LEGISLATIVE COUNCIL

Thursday 12 November 1992

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

PAPERS TABLED

The following papers were laid on the table:

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

Evidence Act 1929—Report of the Attorney-General relating to suppression orders, 1991-92.

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

Corporation of the Town of Hindmarsh: By-law No. 25—Keeping of poultry.

LEGISLATIVE REVIEW COMMITTEE

The Hon. M.S. FELEPPA: By leave, I move:

That the members of this Council appointed to the Legislative Review Committee have leave to sit during the sitting of the Council on Tuesday 17 November 1992.

Motion carried.

QUESTIONS

AUTOMOTIVE INDUSTRY

The Hon. R.I. LUCAS: I seek leave to make an explanation before asking the Minister of Public Sector Reform a question on the subject of the automotive industry task force report.

Leave granted.

The Hon. R.I. LUCAS: The Liberal Party has obtained a leaked copy of a damning report dated July 1992 by the automotive industry task force, which was chaired by the present Premier of South Australia (Hon. Lynn Arnold). Mr Arnold's task force report shows that the South Australian Labor Government has seriously worsened the car industry's competitiveness through years of big tax increases, which have been needed to fund the Government's excessive spending relative to other States. Page 30 of Mr Arnold's task force report notes:

For Governments, this implies a three per cent per annum real reduction in taxes and charges levied on the industry. For such reductions to be sustainable in the long tern, they will need to be supported by efficiency gains in the public sector and real reductions in Government expenditure.

On page 31, Mr Arnold and his task force recommend:

In general, it is recommended that Governments submit themselves to the discipline imposed on all contributors to the industry cost structure by the globalisation of the national economy. This requires a continuous reduction in all costs by at least three per cent per annum in real terms.

Members should note that Mr Arnold is recommending a real cut of three per cent in State expenditure for each year for the rest of the decade. A cut of that size is equivalent to a cut of $150 million to $200 million for each year. By the year 2000, this would be the equivalent of a cut of $1.2 billion to $1.6 billion in public service expenditure.

The Hon. T.G. Roberts: What about the year 2050? Have you got any figures on that?

The Hon. R.I. LUCAS: We would not have anything left by then if Mr Arnold's policies came to fruition. Luckily, that will not be the case, as the Hon. Terry Roberts well knows.

The PRESIDENT: Order! The honourable member will confine himself to the question.

The Hon. R.I. LUCAS: I was distracted by an interjection.

The PRESIDENT: Interjections are out of order.

The Hon. R.I. LUCAS: The convenor of the Left faction was flailing away at the Government of his choosing. A cut of this size would be equivalent to a cut of 30 per cent in the size of the public sector by the end of the decade. My questions to the Minister are:

1. Does the Minister of Public Sector Reform agree with his own Premier's view and the view of the Premier's task force that there need to be annual reductions of Public Service expenditure in the order of $150 million to $200 million?

2. Will the Minister ask the Premier to indicate which Public Service areas will be targeted to achieve cuts of this magnitude, and in particular will he indicate how much teachers, nurses and police officers will have to be shed to meet his Premier's goal?

The Hon. C.J. SUMNER: I am not sure that it is the Premier's view that there should he cuts of that kind as outlined by the honourable member. I will refer the question to him and see whether in fact the assertions made by the honourable member in this place do accord with the Premier's view. If they do not, then the basis upon which the question has been asked disappears. However, in general terms, let me say this: first, I would dispute that South Australia has been involved in excessive spending during the 1980s relative to other States. In fact, it is a usual practice of honourable members opposite to come in here and accuse us on the one hand of excessive spending and, in the very same voice, and in the same question, as the honourable member has done, accuse us of having cut services.

Members interjecting:

The PRESIDENT: Order!

The Hon. C.J. SUMNER: It seems to me that they cannot have it both ways: they cannot be accusing us, on the one hand, of excessive spending during the 1980s—

Members interjecting:

The PRESIDENT: Order!

The Hon. C.J. SUMNER: —and then turn around and accuse us in the same breath of cutting services. However, that is what they attempt to do. The fact is that there has not been excessive spending by this Government during the 1980s relative to other States, apart from the State Bank problems and the additions to the State debt that were added because of the State Bank. The fact is that during that period, the State debt did not increase in actual terms but in real terms, and our State debt during the 1980s was certainly not the highest per capita, or indeed related to gross State product in Australia, and was amongst the middle range of States as

far as that issue is concerned. It is only the State Bank which has made that situation considerably worse. But, even so—

Members interjecting:

The Hon. C.J. SUMNER: Well, that's the fact; you look at the figures.

Members interjecting:

The PRESIDENT: Order!

The Hon. C.J. SUMNER: It was a relatively good position with respect to our overall debt position which enabled us to absorb the debt created by the State Bank.

Members interjecting:

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

The Hon. L.H. Davis: You know that.

The Hon. C.J. SUMNER: I do not know what the honourable member is talking about—mumbling, grumbling and carrying on. That is the fact of the matter on that issue. No-one denies the fact that the State Bank has added to that debt, but we have been able to absorb the debt created by the State Bank because of our relatively favourable position in this area during the 1980s.

Members interjecting:

The Hon. C.J. SUMNER: It happens to be a fact. You can challenge it, if you like. You can go anywhere and challenge it, but that happens to be the situation as far as this State is concerned during the 1980s. No-one denies the situation with the State Bank but, if you take that out of the equation, our debt levels compared with the rest of Australia are quite reasonable, whether they are taken on a per capita basis or whether they are taken as a proportion of gross State product. You can argue about it. Next time you get up, make a speech about it and we will see whether you know anything about it. Further, I have made the point previously that South Australia cannot have a cost structure which is out of kilter overall with the situation in our major competitor States, particularly New South Wales and Victoria, and the Government has made that quite clear. While on some costs to industry we may be higher than those other States, and WorkCover is one of those areas at the present time, it may well be that is the fact that in other areas we have a lower cost structure than the other States.

The Hon. R.I. Lucas interjecting:

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

Members interjecting:

The PRESIDENT: Order! Members ask questions and, if they want answers to those questions, I suggest that they hear them in silence. They have the chance to ask another question if they are not happy with the answer, but Standing Orders do not provide for interjections.

The Hon. C.J. SUMNER: As members know, the situation with WorkCover is being dealt with at the present time. Generally—

The Hon. R.I. Lucas interjecting:

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

The Hon. C.J. SUMNER: So, generally, I accept that South Australia's cost structure cannot be out of kilter with our major competitors, and part of the process of public sector reform is to ensure that practices within the South Australian public sector are the best and most efficient in Australia. I have outlined what action I intend to take with respect to that and indicated that a major statement will be made on this topic in the next few weeks. I will ask the Premier whether or not the assertions made by the honourable member are his view and, no doubt, will bring back a reply. If the Premier does not accede to the honourable member's assertions, the second question becomes irrelevant.

STATE BANK

The Hon. K.T. GRIFFIN: I seek leave to make a brief explanation before asking the Attorney-General a question about the State Bank royal commission report.

Leave granted.

The Hon. K.T. GRIFFIN: I understand that the Government has agreed to a lock-up for the media on Tuesday next to enable them to study the first report of the royal commission into the State Bank prior to its being tabled in Parliament on Tuesday afternoon. As I understand it, at one stage it was intended that at the same time there should also be a lock-up at the royal commission for counsel and their parties, but there has now been some change to that.

I have been told that yesterday the media lock-up was confirmed for 9.30 a.m. on Tuesday, but this morning that was changed to 10.30, and the lock-up at the royal commission has now become, as I understand it, an embargoed access to the report, which will be made available to counsel and the parties. The Leader of the Opposition is grateful that three copies of the report will be made available on an embargoed basis at 10.30 next Tuesday. However, there is some concern about the media lock-up being changed from 9.30 back to 10.30. My questions to the Attorney-General are:

1. Why is the media lock-up now to be 10.30 a.m. and not 9.30 a.m. on Tuesday as proposed yesterday?

2. Will he indicate what problem, if any, is created by reverting to the previously agreed time of 9.30?

The Hon. C.J. SUMNER: I thought that the original time was 11 o'clock. That was my preferred option.

Members interjecting:

The Hon. C.J. SUMNER: Mine was actually a bit later than that: I know that the journalists in South Australia are all speed readers, and I should have thought that a lock-up commencing about 1 o'clock would have given them ample time. However, the problem is that I understand—

Members interjecting:

The Hon. C.J. SUMNER: Yes, we are very slow. I understand that the problem was that some journalists were coming from interstate, and I knew that they were not quite up to the quality of our local journalists and, therefore, rather than making it 1 o'clock, I thought that 11 o'clock was a reasonable compromise. Others then suggested that it should be 8.30 and 9.30 and, in the end, it seemed that 10.30 was a reasonable time for the Opposition and the media to peruse the report and to prepare whatever stories they wished to on the topic. So, 10.30 a.m. was the time that was determined.

The Hon. K.T. Griffin: It was 9.30 yesterday.

The Hon. C.J. SUMNER: I know that 9.30 was being discussed at one point. Whether 9.30 had been

determined as the time, I cannot say. That certainly was not my impression.

The Hon. R.I. Lucas: The journalists were told 9.30.

The Hon. C.J. SUMNER: I am sorry if journalists were told that; while it was one of the times that I know some people were talking about, as I said, it was not the time that I was talking about. I thought that 11 o'clock was quite satisfactory. However, 10.30 was the time that was decided on, and I think that is not unreasonable; it gives ample time to anyone who wants to study the report to do so. Arrangements have been made for all counsel to have the report at 10.30 (that is at the same time as the commencement of the lock-up) and for the Leader of the Opposition to have three copies of the report at 10.30 also; that is the time of the—

The Hon. M.J. Elliott interjecting:

The Hon. C.J. SUMNER: Well, I am sorry about the Democrats.

The Hon. L.H. Davis: You give them everything else they want.

The Hon. C.J. SUMNER: I know that: it does not do us very much good.

Members interjecting:

The PRESIDENT: Order! The Council will come to order. The Attorney-General.

The Hon. C.J. SUMNER: The Leader of the Opposition has undertaken, in effect, to abide by the terms of the lock-up, so the Government did not feel that we actually needed to physically lock him up for the period of time and agreed to his request to make three copies available on the basis that he would not make them public or publicly disclose them until the report was tabled in Parliament at 2.15 on Tuesday, which is anticipated. I can offer the same facility to the Hon. Mr Gilfillan if he should wish. If there is a legitimate problem about the time, I am happy to re-examine it, but it seems to me that 10.30 is ample.

The Hon. R.I. Lucas: Will you accept submissions from the media?

The Hon. C.J. SUMNER: I will always accept submissions from the media on all topics. I enjoy very good relationships with the media, the honourable member might be glad to know. I would have thought that any journalist worth his or her salt would be able to get a handle on the report if the lock-up was at midday, but it seems therefore, to my way of thinking, that 10.30 is not an unreasonable time. Most of them have been down there at the royal commission all the time. If they are not on top of the issues, perhaps their proprietors should look at whether they have been doing the job properly. As they are on top of the issues, I would have thought 10.30 was fine, but—

An honourable member interjecting:

The Hon. C.J. SUMNER: Yes. If people want to complain about it I will be happy to look at the issue again.

RAILWAYS, ADELAIDE-MELBOURNE

The Hon. DIANA LAIDLAW: I seek leave to make an explanation before asking the Minister of Transport Development a question about the standardisation of the Adelaide-Melbourne railway line.

Leave granted.

The Hon. DIANA LAIDLAW: The *Australian* newspaper today reports that the Federal Government's plan to standardise the gauge of the Adelaide-Melbourne railway line is set to be delayed until the new financial year—at least until July next year. This project was part of the $283 million set aside in the One Nation package in February for work on the national rail network this financial year. Of this sum of $283 million, $115 million was allocated for the long overdue standardisation of the Adelaide-Melbourne line, with $20 million to be spent in South Australia. Apparently, on Tuesday night at a Federal Cabinet committee meeting, it was resolved that $100 million of the funds earmarked for the One Nation rail project would be reallocated (those funds have not yet been spent on such projects) to labour market programs.

It seems that the Adelaide-Melbourne standardisation initiative is to be a major victim of this reallocation of funds. If this is so, the $20 million earmarked for expenditure on rail will not be spent this year and we will lose out on the jobs that this money would generate. Therefore, I ask the Minister:

1. Is she able to clarify whether or not the Federal Government intends to start work on the standardisation of the Adelaide-Melbourne line within the next 7.5 months of this financial year?

2. If the Federal Government does not plan to do so, will she ascertain why it will take at least 16 months from the date of the Prime Minister's One Nation package statement to commence work on this important project?

The Hon. BARBARA WIESE: I am seeking clarification of the statements that were made in today's *Australian* to ascertain exactly what the Federal Government has in mind with respect to this matter. I know that one of the issues that has held up decisions and the expenditure of funding on the standardisation project is the inability for some reason or other of the Victorian Government—

The Hon. Diana Laidlaw: Former Government.

The Hon. BARBARA WIESE: —to get agreement on, first, the route for the rail line between Melbourne and Adelaide and, secondly, the question of funding. Negotiations have been taking place on this matter for some nine months and, as the honourable member points out, those negotiations commenced with the previous Government. The views of the new Government as to the route of the rail line are unknown as I understand it at this time. However, since the new Government took office it has announced publicly in the past few days that the money that previously had been allocated by the former Government towards rail projects that were interlinked with the main project—namely, $50 million—will now not be available through State Government sources. It has requested that the Commonwealth Government provide such funding.

I suggest that this change in tack, this change in policy, is likely to lead to very considerable delays particularly since the new Government is now suggesting that the Commonwealth Government should pick up the tab for those State rail services.

The Hon. Diana Laidlaw interjecting:

The PRESIDENT: Order!

The Hon. BARBARA WIESE: Therefore, I think it is inevitable that there will be delays in the original plans for the expenditure of this money. As far as the South Australian Government is concerned, we are moving ahead with the project as it relates to this State. My understanding is that at this time the Commonwealth Government has suggested that some $30 million be allocated to Australian National subject to National Rail Corporation agreement. This amount of money, to our way of thinking, is quite inadequate. Our understanding from the early stages was that at least $45 million would be allocated for South Australia, and we have made very strong representations to the Commonwealth Government that such an allocation should be made.

Should there be any hold-up or problem with the standardisation project as a result of recent changes, the South Australian Government is attempting to make contingency plans that will enable us to upgrade parts of our rail system in a way that will be useful to this State regardless of whether or not the standardisation project goes ahead. That is the state of play as I understand it at the moment. As I indicated at the outset, I am seeking clarification from the Federal Government about the statements that have appeared in the press during the past 24 hours.

DALBY, MR STEPHEN

The Hon. I. GILFILLAN: I seek leave to make an explanation before asking the Attorney-General a question about a person's rights following wrongful arrest.

Leave granted.

The Hon. I. GILFILLAN: Incompetence by police investigators, poorly gathered evidence and a hastily prepared case resulted in police arresting and charging 23-year-old Stephen Dalby with attempted murder following a hit and run accident involving a cyclist at Morphettville last week. Mr Dalby, who was visiting Adelaide from Perth for the Grand Prix, denied the charge but was refused bail after police alleged there were fears Mr Dalby would 'finish the job' on the cyclist if he were released from custody.

At the time the Police Prosecutor, Sergeant Margaret Hall, told the court that Mr Dalby was the driver of the car that had collided with the cyclist and dragged the unfortunate rider more than 300 metres along the road.

Sergeant Hall said Mr Dalby knew the cyclist and that there had been a problem between the two. The police case was based on the theory of a vendetta by Mr Dalby against the cyclist, and the court accepted the police call for refusal of bail, leaving Mr Dalby with the prospect of weeks in gaol until his case was heard. The problem with the case was that the police had got it wrong; Mr Dalby was not the driver and was in no way involved with the accident. Mr Dalby was expected to face court again some time next month, but on Tuesday this week his case was hurriedly brought forward and police prosecutor Sergeant Hall was forced to admit to the court that they had the wrong man. An 18 year old Morphett Vale man has subsequently been arrested and charged for the attempted murder, and Mr Dalby has had all charges against him withdrawn. For Mr Dalby, being the subject of gross incompetence by the police, it has been a harrowing introduction to South Australia and demands urgent attention. My questions to the Attorney are:

1. What action for wrongful arrest and/or damages against police are members of the public entitled to in South Australia?

