in South Australia; therefore it is not just this issue—although this is a good example of an important fact. That fact is that we no longer have a second major newspaper in South Australia and, therefore, in the

Adelaide *Advertiser* we have virtually a monopoly position in relation to widely spread daily newspapers.

So, the attitude and approach of the only daily newspaper is important and deserves close examination. I know that there will be close examination by university students and others over the coming years. It would appear that the *Advertiser* has decided, at least in part, to seek to fill the void that has been left by the Adelaide *News* and to become a crusading newspaper with a touch of the tabloids about it. That was demonstrated by its approach to the gaming machines debate.

I want to explore that editorial from which I quoted, which indicated that the newspaper has limited its attitudes to the gaming machines debate to its leader articles quite scrupulously and that it has presented both sides of the argument fairly in the editorial pages. I accept the view that someone owns a newspaper and so the editorial is theirs to editorialise as they wish. If they want to write a leader article supporting or opposing gaming machines every day for two weeks, that is their prerogative—it is their newspaper.

What I want to explore is its claim that in the news pages it scrupulously ensured that both sides of the argument were being put. I want to look at the period from the middle of May, when we first became aware of the mistake or the technical amendment, whatever you want to call it, in the original Bill through to about the start of the parliamentary session in the first week of August. I intend to go through the articles. There might be one or two missing, and I apologise for that. The Presscom search broke down, and the library collection is missing a few pieces here and there.

I want to summarise the date of the article, the headline and the general flavour. On 19 May this year the heading was 'Mistake in pokies Bill', and it was the original discussion on the mistake in the Bill. On 2 June it stated 'Blunder to delay pokies' and the article said:

An embarrassing blunder discovered by the State Government might delay the poker machine legislation.

On 3 June the headline was 'Pokies plan may hinge on inquiry' which referred to the inquiry into the Minister of Tourism. On 4 June the headline was 'Pokies row: churches in plea to MPs'. What I cannot give members is a description of the size of the headline and the positioning of the pages, but I will make a comment about those at the end.

The next article is from 4 June, and is an editorial opinion 'Last chance to atone for pokie perfidy'. The next is from 5 June, 'Scramble to scuttle pokies'. The next is 6 June, 'MPs offered second chance. New move to block pokies'. Then there is 8 June, 'Crucial pokie vote in doubt', and that was the one, Mr Acting President, that you might be familiar with, wherein the article stated that the Hon. Mr Feleppa had refused to declare his continued support for the action, according to the *Advertiser*. It stated that Mr Feleppa said he would make no comment at this time. When asked why he would not comment, he said, 'I do not have to say why.' The next article was on 9 June and was headed 'Church leader stresses social harm of machines. Pokie action demanded'. The next is 10 June, 'Border rush tipped for pokier trade'. That was an article on the other side, from Mr Ian Home, and it was on page 26 of the *Advertiser*,

in the second section of the *Advertiser* after one gets past the television guide and the comics.

Then on 13 June there was a feature article, entitled 'Patience to passion', of an interview with Sister Janet Mead, who was fighting against poker machines. Further on 13 June we saw the article 'Hotels split over poker machines'. The industry was divided. A separate cutaway section featured a proprietor, Mr Gary Molloy, with a photo, who was not going to install poker machines in his hotel. The next article is from 13 June and was headed 'Most people still oppose pokies', and this was a page 2 article. The next was on 15 June, 'Fears for families on pokies legislation', and this was from the heads of Christian churches. Then there is 22 June, 'Churches gear up for war on pokies', and this was from Reverend Neale Michael. Then on 23 June we saw 'New bid to stop pokies' and this related to the Hon. Mr Elliott's giving notice of introducing his legislation. Then there was 24 June, 'Hotels to fight AD pokies bid'. This is another example of the other side. That was from Mr Max Beck of the Licensed Clubs Association.

The next is 'New push against pokies', from the Coalition of People Against Pokies. On 30 June there was another one from Mr Beck, 'Pokies plan to create 2 000 jobs'. On 1 July we saw the heading 'Councils in bid to keep pokies out', and then on 4 July, three days later, we saw the same story, 'Councils join pokies revolt—they must have been short I think. On 4 July we saw 'Poker machines will hit families: church'. Around the same time we saw the reference to a nation of pokie players, which concerned an investigation of poker machines throughout the nation. On 9 July there was 'Councils limited in pokie action'. On 10 July there was 'Pokie addicts raid money boxes: AMA'. I think that was a front page story, from recollection. On 13 July there was 'Pokies go too far for church'—that was from the Catholic Church. Also on 13 July we saw the heading 'Gambling tours to continue', from the Coalition of People Against Pokies. On 14 July there was 'Government gearing up for pokies'. To be fair to the *Advertiser*, this was a neutral article. On 15 July we saw 'Many bids for pokies controls contract', and again this was a neutral article.

On 17 July we saw the heading 'Big push to lure SA gamblers'. On 20 July we saw 'Pokie addict's 24-year nightmare', and this was accompanied with a nice, silhouette photo of someone who was speaking out. On 22 July we saw 'Pokies "will bleed" towns', from the Lutheran Church. On 24 July we saw '60 per cent now oppose SA pokies: poll'. On 25 July we saw headings 'Big clubs gearing up for pokies' and 'Youths steps up campaign', and this was referring to the Youth Affairs Council speaking against the measure and also again Sister Janet Mead speaking against it. On 27 July there was, 'Hotels, clubs take protests to the streets'.

Also on 27 July we saw 'Brown vows to fight the pokies'. On 28 July we saw 'Country areas may get hotel pokies lessons'. Further on 28 July, in the editorial we saw, 'Libs could be on a winner'—that is, in opposing the pokies. On 29 July there was, 'Pokies claims "nonsense"', from the South Australian Council of Social Service spokesperson. On 30 July there was 'MPs must heed polls on pokies: churches', and this was from the Reverend Neale Michael. In an editorial on 31 July we

saw 'Liberals grab high ground on pokies', and again this was in relation to comments that the Hon. Dean Brown had made. On 31 July we saw 'Archbishop "wrong on pokies comment"', and this was a statement from Mr Ian Home. The next was on 31 July, 'Libs to stall pokies debate'. The next, on 1 August, was 'Government move to avoid crucial pokies vote'.

The next was in the Rex Jory column State of Affairs on 1 August and was headed 'Have they no conscience?' On 3 August we saw the headline 'New bid by MPs to delay pokies'. On 4 August we saw 'Doctors blast pokies'. I think they had already blasted them, so apparently they were blasting them again. On 4 August we also saw an editorial 'Time to take a stand on pokies'. On 5 August we saw the article 'Pokies purely to raise revenue', and this was from Mr Elliott. On 5 August we saw a story from Mr Max Basheer, in which he did, in effect, attack the *Advertiser* for the failure to report the other side of the debate. It was then in response to that that on 6 August the *Advertiser* reported that they had limited their position to the editorial pages and had fairly represented both sides of the argument in their news pages. On 6 August we saw the editorial heading 'Dump pokies. Get on with the real job'. Then on 14 August we saw a further editorial heading 'Voicing the concerns of the people'.

I have limited that very quick analysis to that section from the time when we first became aware of the technical defects in the legislation through to when the Parliament sat. There are many more articles that were published both prior to that and, of course, subsequent to majority of groups opposing the legislation, there was that. Can I say that I accept that, because there was a likely to be more news stories opposing the legislation than stories that were for the legislation. I accept that. In the probable belting that I will get around the ears from the *Advertiser*, or whatever, I do not want them to be suggesting that I am arguing that it should have been 50/50. That is not the way the news media operates. If then they tend to get reported more frequently than those there are lots of people campaigning against something can see that at least 90 per cent of the column So I accept that, but I believe that, in that analysis, we who support a matter and who might not be speaking out. centimetres used in the *Advertiser* on this matter were devoted to the anti cause.

I believe also, when one looks at the analysis, as I have, as to where those stories were placed, one finds that the anti stories were positioned in the first five pages of the paper, particularly in the first three pages, and that the pro gaming machines stories tended to be after page five or page seven of the *Advertiser*, and indeed in some direct analysis of the column centimetres is not an cases they were in the second fold-out of the paper. A accurate measure, either, of course, because in fact it is all a question of positioning and placement. However, what I do know is that I had, as other members had, *Advertiser* journalists apologising to me when they rang, saying that they had been told to get another story on the gaming machine debate, and that they were sorry about this.

**The Hon. Anne Levy:** Any evidence of that?

**The Hon. R.I. LUCAS:** No, I don't take transcripts of my telephone calls, I'm afraid.

**The Hon. Anne Levy:** You are calling on Elliott to produce evidence.

**The Hon. R.I. LUCAS:** Not of transcripts.

*The Hon. Anne Levy interjecting:*

**The Hon. R.I. LUCAS:** Look at the figures from the Bureau of Statistics or the institute—but let us not be diverted. All I am saying is that they were apologising for having to adopt a particular line in trying to find another angle to the story. They were uncomfortable with the position that had been adopted by senior levels of the *Advertiser* in relation to the Bill. Perhaps that is because the *Advertiser* in the past has not been seen as a crusading paper. That had really been the responsibility of the *Adelaide News*. As I said, perhaps the *Advertiser* has now decided that it is seeking to fill the void that has been left by the removal or the passing of the *News* and that it is going to tend to go in that direction. It is for others to judge and for the *Advertiser* itself to make judgments as to whether or not its claim that it restricted its views to the editorial pages is an accurate reflection of what occurred in relation to news statements.

**The Hon. Anne Levy:** Do you believe that?

**The Hon. R.I. LUCAS:** I am not placing my view on the record at the moment. I have a view, as perhaps other members do, but I should like the *Advertiser* to consider its position as to whether it really believes that it reflected fairly both sides of the argument, as it claims, and that there was no incursion into the news pages of the *Advertiser* of the views that it properly expressed through its editorial pages. For those reasons, I indicate my opposition to the passage of this Bill.