2. Does the Attorney accept that in Mr Dalby's case he is entitled to seek some form of compensation and, if so, what?

The Hon. C.J. SUMNER: I cannot answer the second question, obviously, on the facts presented by the honourable member. However, that matter can be examined to see whether or not this individual is entitled to any compensation. There is a cause of action for wrongful arrest, if in fact the facts establish that that has been the case. But on the information provided by the honourable member, I am not prepared to comment at this stage, obviously, because I cannot be sure that everything that the honourable member has said is correct. However, it is true that there is cause of action available if a person can establish that they have been wrongfully imprisoned. But I cannot comment further than that in relation to the specific facts. As the honourable member knows, there is a Police Complaints Authority established to deal with complaints against police. I would suggest that the person concerned should take legal advice about the situation in which he finds himself and should consider whether he has any legal recourse following these circumstances and, further, to consider whether or not a complaint should be lodged with the Police Complaints Authority.

The Hon. I. GILFILLAN: I ask a supplementary question, Mr President. I will not comment on the Police Complaints Authority. I ask the Attorney: whom should Mr Dalby approach for consideration of claims for compensation?

The Hon. C.J. SUMNER: As I said, he should seek legal advice on the topic.

The Hon. I. Gilfillan: Who is to say that he has $1 000 to pay for legal advice?

The Hon. C.J. SUMNER: He should seek legal advice on the topic—

The Hon. K.T. Griffin: The first half hour of legal advice is free.

The Hon. C.J. SUMNER: The Hon. Mr Griffin says that he can get the first half hour of legal advice free, through the Law Society. He could go to the Legal Services Commission. Obviously, if he is going to pursue a claim for wrongful arrest he will need some legal advice. However, I am happy to examine the facts of the matter as stated by the Hon. Mr Gilfillan and to report to the Council further on the matter, if I consider that that is necessary. But I think it is a bit unreasonable for the honourable member to expect me to answer off the cuff a question such as that which he has posed in this Council without me knowing the full facts of the situation.

The Hon. I. Gilfillan: Just in general circumstances.

The Hon. C.J. SUMNER: I have given the honourable member an answer based on general circumstances, and I cannot take the matter any further than that. I do not know whether the facts as the honourable member has outlined in this Council are correct or not.

The Hon. I. Gilfillan: All you said is 'Go to a lawyer.'

The PRESIDENT: Order!

The Hon. C.J. SUMNER: Well, it is not exactly what I said, Mr President.

The Hon. I. Gilfillan: Pretty close to it.

The Hon. C.J. SUMNER: What I said is that he has certain rights, and I outlined what those rights are. I said that he could take up the matter with the Police Complaints Authority, and I said that he could consider whether to take legal proceedings for wrongful arrest and that those matters would be considered by the Government, depending on whether or not the facts established a case. The Hon. Mr Gilfillan, is not suggesting that the Government—the taxpayers—should pay out just because he has come along in this place and made certain assertions. What I have said is that individuals have rights and that they are able to exercise those rights. In any event, I will examine the matter and, if I feel that there is anything further that I can add to what I have already said, I will bring back a reply on the topic for the honourable member.

STATE BANK

The Hon. J.F. STEFANI: I seek leave to make an explanation before asking the Attorney-General a question about State Bank remuneration packages.

Leave granted.

The Hon. J.F. STEFANI: On 10 February 1991, the former Premier (Mr Bannon) made the first public announcement about major losses by the State Bank Group. At the same time, Mr Stephen Paddison was appointed Managing Director to replace Mr Marcus Clark. Immediately after his appointment, Mr Paddison arranged for the secretary to the board (Mrs Mary Kotses) to assist in compiling evidence to be presented regarding anticipated inquiries into the losses of the bank. After it was determined that a royal commission would be called, the name of Mrs Kotses was submitted as a prospective witness.

At this point it is relevant that I should give the following background to the position of Mrs Kotses. Mrs Kotses joined the bank from university in 1988 and, in May 1990, she was appointed board secretary to take minutes and make other administrative arrangements for board meetings. In this position, she was privy to a great deal of confidential discussion and information about the performance of the bank involving board members and senior management. She attended all board meetings. She had custody of the tapes of board meetings and transcribed them for the royal commission. She gave evidence to the royal commission of action by certain directors to change some board minutes.

She was also secretary to the executive committee of the bank, secretary to the board audit committee and secretary to a board subcommittee appointed to deal with problems in New Zealand. Her evidence to the royal commission was that she was involved in some communications between the bank and the Government late in 1990 and that she was involved in the preparation of answers to parliamentary questions. One point of her evidence to the royal commission was significant and very helpful to Mr Paddison. A board meeting on 12 December 1990 resolved to initiate an independent investigation of the bank by J.P. Morgan. There was a dispute in evidence at the royal commission about whether management—

The Hon. C.J. SUMNER: I rise on a point of order. I do not want to be difficult about this matter but, quite rightly, Mr President, you have ruled that evidence relating to matters before the royal commission is *sub judice* until the report has been brought down, and, to date, the Council has supported that ruling. I do not want to interfere unreasonably with the honourable member's asking legitimate questions, but he is referring specifically to evidence produced before the royal commission. You, Sir, have ruled that those questions are out of order.

The PRESIDENT: Order! Yes, that is true. Is there any relevance in this explanation? Does it have anything to do with the royal commission?

The Hon. J.F. STEFANI: No, it has nothing to do with the royal commission. There is relevance to the question that I will ask, and it is important that I outline the position.

The PRESIDENT: Is this one of the questions that will be answered in the royal commission report?

The Hon. J.F. STEFANI: No.

The PRESIDENT: Without knowing the question the honourable member seeks to ask, I find it difficult to make a ruling.

The Hon. J.F. STEFANI: With your indulgence, Sir, I should like to read one or two more paragraphs, which will encapsulate the substance of this matter.

The PRESIDENT: Is the honourable member trespassing on royal commission evidence?

The Hon. J.F. STEFANI: I will not be, no.

The Hon. C.J. Sumner: You just have.

The Hon. J.F. STEFANI: This is evidence that has been submitted to the royal commission and is available.

The PRESIDENT: I am prepared to let the honourable member proceed for a few moments, but I suggest that he does not get into royal commission evidence.

The Hon. J.F. STEFANI: There was a dispute in evidence at the royal commission about whether management or the board first proposed the investigation.

Members interjecting:

The Hon. J.F. STEFANI: This is factual information.

The PRESIDENT: Order! The honourable member is touching on evidence before the royal commission.

The Hon. J.F. STEFANI: Mrs Kotses supported Mr Paddison in her evidence, saying it was Mr Paddison's initiative which led to the J.P. Morgan investigation and to the first identification of the major losses. I turn now to the position of Mrs Kotses within the bank immediately after the royal commission was called. In April 1991, Mr Paddison asked the bank's job evaluation committee to re-evaluate Mrs Kotses' job and salary package. At that time her remuneration was in the band of $32 000 to $40 000 per year. The job evaluation committee recommended that her package be increased to no more than $45 000 per year. However, Mr Paddison overruled the committee and ordered that Mrs Kotses be promoted from supervisor to senior manager on a salary package of up to $85 000 per annum. This package was taken in the form of a salary of about $57 000 and fringe benefits including low interest loans. The package was ratified by the present Chief Executive Officer of the

bank (Mr Ted Johnson) in July 1991. Mrs Kotses gave evidence to the royal commission in August 1991.

Lands Titles Office records show that, in January of this year, Mrs Kotses, who is 27 years old, purchased a house at Medindie for $376 000. The State Bank provided $362 000 by way of mortgage, or more than the usual 95 per cent of the purchase price. A large proportion of this money was advanced at a concessional interest rate, which is more than half that which is available to the public. Having been made aware of concern about the events I have just described, I have passed on certain information to the Auditor-General, but I am concerned that his present terms of reference and powers may not allow these matters to be investigated.

Given that Mrs Kotses had her remuneration more than doubled very shortly after the massive losses were first announced, and given the statements by various members of the Government, including the Attorney-General in this Council on 18 August this year, which have been strongly critical of excessive salary packages in the bank, my questions are:

1. Will the Government use the powers it has under its indemnity with the bank to immediately seek an explanation from the bank of the circumstances in which Mrs Kotses had her remuneration package more than doubled?

2. Will the Government investigate whether any other employees or officers have had significant increases in their remuneration packages since February 1991?

3. Will the Attorney-General ensure that this information is passed on to the Auditor-General and will he also ensure that the Auditor-General's terms of reference and his powers under the Public Finance and Audit Act are sufficiently wide to allow him to investigate the remuneration of Mrs Kotses and any other senior officers of the bank who may also have received increases since the bank's major losses were first announced?

The Hon. C.J. SUMNER: I have no problem with passing the information on to the Auditor-General. I understand that the honourable member has done that already, so presumably the Auditor-General is examining those matters and no doubt will report on them in due course. If the Auditor-General feels that his terms of reference are such that he cannot report on them, no doubt he will let the Government know. However, I am happy to pass the question on to the Auditor-General with the honourable member's comments about his terms of reference and seek advice from the Auditor-General on the matter. The Government in any event can seek some information about the topic raised by the honourable member, and I will do that and bring back a reply.

The honourable member has sought, whether justifiably or not, to impute some bad motives in relation to this matter. He tried to suggest there is some kind of intrigue, bad behaviour or whatever, and I am not sure that—

Members interjecting:

The Hon. C.J. SUMNER: Well, quite clearly, that's the way you asked the question. Going through the evidence of the royal commission, as you did, and trying to tie things all together, you did it to indicate that there was something sinister about the particular circumstances of the apparent increase in salary for this bank employee. Whether or not that is the case, I do not know. I do not know the circumstances of it. You may have made certain assertions which may or may not be correct.

The Hon. L.H. Davis interjecting:

The Hon. C.J. SUMNER: It may or may not be. I do not know what the practice in the bank is. I am really not sure what the honourable member is suggesting by it.

The Hon. J.F. Stefani interjecting:

The Hon. C.J. SUMNER: You may find out, too, if the Auditor-General decides to report on the matter and if the Government gets an explanation from the bank on it. I do not know whether the assertions made by the honourable member are correct; they may or may not be. I am certainly happy to have the matters examined and to refer them to the Auditor-General.

TOWNSCAPE

The Hon. J.C. BURDETT: I seek leave to make a brief explanation before asking the Attorney-General, as Leader of the Government in the Council, a question about Government policy on Townscape.

Leave granted.

The Hon. J.C. BURDETT: I refer to an article on the front page of this morning's *Advertiser* headed 'Developers may try to block Townscape' which stated, among other things:

> Some of the State's key property figures may take legal action against the Adelaide City Council to try to block the controversial Townscape scheme.

It further states:

> The council proposes to put 1 700 buildings on the Townscape list, after agreeing on Monday to drop 263 buildings from the list as the council's legal advice had found fertile grounds for challenging the proposal...The Townscape concept was first mooted 10 years ago but has gained momentum with the increasing voting power of the council's heritage faction. Townscape aims to protect the city's historic character by retaining parts of heritage buildings which can be seen from the street.

I interpolate that this is in addition to and separate from heritage listing which is already provided for, of course. The article further states:

> Owners with buildings on the list would face restrictions on how they developed the site—

that is the Townscape list—

> Developers and property owners have warned that areas would be left derelict because listing, and the requirement to maintain historic buildings, would be too costly for some property owners.

My question relates to the next part of the article, which states:

> The State Government has been supportive of Townscape and it is believed it will try to make it law before Christmas.

Speaking to some people within the Adelaide City Council area, I am told that it is considered that, if this Townscape listing scheme goes ahead, properties will be devalued by millions of dollars and millions of dollars will be lost in value. In the first place this is particularly important to the owners who will lose the money, but it is also important to all the ratepayers of the City of Adelaide because, if the properties are devalued, there will be a loss to the rate revenue of the council, and the question is how that will be made up. It is fairly obvious that one way that it may be made up is by increasing the

rate in the dollar on the other properties, so that it may impact upon all ratepayers in the city.

My question relates to the statement that 'the State Government has been supportive of Townscape and it is believed that it will try to make it law before Christmas.' If that is correct, how is it proposed to make it law before Christmas? It could be by legislation, but I suspect that it would be in regard to the City of Adelaide Development Control Act 1976, and the procedures laid down in part 2 about amending the principles, which does require Government action. My questions to the Attorney-General, as Leader of the Government in this Council, are: is it correct that the State Government has been supportive? Is it correct that it will try to make the proposal law before Christmas and, if so, through what means—through the amendment of the principles under the City of Adelaide Development Control Act, or through other means and, if so, what?

The Hon. C.J. SUMNER: The first thing I should say is that I have an interest to declare in this matter, namely, that my house has been Townscaped.

Members interjecting:

The Hon. C.J. SUMNER: That is part of the debate, as I understand it: that the proponents of Townscape are wandering around telling the poor electors of Adelaide that if they are Townscaped the value of their properties will rise. On the other hand, the opponents of Townscape are wandering around telling the good citizens of Adelaide that if their property is Townscaped the value of their property will be reduced.

Somehow or other, the citizens of Adelaide have to sort out these competing claims, and that is what is happening at the present time. As members know, there will be a City Council election next May, and I have little doubt that this will be on the agenda. Mr Henry Ninio, who is taking one point of view, opposing quite vigorously Townscape, has announced his intention to run, and I understand that one of the other councillors, Alderman Hamilton, is also running and is supporting Townscape.

The Hon. R.J. Ritson: Are you going to vote?

The Hon. C.J. SUMNER: Having declared my interest, I will vote, yes.

The Hon. R.I. Lucas: Put your house on the market and test its value.

The Hon. C.J. SUMNER: I don't intend to do that unless I am forced to by my financial position, but I assume that will be secure for a little bit longer at least, certainly past May of next year. So, there will be no immediate fire sale of my property to test out the market. I know that has been somewhat jocular, but I did want to make the point that I probably ought not to attempt to answer this question because I do have an interest. It is a matter that undoubtedly will be contested at the local level, and that is where the matter ought to be contested, at least in the first instance.

The next council elections will undoubtedly be fought around this issue, amongst others, but my own guess is that this issue will be fairly central to the debate at the next City Council elections. As to the Government's position, I have not heard of any moves to make it law before Christmas. As the honourable member says, if that required legislation, it would need to be done very speedily, and I suspect that that is not the Government's intention. If there is some other way of making it law, I have not heard about it. My own guess is that that is not the case, but I will need to check and bring back a reply.

Also, I will check on the answer to the first question asked by the honourable member about Government policy with respect to Townscape. I do not know that the Government has taken a formal position on Townscape, although it may be that certain Ministers have commented on it. However, I will obtain an answer for the honourable member.

BANKRUPTCIES

The Hon. L.H. DAVIS: I seek leave to make an explanation before asking the Minister representing the Minister of Business and Regional Development a question about business bankruptcies.

Leave granted.

The Hon. L.H. DAVIS: The Minister would well remember her words uttered in the Legislative Council in September 1991 which left small business proprietors in South Australia breathless with disbelief. She said at that time.

> The major reason for businesses failing has very little to do with the state of the economy and very little to do with Government actions. It has much more to do with problems that exist with small business.

Members interjecting:

The PRESIDENT: Order!

The Hon. L.H. DAVIS: I am glad that she remembers it so well, Mr President. If I made a statement like that, I certainly would never forget it.

Members interjecting:

The Hon. L.H. DAVIS: You had better listen to this, because you will have to answer in a minute. Today I received the annual report of the Inspector-General in Bankruptcy for the financial year 1991-92, during which time the Minister made her now historic remarks. The official findings of the Inspector-General make nonsense of what the Minister told the Council in September 1991.

In detailed statistics setting out the major causes of business bankruptcies in South Australia, the report reveals that 194 of the 508 business bankruptcies for which information was available resulted from economic conditions. That represented a massive 38.2 per cent of all business bankruptcies and was double the number of the second largest major cause of business bankruptcies, namely, lack of business ability, which accounted for only 93, or 18.3 per cent of, business bankruptcies. Lack of capital and excessive drawings were next on the list, followed by another two major causes that directly relate to economic conditions in Government, namely, inability to collect debts (17) and excessive interest rates (16).

These two together made up a further 6.5 per cent of the major causes of business bankruptcies. In other words, 44.7 per cent of business bankruptcies had as a major cause economic conditions or matters relating to the economy. It is worth noting that another 71 of the 508 business bankruptcies were unclassified, so the figure of 44.7 per cent is obviously a very conservative one. Those data give the lie to the Minister's outrageous and nonsensical statement.

Other data from this alarming annual report show that six of 23 architects, 11 of 94 bankrupt farmers, 31 of 194 road drivers, 18 of 132 bricklayers and carpenters, and 122 of 930 administrators, executors and managerial workers who were business bankrupts in Australia in 1991-92 were residents of South Australia.

In these categories business bankruptcies in South Australia were much higher than they should have been on a population basis. This represents an enormous personal tragedy and, in some cases, an unforgivable loss of personal skills and talent. My questions to the Minister are:

1. Will the Minister now apologise to the Council for the grossly misleading statement she made in September 1991 in regard to. business failures, in the face of the incontrovertible evidence contained in the report of the Inspector-General in Bankruptcy?

2. Just what does the Government do with this valuable statistical information in an effort to minimise business bankruptcies in South Australia in the future?

The Hon. BARBARA WIESE: The honourable member does not seem to know of whom he is asking his questions. He directs his questions to me to pass on to the Minister of Business and Regional Development and then directs part of the question to me. I intend to pass this question to the Minister of Business and Regional Development, because that is the way it was addressed in the first place. I simply make the observation that the honourable member quotes things that were said 12 months ago and tries to apply those to the events of the past 12 months. Anyone in his right mind would realise that that is quite an inappropriate thing to do in the first instance.

The Hon. L.H. Davis interjecting:

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

The Hon. BARBARA WIESE: In the second instance, in the quoting of things that I said last year and which the honourable member continues to repeat in his repetitive, recycling style of questioning in this place, he continues to quote' me out of context. I have made that point before and I make it again, because it seems to be necessary with this recycling of questions with which the honourable member goes on.

I might also say that the questioning that the honourable member undertakes on bankruptcy statistics seems not to be a continuing interest of his: the only time he ever asks questions about bankruptcy statistics is when the quarterly results—

Members interjecting:

The PRESIDENT: Order! The Hon. Mr Davis.

The Hon. BARBARA WIESE: —seem negative. During the quarters when South Australia performs better than other States, I have noted that the honourable member goes quiet on the question of bankruptcy statistics and does not draw those matters to our attention. So, he takes a very one-sided approach to these matters. However, I will refer his questions to my colleague in another place and bring back a reply.

OFFICE SPACE

The Hon. M.J. ELLIOTT: I seek leave to make a brief explanation before asking the Attorney-General, representing the Treasurer, a question about vacant rental office space.

Leave granted.

The Hon. M.J. ELLIOTT: My question relates to the vast amount of empty office space owned or leased by the Government or losing money for the SGIC and the State Bank, the losses of which the Government underwrites. A number of people in community groups have expressed their view that it is scandalous that so much space is sitting vacant and losing taxpayers' money while rent grants are being given by the Government to groups which, because of the rates being asked for the vacant Government space, are occupying space owned by the private sector.

This is at a time when budgets for education, health and community services are about to be listed as endangered species. During recent discussions, a Government-funded body involved in the community services area told me the tale of its hunt for accommodation. Its original premises, a building owned by SACON in the central Adelaide area, had been condemned by the Department of Labour. The group had a rent grant of $8 000 to spend on space for a year, and set about looking.

It first approached the Government but found that, despite the floors and floors of vacant office space owned by Government departments and statutory bodies around the city, nothing was affordable. I am told that no-one was willing to negotiate anything lower than the current commercial rates. The group went to the private sector, found quite adequate accommodation and, following negotiation with the building's owners, is paying what it can afford. Working as it does in the cash strapped community sector, this group feels that the vacant office space situation is a scandal.

It is worse than a scandal: it is an indictment of Government mismanagement. This group would prefer to rent space from the Government and to know that the Government money that it was given for rent went back into Government programs rather than going to the private sector. It was pointed out to me that there are several small groups in a similar situation, not only in central Adelaide but also in the wider metropolitan area. I believe that some groups are about to collocate into the Treasury building but, until then, this situation of Government money going in rent to the private sector, while Government-owned space is empty, will continue. My questions to the Minister are:

1. How much money is provided to Government-funded groups in the form of rent grants?

2. How much of it is being paid to the private sector?

3. In square metres, how much vacant office space do the Government and its statutory authorities currently own or pay a lease on?

The Hon. C.J. SUMNER: I will seek answers to those questions and bring back a reply.

QUESTIONS

The PRESIDENT: Before calling on business of the day, I have a statement to make. I have been concerned for some time about the way questions are being handled at the moment, and I would like to put this into *Hansard* so that members can refer to it. I should like to remind the Council that, when leave is sought and obtained to make a short explanation prior to asking a question, the granting of such leave does not in any way permit members to make any inferences or imputations, or give opinions or debate the matter. I have been very lenient and a lot of the questions are opinions and imputations. In reading Standing Order No. 109, one should divide it into two sections, as follows:

1. That:

...no argument, opinion or hypothetical case shall be offered, nor inference or imputation made,...

and 2.

...nor shall any facts be stated or quotations made including quotations from *Hansard* of the debates in the other House, except by leave of the Council and so far only as may be necessary to explain such question.

In other words, the Standing Order does not allow whatsoever any argument, opinion or hypothetical case to be offered, nor inference or imputation made in putting **ANY** question. The leave is granted only in order to state facts or quotations, including questions from *Hansard,* of the debates in the other House.

In examining the earlier versions of this Standing Order, it becomes quite clear as to their intention. For example, in 1904, the Standing Order stated:

In putting any question, no argument, opinion or hypothetical case shall be offered, nor inference or imputation made, nor, **except so far as may be necessary to explain such question,** shall any facts be stated or quotations made.

It is the latter part which now requires leave of the Council, not the first part. I have been listening to the questions and they are straying far and wide. Members' opinions are being offered when they ask questions, instead of sticking to the facts and what is known about the question. Members start straying off into how they feel about what is happening. I ask members to look at what I have said when it goes into *Hansard,* and to bear it in mind when they phrase their questions. They should try to keep them .within Standing Orders as far as is practicable.

INDUSTRIAL RELATIONS (MISCELLANEOUS PROVISIONS) AMENDMENT BILL

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

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

That this Bill be now read a second time.

As this matter has been dealt with in another place, I seek leave to have the second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Bill

This Bill represents a major reform of the South Australian industrial relations system.

The major purpose of the Bill is to make changes to the industrial relations system in order to promote flexibility, efficiency and economic growth while at the same time protecting the work force against exploitation.

The clauses of this Bill dealing with certified agreements mirror provisions of the Federal Industrial Relations Act which is designed to facilitate enterprise bargaining. In particular, the proposed changes will:

- lead to a more flexible industrial relations system which enhances efficiency and equity in industry and at the enterprise level;
- continue to support the rights of the work force to professional representation through their trade unions;
- foster consultation and cooperation between workers, their unions and employers at the enterprise level.

The Federal Government has gone a long way towards developing a national industrial relations system which can more effectively respond to the needs of our times.

I now turn to the main proposals in the Bill.

The Bill has three main elements:

First, certified agreement provisions which will allow greater flexibility in the setting of employment conditions at the enterprise level.

Secondly, a range of minimum standard safety net provisions including:

- unpaid family leave;
- recognition of the rights of leaflet distributors and additional classes of outworkers including telephone promoters, clerical workers and freelance journalists, to have their conditions set by the Industrial Relations Commission;
- an improved capacity for the Industrial Commission to deal with unfair contracts;

and

- ensuring the ability of the commission to regulate or prohibit the performance of work where the employee is required to work nude or partially nude or in transparent clothing.

The third element of the Bill is a number of procedural and/or technical adjustments to the Act including:

- simpler processes for the recovery of unpaid award wages;
- facilitation of the powers of Commissioners to call compulsory conferences;
- expanded conditions under which the commission can award reinstatement of unfair dismissal in accordance with International Labour Organisation;
- provision for prescribed 'registered agents' to represent parties for a fee before the Court & Commission

and

- a revision of penalties under the Act bringing South Australia closer to the national average.

Certified Industrial Agreements

The Government's desire to encourage greater flexibility in the agreements parties reach at the enterprise level is proposed in a new Division of the Act to be titled 'Certified Industrial Agreements'. This Division is closely modelled on recent changes made to the Commonwealth Industrial Relations Act which strengthened similar provisions allowing such agreements.

It is proposed that the present sections of the South Australian Act which concern Industrial Agreements be retained in a Division entitled 'General Industrial Agreements' and that these continue to be available for use on the same basis as currently exists. For those parties who desire greater flexibility and certainty in setting the terms of their agreement, the proposed 'Certified Industrial Agreement' arrangements would be available.

Under the proposed certified agreement arrangements, the State Industrial Commission must certify an agreement if, and must not certify an agreement unless, specified criteria are met. These criteria are essentially that:

- The agreement must not disadvantage the employees to whom it applies in relation to their terms and conditions of employment when considered as a whole.
- The agreement must contain dispute resolution procedures.

- Unions who are to be parties to the agreement must consult on its terms with those of their members to be affected and report this to the commission.
- Unions in the industry are given an opportunity to be a party to the agreement, but only within the context of the Act's current objective of achieving a coherent national framework of employee associations.

It is proposed that agreements covering more than one enterprise may be refused certification by the commission if it considers certification would be contrary to the public interest. In the case of a single enterprise agreement, this restriction would not apply. There will instead be a limited ability for the Minister to intervene in such applications for certification, for the first eighteen months after the new provisions come into operation. These enterprise level agreements will therefore give the parties much greater flexibility in negotiating conditions of employment that are adapted to the needs of the enterprise and the workers concerned.

The outcome of these changes will be that the Industrial Commission will have far less involvement in scrutinising the terms of such agreements. This much wider scope for agreements is intended to assist in parties achieving wider reaching, genuine improvements in flexibility and productivity. This mirrors the approach to certified agreements taken in the recent Federal amendments.

The greater flexibility of the proposed 'Certified Industrial Agreements' provisions will place greater responsibilities on the parties for developing genuine and industrially sophisticated agreements aimed at delivering lasting and equitable reforms in the workplace. To ensure that workers are not exploited under such arrangements the Bill allows only employers and associations registered under this Act to access the proposed Certified Agreements provisions.

Minimum Standard Safety Net Provisions

It is the belief of the South Australian Government that we have now reached an historical point where demographic, industrial and social trends make legislation for family leave appropriate.

A wealth of research has demonstrated the demographic and economic trends leading to the increased participation of women in the work force and the changes which have taken place in family structures in recent years.

The overall ageing of the Australian population is a key feature in this context and quite important in South Australia where the population is ageing at a somewhat faster rate than most. This 'greying of the population' as it is sometimes called, suggests that the next 30 years will see an almost 50 per cent growth in the over 65 years age group and a drop of 22 per cent in the age group of under 15 years. Along with this, birth rates and fertility rates have been falling steadily over the last two decades and show no signs of reversing. In order therefore to sustain future economic growth, women in the 25 to 34 old age bracket will be a key source of skilled labour.

As for the present, large numbers of women workers are today in the work force, combining paid work with continued responsibility for care of children. One in three mothers in the labour force have school age children, almost two-thirds of mothers with primary school age children are now in the work force, and families with children with two working parents now outnumber families with one.

Women's careers are therefore becoming increasingly important both in the home economy and in the broader economy. Research associated with the State Government's 'Social Justice Strategy' in South Australia has revealed that couples are marrying later and having fewer children, women on average are having their first child at a later age and key areas of growth in employment in South Australia in the last decade have occurred in finance and business services, entertainment and recreation and community services—all important areas for the growth in women's employment.

Combining these trends with the fact of women's increasing participation in the paid work force, we can draw the conclusion that women's careers are becoming increasingly established and so they are more highly skilled by the time of child-birth.

This has important economic implications.

This Government is of the view that the increasing importance of women's careers in paid employment is integral to the development of future efficiency in industry. As a result the Government believes that workplace options need to reflect the needs of both the organisation and the employee recognising the support necessary to reconcile conflict between the demands of work and family.

On 29 June 1987, the South Australian Government indicated to the Federal Government formal agreement for the ratification of ILO Convention 156: Workers with Family Responsibilities.

The implications of such a convention are of course that International Labour Organisation member countries (and consequently, member States of a Federal system such as ours) ensure that, as a minimum standard, their policies and laws do not discriminate against workers with family responsibilities—and, indeed, more positively, that legal and policy provisions are adopted where possible which enables workers with family responsibilities to work without undue conflict between their responsibilities to their work and to their family.

The South Australian Government is committed to the implementation of ILO Convention 156. It has adopted the provision of family leave for its own employees and believes that the general availability of such leave in South Australia will further the principles inherent in this convention.

The South Australian Government believes that there are three main questions of equity in considering this proposal.

- it will further assist in providing equal employment opportunity to women workers;
- it will accommodate the changing patterns of both men's and women's labour force attachments and the trend of men's greater participation in family life;

and

- it will provide choice to parents to assist them to better balance the demands of work and family responsibilities.

The provision of paternity leave will be particularly helpful for the lone father families with young children.

The provision of the benefit to part-time employees or on a part-time basis to previously full-time employees recognises the increasingly diverse employment patterns in the work force and the fact that increasing numbers of jobs are available on a part-time basis. In South Australia approximately 22.4 per cent of the work force are part-time employees. It seems arguable that some of the 18.5 per cent of men who are employed part-time are choosing this form of employment in order to enjoy closer parenting with their children.

In summary, the Government has had the experience where the negligible costs associated with such provisions are more than offset by the ability to retain skilled workers and create flexible and adaptable work patterns and staff.

It recognises that conflict between family responsibilities and those associated with paid employment has an adverse impact on the worker and on firm productivity through worker absenteeism, high turn over rates, lower working energy levels, poor concentration and increase worker stress. Absenteeism here is used in its broadest sense, to include physical absence (full work days, lateness, leaving early) and psychological absence (preoccupation with child care arrangements, other family worries) which affect morale and productivity.

This Government believes that family leave is an example of the kind of measures that can be taken to provide flexible and adaptable work patterns which in part can address these concerns.

Further protective reforms proposed by the Bill concern people who for all intents and purposes are employees but who by technicalities, fall outside of that category. The result is that these people, who are often in a weak bargaining position, do not have any of the protections of ordinary employees.

The Bill accordingly provides for the inclusion within the definition of 'employee' of persons engaged in the delivery or distribution of advertising material. In this industry, through the use of manipulative contractual arrangements people who work at very low hourly rates can fall into the category of independent contractors. It is proposed that those people will have access to the Industrial Commission.

Secondly, it is proposed to extend similar rights to outworkers who perform clerical type work, telephone promotion or freelance journalism.

Australian Bureau of Statistics figures indicate that of 266 000 people employed at home in 1989, 40 per cent were clerks. Reports of the International Labour Organisation have also shown how developments in computer based technology have led to a proliferation of information handling work away from the

usual environments. Research has shown that this has at times led to the potential for exploitation that would not be tolerated by our industrial relations system at a regular workplace. This situation is not considered desirable merely because the work is moved away from a Commercial premises.

The Bill provides measures, complementary to the Commonwealth Act, as regards provisions which allow the commission to deal with unfair contracts. These set out more clearly the grounds for making an application to have a contract varied, and they further identify considerations the commission may make in dealing with an application.

The Bill also proposes to remove any uncertainty as to the commission having jurisdiction to make an award regulating or prohibiting the performance of work where the employee is required to work nude or partially nude or in transparent clothing.

Procedural and/or Technical Adjustments to the Act

The Bill proposes a number of adjustments aimed at simplifying the process for the recovery of unpaid award wages and changes reflecting recent amendments to the Commonwealth Act in this area.

At present if the court is satisfied that the claim should have been satisfied without putting the claimant to the trouble of taking proceedings, it may order a penalty against the defendant in certain circumstances. It is proposed to adjust this provision in order that the commission may exercise this power either on the option of the defendant having been advised by an Industrial Inspector, that, in the Inspector's opinion, the claim was justified or where the court is satisfied that the defendant had no reasonable ground on which to dispute the claim.

Further, in common with the Commonwealth Act, the Bill proposes to allow the court to order that successful claimants be paid an amount for interest additional to any monetary sum ordered. The interest would be calculatable for the period between the time when the original liability of the defendant to pay the amount fell due and the date of judgment.

It is also proposed to extend the tenure of the President and the Deputy Presidents of the Industrial Court by allowing these offices to be held until the age of 70, rather than 65 at present, bringing it into line with certain other judicial appointments.

The Bill proposes to streamline the process for the resolution of disputes by allowing all members of the commission and not simply the President to call compulsory conferences.

The current provisions of the Act concerning unfair dismissal place a total bar on applicants who are award free and who earn more than $65 000 per year. The reasoning for this prohibition arose out of concern that these highly paid employees were utilising the cost free unfair dismissal jurisdiction for reasons outside of its primary purpose of reinstatement under the jurisdiction. The changes proposed will allow the Government to discharge its obligations pursuant to Convention No. 158 of the International Labour Organisation regarding termination of employment. The Bill aims to overcome the original problem while still allowing South Australia to conform with the International Labour Organisation standard. The measure allows these highly paid employees to bring an unfair dismissal application, but not do so merely to top up a retrenchment package.