**The Hon. DIANA LAIDLAW:** I supported the second reading of the Gaming Machines Bill on 14 April last. I indicated at that time that I would reserve my judgment on the third reading, and I subsequently voted for it. The reasons that I supported both readings of the Bill remain as valid today as they were five months ago, and that is why I will not support the Bill that has been moved by the Hon. Mr Elliott to repeal that legislation. Five months ago I indicated that I see no more social or moral evil in playing poker machines than in betting on roulette at the Casino, gambling on the futures market, backing racehorses or dogs, or playing bingo, the pools, X-Lotto or instant money games. Many people spoke to me before we debated the Bill in April and subsequently, suggesting that there are more damaging consequences, particularly addictive consequences, from the playing of poker machines than there are with the other forms of gambling that I mentioned.

I recognise that, when people have a range of gambling options, poker machines are the form of gambling that they prefer, and that has been the experience in New South Wales and it is now being seen in Victoria. Although people who play poker machines are by no means addicted to that form of gambling, and that is essentially where my judgment lies, that option is a form of entertainment for most people who use it and most people who gamble prefer to do so with poker machines than with any other form of gambling that this State tolerates. As long as gambling is legal, it is a matter of individual choice and conscience as to whether or not one chooses to gamble.

As a Liberal I believe very strongly that individuals generally have to be deemed to be responsible and in this instance I wish to apply that philosophical framework that guides most of my consideration of legislation before this place. I view with grave concern those who seek to argue the opposite, that I should not be deeming most people responsible. One has to argue that the consequence of that is that the State knows best and that the State should save people from themselves because they cannot be trusted to look after their own life. There will always be casualties in our society, whether they occur from driving motor cars, from participating in the work force or from incidents on the sporting field. Generally, we have means by which we can assist those people to establish some dignity in their life and to get over the immediate and longer term impact of their actions or their misfortunes. I do not necessarily see in this matter that the majority of people who enjoy gambling as entertainment, particularly those who enjoy poker machines, should be denied in this State what is deemed to be acceptable in New South Wales and Victoria, which are the most populous States in the nation.

The Hon. Mr Elliott indicated that he introduced this Bill because the vote was flawed, but he did not go on to elaborate. I do not know necessarily what he was suggesting by such a statement. It was my view that all members were free to make up their own mind on the Bill. Some may have been subjected to pressure to help them make up their mind. I was pressured by many members of the public to change my mind on the issue and I have had discussions with a number of members of my Party since the Bill passed. Ultimately, it is a matter of judgment for the member concerned. It does not matter where the pressure comes from and it would be foolish for anyone to suggest that, on matters such as gambling, abortion or whatever, pressure will not be applied. Ultimately, it is a matter for a member's judgment and conscience.

Those people who have chosen to suggest that it was not a pure conscience vote are living in an unreal world in terms of political life because I do not think that one member in this place did not agonise over his or her decision about poker machines. I certainly did. That is why I take exception to suggestions in the *Advertiser*, by the Hon. Mr Elliott, by church groups and by all those who tell me that they are praying for me that I do not care and that I did not consider the plight of those who are less fortunate than I. I certainly did but I took other matters into account and, on this occasion, those matters carried more weight.

In the debate on the Gaming Machines Bill, I tried, as did the Hon. Mr Elliott, to get the Government to support amendments to ensure that part of the gambling revenue would be directed towards community welfare organisations. We were not successful in that and I did not pursue it on that occasion or seek to move further amendments or a private member's motion on the matter because the then Minister of Finance, now the Treasurer, told me blatantly that any money that went to community welfare groups from this measure would be cut from general revenue, so they would be no better off as a consequence. I did not see that there was much point putting those groups in that invidious position at the

hands of the Government, so I did not continue to push that line or to try to defeat the Bill on that basis. I remain concerned about the pressures that will be placed on a number of these groups. They are already under extreme pressure and I very much doubt that those pressures will be exacerbated by the poker machines legislation.

It may be that that is so; it is a matter which is before a select committee and which will be investigated further, and certainly, with the forthcoming Liberal Government, we will have a more compassionate Government than we have with the current Government in terms of the plight of these groups and the general pressures they are encountering because of the hardships that families are experiencing even before these machines come in.

I believe that the majority of people who play these machines will be responsible users of them, and I believe that, at some stage in this Parliament, people such as I should stand up for those who recognise that the majority of people will be responsible in this regard. I do not enjoy speaking on or addressing matters such as poker machines; there are a million other more critical issues that we in this State should be debating and addressing at this present time. However, I have been forced to vote on this issue because the Government has sought to introduce the measure. I would have hoped that the decision I made in conscience on the last occasion would be respected by the community and the Democrats. I am sorry that that has not been the case, and I indicate that I oppose the Bill.

**The Hon. G. WEATHERILL:** The Bill to allow gaming machines just a few months ago in April of this year was passed in this place. As has been said in this place, the gaming machines legislation was passed but there was a typing or some other sort of error so that it involved two amendments. Those two amendments were the only issues to be discussed by both Houses of Parliament, yet the inference by the people who opposed the legislation was that the old Bill was in danger. That was totally wrong and it misled the people of South Australia and the press.

Businesses have spent lots of money preparing their places for poker machines since this legislation was passed through the Parliament. Now we have another Bill the aim of which is to try to stop the gaming machines legislation in South Australia. How can anybody have confidence in the legislation passed in this place from one day to the next if this sort of thing is going to happen?

These people who are totally opposed to the gaming machines have been running to the press quite regularly, as Mr Lucas explained earlier. This has given confidence to a lot of people who run tours, and already the people whom they are supposed to be protecting against these terrible poker machines in hotels are setting up tours to go from Mount Gambier and the Riverland to places such as Mildura, with poker machines in Victoria, thus taking the money that could be earned here out of South Australia and giving it to the Victorians.

I would expect that all these people who are totally opposed to them and feel very strongly about this, particularly Mr Elliott, should be standing on the road to Mildura telling these people who are going to play these machines how terrible they are.



I would like to make one other comment in reference to a comment made by the Hon. Mr Burdett the other day in relation to Sister Janet Mead, better known as the Singing Nun. I might add that he cut the President to the quick when he said that she did better in the press than he did. I totally disagree with her comments about members losing their principles when they come into Parliament. I think it was very unfair, and it came from a person who was obviously quite frustrated about the poker machines legislation getting through.

If those who are totally opposed to poker machines—and I am talking about any member of the public and the churches—have shares in any poker machines, whether it be in South Australia, New South Wales, Victoria or anywhere else, I am sure that they would have enough principle to get rid of those shares.

**The Hon. PETER DUNN:** I rise to oppose the Bill, and that might surprise some people. However, I believe that this Bill has nothing to do with poker machines; rather, it is about defying the decision of the umpire. If we want to bring the Parliament into ridicule, we should continue down this track of introducing Bills, passing them, having them proclaimed, putting them out into the public and then withdrawing them the following week before they are tested.

I hope that everyone who buys a poker machine does his dough (I really do), because I voted against them initially and I oppose poker machines. I think that, if we have to stultify our minds by putting 20c in a slot and pulling a handle or pressing a button, there is not much left for us in the world.

However, that is not what this Bill is about: it is about knocking off something that we as a Parliament passed not very long ago. Can you imagine, Sir, what would happen if we put a Bill through the Parliament (for example, an indenture Bill to put up an MFP or whatever—something that we might all want) and the following week something came up and we decided to knock it out? We would be ridiculed. That is the ridiculous situation we have got ourselves in.

**The Hon. M.J. Elliott:** Why don't you treat it on its merits?

**The Hon. PETER DUNN:** I am treating it on its merits. The Bill seeks to repeal the Bill that we have not even tested. It is like my buying a sheep dog, having been told the thing is no good. However, I buy one because I need one, and I take it out and find that it is no good. All right, I can then sell it. But, I have not even taken it out into the paddock and put it around the sheep to try it.

This Bill is just a typical Democrat specialty. It is there to get as much publicity as possible but there is no responsibility with it. The Westminster system was set up in 1215, or whatever, at Runnymede because there was an argument between the Crown and the serfs. They decided that, instead of shooting each other and sticking a sword through each other, they would sit down and argue, and have that fight with words. So, we set up a Parliament like this, three swords widths apart, so that we could not kill one another with a sword. However, we can verbally bash what we like out of anybody, and I believe that that is the way it should be.

I lost the argument and I will accept the umpire's decision that I have to put up with these stupid poker machines, but I cannot stand here with a clear conscience and reject what has not even been tested.

I think it is silly to introduce this sort of legislation; it makes a mockery of the place, because we would be doing this every five minutes. I have probably not agreed with a lot of Bills that have gone through here, but that is the system. That is why I am here: to try to change it. It will change for me; I suspect that after the next election I will have the opportunity to put my point of view.

**The Hon. Anne Levy:** I wouldn't bet on it.

**The Hon. PETER DUNN:** The Minister would not bet on it; she should go and use the poker machines, because she will lose that bet. She will be able to put her money into them.

*The Hon. Anne Levy interjecting:*

**The PRESIDENT:** Order! The Hon. Mr Dunn.

**The Hon. PETER DUNN:** I accept the fact that the Democrats have introduced this Bill to repeal the Act. I accept that they have the right to do that, but I think it is morally wrong. I will oppose the Bill on that basis, and I set that down to make it quite clear. I opposed the introduction of poker machines in the first place but, having lost the argument, I will defend the right for that argument to be proceeded with.

**The Hon. L.H. DAVIS:** This Bill is unprecedented in my time in the Legislative Council in the sense that we have not had a Bill seeking to repeal legislation which has been passed by the Parliament, including the Legislative Council. However, because it is unprecedented it does not mean that it cannot be supported. I wish to indicate at the outset that I do support the Bill.

Let us recap in unemotional language the situation surrounding the introduction of poker machine legislation in South Australia. I go back to the time when the then Premier, the Hon. John Bannon, in introducing legislation to allow for the opening of a casino in South Australia, gave a public undertaking that he would not introduce poker machines in this State without an inquiry, and obviously that inquiry would examine the social and economic impact of poker machines in this State.

That undertaking has clearly been breached, and one can understand why it has been breached—because it would take time to have a proper inquiry into the social and economic consequences of the introduction of poker machines, and time was not on the side of the Bannon Government.