The Bill proposes to amend those sections concerning representation before the court and commission. This measure arises from a requirement under the Legal Practitioners Act 1981 where an unqualified person may represent a party to proceedings in a court or tribunal for fee or reward, if the person is authorised by or under the Act by which the court or tribunal is constituted, or any other Act, to do so. As a result of this requirement, doubts have been raised as to the lawfulness of parties to a matter in the Industrial Court or commission being represented by an agent who charges a fee but who is not a legal practitioner. The Bill aims to make it clear that such representation is lawful. Such representation would be on a similar basis to the terms on which legal representation is currently allowed under the Act but shall only be allowable in cases relating to under payment of award wages or unfair dismissal. The Minister will be able, through regulations, to establish a register of such representatives, requiring qualifications and adherence to a code of conduct by such persons.

Finally, following the conduct of a survey of fines levied under the various Australian industrial acts it has been revealed that maximum fines for offences against the South Australian Act are well below the national average for like offences. It is proposed to adjust the penalties under the Act to bring South Australia closer but still not above the national average for like offences.

Other Matters

Several other minor technical amendments to the Act are included in the Bill.

The provisions of the Bill are as follows:

Clause 1 is formal.

Clause 2 provides for the commencement of the measure.

Clause 3 relates to the definitions under the Act. The definition of 'employee' is to be amended to include any person engaged for personal reward to distribute various items by going from place to place, or by handing the items to passing members of the public, where the items are supplied free of charge. The legislation will also provide for a definition of 'registered agent' who will be a person who is registered under the regulations as an agent for the purposes of the Act.

Clause 4 will include some new categories of persons as 'outworkers' under section 7 of the Act. The proposed new categories are people who provide clerical services, people who carry out various marketing activities by telephone, and people who perform any journalistic service or public relations service.

Clause 5 alters the retirement age of the President and the Deputy Presidents of the Industrial Court to 70 years, which is consistent with the retirement ages of Supreme Court and District Court Judges.

Clause 6 makes a consequential amendment to section 13 of the Act and deletes unnecessary material.

Clause 7 alters the operation of section 15 (3) *(g)* of the Act so that a penalty amount can be ordered either if the defendant was advised by an inspector that the relevant claim was justified, or if the defendant has no reasonable ground on which to dispute the claim, and the court considers that the defendant should have satisfied the claim. New subsections (5) to (8) inclusive will allow the court to award interest on an award under subsection (1) *(d)*. A new provision will allow registered agents to appear for fee or reward in section 15 (1) *(d)* cases.

Clause 8 makes a variety of amendments to section 19 of the Act to provide consistency with the new 'courts' legislation that has recently come into operation in South Australia.

Clause 9 expressly confers jurisdiction on the commission to regulate or prohibit the performance of work where the employee is required to work nude or partially nude, or in transparent clothing.

Clause 10 will allow any Presidential Member, or a Commissioner, to call a compulsory conference in respect of an industrial matter. (Section 27 of the Act presently limits this power to the President.)

Clause 11 amends section 28 of the Act to facilitate service outside the State of any summons or notice issued for the purpose of proceedings before the commission.

Clause 12 amends section 31 of the Act to remove the restrictions on applications to the commission set out in subsections (2a) and (2b), and replace those provisions with a new provision that will prevent certain payments of compensation in respect of the termination of employment where the applicant was earning in excess of $67 000 (indexed) per annum, and his or her remuneration was not covered by an award or industrial agreement. A new provision will allow registered agents to appear for fee or reward on behalf of parties to the proceedings.

Clause 13 re-enacts section 34 of the Act. The substantive change is to include references to registered agents in relation to the leave requirements that presently apply in respect of section 31 (6) conferences.

Clause 14 revises various aspects of section 39 of the Act relating to the review of unfair contracts. A person will be entitled to make application to the commission in relation to a contract that is unfair, harsh or against the public interest. The criteria that presently apply in relation to applications have been 'transferred' to new subsection (3), which sets out various matters that the commission will have regard to in reviewing a contract. The remedies remain virtually the same (now to be set out in subsection (4)). The commission will be given express power to make interim orders to preserve the position of any party pending the determination of an application.

Clause 15 will remove the ability of the Minister under section 44 of the Act to intervene in an application under Division II of Part VIII for the certification of an industrial agreement that applies only to a single business, part of a single business, or a single place of work.

Clause 16 deletes redundant material from section 48.

Clause 17 provides that the provisions of the second schedule have effect in relation to maternity, paternity and adoption leave, and in relation to associated part-time work.

Clauses 18 and 19 delete redundant material.

Clause 20 will remove the ability of the Minister to apply under section 100 of the Act for the review of a certified industrial agreement that applies only to a single business, part of a single business or a single place of work.

Clauses 21 to 29 (inclusive) are consequential on the proposed new provisions relating to certified industrial agreements. The effect of the amendments is that the existing provisions of Part VIII will be incorporated into a Division headed 'General Industrial Agreements'.

Clause 30 provides for a new Division, which will relate to certified industrial agreements. The parties to an industrial agreement will be able to apply for the certification of the agreement under the new Division if the agreement relates to a particular industry, business or place of work. The Minister will be given power to intervene under this Division in certain circumstances, but only for the period of 18 months after the commencement of the provision. (This right of intervention is separate to the right of intervention, as amended, under section

44 of the Act.) New section 113d sets out the various criteria and principles that will apply in relation to the certification of an agreement by the commission. An agreement will not operate unless and until it is certified by the commission. Special provisions will apply in relation to the variation or termination of a certified agreement.

Clause 31 amends section 146b of the Act to provide that the Full Commission is not required to have regard to principles established by the Commonwealth Commission when acting in relation to a matter before the commission under Division II of Part VIII (Certified Agreements).

Clause 32 recasts subsection (8) of section 159 (as enacted by Act No. 34 of 1991).

Clause 33 removes redundant material.

Clause 34 provides that the regulations may establish the scheme for the registration and regulation of agents under the Act.

Clause 35 makes a consequential amendment.

Clause 36 provides for a new schedule relating to family leave. A female employee will be entitled to up to 52 weeks of maternity leave, subject to various qualifications set out in clause 3 of the schedule. Maternity leave will not be able to 'coincide' with extended paternity leave taken by the female's spouse. The leave will have to be taken in a single period, although the length of that period will be subject to negotiation. Leave will not extend beyond the child's first birthday. The leave will be unpaid leave. Various notice provisions are set out in the schedule. Certain provisions will apply if it is advisable that the employee be transferred to a 'safe' job. A person will be entitled to take special maternity leave in cases of sickness or termination of pregnancy. An employee, on returning to work after maternity leave, will be entitled to her 'former' position. Comparable provisions will apply for paternity leave, which may include an unbroken period of up to one week at the time of birth of the child. Adoption leave will be available in two parts—unbroken leave of up to three weeks at the time of placement of the child, and unbroken leave of up to 49 weeks in order to be the primary care-giver of the child. However, various qualifications will apply. Special leave will be available in order to travel overseas to obtain custody of a child, or to attend interviews and other commitments. A new Part will also allow part-time work, with the agreement of the employer. The leave will be available after the birth or adoption of a child, and may extend for up to two years.

Clauses 37 and 38,make various consequential amendments to other Acts.

Clause 39 revises certain penalties under the Act.

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

GOVERNMENT MANAGEMENT AND EMPLOYMENT (MISCELLANEOUS) AMENDMENT BILL

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

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

That this Bill be now read a second time.

As this matter has been dealt with in another place, I seek leave to have the second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Bill

Following the introduction of the Government Management and Employment Act in July 1986, new arrangements were set in place to manage the South Australian public sector, and in particular, personnel management in the State's public service.

The Act was the culmination of several years' work involving considerable input, consultation and negotiation by many people and organisations including employee organisations.

During 1989 the Government Management Board initiated an independent review of the Act. The review was conducted by John Uhrig, Chairman, CRA Limited and Fred McDougall, Professor, Graduate School of Management, University of Adelaide. The review team conducted wide ranging investigations and concluded at the time that the Act was generally achieving its aims and that there had been significant improvements in the operational performance of the South Australian public service. However, the review team also identified that the Act could be further strengthened through amendment in several areas.

With the benefit of our six years practical experience with the Act, the Commissioner for Public Employment has reported to the Government that the Act has been effective in moving towards modern management practices in the public service but that it was in need of amendment. According to the Commissioner and the Government Management Board, changes proposed in the Bill are necessary to ensure that the public service will continue to respond to the pressures put on it and to provide agencies with increased flexibility in managing human resources. The Bill will also assist agencies in their endeavours to provide high quality services which are both responsive and sensitive to the needs of the community and the expectations of Government.

The matters covered by the Bill will not change the fundamental principles of personnel management and public administration which underpin the Act.

Instead the amendments are designed primarily to further reduce unnecessary paper work and simplify personnel administration with the aim of increasing productivity and enhancing flexibility in areas such as employee appointment and movement between positions.

For example, to provide increased operational flexibility in staff appointment and deployment, a new appointment category to be known as term appointment has been introduced. This category will replace the existing appointment category known as negotiated conditions. The new category will retain all of the benefits of being able to negotiate special employment conditions in selected cases. However, it will provide added advantages when appointing an employee for a fixed period of time under normal public service conditions.

If the term involved exceeds two years formal merit selection processes under the Act will be mandatory.

Existing temporary and permanent appointment categories will remain but the Act will now also include provisions to formally recognise casual employment as a valid category of employment. Existing employment categories under the principal Act do not adequately cater for casual employment arrangements.

At present, the Act contains no particular provision allowing special arrangements that may need to apply for part-time

employment arrangements in the public service. Procedures and processes relating to part-time employment are catered for administratively under guidelines and determinations issued by the Commissioner for Public Employment. In view of developments surrounding work patterns and hours of work generally in the community, it is considered necessary to now give the Commissioner wider powers in relation to part-time employment. The Bill will ensure that in future there will be no ambiguity about the Commissioner's responsibility to recommend and give effect to new policies in the area of part-time work.

The Bill provides for increased flexibility in relation to the placement of employees who have been declared excess to requirements within the Public Service. In addition, new provisions have been included to enable excess public sector employees to be transferred to another set of duties elsewhere in the public service or, the wider public sector. This change will significantly enhance the Government's capacity to deploy excess staff throughout the public sector. Safeguards have been incorporated to ensure that employees who are transferred will not be unduly disadvantaged in terms of salary, leave or superannuation.

When the Act was proclaimed a number of special employment groups were not incorporated into the Public Service. This was done in order to ensure that those groups retained their independence from the public service. It was also intended that the Governor would have residual power under the Act to incorporate into the public service some of those excluded groups as required by the Government. The Governor's power to take this action was tested in the Courts and was found to be invalid. The Bill will ensure that in future the Governor's powers will be legally enforceable as originally intended. The Bill will not amend existing provisions in relation to groups such as members of the judiciary, police force, Auditor-General, Ombudsman, Police Complaints Authority, Electoral Commissioners or officers of either House of Parliament.

The Bill will enable the Government to strengthen the private sector experience available on the Government Management Board which has been actively involved in assessing agency performance. The Government believes that changes to Board composition, including a better gender balance and more frequent appointment of new members with appropriate skills will ensure a continuing flow of new ideas. This flexibility will be facilitated by a small increase of one position to the membership of the Board.

At present, promotion appeal rights for employees are available up to the first level of the Executive Officer structure. The Bill will streamline the appeal process and reduce unnecessary overhead costs by providing instead such right of appeal only for certain classification levels designated by proclamation. Before determining the levels to be specified by proclamation the Commissioner for Public Employment will have further consultation with relevant industrial organisations. The integrity of the promotion system will not be adversely affected by this change. Greater emphasis will be placed on strengthening selection criteria, selection procedures and the composition of selection panels to ensure increased compliance with the merit principle.

In relation to those levels that will be open to appeal the Bill incorporates provisions to prevent frivolous or vexatious promotion appeals. This change will be consistent with the Act's grievance appeal provision. Under this change the Promotion and Grievance Appeal Tribunal may decline to hear an appeal if the appeal is instituted without sufficient grounds or is unworthy of serious attention.

In order to provide increased flexibility and fairness in disciplinary matters, the Bill will enable Chief Executive Officers to have discretionary power to temporarily reassign an employee to different work during the conduct of disciplinary proceedings. This will be possible in cases where the Chief Executive officer suspects that the employee may be liable to disciplinary action or where the employee has been charged with a serious offence. The Chief Executive Officer's decision to temporarily reassign an employee or take other temporary action will not be subject to any appeal by the employee.

In addition, if a Chief Executive Officer is satisfied that an employee is liable to disciplinary action, it is presently only possible to impose one of the penalties listed in the principal Act. Legal opinion concludes that it is not possible for the authority to impose a combination of penalties even if in the circumstance of a particular case a combination of penalties is warranted. Experience has shown that it is desirable for the disciplinary authority to be provided with as much flexibility as possible under the Act in determining what action should be taken against employees who breach the Act. For that reason the Bill incorporates provisions to enable a combination of penalties to be imposed rather than the present approach which enables only a single penalty to be imposed.

Also under the Act at present the disciplinary authority cannot suspend a penalty if the employee complies with some other conditions set by the Chief Executive Officer which aim to help rehabilitate the employee. For example the condition may be that the employee undergo counselling and provide proof of attendance. In such a case the penalty set would only be invoked if the employee failed to meet the condition set. Again to provide increased flexibility for the disciplinary authority the Bill will enable suspended penalties to be imposed.

In addition under the Act an employee suspended without pay still continues to accrue leave entitlements. This means that if an employee resigns before completion of the disciplinary process there is currently no way to prevent the employee accruing leave credits for the period of suspension.

The Bill will prevent accrual of leave credits unless the suspension is revoked or the disciplinary authority considers it appropriate to allow accrual.

The Bill will enable the Government to address several recommendations contained in the 62nd Report of the Public Accounts Committee relating to the coverage of public sector employees by the Government Management and Employment Act long service leave provisions. The amendment will provide the Commissioner for Public Employment with discretionary and retrospective power to extend Government Management and Employment Act long service leave provisions to a broader range of public employees or to deny coverage.

Under the Act at present it is not legally possible for an employee to decline a nomination for reassignment or for a Chief Executive Officer to withdraw a nomination once approved. In some cases, lengthy appeal proceedings have taken place for no useful purpose. These costly appeal hearings could have been avoided if provisions were available to allow nominations to be withdrawn. The Bill incorporates provisions which will overcome present difficulties. Necessary safeguards have also been incorporated to protect the interests of employees.

At present the Act prescribes procedures to deal with employees who are not capable of performing their duties because of mental or physical disability. The Act also contains provisions to enforce disciplinary proceedings against employees who wilfully do not perform adequately. The Bill now aims to increase public service efficiency and productivity by incorporating a provision to address employees who are incompetent at their work and the incompetence is not wilful and not related to mental or physical disability. Under the Bill such employees can be transferred to other work elsewhere in the public service or if no such work is available, be retired from the public service. Employees will have appeal rights if they feel unfairly treated under these provisions.

In order to achieve increased flexibility in the deployment of staff, the reassignment provisions of the Act have been modified. The Bill will provide Chief Executive Officers with increased powers to reassign employees to different work at corresponding classification levels. Existing provisions relating to reassignment to higher level positions will remain unaltered although the Commissioner will be given discretionary powers to extend temporary reassignments beyond the three year limit presently imposed by the Act. These measures have been incorporated to provide management with increased flexibility in the deployment of staff and to enhance mobility and career development opportunities for employees.

The Bill will also introduce provisions to cater for situations where an employee, for personal reasons, requests reassignment to a position with lower level responsibilities and classification. The Act presently does not cater for requests of this type from employees. The Bill will overcome this difficulty and enable reassignment to a lower classification level provided the employee affected agrees.

Finally, the Bill will incorporate provisions to formalise the present practice of allowing employees to hold more than one public office at the same time. However, the Bill will also preclude an employee from holding more than one office if

appointed on a term and subject to negotiated conditions under the Government Management and Employment Act. This restriction is necessary because a person appointed for a term with negotiated conditions is required to relinquish all permanent tenure in the public sector as an off set against any special pay or conditions negotiated. This could not be achieved if the employee was allowed to retain a right to return to public office on completion of the term appointment.

There are other minor machinery changes that are explained in the attached explanation of the Clauses of the Bill.

Clause 1—Short title. This clause is formal.

Clause 2—Commencement. This clause provides for the commencement of the measure. Subclause (2) provides that clause 21 is to have retrospective effect to the date of operation of the principal Act. Clause 21 makes amendments relating to the application of the long service leave provisions of the principal Act to public sector employees who are not employed in the Public Service.

Clause 3—Amendment of s. 10—Constitution of the Board. This clause provides for an increase in the membership of the Government Management Board from six to seven members. The clause also inserts a new provision requiring that the Board's membership include at least two men and at least two women.