**The Hon. Anne Levy:** We set up a committee.

**The Hon. L.H. DAVIS:** The Hon. Anne Levy unwisely interjects and says, 'We set up a committee,' but that was after the horse had bolted. The Government is used to watching the horse bolt: it bolted on the State Bank, it bolted on the SGIC and it bolted on Scrimber. I think the Minister would be better advised to maintain her composure and silence.

**The Hon. Anne Levy:** You can't examine something that isn't there.

**The Hon. L.H. DAVIS:** Mr President, the Minister continues to interject and says, 'You can't examine something that isn't there.' I would have thought the Minister has enough black notes on her keyboard to recognise that you can have a committee, whether it be a

committee of the Parliament or a public inquiry, to examine the possible social and economic consequences of the introduction of poker machines into South Australia. That has been done in other States and is not unusual at all.

In fact, that was the promise that her former leader gave. Is she suggesting that he has fallen out of his tree as well? That has effectively silenced her, Mr President. I hope that the Minister maintains that silence. Let me continue to develop the argument. The argument is simple: that this Government gave a public undertaking to have an inquiry into the social and economic consequences of poker machines but did not do so. Why did it not do so? It was because time was of the essence. It had a black hole which at the time it introduced the legislation was a \$2.1 billion loss by the State Bank, and subsequent to the passage of the legislation we discovered that it was a \$3.1 billion hole—

**The Hon. Anne Levy:** Who moved the original motion?

**The Hon. L.H. DAVIS:** —a hole which is the biggest corporate loss in Australia's history. The Minister persists and says, 'Well, it really had nothing to do with the Government; it was Mr Evans.' The fact is that quite clearly this was Government legislation. Certainly, it has been masqueraded through the Parliament under the guise of being introduced as a private member's Bill, but quite clearly it had the imprimatur of legislation.

*The Hon. Anne Levy interjecting:*

**The Hon. L.H. DAVIS:** You sound like a cockatoo running late.

**The PRESIDENT:** Order! The Hon. Mr Davis will address his remarks to the Chair. The Minister will cease her interjections.

**The Hon. L.H. DAVIS:** Quite clearly there was that serious breach. As we all know, before, during and after the debate on poker machines the public has consistently expressed its very strong and vocal opposition to them. We are not just talking about church groups and people who traditionally have been seen to be opposed to poker machines on moral grounds: rather, we have had a raft of people and organisations concerned about the economic consequences, the economic impact, of the introduction of poker machines. The anti-lobby for poker machines has grown rather than reduced in recent months, to the point where quite clearly in South Australia there is overwhelming opposition to poker machines.

I have taken the view consistently in the Legislative Council that in social matters the Government should be a follower and not a leader. Back in 1964-65, when the Playford Administration was coming to the end of its record-breaking term, there was considerable community agitation in South Australia for the introduction of off-course betting (today known as TAB) and the introduction of lotteries.

All other States had had these measures for some time. I think it is fair to say, if my memory serves me correctly, that there was a body of opinion, a support in South Australia, for the introduction of both those measures, and the incoming Labor Government did, in the course of its first Administration, introduce TAB and lotteries. That was a clear example of the Government reacting to lobby groups and to a general community agreement that, whilst obviously there is always some

damage in extending gambling facilities, there was on balance community support for the proposition.

However, that simply has not existed and has never existed on any dinkum poll taken of the public in the matter of poker machines. So what has been the motivating influence? Was it that John Bannon had a blinding flash on one of his jogs? No, it was not—it was simply that he recognised that there was this enormous hole in the State budget and that gambling quite clearly was a lucrative money spinner from the point of view of Government, and that more money could be raised for the desperate black hole that was the South Australian Treasury.

So, under the guise of private legislation he moved that way. He supported it, although previously he had promised that his Government would not move in that direction until an inquiry had been held. I think it is unprecedented to see a Government go back on its word on such a fundamental issue, and I think that in itself is justification for the Bill that we have now before us.

Secondly, as I have mentioned, not only has the Government breached its word but also the community has maintained its rage; it has been angry; it has been cross; and it has been unconvinced by the arguments adduced by this desperate Government for the introduction of poker machines.

This issue simply has not gone away. As quite often happens once something is passed, the Opposition melts away. However, that simply has not occurred, and it is now five months since the legislation was passed.

The third reason I give for supporting the legislation is the shameful events that surrounded that night when we all sat around for four hours knowing what was happening; when one member of the Government, an honourable member—and I mean that not only in the spirit in which we address each other but also in terms of his character—was put under intense pressure, under enormous pressure, for a Bill which allegedly was a private member's Bill, when he was trampled and jumped on under arc lights, in what was a most undemocratic display by this desperate Labor Government.

So, the fact is that that Bill passed in the early hours of the morning, simply because of the shameful treatment meted out to this person, who, if he had not been put under that pressure, I suspect may have considered the matter in a different light. I regret having raised this but it is a matter of fact. I think that in itself is unprecedented. I have not seen people put under that sort of pressure in such obvious fashion in my 13 years in the Parliament.

*Members interjecting:*

**The PRESIDENT:** Order!

**The Hon. L.H. DAVIS:** The fourth reason I give relates to the nature of the legislation itself and the creation of the Independent Gaming Corporation, which was an act of naked self interest, and the fat lady, in my view, has yet to sing on this matter. There are disturbing matters which remain unresolved in relation to the creation of the Independent Gaming Corporation and the preference given by this Government to the Independent Gaming Corporation rather than to the Lotteries Commission. That has been a matter of discussion in another forum, and I do not intend to elaborate on it today, but members opposite know full well what I mean

and, as I have said, it may well be that the fat lady has not yet sung.

Taking all those facts together, I believe that the Bill itself, while unprecedented, is legitimate and members can support the Bill, albeit unprecedented, on several grounds. I have made public my grounds. I remain concerned about the introduction of poker machines in South Australia; the nature by which they are going to be governed; and the social and economic consequences which will undoubtedly flow. And for the Hon. Anne Levy to say, 'Well, do not worry about that, we have set up a select committee' shows how shallow and how simplistic this Government has become.

*The Hon. J.C. Burdett interjecting:*

**The Hon. L.H. DAVIS:** Indeed, as my colleague the Hon. John Burdett rightly interjects, that select committee was introduced and debated concurrently with the legislation. The Hon. John Burdett was not even present at the time of the debate; he was away on business. The whole nature of this debate has had grand farce about it from beginning to end. It is the sort of scenario which really could be set to music and staged by State Opera.

*The Hon. Anne Levy interjecting:*

**The Hon. L.H. DAVIS:** The Minister believes there is no box office appeal.

**The Hon. Anne Levy:** Not in your speeches, that is for sure.

**The Hon. L.H. DAVIS:** This is another example of how the Bannon Government sets itself up as an arbiter of taste. How much more can we stand from this Government? It is an arbiter of taste, of financial management. Consider State Bank, SGIC, Scrimber—

**The Hon. Anne Levy:** No-one would go to see an opera that starred you.

**The Hon. L.H. DAVIS:** I was not in the starring role. I would have thought it was the Bannon Government in the starring role: our late Premier, our late Minister of Tourism. There would be many stars on your side.

*The Hon. Anne Levy interjecting:*

**The PRESIDENT:** Order!

**The Hon. L.H. DAVIS:** I would be very happy to be there just to pull up the curtain. I support the legislation.

**The Hon. J.C. IRWIN:** I will make a very brief contribution to this Bill introduced by the Hon. Mike Elliott and seeking to overturn the recently passed poker machine legislation. I spoke briefly on the original legislation, enough for everyone to know I opposed that legislation. I have not changed my mind albeit that there is now a new element, one alluded to by the Hon. Mr Dunn and others, and that is the cost to reverse the measures that are already in place or taking place, and certainly that is a consideration no doubt all of us have thought about. I support Mr Elliott's Bill.

Some in this place may be aware of the rising swell of support for the notion of citizen initiated referenda and there is a debate on this issue in the other place, as indeed there is outside this Parliament. The public debate around CIR is given a great impetus by the collective decisions of this Parliament on such issues as the introduction of poker machines.

From time to time, issues are debated in this place which are deemed by the major Parties to be conscience issues. They are generally social issues and therefore

community issues. I have never seen any reason why these sorts of social issue should not go to a referendum of the people, especially if they are deemed conscience issues. There has never been any hurry, as far as I know, to have this legislation in place, so a referendum could easily have been delayed until we had an election or there was some special occasion, whatever the cost (because I think the people would support a cost), for a referendum to be held.

Governments are elected by a majority and as such are given a mandate to govern. If we turn issues into conscience issues the Government does not have that mandate, and it cannot claim to have that mandate unless it has been to the people with that as part of its platform. My judgment is that the Parliament is not representative of the majority wish of the people on this issue and there is only one real way to test that. My judgment, based on public comments, private comments, hundreds of letters and other means of communication, was that the majority did not want it, but I would still prefer to have that tested by the people themselves on a single issue.

I am the first to support the fact that Governments or boards of directors should not have to go off to their shareholders or the people on every single issue. As I have already mentioned, in the case of Governments they have a mandate to govern on certain issues, just as a board of directors has a mandate from its annual board meetings to run the company as efficiently and properly as it can. It is a disruptive tactic or an element if we are then expected to go off to face the public on every single issue. I do not mean that, but there are certain issues which come up every now and again, some deemed conscience issues, some very obvious issues that have not been deemed conscience issues, where the people could be asked for their collective decision before we have to discuss it in this place. I do not intend to go through the workings of CIR but if you know how they do operate then, when a percentage of people demand that there should be a referendum, the situation then follows that if the majority of the people at the referendum suggest that legislation should be overturned, or a certain course taken, then the Parliament is bound to take that course.

My warning is that if the Parliament does not listen to the majority it will have CIR forced on it, where the people will demand a direct say in the running of this State, whatever the issue. I think it would be sad for the Parliament if this were to happen, but as a community person I want to ensure that this Parliament does represent the majority of the people, albeit at times on very sensitive political issues or hard fought political issues. I am certainly taking a different side. I will not support any measure which has any chance of causing more social disruption than we already have in our community unless that is what the majority of the community wants. So, I support the Bill.