Clause 4—Amendment of s. 21—The structure of the Public Service. Section 21 currently requires that all public employees (other than persons excluded from the Public Service by or under the provisions of schedule 2) be employed in positions in the Public Service. The clause replaces this provision with a requirement that, subject to schedule 2, all persons employed by or on behalf of the Crown be employed in the Public Service under Part III of the principal Act. The change from a reference to 'public employees' to a reference to 'persons employed by or on behalf of the Crown' is desirable to avoid the circularity resulting from the definition of 'public employees' under section 3 of the principal Act as persons appointed to the Public Service or employed by the Crown or a State instrumentality.

Clause 5—Amendment of s. 37—Special provisions relating to appointment of Chief Executive Officers. This clause makes several amendments of a minor technical nature. Section 37 provides, amongst other things, that a former Chief Executive Officer who has ceased to hold the position at the end of a term of appointment or who has ceased to hold the position otherwise than through a process referred to in subsection (2) is, subject to the conditions of the person's appointment as Chief Executive Officer, entitled to be assigned to some other Public Service position with a salary level not less than a level specified in the section. The clause amends this section to make it clear that any such assignment to another position is to be effected by the Commissioner for Public Employment or that, alternatively, the former Chief Executive Officer may be transferred by the Governor to some other Public Service position at that salary level.

The clause also amends the section to make it clear beyond doubt that the Chief Executive Officer of an administrative unit ceases to hold the position if the administrative unit is abolished or ceases to exist.

Clause 6—Amendment of s. 48—Review of classifications. Section 37 establishes a procedure under which an employee may apply for review by a classification review panel of his or her classification but excludes from the procedure certain categories of employees including those appointed to the Public Service on the basis of negotiated conditions. This clause adds to the categories of employees excluded from the classification review procedure those employees appointed to the Public Service on a casual basis or for a fixed term and changes the reference to appointment on the basis of negotiated conditions to appointment for a fixed term and subject to negotiated conditions. These amendments are consequential to amendments to section 50 (Basis of appointment to the Public Service) proposed by clause 7.

The clause also amends the section to allow the review panel (rather than the Commissioner or Chief Executive Officer) to determine the date of operation of a reclassification determined by the panel.

Clause 7 Amendment of s. 50—Basis of appointment to the Public Service. Section 50 sets out the current forms of appointment to the Public Service—appointment on a permanent basis, temporary basis or negotiated conditions. The clause amends this section to introduce two new forms of Public Service appointment—appointment on a casual basis and appointment for a fixed term. Under the clause, appointments on a casual basis may only be made for the performance of duties over a period not exceeding four weeks or for hours that are not regular or do not exceed 15 hours in any week. Applications need not be sought before such an appointment is made. The conditions of appointment on a casual basis (including conditions fixing the duties and remuneration) will be as determined from time to time by the appointing authority subject to any directions of the Commissioner and will prevail, to the extent of any inconsistency, over the other provisions of the principal Act. A casual appointment may be terminated at any time.

Appointments for a fixed term may only be made for a term (not less than 12 months nor more than five years) determined by the appointing authority. Any such appointment that is for a term exceeding two years must be of a person selected through the merit-based selection processes provided under the principal Act and the regulations and any extension of the term of a person who has not been so selected may not take the aggregate term beyond that two years limit except in a particular case approved by the Commissioner. An extension may take the term of a person who has been selected through the merit-based processes beyond the five years limit in a particular case with the approval of the Commissioner. Where a person was, immediately before appointment for a fixed term, employed in the Public Service on a permanent basis, the person will, at the end of the term, automatically return to such permanent employment in the person's former position or, if that position is no longer available, a position at the same classification level.

The clause changes the expression appointment on the basis of negotiated conditions to appointment for a fixed term and subject to negotiated conditions. The provisions governing such appointments remain essentially the same.

A new provision is inserted making it clear that a change in the basis of a person's appointment to the Public Service does not affect the person's continuity of service or the person's existing and accruing rights in respect of leave. The Superannuation Act 1988 makes appropriate provision for a change in the basis of appointment for superannuation purposes.

Clause 8—Amendment of s. 51—Filling of positions through selection processes. This clause amends section 51 to remove the requirement for the employee selected for a position as a result of selection processes to be nominated if applications for the position were sought on the basis that the successful applicant will be appointed to the Public Service for a fixed term or for a fixed term and subject to negotiated conditions. In addition, under the current provision, for a nomination to be required the position must be below a classification level prescribed by regulation. Under the amendment, for a nomination to be required the position must be at a level specified by proclamation. The requirement for nomination attracts the operation of promotional appeals under section 53 of the principal Act.

The clause also inserts a new provision that provides for the withdrawal of a nomination at the request in writing of the nominated employee or with the approval of the Commissioner and allows some other applicant to be selected for the position through the same selection process.

Clause 9—Amendment of s. 52—Reassignment Section 52 (3) currently imposes restrictions on the capacity of a Chief Executive Officer or the Commissioner to reassign an employee to another position without conducting selection processes for the purpose of filling the position. Any such reassignment to a position with duties of a continuing nature may only be for the performance of urgent work, training and development or wider work experience or part of a reorganisation of an administrative unit. A promotional reassignment may only continue for a maximum of three years. The clause removes these restrictions and allows promotional reassignments to be made subject to conditions determined by the Commissioner and to continue for more than three years in any particular cases with the approval of the Commissioner.

The clause also makes provision for reassignment of an employee to a position at a lower classification level with the employee's consent.

Clause 10—Amendment of s. 53—Promotion appeal. The clause inserts a new provision allowing the Promotion and Grievance Appeals Tribunal to decline to entertain an appeal in respect of selection processes if the Tribunal is of the opinion

that the appeal is frivolous or vexatious. Section 53 (7) currently denies appeal rights in respect of selection processes to

temporary employees with less than 12 months' service and persons employed on negotiated conditions. This restriction is extended by the clause so that it also applies to casual employees and persons employed for a fixed term. The reference to appointment on the basis of negotiated conditions is changed to appointment for a fixed term and subject to negotiated conditions.

Clause 11—Insertion s. 57a—Payment of remuneration on death. This clause inserts a new section 57a empowering the Commissioner to direct payment of outstanding remuneration directly to the dependants of a deceased employee rather than to the deceased's personal representative. The new section corresponds to clause 12 of schedule 4 of the principal Act relating to leave payments.

Clause 12—Amendment of s. 59—Excess employees. This clause simplifies the provisions relating to excess employees (that is, employees whose services have become under-utilised) and, in particular, allows the Commissioner, rather than as at present the Governor, to transfer an excess employee to another position in the Public Service. The clause adds as a precondition to the exercise of the power to transfer or retire an excess employee a requirement that reasonable consultations must have taken place with the appropriate recognised organisation.

Clause 13—Substitution of section 60—Procedure where employee found to be incapacitated. This clause simplifies and revises the procedures for dealing with employees who are unable to perform their duties satisfactorily or at all due to mental or physical illness or disability. The new provision clarifies the practice followed in many cases of relying only on medical reports supplied by an incapacitated employee before making a determination that the employee be transferred or retired as a result of the incapacity. The new provision also allows the Commissioner, rather than as at present the Governor, to transfer an incapacitated employee to some other Public Service position with duties that are within the employee's competence.

Clause 14—Insertion of s. 60a—Incompetent employees. This clause inserts a new provision establishing a procedure for dealing with any employee who is not competent to perform his or her duties, or the duties of any other position to which he or she could be reassigned (that is, at the same classification level), where this does not result from mental or physical illness or disability or causes within his or her control. Under the new provision, the Commissioner is empowered to transfer such an employee to a position within the employee's competence or to recommend that the employee be retired from the Public Service by the Governor. Provision is made for the implementation of such a decision to be delayed to allow the employee concerned an opportunity to apply to the Promotion and Grievance Appeals Tribunal for a review of the decision.

Clause 15—Amendment of s. 63—Retirement from the Public Service. Section 63 provides for compulsory retirement from the Public Service at age 65, but allows a person over that age to be employed on a temporary basis or on negotiated conditions. This exception is extended so that it also applies to employment on a casual basis and employment for a fixed term. The reference to appointment on the basis of negotiated conditions is changed to appointment for a fixed term and subject to negotiated conditions.

Clause 16—Amendment of s. 68—Inquiries and disciplinary action. Section 68 (5) currently empowers a disciplinary authority who is satisfied that an employee is liable to disciplinary action to make one of a range of disciplinary orders. The clause amends this provision so that a combination of such orders may be made if appropriate. The clause amends the provision allowing suspension of an employee without remuneration so that the suspension may also be without accrual of rights in respect of recreation leave or long service leave if the disciplinary authority considers this to be appropriate. Finally, the clause empowers a disciplinary authority to suspend a disciplinary order made in respect of an employee subject to compliance by the employee with conditions specified by the authority.

Clause 17—Amendment of s. 69—Suspension or transfer where disciplinary inquiry or serious offence charged. Section 69 currently empowers a disciplinary authority to suspend an employee with or without remuneration where the employee faces a serious criminal charge or is given notice of a Public Service inquiry into his or her conduct. The clause amends this section so that such a suspension may also be with or without accrual of rights in respect of recreation leave and long service leave. The clause empowers the disciplinary authority to determine that the employee be transferred to another Public Service position as an alternative to suspension pending the determination of the criminal proceedings or disciplinary inquiry. Finally, the clause adds a new provision excluding any appeal or review of a decision to suspend or transfer an employee made under section 69.

Clause 18—Substitution of heading to Division VII of Part III. This clause changes the heading to the last group of provisions of the principal Act from a Division of Part III (which relates to the Public Service) to a new Part IV—Miscellaneous. This is necessary in view of certain new provisions to be inserted by the Bill which relate to the public sector and not just to the Public Service as such.

Clause 19—Insertion of s. 73a—Transfers of excess employees within public sector. Proposed new section 73a (1) empowers the Commissioner to transfer an excess Public Service employee to a position in the employment of a State instrumentality rather than to a Public Service position.

Proposed new section 73a (2) provides that, where a State instrumentality determines that one of its employees is excess (which is defined in the same terms as for Public Service employees under section 59 of the principal Act), the Commissioner may transfer the employee to a Public Service position or to a position in the employment of another State instrumentality.

Proposed new section 73a (3) provides that, subject to any different agreement between the Commissioner and the employee concerned, a transfer under the new section may only be for a term not exceeding 18 months and that the employee must, at the end of the term, be transferred back to his or her former position or one with at least the same salary. Provision is made to preserve existing and accruing leave and superannuation rights and to maintain the employee's remuneration at the same level during the term of such a transfer.

The Commissioner may not make a transfer under the new provision except at the request of, or after consultation with, the State instrumentality or instrumentalities and the Chief Executive Officer of any administrative unit concerned.

Clause 20—Insertion of s. 74a—Commissioner may approve arrangements for multiple appointments, etc. This proposed new section is designed to provide a mechanism under which it will be clear that Public Service employees may hold or be engaged in some other office or employment while remaining in Public Service employment and that persons may be employed in the Public Service while continuing to hold or remaining in some other office or employment. This may occur under arrangements approved by the Commissioner and any such arrangements will have effect according to their terms and notwithstanding any other Act or law. However, the Commissioner may not approve any such arrangements under which a person may be employed in the Public Service for a fixed term and subject to negotiated conditions while continuing to hold or remaining in some other office or employment of the Crown in right of this State.

Insertion of s. 74b—Directions relating to part-time employment. This clause also inserts a new section 74b conferring on the Commissioner power to issue directions to make provision with respect to employment in the Public Service on a part-time basis. Under the new section, any such directions are to have effect according to their terms and may override other provisions of the principal Act.

Clause 21—Amendment of s. 75—Extension of operation of certain provisions of Act. Section 75 (1) currently empowers the Governor to apply, by proclamation, specified provisions of the principal Act to specified classes of public employees (with or without modification). Subsection (2) currently declares that the long service leave provisions of schedule 4 apply to all Crown employees remunerated at hourly, daily or weekly rates of payment. The clause removes subsection (2) with retrospective effect from the date of commencement of the principal Act (see clause 2) and replaces it with new provisions that also operate from that date of commencement. Under proposed new subsection (2), all public employees remunerated at hourly, daily, weekly or fortnightly rates of payment who perform duties that form part of the operations of an administrative unit and are

subject to direction by the Chief Executive Officer of the unit are brought under the Public Service long service leave provisions of schedule 4 together with any other officers or employees of the Crown of a class to whom the Commissioner directs that those provisions apply. However, this is made subject to proposed new subsection (3) which allows the Commissioner to direct that the provisions do not apply to officers or employees of a specified class and proposed new subsection (4) provides that any such direction (or a proclamation under subsection (1)) may, if it so provides, have retrospective effect from a date not earlier than the date of commencement of the principal Act.

Clause 22—Amendment of schedule 1—Transitional provisions. This clause inserts appropriate transitional provisions consequential on the introduction of the new casual basis of employment and other amendments proposed by the measure.

Clause 23—Amendment of schedule 2—Persons excluded from the Public Service. This clause makes an amendment to schedule 2 intended to make it clear that a proclamation may be made under Division I of Part III of the principal Act, incorporating within the Public Service a group of public employees consisting of or including officers or employees appointed under the Education Act 1972 or the Technical and Further Education Act 1976 together with certain other Crown officers or employees who would otherwise be necessarily excluded from the Public Service.

Clause 24—Amendment of schedule 3—The Promotion and Grievance Appeals Tribunal and the Disciplinary Appeals Tribunal. This clause removes the provision excluding Public Service employees from eligibility for appointment to the positions of Presiding Officer or Deputy Presiding Officer of the Promotion and Grievance Appeals Tribunal.

The clause inserts provisions under which any member of the Disciplinary Appeals Tribunal or the Promotion and Grievance Appeals Tribunal may, despite the person's membership having come to an end, continue as a Tribunal member for the purpose of completing part-heard matters. The clause also makes new provision to make it clear that the Commissioner is a party to all proceedings before either Tribunal.

Clause 25—Amendment of schedule 4—Hours of Attendance, Holidays and Leave of Absence. This clause makes a series of amendments excluding persons employed in the Public Service on the new casual basis from the provisions of schedule 4 governing hours of attendance, recreation leave and sick leave. In relation to casual employees and long service leave, the clause amends clause 9 (2) of schedule 4 (which empowers the Commissioner to determine a part-time employee's salary during long service leave) so that it also applies to casual employees. The clause amends clause 4 (1) of schedule 4 to make it clear that the regulations may impose preconditions to the taking of recreation leave and cater for the calculation of recreation leave entitlements of part-time employees. Finally, the clause inserts a provision empowering the Commissioner to increase the sick leave entitlements of a particular employee or class of employees where appropriate.

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

ACTS INTERPRETATION (AUSTRALIA ACTS) AMENDMENT BILL

Returned from the House of Assembly without amendment.

SUPERANNUATION (SCHEME REVISION) AMENDMENT BILL

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

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

That this Bill be now read a second time.

As this matter has been dealt with in another place, I seek leave to have the second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Bill

The primary purpose of this Bill is to enhance the levels of benefits in the State Pension and lump sum superannuation schemes as a result of the amalgamation of the benefit accruing under the Public Sector Employees Superannuation Scheme.

The Public sector Employees Superannuation Scheme, known as the PSESS Scheme, provides the benefit made available to employees as a result of the 3 per cent of salary productivity benefit in 1988. This benefit has commonly been referred to as the Occupational Superannuation Benefit. The Government plans to rationalise superannuation for those employees who are contributors to the main State scheme. This will be achieved by dispensing with the PSESS benefit as a benefit paid through a separate scheme, and using the benefit to meet the cost of enhancements made to the main State scheme.

The Bill also proposes to make a small number of technical modifications to existing provisions of the Act. The technical modifications will clarify certain provisions, overcome some technical deficiencies and, in other cases provide some flexibility to more adequately administer the scheme.

The restructuring of State superannuation is planned to be effective from 1 July 1992 in order to coincide with the commencement of the Commonwealth's superannuation guarantee charge legislation, and the consequential commencement of the State Government's Superannuation Benefits Scheme (SSBS). The new SSBS will act as a 'safety-net' scheme providing the statutory required minimum benefits to those employees who in general do not belong to some other employer supported scheme. The Bill also provides for the 'rolling over' into the State scheme of the benefits accrued in the PSESS scheme.

The technical modifications to be made to the scheme are as follows. The provision in the Act which deals with a reduction in salary is modified to overcome the difficulty which can arise where it is not possible to identify a current rate of salary payable to the previous classification or office held by the member. The provision which deals with persons employed on term contracts is also modified. Under the existing Act contributors to the scheme are allowed to have a period of three months gap between employment before they are deemed to have resigned. Experience with teachers has found that the existing period of three months is too short, and therefore the Bill proposes that the period be extended to 12 months. This will overcome a problem for contract employees where in some cases they are having to formally re-apply to join the scheme and have new medical examinations just because they miss out on a contract for a school term. The Institute of Teachers believes the proposed modification will overcome the present difficulties.

An amendment is also proposed to the provision in the Act which deals with the arrangements that can be entered into between the Superannuation Board and an employer. The proposed amendment will enable some flexibility in the terms and conditions of the arrangement and also provide for the situation where an employer elects to vary an arrangement to the extent of terminating the employees' right to continue contributing to the State scheme. The amendment will ensure that in such circumstances the employees' have a right to preserve their accrued benefits in the scheme.

Several amendments in the Bill will provide clarity to the administration of the scheme.

An amendment will clarify the situation that for administrative purposes the board may delegate some of its powers and functions, and also that the board shall keep accounts in relation to the payment of benefits under the scheme.

A technical modification is also to be made to the provision dealing with the terms and conditions under which a person may be accepted as a contributor. The Bill seeks to provide for the board applying a restriction on the payment of invalidity and death benefits in situations where the employee's engagement in prescribed risk taking activities is, in the opinion of the board, likely to place the individual at greater risk of premature invalidity or death. It is likely that smoking will be a prescribed activity in terms of the proposed provision. A further technical modification is made by restricting, in certain circumstances, the payment of temporary disability pensions within the first five years of membership. This provision will more appropriately control the potential liabilities faced by the scheme in respect of new contributors.

Some flexibility is also proposed for the board to deal with those cases where a member of the scheme becomes faced with financial hardship during the year. The proposed amendment to the contribution rate provision will enable a member in financial difficulty to elect to reduce his or her contributions before having to wait until the commencement of the next financial year in

terms of the existing provisions.

As explained at the beginning of this speech, most of the amendments proposed in this Bill make changes to the benefit formulae in the Act. In all except one situation, the full cost of the increased level of benefits is being met from the value of the benefit which is being 'rolled over' from the PSESS scheme. For pension scheme members this is 2 per cent of salary paid on an accumulation basis, and for lump sum scheme members, 3 per cent of salary also paid on an accumulation basis. The accruing benefit being absorbed in the pension scheme is 1 per cent of salary less than for lump sum scheme members because this extra amount was used as a cost offset in providing the preservation of benefits option in the principal Act.

The restructuring of benefits in the pension scheme involves an immediate increase in the rate of pension payment for persons retiring on or after 1 July 1992 and after the age of 55 years. The PSESS benefit accrued to 30 June 1992 for pension scheme members is being used to provide the immediate additional 1 per cent of salary payable as a pension at age 60, and part of the increase in the early retirement pension benefits payable after age 55 years. The Bill provides for the revised maximum pension to be payable to a person who retired on 1 July 1992 at the age of 60 years, as 67.6 per cent of final salary. The maximum pension payable at age 55 years for a person who retired on 1 July 1992 will be 50 per cent of final salary. These levels of pension will slowly increase over the next 35 years. The ultimate maximum levels of pension will be 75 per cent of final salary at age 60 and 56 per cent of final salary at age 55 years.

The higher immediate increase in the retirement pensions payable before age 60 has resulted from an actuarial reassessment of the benefit reduction factors to apply as a result of the use of more appropriate actuarial equivalence figures. This means that whilst higher early retirement pensions will be payable, over the contributor's life expectancy period the costs to the Government will be the same as if the contributor had delayed his or her retirement to age 60, and taken the higher rate of pension.

As a result of the restructuring provided for in the Bill, the lump sum scheme will provide a benefit of around 8.2 times final salary after 35 years of standard membership.

The Bill provides that the revised levels of benefits will not be available to persons who have resigned and preserved a benefit before 1 July 1992, or where because of special circumstances there is no PSESS benefit being 'rolled over' to the pension scheme. This special exception situation will apply in particular to Australian National Railways Commission employees who are still contributors to the State scheme but have no productivity benefit being 'rolled over' into the State scheme.

A special provision is also provided in the Bill that will enable members of the pension scheme to make an election to preserve their accrued benefits in the pension scheme as at 30 June 1992 and become a member of the lump sum scheme in respect of contributory service from 1 July 1992. It is unknown at this stage how many contributors would make such an election to switch schemes. However, from the Government's position there are considerable savings to be made in respect of the accruing liability for each person who switches schemes. The saving is around 6 per cent of salary. The attraction to switch schemes may come from an individual's preference for his or her benefits to be in lump sum form rather than a pension.

Explanation of Clauses

Clause 1: Short title. Is formal.

Clause 2: Commencement. Provides for commencement of the Bill. The Bill will operate retrospectively except for clause 8*(b)* and *(c)* which will come into operation on assent.

Clause 3: Amendment of s. 4—Interpretation. Inserts definition of two new terms used in the Bill and makes other amendments already referred to.

Clause 4: Amendment of s. 5—Superannuation arrangements. Amends section 5 of the principal Act in the manner already referred to.

Clause 5: Insertion of s. 10a. Provides a power of delegation for the South Australian Superannuation Board.

Clause 6: Amendment of s. 20a—Contributor's accounts. Makes a minor amendment to section 20a of the principal Act.

Clause 7: Insertion of s. 20ab. Inserts new section 20ab which requires the Board to keep accounts of receipts and payments relating to the payment of benefits and requires the Auditor-General to audit the accounts.

Clause 8: Amendment of s. 22—Entry of contributors to the scheme. Makes amendments to section 22 of the principal Act already referred to. New clause (5a) removes the right of a contributor on limited benefits to a disability pension. It is not appropriate that this provision operate retrospectively and therefore clause 2(2) provides that it will come into operation on assent. New subsection (7) inserted by paragraph *(c)* will also come into operation on assent.

Clause 9: Amendment of s. 23—Contribution rates. Makes an amendment that enables a contributor to reduce contributions immediately in case of hardship.

Clause 10: Amendment of s. 27—Retirement. Replaces the formulas in section 27(2).

Clause 11: Amendment of s. 28—Resignation and preservation of benefits. Paragraph (a) of this clause provides the minimum benefit required under the Superannuation Guarantee (Administration) Act 1992 of the Commonwealth for a contributor who resigns and elects to take the amount in his or her contribution account.

Clauses 12 and 13: Amends sections 29 and 31 of the principal Act.

Clause 14: Amendment of s. 32—Death of contributor. Increases the amount of the benefits provided by section 32 of the principal Act.

Clause 15: Insertion of s. 32a. Inserts new section 32a into Part IV of the principal Act. This section preserves for the benefit of new scheme contributors the amount of the PSESS benefit accrued to them on 30 June 1992.

Clause 16: Substitution of s. 34. Replaces section 34 of the principal Act.

Clauses 17, 18 and 19: Increases the benefits in the case of retrenchment, invalidity and death under the old scheme.

Clause 20: Amendment of s. 39—Resignation and preservation of benefits. Amends section 39 of the principal Act which is the resignation provision under the old scheme to ensure that a contributor who takes the amount in his or her contribution account will receive the minimum amount required by the Commonwealth Act. Other provisions of the clause enhance the benefits under section 39. New subsection (8c) ensures that where benefits have increased after a contributor resigns and preserves his or her benefits, the preserved benefits will be calculated as though the increase had not occurred.

Clause 21: Insertion of s. 43b. Inserts new section 43b which is designed to ensure that a person who is entitled to benefits under this Act is not entitled to benefits under an award, industrial agreement, contract of employment or order under the Industrial Relations Act (S.A.) 1972 in respect of the same employment.

Clause 22: Insertion of s. 58a. Inserts a rounding off provision.

Clause 23: Amendment of schedule 1. Amends schedule 1 of the principal Act.

Clause 24: Repeal of schedule 3. Repeals schedule 3 of the principal Act. This schedule was used in calculating benefits under section 34 repealed by clause 16.

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

SUPERANNUATION (BENEFIT SCHEME) BILL

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

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

That this Bill be now read a second time.

As this matter has been dealt with in another place, I seek leave to have the second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Bill

This Bill is designed to establish a new superannuation scheme providing superannuation benefits for those employees of the Government, an agency or an instrumentality of the Crown, who are not accruing the minimum level of Superannuation required to be provided in terms of the Commonwealth's superannuation guarantee charge legislation.

The scheme will be known as the State Superannuation Benefits Scheme (SSBS). The scheme will also act as a 'safety-net' scheme in respect of those employees who elect to vary their contribution rate in the main State scheme and as a result start to accrue a benefit in the contributory scheme which has a level of employer support, less than the minimum required under the Commonwealth's Superannuation Guarantee Charge legislation (SGC).

The SGC legislation which is effective from 1 July 1992 requires all. employers to provide a superannuation scheme for employees with a cost of 4 per cent of salary rising in steps to 9 per cent of salary in the year 2002-03.

The new superannuation benefits scheme replaces the occupational superannuation scheme, named the Public Sector Employees Superannuation Scheme, which was established under a deed of arrangement to provide the 3 per cent of salary productivity benefit from 1 January 1988. The occupational 3 per cent of salary superannuation benefit will continue to be paid through the SSBS scheme for certain groups of employees. This will generally be the situation where the 3 per cent benefit has not been used to provide enhancements in the contributory schemes of which the employees are members. Members of closed hospital schemes are an example.

Those employees who are contributing members of the main State pension or lump scheme will have their public sector employees superannuation scheme accruing benefit amalgamated with the main State scheme. In most cases, because of the level of employer support in the main State scheme, members of that scheme will not be members of the new scheme to be established by this Bill.

The Government proposes to also introduce another Bill dealing with State superannuation, and which is part of the overall package of restructuring resulting from the Superannuation Guarantee Charge legislation. The other Bill seeks to amend the superannuation Act which of course deals with the main State pension and contributory lump sum scheme.

As was outlined in the 1992-93 budget speech to this Parliament in August, complying with the SGC requirement is expected to result in an additional cost of $22 million to this year's budget. A full year's cost, when the charge percentage is 5 per cent of salary in 1993-94, is expected to be $32 million. As from July this year a substantial proportion of the employer liability accruing under the new State Superannuation Benefits Scheme will be funded. This is consistent with the State Government's policy that the State should move on a phased basis to fully funding superannuation payments of this type.

The Superannuation benefits scheme will be the largest Superannuation scheme in this State, initially covering some 70 000 employees. This number of members is likely to grow as the number of members who have ceased employment with the Government but remain with compulsorily preserved benefits grows over time. In acknowledging the size of the scheme and the number of individual employers that will be associated with the scheme, the scheme's structure has been kept as simple as possible. The Government believes the simple benefit structure will also enable the administrators of the scheme to have annual member statements posted to members on a timely basis. This was not possible under the Public Sector Employees Superannuation Scheme primarily because of the complex benefit structure of the scheme.

For those employees who will be members of the superannuation benefits scheme with effect from 1 July 1992, the Bill proposes that the accrued benefit in the Public Sector Employees Superannuation Scheme be 'rolled over' and credited to the member's account in the scheme.

At the unions request and in keeping with the Government's proposal that the scheme should provide the normal range of benefit cover provided by a superannuation scheme, the SSBS scheme will provide invalidity and death cover as well as an accumulated monetary balance for the age retirement. The cost of the invalidity and death cover is being met out of the Superannuation Guarantee Charge amount, as permitted under the Commonwealth legislation. An actuary appointed by the Government will regularly review the cost of providing this insurance.

The Bill also provides the South Australian Superannuation Board the power to levy penalties on employers who are late in submitting data and payments in respect of the scheme. This was a particular problem in respect of the Public Sector Employees Superannuation Scheme. The proposed penalty provision should rectify this problem and markedly assist in establishing an efficient operation.

Clause 1: Short title and clause 2: Commencement. These clauses are formal.

Clause 3: Interpretation. Provides definitions of terms used in the Bill.

Clause 4: Membership. Provides for membership of the scheme. A member of the State scheme in relation to whom benefits are not accruing under that scheme will be a member of the scheme under this Bill (subclauses (3) and (4)). If the employer contributions under a scheme are not sufficient to reduce the charge percentage under the Commonwealth Act to zero the Governor may declare the members of the scheme to be members of the Superannuation benefit scheme (subclause (5)). Members of some other scheme may be declared to be members of the benefit scheme solely as a mechanism to provide them with benefits to replace the PSESS benefits (subclause (6)).

Clause 5: Duration of membership. Provides that once a person is a member of the scheme he or she remains a member until benefits are paid to or in respect of the member. However benefits will not accrue under the legislation during a period during which the member does not meet the requirements of membership under section 4.

Clause 6: Employer contributions. Provides for contributions to be made by employers.

Clause 7: Member's accounts. Provides for member's accounts and the amounts to be credited to those accounts.

Clause 8: Annual Superannuation benefit. Provides for the amount of the annual Superannuation benefit to be credited to each member's account.

Clause 9: PSESS benefit. Provides for the PSESS benefit to be credited to member's Superannuation accounts.

Clause 10: Interest rate. Provides the rate of interest on accounts.

Clause 11: Administration charge. Enables administrative costs to be recovered.

Clauses 12 to 16: Provide for benefits on termination of employment.

Clause 17: Payment of benefits. Provides for payment of benefits from the Consolidated Account.

Clause 18: Rollover of payment from other scheme or fund. This clause will enable a member to roll-over a payment from another scheme or fund into his or her account under this Act.

Clause 19: Exclusion of benefits under awards, etc. Excludes Superannuation benefits under an award, industrial agreement, contract of employment or an order under the Industrial Relations Act (S.A.) 1972.

Clause 20: Power to obtain information. Gives the Board power to obtain information.

Clause 21: Accounts and audit. Requires the Board to keep proper accounts and requires the Auditor-General to audit the accounts.

Clause 22: Report. This is a reporting provision.

Clause 23: Delegation by Board. Is a standard delegation power.

Clause 24: Division of benefit where deceased member is survived by lawful and putative spouses. Provides for the situation where a deceased member is survived by a lawful and putative spouse.

Clause 25: Payment in case of death. Gives the Board certain discretion as to payment of a benefit where the person entitled has died.

Clause 26: Payments in foreign currency. Provides for payment of benefits in foreign currency in certain cases.

Clause 27: Rounding off of benefits. This is a rounding off provision.

Clause 28: Preserved PSESS benefit. Enables the Board to credit the amount of a PSESS benefit preserved under the PSESS Scheme to an account that will carry interest at the rate fixed in accordance with clause 10.

Clause 29: Resolution of doubts or difficulties. Provides for the resolution of doubts or difficulties by the Board.

Clause 30: Regulations. Is a regulation making provision.

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

SUPPORTED RESIDENTIAL FACILITIES BILL

Adjourned debate on second reading.

(Continued from 11 November. Page 749.)

The Hon. BARBARA WIESE (Minister of Transport Development): In closing the debate on this Bill, I would like to thank members for their considered contributions on this matter. While some of the issues that were raised will obviously be raised in detail during the Committee stage, I would like to take the opportunity to comment on several of them now.

First, a number of points were raised by the Hon. Dr Ritson in the Appropriation Bill debate and also canvassed in this debate. He asked which budget line in which portfolio contains the funding for the expenses that will be generated by the passage of the supported residential facilities legislation. The legislation is proposed to be administered by the Minister of Health, Family and Community Services. The precise location in the South Australian Health Commission of administrative staff associated with the legislation has yet to be confirmed. Some money has been set aside for this financial year (although we are well into this financial year) and regulations and other administrative detail need to be put in place before the Act can be brought into force.

The Hon. Dr Ritson asked whether funding for the central bureaucracy which is to be created to oversee the legislation would be borne by the State Government or charged out to local government. The two levels of government will share the cost of the implementation of the legislation. The Government will fund 1.4 full-time equivalent positions which are necessary to support the appeal panel and the advisory committee, the costs of training and the indemnity fund. Local government will find some additional resources for licensing. Cost estimates have been discussed with the Local Government Association but are subject to confirmation. The association has agreed to the formation over the next few months of an implementation group, and one of its functions will be to review these estimates.

The Hon. Dr Ritson's next question was whether the Government plans to fund local government to carry out its part of the task of inspection and enforcement or whether local government has to find the extra money itself. The State Government does not intend to fund the cost of licensing personnel in local government. This will be covered through licensing fees to be set by regulation (draft regulations are still subject to public consultation), reallocation of existing inspectorial resources in local government (given that these will no longer be required to monitor Commonwealth subsidised nursing homes and hostels which will be exempt from the legislation) and the reallocation of resources from other functional areas (this is still to be negotiated in the context of the State-local government negotiating task force).

The Hon. Dr Ritson also queried whether, given the inequities between different regions some of which may have many institutions within their boundaries while others may have few or none, grants to local government (if any) would be *pro rata* so that the inequalities are evened out by subsidy. The legislation will enable licensing functions to be performed by councils on a regional basis. The means by which regional structures can be established where they do not already exist and the regions which might be covered by such arrangements are to be discussed by the implementation group I have already mentioned.