**The Hon. T.G. ROBERTS:** I rise to oppose the Bill, although I will not elaborate on my grounds for doing so since I am already recorded in *Hansard* as having supported the introduction of the Bill for gaming machines. However, I think that the debating climate that exists at the moment has transferred its weight from whether the democratic processes are being followed in relation to the wishes of the majority of people in this State to have poker machines or not. I did not hear many

of these contributions when the first Bill was introduced, but it has turned into a slightly different debate in this Chamber at this time, mainly due to some of the headlining that took place after the technicality was observed in the Lower House, when people felt that there was an opportunity to interfere in the democratic processes and to overturn the legislation.

I think that those people were given false hope. I should have expected the technicality to have been cleaned up without the delays that we have had but, unfortunately, that was not the case. It was not possible, and an opportunity was seen to raise the same debates. The same pressure groups were involved in the same arguments that had preceded the debate on the previous bill. I thought that it was giving people a false hope that, somehow, there would be a change to the position. Consequently, those lobby groups maintained their pressure on individual members, as has been raised by other members of this place, and they are the ones who will be the most disappointed.

The contributions that have been made in relation to the democratic processes not being followed by this Government in not heeding the wishes of the majority of the population do not hold water. If one looks at some of the ideals contained in the citizen initiated referenda and how they apply to this issue, particularly, the question asked in the surveys that I have seen was: are you in favour of poker machines or not? If people in the South-East, in particular, and in the Riverland, the areas bordering Victoria, which has introduced poker machines, were asked the question about whether or not they approved of poker machines, the same people would give you the same answer.

But if you asked them whether they felt that the future of their sporting clubs, social clubs, hotels and community clubs was in danger of being wiped out, they would then give you a different answer. They would say, 'No, we want our sporting clubs to exist. We want them to be adequately funded and we want them to be able to compete in a proper way with those sporting clubs across the border.' What is happening at the moment is that buses and tours are being organised to cross the border into Victoria, and the delay that we have suffered in the introduction of gaming machines will put these border towns at a severe disadvantage.

If it were to continue permanently and South Australia were not able to introduce poker machines, the facilities of those border towns for recreational purposes and tourism would be devastated. That is not a wild statement but a statement of fact. When New South Wales introduced poker machines, there was a huge drain on the finances of the towns on the border between Victoria and New South Wales. If you travel into New South Wales along the Riverland areas, all the golf clubs, social clubs and tourist resorts are on the New South Wales side of the border, not on the Victorian side.

If you walk into any of the hotels and clubs on the Victorian side of the border, you will see that they are very basic. Those towns have had to lift their game and introduce other aspects into the social clubs and hotels to compete with towns across the border, but all the 36 hole golf courses, squash courts and recreational facilities are on the New South Wales side of the border, not on the Victorian side. We have been putting our head in the

sand if we thought that we could represent the interests of this State by denying those sporting clubs, organisations and hotels the right to introduce poker machines onto their premises.

In relation to the moral argument about whether we are introducing machines against the wishes of the majority of the people, as I pointed out, if you asked those questions of people, they would have a different view from the view they would have if you asked straight out whether or not they were in favour of poker machines. Unfortunately, time caught up with South Australia, as it did in the mid 1960s. We reached the point where we could not avoid the issue.

In 1965 or thereabouts, in Tom Playford's days, the pressure that was building up for social change spilled over into the Dunstan area, carrying the Dunstan Government forward for at least five to six years after those social adjustments were made, since the pressure cooker lid had been kept on by the conservative Playford Government. I can well remember the days when there was a drain on South Australian gambling funds into Queensland through the Golden Casket Lotteries; to Sydney through the Opera House Lotteries; and to Victoria through Tattersalls.

Everyone in South Australia sent their money orders away and, a fortnight later, would have the results posted back to them, and they were no better off that fortnight later than they were the previous fortnight, although they were the lighter for having bought the ticket. That was the system in those days.

**The Hon. J.C. Irwin:** How important was that?

**The Hon. T.G. ROBERTS:** As a social function or the money drain?

*The Hon. J.C. Irwin interjecting:*

**The Hon. T.G. ROBERTS:** Certainly, it was important to the Queensland Government, which was able to fund its hospital programs out of its lotteries programs, and the moneys that were draining out of this State were helping the Queensland Government to provide basically free health to its constituents in its own State. It must be recognised by all members on both sides of the Council that, if we allowed the drain of South Australian moneys interstate, then our hospitality industry, our recreational industry and our sporting groups would be devastated.

I understand the position put by the Hon. Mr Davis about social legislation, but people are able to make up their mind as to the choices they make about the use of their leisure dollar, and it would be a form of social fascism, if members are not offended by that word, to be directing people away from one form of gambling towards another. I do not see any difference between the TAB and people making a deliberate decision to go into an area set aside from eating and drinking areas, as the legislation provides, and to make a conscious decision to play poker machines. I do not see any difference in those forms of gambling. The reality is that some people will be adversely affected financially, and there will be some victims of poker machines just as there are victims of other forms of gambling. The headlines read out by the Hon. Mr Lucas in relation to the pokies make the poker machine look a very resilient sort of machine. One headline stated 'Pokies to hit families'. I am not sure whether the reciprocal headline stating 'Brown declares

to fight pokies' was brought about by the fact that these pokies were hitting families.

The doctors then got into the act, and they were going to 'blast' pokies. I suspect that much emotion was tied up in the headlines. Much effort was put into trying to cloud the issue, and I agree with the other contributions that have been made about their being far more important issues to be debated in this Chamber and in the Lower House than revisiting poker machines. However, quite a bit of hypocrisy has also been inbuilt into some of the contributions relating to the social effects of poker machines. If we look at the Federal Government's GST and Jobsback program, far more damage will be done to working people and their families with the impact of those two major issues than poker machines could ever do to society. It is for those reasons that I oppose the Bill.

**The Hon. I. GILFILLAN:** I rise to support the Bill. I seconded it on its introduction and I did so as a matter of conscience. I support the Bill purely from my position of conscience, with no particular vested interest involved in it at all. I opposed the original legislation, on the grounds that the introduction of poker machines to South Australia was unnecessarily further exacerbating the opportunity for people to gamble in a mindless fashion, with the consequential social damage, economic devastation of families and, from a personal, selfish point of view, the destruction of the ambience, the aesthetics, of areas which I would be going into from time to time to relax and to enjoy the hospitality. There are various reasons in the substantial arguments that have already been put by the Hon. Mike Elliott and others who have argued in opposition to poker machines, but there are one or two points that I want to make in my contribution to this debate.

First, there is the devastating prospect of a repetition of an incident which was brought to my notice in the past couple of months involving a young woman who had been working, who then became pregnant, who was living in a relationship, and who had dropped her job. For something to do she called in for a social experience at the local deli, and became involved in a Keno game. Keno may seem harmless enough, but the fact was that she won quite a lot of money in that first afternoon, a matter of \$200 or so, and she immediately thought that this was a wonderful experience. The sequence of events that then occurred has been spelt out to me quite clearly by the woman herself, and I shall give a brief outline. She developed an addiction, whereby she lost not only all her own money but the money she had obtained from selling her partner's video and stereo equipment and other saleable electric and electronic equipment. She gambled away the rent which he had given her to pay. Not only did she get rid of all the money that was available to her but she left that family in a situation of debt. But the partner did not share the information and did not know about this.

In a desperate attempt to repair the damage this woman who was then some four or five months pregnant decided to do an armed hold-up, and that was successful, using just a carving knife, to obtain a couple of hundred dollars. It was not enough, though, to patch up the damage so she went back to try to make up more money on the Keno, but she lost that. The end result was that,

after three successful hold-ups, she still had not repaired the economic damage. She got to the point where, when the police came into another deli, where she was resting, one could say, after having undertaken a successful hold-up, she gave herself up. Since then she has been found guilty, her relationship has broken down, and when she last spoke to me she was awaiting sentencing. That is one simple example which will be proliferated many times over as the easy form of gambling access, which poker machines offer, spreads throughout South Australia.

**The Hon. R.I. Lucas:** You said Keno.

**The Hon. I. GILFILLAN:** Yes, that was Keno. We must consider the arguments that have been used to address the issues, arguments which I think have been used quite inappropriately in this debate. One argument—as used by the Hon. Mr Dunn—was that it was morally wrong to use the processes of Parliament as the Hon. Mike Elliott has done to introduce this Bill. How can it be morally wrong to use the Standing Orders and the available processes of Parliament? There can be no moral judgment in that respect. Not only is that defence sound but the other defence is sound, namely, that this is not an issue which can be adjusted or amended further down the legislative track to any substantial degree. It is a quantum leap involving the whole State, an area which to this stage is preserved, or prevented, depending on whether one wants to take an unemotional approach, from having poker machines ubiquitously spread throughout.

I put it to the Chamber that once they are in place it will be impossible to remove them, regardless of what the findings of any select committees, social welfare groups or non-Government organisations might be and regardless of whatever they might say loudly over and over again. The point is that they are saying it now. They are repeating observations which have been made in other States where poker machines have already been introduced. They are speaking from experience. The Hon. Mr Lucas is wagging his head in some strange way. However, they know what the likely outcome will be in South Australia. So we are getting those warnings and it is time for us to heed them. That is why it is appropriate and morally correct for the Hon. Mike Elliott to introduce this Bill—even if it is unprecedented. It is unprecedented for us to have poker machines jammed into South Australia willy-nilly.

The sort of petty economic argument that South Australia is losing out because people are going interstate to play poker machines is far from valid. I believe that it would have been only a matter of time, as the scourge of poker machines spread across Victoria, before we had bus loads of refugees coming out of Victoria looking for poker machine free areas in which to relax and enjoy themselves. So the economic argument I think is very spurious, as also is the argument that the State and the clubs must have the revenue. If any argument is immoral, surely that is it. If one is going to argue that the justification for having an activity or for introducing practices into this State regardless of the social consequence is purely to provide revenue for those who will benefit from them, then we really have corrupted our morals in this State.

So, Mr President, I just want to repeat that I support this Bill from a personal view of conscience. I believe

that the vote on the original Bill, although allegedly a conscience vote, was tainted. I think that we need to address the farce of what are called conscience votes in this place. One recalls the experience of members in this place on the night when the vote on the original Bill was taken, and the experience of one member in particular whose conscience was cajoled and manipulated by so many people through the hours from 2 a.m. to 7 a.m. If it were purely a matter of conscience, surely everyone should have been entitled to make their decision without that extraordinarily extended sitting. The level of support for poker machines as presented to me is near enough to nil. The number of people who have come to me complaining and urging us to reverse the decision if we possibly can has been overwhelming. On that basis, I indicate strong support for the Bill.