Turning to the rationale for the proposed licensing arrangements as opposed to a single licensing authority such as the Minister, I think we need to look for a moment at the historical context of the matter. There is a historical precedent for local government to be involved in the licensing of various residential facilities. Local government has supported the notion that it should be responsible for the broader licensing and monitoring of the wide range of facilities which the Bill seeks to cover.

As the honourable member will have noted from the Bill, local government will have the primary role. However, there are circumstances, for example, outside a council area, in which the Minister will be the licensing authority, and of course the Minister retains the very important power to act where a council has failed to discharge its duties. Such a split of responsibility is not unusual. In fact, the honourable member will find precedents in public health legislation.

The honourable member also queried the need for and reasoning behind the creation of the advisory committee. Again it is not unusual to create such a body, particularly where there is fairly complex legislation involved and where a wide variety of individuals and organisations will be affected by the legislation. The dilemma is always how to strike the right balance. Here we have a committee which includes proprietors or managers of supported residential facilities, advocates for consumers, a voice for employees, Local Government Association nominees with certain experience or background, a nominee of the Minister after consultation with the South Australian Health Commission and a Commonwealth nominee.

That seems an entirely reasonable membership given the ambit of the legislation. A medical practitioner or member of another profession may well become a member through the nomination process. If the advisory committee felt the need for specialised input which was not immediately available to it on a particular matter it could consult with a range of organisations or individuals. There is also the option of forming a specialist committee.

It is not so much a matter of competing interests but, rather, enabling a broad perspective to be brought to the administration of the legislation. The Hon. Dr Ritson did foreshadow an amendment, although I understand that discussion with officers may have satisfied his concerns. Nevertheless, it is probably important to place some comments on the record in response to the concerns he raised during debate.

At the outset, I indicate that the definition of 'personal care' is one of the cornerstones of the legislation. The Hon. Dr Ritson's concerns appear to be two-fold: first,

that when a person's care needs cannot be met in residential only premises, placement of that person in appropriate accommodation may take months; and, secondly, that people could be discriminated against or refused a place at unlicensed premises because one could anticipate, by looking at the calendar, from the age of the person that health problems would arise.

In response to the first issue, there is little evidence that placement of persons approved for nursing home care are unduly protracted. The nursing homes and hostels inquiry service in the office of the Commissioner for the Ageing recently reported that the average wait in 1991-92 between registration of a person with a service and their placement in a nursing home was 8.9 days, and that is down from 13.5 days in 1990-91. The amendment the Hon. Dr Ritson foreshadowed could in practice enable a proprietor of residential only premises to continue accommodating a person indefinitely without meeting that person's recognised care needs and without being licensed. This would run counter to the intent of the legislation.

In response to the second issue, it is difficult to predict whether proprietors of supported residential facilities with limited capacity for providing care services and those of residential only premises will become more cautious in assessing residents whose care needs may escalate over time. Proprietors of supported residential facilities will be required by the legislation to provide clear documentation on the extent and cost of the care services they can offer. If a prospective resident and/or his or her family considers that these services are or will become inadequate to meet the resident's needs, selection of a more appropriate facility is likely to be considered. Proprietors of residential only premises are unlikely to admit prospective residents whose care needs clearly exceed or predictably will exceed the servicing capacity of the facility.

Conversely, prospective residents with such care needs are unlikely to seek admission to residential only premises. Sections 41 and 42 of the Bill provide protection to residents and proprietors of supported residential facilities and residential only premises respectively against the inappropriate application of licensing controls if a resident's care needs exceed the capacity of the facility.

I turn now to the comments that were made by other members. The Hon. Mr Elliott and the Hon. Dr Pfitzner appear to be suggesting that a broad range of residential facilities should be covered by this legislation. The Hon. Mr Elliott, for example, suggested that residential only premises should be covered. It is acknowledged that community concerns continue to be expressed about the care of frail and vulnerable residents living in facilities that are willing and/or able to offer nothing more than board and lodging. However, there would be significant practical difficulties in creating and administering licensing legislation for all facilities providing residential accommodation. An all-embracing definition of supported residential facilities which covered all hotel/motels, boarding houses in schools, youth hostels and so on would present councils with a massive task of licensing or exempting such facilities.

Such a definition would also add substantially to the cost of implementing the legislation. Furthermore, I point out that local government already has the power to create by-laws covering boarding houses in areas under council control. Indeed, I understand that 11 councils have already passed such by-laws. To bring residential only premises within the ambit of this legislation would create a major administrative burden. For this reason the Government does not consider it appropriate to apply the principles of the Bill to these facilities.

Both the Hon. Mr Elliott and the Hon. Dr Pfitzner expressed reservations about the proposals to exempt the Commonwealth subsidised facilities from this legislation. The Government has received vigorous representations, over many months, from proprietors of both private and voluntary sector nursing homes and hostels seeking exemption from further regulation. They point out that the Commonwealth has put in place a detailed system of regulation, covering the care of residents of these facilities. The Government does not agree that Commonwealth standards monitoring teams working in this area are performing their task inadequately. Whilst it is true that inspection of most nursing homes and hostels may occur only on an 18-month or two year cycle, facilities giving cause for particular concern for a variety of reasons are visited more frequently until their compliance with established standards is achieved.

The Hon. R.J. Ritson: My experience is that they are monitored daily by the relatives.

The Hon. BARBARA WIESE: Is that so? The Hon. Dr Ritson indicates that they are monitored daily by the relatives. It is also worth remembering that the complaints unit in the Commonwealth Department of Health, Housing and Community Services and other organisations such as the Nursing Homes and Hotels Inquiry Service of the Commissioner for the Ageing and the Aged Rights Advocacy Service, will usually ensure that complaints about Commonwealth subsidised facilities can be promptly drawn to the attention of the standards monitoring teams. The State Government would like to see more frequent visits to nursing homes and hostels by the teams, but ultimately this is a resource issue for the Commonwealth. It will not be established by establishing a whole new system of care inspection based on local government.

Furthermore, such a duplicatory system would again add greatly to the cost of this legislation. There are 159 nursing homes and 138 hostels in South Australia and less than 1 per cent of these are deemed to be facilities of concern. Not to exempt them from the legislation would, in the Government's view, result in the very regulatory overkill which we have reversed in many areas.

Finally, it is simply not the case that Commonwealth standards monitoring teams consist of administering clerks, as the Hon. Mr Elliott has stated. They comprise nursing and project staff who are properly trained for this function. Local government will continue to have a role, even in these Commonwealth subsidised facilities. Their responsibilities for undertaking inspections under the Public and Environmental Health Act and the Food Act will be maintained, as will their role in monitoring fire safety under the Building Act. The Government does not therefore intend to change its view on the desirability of exempting nursing homes and hostels, although I point out that it will retain the power to revoke exemptions if this becomes necessary under exceptional circumstances.

Turning to the Hon. Mr Elliott's concern about information to assist licensing authorities in assessing proprietors seeking a licence for their facility, one of the roles of the proposed Supported Residential Facilities Advisory Committee is to provide general advice to licensing authorities in respect of the granting of licences under this Act. I refer the Hon. Mr Elliott to section 17(1)(b) in this regard. The Hon. Mr Elliott also asked whether any liability will attach to licensing authorities in the event of incomplete or incorrect assessments. This matter was one which has far wider ramifications for local government than those implicit in this legislation.

I am advised that the Local Government Association is considering the question of council's liability under other Acts for which they are responsible, and the issue raised by the Hon. Mr Elliott will need to be looked at in this broader context. As far as proprietors' ability to rescind contracts is concerned, I refer the Hon. Mr Elliott to section 39 of the Bill which covers precisely this issue.

Turning to the matter of qualifications of authorised officers, the State Government recognises that councils in their roles as licensing authorities under this legislation may have different views on how to exercise their inspectorial responsibilities. Their resources for this function may also vary widely. Health inspectors may be involved or community services staff, or aged care workers, or a combination of two or more of those.

The Government believes that in appointing local government as the licensing authority it should leave the decision to councils as to who should be authorised officers. They will have access to advice on this matter from the Supported Residential Facilities Advisory Committee. The Government does not consider it appropriate to include the qualification of 'authorised officers' in the Bill. The Hon. Mr Elliott has proposed that licensing authorities should be required to detail reasons for this decision to cancel licences. The Government has no objection to any amendment which would create such a requirement. However, I should point out that an appeals mechanism is available to residents and proprietors alike, under section 44 of the Bill.

The Hon. Mr Burdett is concerned at what he sees as the complexity of the definition of 'personal care' under the legislation. The definition has been reached after detailed and careful negotiation with a wide range of interested groups. Once again, the advisory committee will be a source of advice to proprietors to the application of the legislation. The Hon. Mr Burdett is also concerned about the powers granted to authorised officers under clause 22 of the Bill. I must point out that these powers are consistent with those granted to inspectors under various other pieces of legislation. The Citrus Industry Act 1991, the Housing Co-operatives Act 1991 and the Marine Environment Protection Act 1990 spring immediately to mind. In addition, clause 22(7) ensures that a person is not required to answer a question put by an authorised officer if the answer would tend to incriminate him or her of an offence.

The Hon. Dr Pfitzner has asked about the training of authorised officers who will administer this legislation. At this stage it is proposed to develop a training program through the Local Government Training Authority, the cost of which will be covered by the State Government. The Government will also cover the cost of delivering the training packages for three subsequent years, after which the matter will be reviewed. The Hon. Dr Pfitzner has also proposed an amendment to clause 11 of the Bill, which will include a medical practitioner on the advisory committee. The Government will support this amendment in part.

However, given the range of legitimate consumer interests in this area, the Government is not willing to reduce representation on the advisory committee of organisations acting as advocates for the interests of people who are elderly, disabled or intellectually impaired. Support for the amendment will therefore be contingent on increasing the size of the advisory committee to 13 members.

A number of questions were also asked by the Hon. Dr Pfitzner about the Mental Health Act. To this date I have not received replies to enable me to provide the information as requested by the Hon. Dr Pfitzner. However, I thought it appropriate, nevertheless, to put as much information as I currently have available to me on the record to enable honourable members to participate in the Committee stage, when that is scheduled.

The Hon. Mr Elliott has asked particularly that he be given a opportunity to peruse the replies to questions that he asked during his second reading contribution, and that will mean that we will not be able to proceed to the Committee stage of the Bill until Tuesday of next week. By that time I hope to also have responses concerning the Mental Health Act questions. I thank honourable members for their contributions to the debate.

Bill read a second time.

AMBULANCE SERVICES BILL

Adjourned debate on second reading.

(Continued from 11 November. Page 743.)

The Hon. BARBARA WIESE (Minister of Transport Development): I thank members for their contributions to the debate. Some issues will be canvassed during the course of the Committee stage, but I propose to comment on others now. I do not think there is much to be achieved by going over the historical context of the legislation. That has been done from the various perspectives of a number of members. Members have also referred to the answers given in relation to a number of issues by the Minister in another place, so I will attempt to keep my reply fairly brief.

In relation to the so-called monopoly, several important points must be made. The ambulance service is an emergency service. It is not a business undertaken in the context of normal business competition which might exist in the general business community. It is a very specialised service, comparable to other emergency services such as the police and the fire brigade. Special circumstances prevail in relation to emergency services, which is why Parliament enacts special legislation to cover them.

The 1985 Ambulance Services Act contemplated that a monopoly situation would exist. That Act granted St John a perpetual licence. In that respect, there is nothing new in the legislation before the Council. It would be highly undesirable to introduce some element of competition

reminiscent of the old days of the tow-truck industry, with multiple ambulances from competing services vying for business at a patient's front door or at the scene of an accident. To have multiple, competing ambulance services would be wasteful of resources, and would mean duplication of service, fleet communication networks, etc.

The Minister has full discretionary power to issue a licence to any other body to operate an ambulance service but, obviously, as the Government will enter into a joint venture with the priory of St John to operate the South Australian St John Ambulance Service, it would be irresponsible of the Minister to take any action which would threaten the financial viability of a venture to which the Government is committed as a partner. The establishment of another ambulance service to compete with this service, in which the Government has invested to a major extent, cannot be justified if the end result is an unnecessary duplication of resources and the creation of excess capacity, which the community cannot use but for which it must ultimately pay. Existing licence holders are guaranteed that their licences will be extended for 12 months and there is no reason to believe that they will not continue beyond that time, so long as they maintain standards. Therefore, the Government will be vigorously opposing the amendments on file to clause 6.

The Hon. Ms Laidlaw referred to services in both Mount Gambier and Murray Bridge. In relation to Mount Gambier, I am advised that there are still two ambulances and two crews and that there has been no change in that regard. At Murray Bridge, it is true that, with the withdrawal of volunteer services, it became impossible to maintain the voluntary ambulance component and the Murray Bridge service was converted to a fully paid service. This service continues to respond to all calls within the criteria specified for ambulance responses. There has been only one occasion when the response time was exceeded, and this was due to a tasking error and steps have been taken to avoid a recurrence.

The honourable member referred also to an increase in the cost per call-outs from $120 a couple of years ago to $450 today. The cost two years ago was $130.40 and it is currently $385 for emergency call-outs. For elective, non-urgent carries, the call-out fee has reduced from $130.40 in 1990 to $113.50 today in the metropolitan area, but it has increased from $82.60 to $113.50 in the country.

Much has been said about the involvement of volunteers. The Minister in another place acknowledged their dedicated work and indicated support for the continuation of their valuable service in country areas. There are amendments on file in relation to clause 13, which provides for an advisory committee. The Government believes its amendment to be preferable in that it not only guarantees volunteers a major voice but enables others with a legitimate role and interest in the provision of services in the country to have a voice in relation to the overall provision of ambulance services in country regions. It would be unfortunate to restrict the membership of this committee to volunteers only when volunteers and paid staff work side by side in the provision of services in the country. Currently, two country centres are staffed by a mix of paid and volunteer staff. Volunteers are involved in the administration of some of the centres staffed by paid officers, so the clause needs to allow the advisory role to extend to ambulance services in country regions generally. I seek leave to conclude my remarks.

Leave granted; debate adjourned.

[Sitting suspended from 3.55 to 4.25 p.m.]

The Hon. BARBARA WIESE: When we last considered this matter, I was mid way through my second reading response, which I am now in a position to complete. A number of amendments have been placed on file in relation to the governing body of the association, and it is appropriate to remind members of the nature of the association. It is a partnership or joint venture between the Government and the Priory. Membership of the governing body has been given considerable attention during the negotiations leading up to this legislation, and I am advised that the priory has expressed considerable concern at the suggested amendments and believes that it must retain the ability to nominate the four positions as currently embodied in the Bill in order to ensure an appropriate balance of background and expertise on the governing body. The Government, therefore, will be opposing the amendments. I am sure that members will want to raise other matters, but I think it appropriate that we leave those issues until the Committee stage. I thank members for their contributions.

Bill read a second time.

In Committee.

Clauses 1 to 3 passed.

Clause 4—'Interpretation.'

The Hon. M.J. ELLIOTT: I want to explore the definitions of 'ambulance' and 'ambulance service' and what was and was not meant to be included there. I have received correspondence from a person who says that the definition of 'ambulance service' is a very tight clause based around the vehicle that is used for the transport of patients, and that it does avoid the pitfalls that exist in the 1991 Bill but now includes others. There is no provision defining the position of the mobile first aid units that are caught by the Bill if they transport someone from the incident site to a casualty room.

I want to cite examples of various vehicles that may be used, and the Minister might respond as to whether or not they are meant to be picked up, and what the implications are in relation to those sorts of vehicles. They could be somewhat variable. For instance, a specially designed bus owned by the Crippled Children's Association is certainly a modified vehicle for the transport of patients. However, the only way it would not be caught by the Bill when taking children for an outing is by ensuring that there is no-one accompanying the children who actually knows what to do if the children need assistance or care as they go.

The Hon. BARBARA WIESE: The example of a first aid vehicle, I am advised, would not fit within the definition of 'ambulance'. If we look at clause 4, 'Interpretation', we will find the following:

> 'Ambulance' means a vehicle that has been modified and equipped and is staffed...

As I understand it, that would mean that the type of vehicle to which the honourable member has referred would not be consistent with such a definition.

The Hon. M.J. ELLIOTT: It is especially equipped, but perhaps not to provide medical treatment. The

definition of 'ambulance service' would exclude some organisations, and one example given to me is that of the Aboriginal Sobriety Group, which at present apparently takes people to hospital or picks them up after they have been assessed and/or treated. Would that group be able to continue to do that sort of thing under this Bill?