**The Hon. M.S. FELEPPA:** I rise to oppose the Bill. I had not intended to speak, but I think I have to respond to some of the remarks that have been made and to the reference to 'an honourable member'. Let me put the record straight that I recognise the assistance that the mover of this Bill gave to me on that occasion when we were debating the original Bill in May. I recognise that assistance, but, unfortunately, by way of a principle upon which the Hon. Mr Dunn has elaborated, I cannot support this Bill.

Last week the Hon. Dr Pfitzner and, today, the Hon. Legh Davis indicated that an honourable member in the previous debate was placed under enormous pressure. Let us not beat around the bush. Everyone in this Parliament knows that the honourable member was Mario Feleppa. However, I think I resisted the pressure, and I stated at that time and I repeat today that the pressure was self imposed. I dealt with that pressure responsibly and, in principle, I got what I wanted from the Government. I repeat: I would have preferred the Lotteries Commission to be the controlling body of the industry, but it is on the record that I did not achieve that because I did not have enough support. In principle, I got what I aimed for, so I want to put the record straight for the benefit of the public.

**The Hon. M.J. ELLIOTT:** I thought that we would have had this debate some months ago, that is, very soon after the session commenced. It is quite plain that the Government set off on a course to delay proceedings for as long as possible. It did so by agreeing not to debate in the Lower House the amendments that were necessary because of technical mistakes that were made in the transmission of messages. However, once that had been done, the Government took an extraordinarily long time to get the Bill to the Governor for assent. It was not until that happened that I was able to introduce this Bill. That extraordinary delay was created for tactical reasons. The Government realised that there was an immense amount of public pressure and it felt that it would die away with a sufficient delay.

It is true to say that many members of the public have literally exhausted themselves writing letters, making telephone calls and wondering how many more times they would have to do so. After the technical amendments were handled, some people got the impression that that was the end of it. Some people

purposely set out to give that impression. Those delaying tactics were adopted clearly, and avoidance of this debate has been achieved for some months. This matter could have been dealt with rapidly, regardless of the final result of this Bill.

First, I will address matters raised by several members who contributed to this debate. I point out to the Hon. Mr Crothers that what we are debating here today has nothing to do with the technical amendments to the gaming machines legislation. That confusion appears to have arisen in his mind, as well. The one linkage between the two is that it was the matter of the technical amendments that caused the public to think that there might be an opportunity for the Bill to be repealed. I recognise that the majority of members expressed their opinion at the time of the debate last session. However, during the weeks immediately following its passage, when it was recognised that there were some mistakes that would require technical amendment, for the first time the public gave full voice to their feelings on this subject. I disagree strongly with the views expressed by others that the public were organised fully at the time of the first debate. They were not, and I have spoken with community and church groups which say that they did not expect it to pass, that they had not organised themselves and that they regretted that greatly.

The *Advertiser's* opinion polls showed that the vast majority of South Australians were opposed to poker machines, and voice was given to that most clearly during the debate about the technical amendments. It was in light of that that I realised that the technical amendments would never come to our House, that they would go only to the Lower House, so the only possible way that the public could get what they wanted was through a repeal Bill. That is the only link between the two events.

The Hon. Mr Crothers suggested that the move is politically motivated. That is his judgment but, if he cares to read the *Hansard* since I became a member, he would realise that I have opposed every attempt to expand gambling opportunities in this State. I have a consistent record. If he chooses to allege that I am politically motivated on this occasion, I suggest that I must have been so motivated on all the other occasions when I was getting massive amounts of publicity for doing so. The honourable member went further to suggest that I was demeaning the Westminster tradition. This Government has demeaned the Westminster tradition on any number of occasions, but there is nothing in that tradition which says that legislation cannot be repealed. In fact, we do it regularly. The only unusual thing is that this repeal Bill was introduced before the relevant Act came into force. To ask Parliament to vote is within the Westminster tradition and it is democratic.

As a mathematician, the Hon. Mr Lucas should have known what he was doing when he quoted statistics. As someone once said, 'Lies, damned lies and statistics,' and Mr Lucas certainly set about that. He produced figures showing that the divorce rate and the crime rate in South Australia are higher than they are in New South Wales. That being the case, he said that there is no evidence to support any contention that poker machines would increase those figures. That is scientifically invalid, and the honourable member knows that. He would be fully

aware that the crime rate variations can be for a host of different reasons. It could relate simply to the reporting of break-ins. South Australians may report them more regularly than do people in New South Wales and it is a worldwide occurrence that, if the police cannot solve a problem, it is not reported. With break-ins in metropolitan Sydney, in particular, that would be the general experience. Break-ins are not being solved, so people do not report them.

The honourable member would know that the sort of statistics he produced were worthless for or against the debate on poker machines. His statistics suggest that introducing poker machines would make for a better society, and even he does not try to contend that. The Hon. Mr Lucas played the game that he plays so often in this place by distorting the truth, saying that he challenged me to produce evidence on radio. He plays these games regularly. He cannot produce tapes of his saying those things because it did not happen.

**The Hon. R.I. Lucas:** Would you like me to?

**The Hon. M.J. ELLIOTT:** Yes, you go ahead and do so. The important thing is that there is no statistical evidence to help us in this argument one way or another, but we can use another form of evidence, namely, the evidence of the people who work in the field, who work with the victims of poker machines in New South Wales.

**The Hon. R.I. Lucas:** It is anecdotal.

**The Hon. M.J. ELLIOTT:** It is anecdotal. The honourable member may call them anecdotes, but they are a damned sight more reliable than the statistics referred to by him in this Chamber. It is most unfortunate that the select committee set up by Parliament has not been sitting. At the very least, before poker machines are introduced, it could be producing some baseline data concerning the evidence that the Hon. Mr Lucas wants, but five months have been lost.

The Hon. Mr Lucas really needs them to be introduced and then get the figures to prove that something did or did not happen, and it is unfortunate that, since he wants that experiment to proceed, the select committee has not been playing its part in the experiment and getting the data that measure before and after. All we will have is the data for afterwards, and nothing to measure them against.

The honourable member produced an argument with which I agree in part, namely, that from time to time members of Parliament will choose to take a position that is not the majority view, and from time to time I expect to do so myself. I also expect that the view of the majority is one of the things that will be taken into account, and I will take it no further than that.

Rather typically (and he does it probably more than anybody else in this Parliament), the honourable member personalised and politicised the debate by, rather than debating the issues, choosing to have a go at the person and to ascribe motivation as to why they did things and so on; he tried to put words in people's mouths and allege that they said things they did not say, or to change what they said sufficiently to give a different impression from the truth.

The honourable member referred to the Hon. Mr Stefani's making a comment about a cruel hoax. What he did not say was that those comments were made before I said I would be introducing a repeal Bill, and were not

made in that context. So, quite plainly that quote was used out of context.

The Hon. Mr Lucas then went on to say that I had been telling reporters that it would get through. I have said to every reporter I have spoken to (and might I add that on almost all occasions they have come to me, not the other way around), 'I do not know.' I have said that I believe that it will be quite close in both Houses. I have also said that I know that some members have changed their mind, and some members have. On the record, there is Michael Armitage, and Heini Becker has said that he will change his vote. I made the point that the Hon. Mr Brown, who was not in the House, would be opposing it. There was a vacancy there previously.

I also made the point that I thought that four members who previously did not express an opinion would do so on this occasion, and as such I said that last time the Upper House vote was within one and this time the Lower House vote will certainly be a lot closer. However, I would not like to predict either. I gave myself a 50/50 chance. I have never said anything different from that, and I have never on any occasion said that I believed it would get through. I have always said that I believe it has a chance, but of course, the Hon. Mr Lucas cares to distort these things again. I must say that I do not think he realises what politics has done to him personally, and I will not make any personal judgment beyond that.

The honourable member then moved to an attack on the *Advertiser*. I would pass a comment that I do believe that the *Advertiser* reporting was not balanced for a while, and quite clearly it got the message, but to such an extent that it then stopped saying anything at all. So, the public has not really been aware that the legislation was finally being handled, and the *Advertiser* went from one unbalanced extreme (and I think most people would agree with that; while I agree with its viewpoint, I think it could have been more balanced) to the other extreme, which was not to report at all. Not to report at all is another form of imbalance, and I think that the *Advertiser* could be criticised for that just as much.

I note that the Hon. Ms Laidlaw seems to have taken things a little personally in her comments. I have always believed that she did not treat this matter lightly last time, nor did I think she would treat it lightly this time. I would also say that she was one of the people who I hoped might have changed their mind, because I realised that last time she was fairly finely balanced on the issue and was weighing things up, as were other members of this Council.

Some members saw the issue more clearly on one side than the other, but there were quite a few who were balancing. She was one whom I saw as such and certainly I was hoping that when she saw the strength of public opinion that might have been enough to sway her. That has not been the case. I do not judge her now for not changing her mind any more than I judge any other individual, although I express regret.

The Hon. Mr Dunn has probably made the most perplexing of the contributions, to my mind, in saying he is opposed to poker machines and then that he will oppose this Bill, which seeks to stop poker machines from being introduced. He said that he accepts the umpire's decision, but what he seems to have forgotten is

that he is the umpire. If an umpire has blown the whistle and indicated the free in the wrong direction, and the moment they have done it they realise that they have made a mistake, the decision is reversed and they say, 'Sorry, it was the other way.' One sees that happening on the playing field from time to time. An umpire makes a mistake and reverses the decision.

The Hon. Mr Dunn is the umpire. I agree with the way he voted last time, but he was in a position to stand by that. The parliament as a whole is acting as the umpire and it would have been quite in order for a good umpire to admit making a mistake, and I cannot understand how, if one is opposed to poker machines and they have not been introduced into this State at this stage, one would vote against a Bill that seeks to stop their introduction. Of all the logic or lack of logic I have heard in this place, that was probably the prize winner here today.

In relation to the Hon. Mr Davis's contribution, I welcome his support for the legislation. I wish to comment on two points he raised. In relation to the select committee, as I said before, it should have been operating four or five months ago. Now that we are getting poker machines it could have been in the position to provide useful baseline data as to what was happening; it could have measured what was happening, but it has a reduced potential to do that now, and that is most unfortunate.

In relation to the Independent Gaming Corporation (which has not been a matter of debate during this Bill, as it is not something that I emphasised), I do believe that we made a grave mistake. I agree with the honourable member's contention; whether we do it by way of the fat lady or somebody else, the fact is that we made a grave error there. Not only will this place be judged for the introduction of gaming machines, but also I think it will be rather severely judged on the basis of those to whom it gave control.

In summary, the economic arguments for poker machines are riddled with holes. I continue to get phone calls from hotels expressing concern about their introduction. One person who was a member of the Hotels Association board and resigned from it over the poker machines legislation rang me and said that it would finish him off; he said that the great majority of small hotels feel that they are on the way out because of this legislation.

Because those hotels are small, they do not have the financial resources to invest in the machines to start off with. Even should they be able to afford them, they will have them in relatively small numbers and will never be able to offer the support facilities. As a result, the trade will go to the larger hotels and clubs, and it is the death knell of the smaller hotels which in many ways provide more of a happy social context for people to go to than do the larger bodies. I guess some people will accept some of those businesses going to the wall; that will indeed happen.

The arguments about interstate trade are severely flawed. I lived in the Riverland very close to Wentworth, and Wentworth is as close to the Riverland as is Mildura. There was not this massive flow over the border and, while there was a flow from Victoria to New South Wales, that was across a distance of perhaps five to 10 kilometres between the Victorian towns and the New South Wales towns on opposite sides of the river. We do

not in most cases have that sort of short distance between the towns of South Australia and Victoria.

As such, I contend that the flow interstate will continue to be limited. Largely the flow is people going on weekend holidays, and poker machines have been nothing more than an excuse to go. Once we have poker machines here they will find another excuse to go over the border and will go to something else. It is really a weekend away.

That argument has been so close to a lie that it is really not funny. It really has been a gross distortion of the truth in relation to the impact of poker machines in this State. Probably the only cross-border effect will be that the football clubs in the Victorian section of the western border league will become much wealthier than the South Australian clubs and will be able to buy some players as a consequence. That is probably the largest impact that would have happened if Victoria had the machines and we did not.

I now turn to the argument about creating 2 000 jobs or perhaps more in the hotels. Yes, it is true that jobs will be created there, but what it will not do is put more money in your hip pocket. If you spend the dollars in the hotel on the gaming machines you will not spend them somewhere else. So, the extra job in the hotel is one less job at Hungry Jack's, Coles and/or somewhere else. It will be almost impossible to identify the lost jobs. If you do not change the spending power of people and they spend in one place, they do not spend in another, and the 2 000 extra jobs are just as many jobs lost elsewhere.

Again that is a gross and deliberate distortion of the so-called benefits of poker machines. If you gain in one area—improved entertainment of one sort, as undoubtedly will happen—you lose it elsewhere, as the entertainment dollar goes from one place to another. While I have consistently in this place opposed the expansion of gambling, I am not anti-gambling.

I have previously in this place drawn an analogy with other things which are legal but which we seek to control in one way or another. While we allow people to smoke we have restrictions on where they smoke and the age at which they smoke. We place certain boundaries around a thing which we see as a right. We allow people to drink alcohol but we have age limits and certain public places where they cannot do it; and we have alcohol limits when they drive. We set a series of constraints around that.

Society's attitude to those legal products is not a *laissez faire* attitude; it does not say that anything goes. In fact, even in recent times we still put some restrictions around those products. We banned tobacco advertising. We have totally banned chewing tobacco, for example. We have had no problems with putting constraints around things that are legal in one sense.

What has worried me about gambling so far is that we have continued to expand the gambling opportunity, and I think the bounds (or at least what I consider to be responsible bounds) have not been put in place. We introduced the TAB for a good reason: we realised that gambling was happening on the horses, that we were not going to stop it and that if we had a TAB the profits, first, would go into the State coffers and could be used for something useful and, secondly, it would get rid of the illegal activities and criminality that were associated with it. It was a good idea.



We set up lotteries for somewhat similar reasons, but what both the TAB and the Lotteries Commission have done since their inception is not to cater for demand but to set about creating demand, to foster demand: they continue to create new products. It is not just a matter of allowing gambling; they have set about encouraging gambling. The guys at the top increase their salaries; they have more people working under them; the empire grows; and the Government does not complain because it gets more dollars.

Previous legislation we have had in this place, up until the gaming machine legislation, has been largely about introducing new products. The TAB wanted permission to be able to bet on various international events and other things, and this Parliament gave it approval to do so. I opposed that not because I am opposed to TABs but I could see that the TAB was playing a growth game and not a responsible game. I was trying to draw a distinction between the two.

I opposed gaming machines for substantially the same reason. I am no wowser about the things: I have played them in New South Wales on a handful of occasions. However, I recognise that they are a form of gambling which is particularly insidious. I realise that there are people marching the streets demanding them: there is not this great right that we are denying them by not allowing them to have gaming machines. If we are willing to ban chewing tobacco as one form of tobacco product, there may be some forms of gambling product that we might also choose to ban.

This would be consistent with what this Parliament has done on other occasions: to allow for the fact that gambling may occur, but to say that we want to put a few bounds around it and that certain types of gambling are to be encouraged. There is a difference between being a libertarian in the *laissez faire* sense, which I think some people are choosing to be, and being a libertarian recognising that there are peoples' rights and responsibilities. I frankly think that we are allowing a product which we should not allow, and I think that perhaps we have failed in our responsibilities whilst we have been allowing for other peoples' rights.

I do not believe it will be the end of civilisation as we know it if gaming machines are introduced, but I do believe we are making a significant mistake. Some members on the last occasion we debated this were clearly balanced on a line as to whether or not to support poker machines. It was my personal hope that they might cross back over that line, realising the strength of public opinion expressed since the last vote.

It is for that reason I have brought the matter back to this Council. The hope was a vain one, it seems. I am disappointed, and I know that the majority of the community also will be disappointed if the vote turns out as clearly it appears it is going to. This really was our last chance to prevent the introduction of gaming machines. It will now probably take another decade before society will choose whether or not it will again reassess its position.

Poker machines are not in many places in the world. I believe that in one place where they were—France—they have been removed. It is not an easy process because what we will be doing is setting up a very powerful lobby group—

**The Hon. R.J. Ritson:** Probably not in our lifetime.

**The Hon. M.J. ELLIOTT:** The lobby to get them in was powerful. But having given into that lobby we have created a more powerful lobby to fight, because that lobby now will have an extra couple of thousand employees, and it will be far more difficult to fight against, regardless of the rights and wrongs of the situation.

Frankly, I would not have lived with my conscience knowing that there was another chance, and feeling that some members might have changed their mind. Some members in the Lower House had expressed to me that they had changed their mind. No-one in the Upper House had, but I had made a personal decision not to lobby some people because I did not want to politicise the matter. I felt that the best lobbying was going to come from the public. I therefore did not lobby members, although some had said to me they were changing their mind.

I hoped that would happen in this Council. It appears, unfortunately, that that is not the case, except for one member who has some problems with being an umpire. I urge members to support this Bill.

The Council divided on the second reading:

Ayes (8)—The Hons J.C. Burdett, L.H. Davis, M.J. Elliott (teller), I. Gilfillan, K.T. Griffin, Bernice Pfizner, R.J. Ritson, J.F. Stefani.

Noes (11)—The Hons T. Crothers, Peter Dunn, M.S. Feleppa, Diana Laidlaw, Anne Levy (teller), R.I. Lucas, Carolyn Pickles, T.G. Roberts, C.J. Sumner, G. Weatherill, Barbara Wiese.

Majority of 3 for the Ayes.

Second reading thus negatived.

## BRIGHTON BEACH

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

That the Corporation of the City of Brighton by-law No. 1, concerning regulating bathing and controlling of foreshore, made on 4 June 1992 and laid on the table of this Council on 6 August 1992 be disallowed.

I wish to briefly make a few comments in relation to the disallowance of the City of Brighton by-law No. 1 which is before the Council and related to the regulating of bathing and the controlling of the foreshore. The Legislative Review Committee met this morning and decided to reject the City of Brighton's report in relation to these by-laws, after some consideration, particularly in relation to the total banning of horses from a section of Brighton beach. The committee received considerable evidence and had a number of witnesses on this matter as well as in the form of correspondence from residents in the immediate area where horses are currently allowed. The vast majority of this correspondence came from long-term residents of the area who supported the continued use of the foreshore for horses. Mr President, one resident of that area has been living there since 1926, so she spoke with some degree of experience. Most of the people who corresponded with the committee acknowledged that there is a need to restrict the times of access for horses on the beach, as is the current practice. However, the majority supported allowing horses to continue to use the foreshore.

The committee also received evidence from the South Australian Trainers Association which strongly supported continued access for horses on this small section of Brighton beach. All members would be aware of the importance of the racing industry in South Australia, both in economic and recreational terms. It was also put to the committee that it is essential for the welfare of racing horses in certain circumstances to be put through sea water therapy. This is an age old practice and evidence was received which explained the therapeutic value of allowing horses to use the foreshore. The trainers association also stated that to deny this access to Brighton beach to trainers and their horses would have a deleterious effect on an industry which contributes enormously in terms of economic activity and employment to our State.

Given this evidence and also the written submissions which were received from the residents of the area, the majority of whom asked that horses be allowed to continue to use this beach, the committee, after consideration, decided to disallow this regulation.

**The Hon. J.C. BURDETT:** I support the motion for disallowance moved by my colleague the Hon. Mario Feleppa. The situation is that the Legislative Review Committee decided unanimously to recommend disallowance of the regulation. Evidence given to the committee has indicated that horses have been on North Brighton beach for 120 years. In 1986 a similar by-law to this was made and the old Subordinate Legislation Committee of that time recommended disallowance, and it was in fact disallowed. Since then this present by-law has been brought in. As the Hon. Mr Feleppa has said the Owners and Trainers Association gave evidence about the use of the beach for horses, and as I do not know very much about it I asked questions and the secretary of the association said:

The main use of the beach for horses with leg problems would be where we put the horses in just past their knees and make them use the same muscles and wade through the water.

There had been evidence that, since the last committee hearing, a swimming pool has been installed at the Morphettville Racecourse, and I asked:

You mentioned the benefit of wading horses and using their muscles in doing that. Is that possible in the pool?

The answer was:

No. Immediately they are in the pool, they are off their feet. They must swim.

What we were told is that there is a specific benefit for horses with some injuries in wading, which is possible only on the seafront, as opposed to swimming. It appeared clearly to me from the evidence and the implications thereof that the Brighton council had properly acceded to a request by about six residents, and the person who gave evidence this morning on behalf of those six residents conceded that there were about six.

I do not blame the council for doing that, but on this occasion the council did not seek to give evidence to the committee, which it had done on the previous occasion. The implication, to me, is that the council was prepared to leave it to the committee: it had done its job; it had brought in the bylaw at the request of the six residents; and that was it. As the Hon. Mario Feleppa noted, a number of letters were received from other residents, the

majority in number, who supported the presence of the horses on the beach.

One letter is dated 29 September, so it is a recent letter, and it reads as follows:

As a resident for over 16 years at the above address—that is, Gladstone Road, where the horses go—and accustomed to seeing the activities of the trainers and horses at the North Brighton beach, we forward the following information as we see it.

1. Our bedroom is on the front of our home and we do not hear or cannot distinguish a horse float from a car in normal traffic.

Noise was one of the objections. The letter continues:

2. I have personally met nearly all the horse training personnel that visit our beach, and they seem to be a decent Australian type.

3. What concerns me is the fact that our council seems to be against this industry, which creates employment in our State.

4. In recent years the beach area under discussion is kept very clean.

5. We have no interest in horse racing. The last bet or meeting we attended was 1965 in England.

Another example was a letter from another resident of Gladstone Road, dated 1 October, stating:

I wish to add my plea to the Legislative Review Committee re the rescinding of the by-law prohibiting horses the use of a small area of beach at Brighton North at the western end of Minda. As a resident of Gladstone Road, adjacent to the small car park, for 16 or 17 years, and a beach walker, I feel it my responsibility to state my knowledge of the case. I have never seen any horse manure on the foreshore or in the sea and really cannot understand the vindictiveness of the few objectors. Surely, they could exercise their freedom of choice, something the horses do not have, and use the miles of beautiful beach at their disposal.

I respect the views of the small number of residents who feel strongly about this and have for some years, and some were the same residents who gave evidence on previous occasions. When it gets between residents, it is a question of balance between the residents concerned, but I agree with the Hon. Mr Feleppa that we cannot disregard the horse racing industry and, when we come to consider the legitimate feelings of residents, we do need to weigh up the different views. For that reason, I support the motion.

Motion carried.

#### STATUTES AMENDMENT (RIGHT OF REPLY)

##### BILL

**The Hon. C.J. SUMNER (Attorney-General)** obtained leave and introduced a Bill for an Act to amend the Criminal Law Consolidation Act 1935 and the Evidence Act 1929. Read a first time.

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

*That this Bill be now read a second time.*

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

Leave granted.

#### Explanation of Bill

At common law, the accused (or his or her counsel) does not have the right to address the jury (the right of reply) after the prosecution has finally addressed the jury unless the accused has called no evidence other than evidence of character. Section 20 of the Evidence Act provides that the defence also does not lose the right of reply where the accused is called as a witness. In all other cases, the prosecution addresses the jury last.

A number of lawyers believe that giving the right of reply to the defence is a right as important and fundamental to the defence as the presumption of innocence and the privilege against self-incrimination, and have been unhappy with the state of the law in South Australia for a number of years. The Mitchell Committee recommended that the accused should have the right of reply whether or not he or she called evidence. But expert opinions were divided on the merits of this recommendation—not only on what the law should be but why the law existed in the first place.

The issue arose again in the process of consultation on a part of the courts package that passed through Parliament in late 1991. The Criminal Law Committee of the Law Society took the view that it was possible that the reforms proposed in relation to committals might have flow on effects on right of reply. The Government undertook to make sure that there was no disadvantage suffered, but, given the controversy that had surrounded the issue in the past, took the view that it would prefer to deal with the matter separately. This Bill is the result of that undertaking.

After a great deal of consultation with the legal profession and the Director of Public Prosecutions, it has been decided that the best course is the simplest that is, to provide that the accused always has the right of reply. In the course of consultation, this view was reinforced by the recommendation made by the judges of the Supreme Court in their last Annual Report to the same effect.

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

#### LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) AMENDMENT BILL

**The Hon. ANNE LEVY (Minister for the Arts and Cultural Heritage)** obtained leave and introduced a Bill for an Act to amend the Local Government Act 1934. Read a first time.

**The Hon. ANNE LEVY:** I move:

*That this Bill be now read a second time.*

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

Leave granted.

#### Explanation of Bill

This Bill is part of a wider process of reform in the Local Government sector and is one of a series of reform Bills foreshadowed when the Local Government (Reform) Amendment Bill was introduced into this place in April 1992.

The changes which will be enabled by this legislation have been the subject of discussion since 1988 when the Australian Accounting Research Foundation issued a discussion paper which recommended that the accrual basis of accounting be adopted by local governments and that the financial reporting regulations and practices of local governments be harmonised. The discussion paper was followed, in 1989, by a draft accounting standard, and in 1991 the final version of the standard was issued as AAS27, 'Financial Reporting by Local Governments'. The new standard is to take effect from 1 July 1993.

Consistent with the new relationship which has been established between the State and Local Government sectors in South Australia, it was agreed that the South Australian Local Government Association would take responsibility for preparing the way for the introduction of the new accounting standard in South Australia. The Association established a Local Government Accounting Committee in August 1991 to manage this process and a grant of \$80 000 was provided by the State Government to assist with the employment of a consultant and a project officer. A State Government nominee was also appointed to the Committee.

The impetus for reform of Local Government financial reporting was prompted by concerns which included:

- insufficient consideration given to the objectives which financial reports should aspire to achieve, the users for whom those reports should be prepared and their information needs;
- the lack of a common approach to the resolution of similar accounting problems in each State and Territory; and
- the reporting of excessive details, and the preparation of financial reports which are difficult to understand and interpret.

Further, the nature of Local Government reporting in Australia has been influenced more by the need to provide statistical information to other bodies than by the need to convey meaningful financial information to the local community. This has led to a situation where councils in South Australia are required to prepare 25 separate schedules to satisfy the requirements of the Local Government Accounting Regulations.

The principal effect of the amendments which are proposed will be to provide the means for extending the use of the accrual basis of accounting within the Local Government sector and to require councils to prepare financial statement which provide information which is useful to those groups in the community which have an interest in these matters. It will help to make councils more accountable to their ratepayers, an important issue given the discussions which are taking place concerning the devolution of powers and responsibilities from the State to the Local Government sector.

The legislative changes set out in this Bill are those which are necessary to implement the new accounting standard and to permit to subsequent introduction into this place of Regulations which will set down in detail the form and content of financial statements which will be required. This Bill also amends that section of the principal Act dealing with the appointment of an auditor by a council, thereby bringing to an end transitional provisions intended to protect those persons who were acting as auditors of councils although not possessing the qualifications deemed to be essential.

The provisions of the Bill are as follows:

Clause 1 is formal.

Clause 2 provides that the measure will come into operation on 1 July 1993.

Clause 3 inserts a definition of 'accounting records' in section 5 of the Act so that the definition can apply in conjunction with the other amendments proposed by the measure.

Clause 4 makes an amendment to section 41 of the Act to change a reference to 'financial statements' so that it will now be a reference to a 'council budget'.

Clause 5 makes a consequential amendment to a heading.

Clause 6 removes material that will now be dealt with by accounting standards and principles prescribed by the regulations.

Clause 7 provides for a new Division V of Part IX, relating to budgets and financial reporting. A new provision sets out the objects of the Division. Reference will now be made to the requirement that a council prepare an 'annual budget'. New section 160 will require a council to keep appropriate accounting records. New section 161 will set out new requirements to be observed in relation to local government accounting. In particular, material prepared under the new provision will be required to comply with accounting standards and principles prescribed by the regulations. The relevant statements will need to be audited on an annual basis.

Clause 8 provides that the provision under section 162 of the Act that allows certain persons who do not hold formal qualifications to act as auditors of councils will cease on 1 July 1996.

Clause 9 makes two amendments to section 163 of the Act that are consistent with the terminology that is now to be used in the Act.

Clause 10 amends section 164 of the Act to reflect the fact that the regulations will now prescribe accounting standards and principles for the purpose of determining a council's assets and liabilities.

Clause 11 amends section 169 of the Act to reflect the fact that the regulations will now prescribe model financial statements for adoption by councils.

Clauses 12 and 13 are consequential amendments.

Clause 14 amends section 197 of the Act to reflect the fact that the regulations will now prescribe what constitutes operating expenses for the purposes of the Act, which are now to be the appropriate criteria for the purposes of section 197 (1) (a) (i).

Clause 15 amends section 691 of the Act so that new regulations may be made which incorporate the new matters that are to be observed in the area of local government accounting. In particular, the regulations will be able to adopt or incorporate codes or standards prepared or published by prescribed authorities.

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

**BOTANIC GARDENS (MISCELLANEOUS)  
AMENDMENT BILL**

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

**LOCAL GOVERNMENT (CITY OF ADELAIDE  
WARDS) AMENDMENT BILL**

Returned from the House of Assembly without amendment.

**POLICE (POLICE AIDES) AMENDMENT BILL**

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

**STATUTES AMENDMENT (COMMERCIAL  
LICENCES) BILL**

Returned from the House of Assembly without amendment.

**SUMMARY OFFENCES (ROAD BLOCKS)  
AMENDMENT BILL**

Returned from the House of Assembly without amendment.

**EQUAL OPPORTUNITY (EMPLOYMENT OF  
JUNIORS) AMENDMENT BILL**

Returned from the House of Assembly without amendment.

**BUSINESS FRANCHISE (PETROLEUM  
PRODUCTS) (FEES) AMENDMENT BILL**

Adjourned debate on second reading.  
(Continued from 20 October. Page 490.)

**The Hon. J.C. IRWIN:** I support the remarks made yesterday on this Bill by my colleague the Hon. Diana Laidlaw. The Opposition is opposed to the measures outlined in the Bill, for the reasons already given by my colleague. In my remarks this evening I intend to concentrate on the matter of the fuel tax being raised to fund certain functions that are being transferred from State Government to local government. There are two

central points for debate. The first is the raising of a further amount of money by an impost on fuel and the second is the transfer of that money to local government, and I will touch on each of those areas separately.

I remind the Council that when this Government came to power in November 1982 the tax collections on petrol, the business franchise collections, amounted to a mere \$25.8 million. From this year's budget alone the Government expects to collect \$129.9 million in petrol tax. Any mathematician can work out that that represents an increase of 403 per cent or, in real terms, 318 per cent, with inflation over that period being approximately 85 per cent. We have a real increase in petrol tax of 318 per cent.

What has the Government done with all this revenue over that period? We note that until 1982-83 all the money collected from the petrol tax went towards road funding. I have no problem in reiterating those statistics that were given yesterday by my colleague. The point to be made out of this is that from the time when the Tonkin Government left office in 1982, when all petrol tax money was going towards roads, it has not happened since. Until that time it was all put into roads to make them better and safer for South Australian motorists. I shall mention later the enormous gap between the 1982-83 sum of \$25.7 million being spent on roads and the 1992-93 figure: it is still only \$25.7 million, yet the total revenue tax take is \$129.9 million. On a quick calculation, that is \$104.2 million collected in fuel tax, which is now not going on the roads, and that is the difference between 1982-83 and 1992-93. The \$25.7 million we have spent on roads can effectively be almost halved. Half the value is going into our roads, yet the Government has reaped a 318 per cent real increase.

I have been provided with details of fuel costs on broadacre farms and dairy farms. The table produced by ABARE in its farm survey report of 1992 shows that in South Australia in 1990-91 fuel, oil and grease costs added up to an average of \$8 550 per farm. That represents a whopping 8.3 per cent of all cash costs paid out of farms. So it is a very significant item. Any movement in petrol prices and, more importantly, diesel prices, hits the farming community at a time when they can ill afford it. Further, we should realise that that cost relationship has escalated in recent years.

For example, in 1989-90 the cost of fuel represented 7.7 per cent of farm income, and one can relate that to the present 8.3 per cent. So we can see the escalating part that fuel prices are playing in the running costs of farms. Fanning properties have experienced a significant escalation in this respect. I give the very clear message to this Council that the farming community is obviously outraged at the measures contained in this Bill. In saying that, I do not reflect at all on where that money is going, and I do not think the farmers or the people paying the fuel excise tax, city or rural based, really are caring much about where it is going: it is the fact that they have to pay it in the first place. They will eventually be briefed about where the money is to be spent. Hopefully in the long term they will be able to judge the accountability of those people who are spending that money, and that is part of my argument. What we are debating tonight is the extra that is being added for local government.

The worst thing is that fuel excise is tied up with the Federal excise and, therefore, the 9c from South Australia needs to be added to the 26c imposed at the Federal level. We recognise that petrol excise is a heavy consumption tax levied on a particularly narrow base. Excise from petroleum products has developed more and more as another avenue for Government revenue. The petroleum products excise currently collects 26c per litre in revenue of which only about 6c is spent on road construction and maintenance. It has been increasing progressively because of CPI increases each year. We never hear about the measures, they just occur. Of course, it was Labor Prime Minister Bob Hawke who brought that in so he did not have to announce it each year. The Federal petroleum products excise has increased from \$1.3 billion in 1982-83 when the Liberal Party left office to \$6.6 billion in 1990-91. That is a real increase of over 300 per cent under the Federal Labor Government.

A further 55 per cent (some \$3.6 billion) of the incidence of petroleum products excise falls on business, while 16 per cent (\$1.1 billion) of petrol excise revenue is levied on exports, and 15 per cent (\$990 million) of the excise on intermediate goods which falls directly on investments. Roll on the Coalition's GST package because it will replace—

*An honourable member interjecting:*

**The Hon. J.C. IRWIN:** The honourable member might care to listen and learn that the GST will replace the 26c with a 15 per cent tax and, for the purpose of this exercise, on a base of 55c, that is an additional 8c, which will be wiped out totally if it is an input cost to production.

The Government would be aware that two or three of our larger fishing operations, which we thought had been doing so well and about which we hear good stories, are facing problems. This information has been provided by the member for Flinders (Peter Blacker) who, because Port Lincoln is in his electorate, is responsible for the fishing fleet in that town. He has come up with some interesting figures, although he qualifies them by saying that they might be at the higher end of the scale. When he looked at the cost of running the freezers and the vessels, he calculated that it amounted to \$857 a day in State fuel tax. It is no wonder that they are in some sort of trouble. For the majority of people, fuel is not a luxury item; it is an essential part of business. It is a commodity that people have to have or they cannot operate, particularly in country areas.

About 20 years ago, a tonne of wheat would buy 2 000 litres of petrol. Today it can buy barely 200 litres of petrol. The ratio for a tonne of wheat to buy petroleum to produce that wheat is 10 times worse than it was 20 years ago. A pound of butter has 220 taxes applied to it from the time it is produced on the farm to the time it is sold in the supermarket. The argument, which is promoted by Prime Minister Keating, that essential food should not be taxed is an absolute nonsense. Although some bread is sold unwrapped, most of the bread that is sold in supermarkets is in a plastic wrapper which has sales tax applied to it. Although the wrapper is not food, the argument being peddled by Mr Keating is that food should not be taxed. He should read the policy himself to understand it.

With respect to the provisions of this Bill, there are three items of which people should be mindful. The first concerns the indexation of the consumer price index. Initially, the declared price per litre of motor spirit is to be increased from 55c, which is the current price set by proclamation, to 56.43c. It is estimated that it will raise \$1.7 million in 1992-93 and \$2.3 million for a full year. Therefore, the declared wholesale price will be adjusted on 1 June each year using the March to March to movement in the CPI with March 1991 being the base year. I refer to the indexation of the consumer price index, not about what is being added onto it with other taxes.

The second item is the increase in the tax rates, and this is the one that the Opposition finds most iniquitous. By applying a higher set of taxation percentages on the declared rate, the Government intends to raise the price of petrol and diesel by 3c a litre in zone 1, which is within 50 kilometres of the GPO, by 2c in zone 2, which is 50 to 100 kilometres from the GPO, and by 1c in zone 3, which is the rest of the State. That will raise \$32 million in 1992-93 and \$43 million in a full year. I will pursue that point later. The \$32 million that will be brought to account this year contributes to the massive tax take already mentioned of \$129 million this financial year.

The third item of taxation is a levy to fund the EPA by further increasing fuel tax by .3c per litre for leaded petrol and .15c per litre for unleaded petrol and diesel. The Government expects to raise \$3.1 million in 1992-93 and \$4.1 million in a full year to finance the Environmental Protection Agency. I have no comment on the merits or otherwise of the EPA, but it is part of the package. Including it in the package gives it a nice ring of legitimacy. Surely it could be funded easily out of the existing tax that the Government already takes through petrol.

As I listen to ABC talkback radio, I am frequently appalled by the misinformed debate that rages in the community, helped by some radio journalists or hosts who let their own ignorance distort the debate. The GST debate is no exception. I am prickly on this issue and believe that I am well informed on it because I have set out to make myself informed. I would not support it otherwise. All Parties have trouble selling a new concept, and I accept that. It is a challenge for all of us to sell those messages as simply as possible so that people listening to radio or television or reading the paper do not have trouble understanding what a political Party is trying to achieve.

*An honourable member interjecting:*

**The Hon. J.C. IRWIN:** I am sure they don't, from what I hear on radio. When they do, they will be supportive of it. In recent times examples have been given of the New Zealand GST and its impact on tourism. One tourist company charges clients separately for the costs of the package, which includes getting to New Zealand and back, coach tours and accommodation, and it has a separate charge up front for the impact of the New Zealand GST.

I have no qualms with that because it does put up front exactly what the New Zealand Government tax take is. However, I think it is a bit churlish. No other country in

my experience which has a GST tries to make this distinction.

I understand that in the USA and Canada, when you go to the shops to buy your goods, the tags usually display the GST or the various add-on taxes. I have no doubt that in time this New Zealand tourist practice will peter out, but they are making the point that the tourist people are not responsible for the GST; rather, it is the responsibility of a nasty Government.

I repeat: I have no problem with everyone being able to see clearly what is a Government charge on any product. The hidden tax taken by this State and country is gigantic and applies directly or indirectly to everything that is for sale. I have already given the butter example and spelt out, as have my colleagues, the tax take on petrol by both the State and Commonwealth Governments.

Last year when I was last in Brisbane with the select committee that looked at the penal system, service stations in that State published on their fuel signs outside the stations the breakdown of the cost of fuel to the motorist. If that were done in South Australia it would make pretty sorry reading: it would be the basic price, let us say 50c or whatever, plus 26c which is the fuel tax taken by the Federal Government, plus 9c (or whatever it will be finally) which is taken by the State Government. Nothing is designed to make motorists more furious every time they see that when they fill up their car. Motorists know that most of the tax rip-off does not go

to the roads. It is about time motorists started to demand to know from Governments exactly where this money does go and, if it does not go to roads, where it is being spent.

That leads me to the second component of this debate, where we are told that the bulk of the new impost on fuel will go to local government. We reached this point following the signing of the memorandum of understanding by the then Premier (Mr Bannon) and the President of the Local Government Association in October 1990, which is almost exactly two years ago.

Since then we have seen the demise of the Local Government Department, with the Local Government Association and councils taking over various of its functions. I have always said that this Government's definition of the buzz words 'microeconomic reform' means simply passing off its cost to some other body or to someone else—in this case local government. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

#### ADJOURNMENT

At 6.29 p.m. the Council adjourned until Thursday 22 October at 2.15 p.m.