The Hon. BARBARA WIESE: It is believed that there would be nothing to stop such a vehicle transporting people to hospital in those circumstances. In any case, should there be any doubt about the question, it would be possible under clause 5(b), which states that the service is provided by a person or a person of a class, or in circumstances prescribed by regulation' to so prescribe, should that be necessary.

The Hon. M.J. ELLIOTT: Has the Government already drafted some sort of list as to the organisations to which it would be expecting to grant exemptions?

The Hon. BARBARA WIESE: Such a list has not yet been prepared and will not be until the passage of the legislation and, of course, following consultation with the relevant bodies which believe they ought to be included.

The Hon. M.J. ELLIOTT: It has been suggested to me, although I have not heard them personally, that there were some rumours about a year ago that a transport company wished to enter the market. Under this clause, it could enter the market without any licence, provided that it did not have any trained staff. What are the possibilities and is there a concern that that may happen?

The Hon. BARBARA WIESE: As I understand it, a transport company, like anyone else, would have the right to apply to the Minister to be licensed, but would need to undergo rigorous assessment under the terms of the legislation, so that there would need to be an appropriate assessment of its training standards, vehicles, etc.

Finally, it would have to be assessed according to whether or not the service they wanted to provide might be detrimental to the Government services. I think I made it reasonably clear in my second reading response that the Government believes that the current service is important. It is an emergency service in the same way as the fire brigade and police are emergency services, and there would have to be very good reason to lead the Government to taking a decision that would jeopardise the integrity of the ambulance services that currently exist.

The Hon. M.J. ELLIOTT: I think that the point the person who had written to me was trying to make was that under the current definition they would not need to be licensed if they did not have any trained staff. I could imagine where this sort of service might be particularly likely to be offered, namely, in country areas where the use of an ambulance service is very expensive. People might set up offering an ambulance-like service where the one thing that is missing is trained staff and as such they would seem to escape this legislation, and whether or not that is a cause of concern is one of the questions I pose to the Minister.

The Hon. BARBARA WIESE: The fact is that a number of people are already transporting patients from one place to another—hospitals have vehicles for this purpose and taxis do it—but, in order to be an ambulance service, it is necessary to comply with training standards and to have appropriate vehicles that have been modified so that, unless an organisation had those things, it would not be able to call itself an ambulance service and it would have to be licensed.

The Hon. R.J. RITSON: The Minister will be familiar with the condition of emphysema, which afflicts a number of elderly citizens, some of whom are dependent on a wheel chair as they are too breathless to get about. Those people are also frequently dependent on oxygen. In the case of an access cab carrying a chair-bound person on oxygen in the company of a nurse, because the patient was unfamiliar with the operation of his oxygen machine, it seems to be quite clear that that journey would be an ambulance journey within the meaning of the Act. Does the Minister agree?

The Hon. BARBARA WIESE: As I understand the situation with respect to the sort of example the honourable member gives, if in these circumstances the taxi had been modified to provide oxygen facilities and they were provided by that company and it provided the nurse, then that would mean—

The Hon. R.J. Ritson interjecting:

The Hon. BARBARA WIESE: Let me finish, will you? Then, this could be considered to be an ambulance under the definition. If the oxygen and the nurse were provided by the patient and the taxi was simply the means of transport from one place to another, that would not constitute an ambulance under the definition.

The Hon. R.J. RITSON: With respect, I think that is taking liberties with the plain meaning of the Act, and it is not necessarily what a court might decide. The wording is 'has been modified and equipped and is staffed' and it is quite silent about whether it is staffed by the owner of the vehicle, an administering agency or someone employed by the patient. It is staffed. I have no confidence at all that the Minister's statutory interpretation is indeed what a court might find and, indeed, if a combination of a nursing agency and access cabs started up, one thing is certain: the ambulance employees union would have a very definite interest in putting to the court that the vehicle had been modified, had been equipped and was staffed, no matter who paid the staff.

The Hon. BARBARA WIESE: My understanding is that, if the nurse is not employed by the taxi company, the nurse is a passenger in the taxi. The nurse can be deemed to be a staff member only if he or she is employed by access cabs, and that is the difference.

The Hon. DIANA LAIDLAW: This issue was explored at great length in another place by the shadow Minister of Health and the Minister. I know that the interpretation which was given by the Minister in the other place and which has been repeated by the Minister in this place was a great joy to the Liberal Party, to realise that it was to be interpreted in the tight manner in which the Minister has repeated, because it means that many people will be able to provide a competitive service and a variety of services in caring for people when delivering them to hospital, because it would mean that (and this has been checked by legal opinion from the Liberal Party side), unless a vehicle has been modified to provide medical equipment, equipped to provide medical equipment and staffed to provide medical equipment, it would not be licensed to be an ambulance, and that gives considerable scope to a number of people to provide a variety of very important services in this community.

This is particularly important at a time when the price for ambulance services as they are currently operated is almost beyond the range of most people in the community. In fact, it causes considerable embarrassment to many ambulance officers in the country areas when they are asking people to pay such fares, and I will deal with that matter shortly. Can the Minister indicate when this Act will come into operation?

The Hon. BARBARA WIESE: As I understand it, the date for the Act to come into operation has not been determined yet, although it is not anticipated that very much time will elapse before it is. It is dependent on the drawing up of the list of participants and the necessary documentation to accompany the new arrangements. As a rough estimate, the legislation may come into effect around 1 January 1993.

The Hon. PETER DUNN: I understand that, to be able to operate as a service, the person driving the vehicle must be licensed. Therefore, is it legal for a station wagon belonging to the hospital and driven by a registered nurse licensed under this Act to transfer a patient from one hospital to another?

The Hon. BARBARA WIESE: The honourable member is quite correct. That sort of service is already being provided every day of the week, for example, by the Whyalla hospital that has a vehicle which is driven by somebody who is associated with the hospital and which transports people from Whyalla to the Port Augusta hospital. That is not an ambulance service; it is a transport service for passengers, and as I understand it there is nothing in this legislation that would deny the Whyalla hospital from continuing that service.

With regard to the licensing that the honourable member talked about, to be perfectly correct, as I understand it, it is not the individual who is licensed to operate an ambulance service but the service itself which must be licensed. I. think there is a difference there.

Clause passed.

Clause 5 passed.

Clause 6—'Licences.'

The Hon. DIANA LAIDLAW: I move:

Page 2, lines 15 to 18—Leave out these lines.

This amendment seeks to delete paragraph *(b)* which provides:

> The granting of the licence is not likely to have a detrimental effect on the ability (including the financial ability) of an existing licence holder to provide ambulance services of a high standard.

I have pleasure in noting that the associations able to obtain a licence will be limited because of the definition of 'ambulance'. Members on this side are, and I hope the majority of members would be, equally concerned that what the Government is seeking to do in this Bill is entrench the monopoly of the associations to be provided with this licence.

The Hon. Mr Elliott and others have been very specific in their contributions to date, noting the extraordinary rise in the cost of ambulance services since 1990 when the officers staffing the services were considered to be only fully paid officers and not a combination of fully paid officers and volunteers. I note that the Minister, in her reply to the second reading debate, referred to the increase in fares. What she failed to note is that by 1 July 1993 an emergency call-out fee for an ambulance will be $450, which is an extraordinary sum by anybody's count—and it is particularly extraordinary when one recognises that only three years ago the fee was $120 plus mileage.

We believe that this Bill, in seeking to entrench the monopoly of one operator, is providing via this Parliament an endorsement for the unfettered escalation of costs, and we question whether, in a monopoly situation, the standards will be maintained at the high level we believe is imperative for an ambulance service. Whether it be a monopoly by the private or public sector, there is no question that every Liberal member of this place would find it distasteful. We believe, in terms of standards, cost and service, that it is important to have competition. Equally we believe that an ambulance service is supposedly meant to be not only a service offering a high standard of health care but also a high standard of general care—it is meant to be about helping in these circumstances.

We see no reason why in this Bill we should be entrenching the monopoly of one licensee. We also note the conflict of interest that is apparent in this Bill. In fact, it is an odious element of this Bill because what we find is the Minister not only granting the licence but being a shareholder or partner in the association to be licensed. I think that that arrangement is totally unacceptable. In this clause we find that the Minister is not prepared to grant a licence to any other person if it is likely to have a detrimental effect on the financial ability of the association to which the Minister is a partner.

What it provides is that if a service is offered at a high standard but at a lower cost (or even a higher cost) the Minister would not be prepared to consider let alone provide such a licence. The clause also provides that even if a service is offered at a higher standard and at the same price the Government would not be prepared to consider that competition. I feel that that is not acceptable as a standard in this State. South Australia has long been known as a State which provides quality of service and which has a strong community sense of service.

I think that what we are being asked to consider and endorse in this Bill is totally unacceptable. We are being asked to entrench an operation in which the Minister, through the Government, has a financial interest and about which the Minister is not prepared to consider any other option.

The Hon. BARBARA WIESE: The Government will be vigorously opposing this amendment. I fail to understand the argument that has been put forward by the Liberal Party in respect of this matter. I never heard the Liberal Party suggesting that we should have competition in the provision of the fire brigade service or multiple police forces providing emergency services in those areas. It is difficult to understand the argument that is now being put forward with respect to the ambulance service. The argument about cost, if that is what it is based on, is not a particularly good one, either. In relation to Government contributions to ambulance services in South Australia, currently the State Government provides 44.8 per cent of the costs involved, as compared with other States like Tasmania, for example, which has the highest State contribution at 87.5 per cent. New South Wales at 79.7 per cent and the Northern Territory at 69.1.

The Hon. Diana Laidlaw: What are their fees?

The Hon. BARBARA WIESE: I do not know what their fees are. So the South Australian Government's contribution is lower than that in a number of States in Australia, and surely that must be something to be applauded. The second point I would make is that the cost per kilometre travelled in providing this service in the 1990-91 financial year was the second lowest in Australia, behind Queensland. It seems to me that the argument being put forward here has some flaws, and I find it a difficult argument to get a grip on. In addition to that, as I was saying initially, the Government feels that this service is an emergency service; it is not a business in the usual sense of the word and should not be treated like a business in the sense of encouraging competition. We should be aiming for an efficient emergency service. It is a specialised service.

There is nothing new in this legislation in that respect. The 1985 Ambulance Services Act contemplated the same sort of situation and at that time members of the Liberal Party supported that legislation. It would be highly undesirable to encourage a situation like the one that existed a few years ago with the tow-truck industry, for example, where we had tow-trucks unrestricted in the Adelaide metropolitan area all chasing bodies all over town, and it was a most unedifying set of circumstances.

The Hon. R.J. Ritson: Car bodies or human bodies?

The Hon. BARBARA WIESE: Well, both, and in this case it would be human bodies, presumably. It is quite distasteful to contemplate that we would have people operating in such a way. But it would be possible if there was open slather competition. There is also a need to discourage the duplication of facilities and services in a situation like this, because we are not necessarily going to encourage the highest standards of service and delivery of care to patients by so doing. So there are a number of reasons, some of which I have outlined here and some of which I outlined earlier in my second reading response, which lead the Government to believe that the situation as it stands is the most appropriate, bearing in mind that there is that discretionary power for the Minister to grant licences should that be deemed appropriate, in the broad context of providing a proper emergency service facility for the people of South Australia.

The Hon. DIANA LAIDLAW: I am sorry that the Minister has given such a trite response to this very important issue. In fact, I am surprised that she was prepared to reveal how little she knows of the subject. I shall start by indicating first that, rather than applauding the fact that the South Australian Government is providing a lower contribution than other States, I find it almost beyond belief that we have a Government that has insisted on a service that is now staffed only by fully-paid people, when we used to have a more cost effective service with a balance of volunteers and paid people in the metropolitan area. The Government decided that that would finish and now the Government lowers its contribution and insists that every person who requires that service, and their families, now have to pay from their own pockets for what the Government has foisted upon us. It is absolutely unacceptable that those people who need the service and their families did not have a say in the composition and complexion of ambulance services.

The Government made that decision and it has not been prepared to pick up the tab. It just passes it on to those who are vulnerable in our community, those who need the service. So, I for one do not applaud the Government for such action and such hypocrisy, and nor do my colleagues. To refer to 1985 and the last time we debated this legislation is not relevant at all, because, as I have said, the complexion of the ambulance service has changed dramatically in that time, and to refer back to that date is nonsensical.

For the Minister to refer to the free-for-all and unrestricted practices that operated with tow-trucks before there was some regulation is equally irrelevant. I can envisage that in a caring profession—principally as we used to know the ambulance service—they could certainly cooperate in some rostering arrangement, as today applies to tow-truck drivers. Nobody is suggesting that there should be a free-for-all. What we are suggesting is that there should be some opportunity for others to apply for a licence. If they did not meet the high standards that we are insisting upon in this legislation they would not receive the licence, but at least the people should be able to apply.

The Hon. Barbara Wiese: They are.

The Hon. DIANA LAIDLAW: Yes, but if they apply and want to offer a more cost effective service than this association is going to apply, they are not going to be granted their licence.

The Hon. Barbara Wiese: It doesn't really matter.

The Hon. DIANA LAIDLAW: It does; you read it. It is specifically stated. That is why I said that you don't know what you are talking about. It does specifically say that if it affects the financial ability of the association—

The Hon. Barbara Wiese interjecting:

The Hon. DIANA LAIDLAW: What I am seeking to do is get rid of this clause. It says that if it affects the financial ability of an existing holder then the Minister is not prepared to grant a licence. Of course they can apply, but if they offer a more cost effective service, still at the high standard, or even higher standard than the one that is going to be offered by the association, under this provision the Minister will not be able to provide them with a licence. For the Minister to then finally say that, in getting rid of this clause, we would be ensuring that there would be a duplication of facilities and services is again nonsensical. She would then be suggesting that paragraph (a) above, which requires that there be a high standard of service, would not be implemented by the Minister of Health. Nobody is suggesting that high standards should not be maintained. Competition would be healthy in this field, as it would only apply in terms of the costs that would be passed on to those requiring the service. It would not be a lowering of standards, unless the Minister himself or herself reduces those standards, and that would be on the Minister's shoulders.

The Hon. M.J. ELLIOTT: I understand what the Hon. Ms Laidlaw is getting at. She is talking largely about efficiency. In those circumstances, she should consider including a paragraph *(c)* to provide for the granting of a licence which would create greater efficiency in services generally. Paragraph *(b)* refers to a detrimental effect on an existing service. If an efficient service were functioning, it would be absurd to introduce another one. At the end of the day, I do not believe that

her amendment will make the least bit of difference, because the clause provides—

The Hon. Diana Laidlaw interjecting:

The Hon. M.J. ELLIOTT: No, subclause (1) provides that the Minister may grant a licence if in the Minister's opinion the applicant is suitable. The Minister will make the decision. If the Hon. Ms Laidlaw happened to be Minister, she may grant a licence, but someone else may not do so. At the end of the day, I do not think it will make a lot of difference whether or not paragraph *(b)* remains in the clause. However, the Minister should take the provisions in that paragraph into account and, to that extent, it should stay in the legislation. Perhaps another paragraph could be inserted to provide for efficiency, but deleting paragraph *(b)* does not have that effect. For that reason, I will not support the amendment.

The Hon. PETER DUNN: I support the Hon. Ms Laidlaw's amendment. This clause provides protection for the present incumbent; it is pretty clear about that. However, there is discontent in the country, and I refer to a letter to Dr Blaikie from a country doctor, who says:

> There is a festering discontent among health care providers, country people and volunteer ambulance officers at the injustice of the exorbitant fee for an ambulance call-out.

From 1 July this year, there has been an increase of $85 in the call-out fee from $300 to $385, which is a 28 per cent increase. In addition, there is a charge per kilometre, both ways, of $2.25.

The Hon. R.J. Ritson: You could fly it cheaper than that.

The Hon. PETER DUNN: Yes. That is fair, because $2 per kilometre is roughly what a truck charges. However, this is not a truck; it is an ambulance. I live 35 kilometres out of town, so, on top of my $385, I would have to add $157.50 to get the ambulance to my place. Applying RAA figures to the use of my own car, we could get it for a lot less than that. Bearing in mind that an ambulance is larger than a car, we have to add a little extra to the cost of running it, but I still think it is extremely expensive.

What irks these people is that the officers who provide the service, and that component should account for 80 per cent of that cost, are volunteers, so they cost nothing. They do it for the love of the people around them. What happens to the excess money? It finishes up here in the city. Approximately $1 million is given by country people to the city service. It cannot go on for much longer because there will be a revolt. If the Government is determined to protect the service with this sort of legislation, it will get itself into terrible trouble. It must allow competition. If it is to impose this sort of cost increase, it has to justify it, but country people and doctors are saying that they will not accept it. A doctor's home visit fee is $40. A plumber's home call fee is $28 per hour.

The Hon. R.J. Ritson: I wish it were $40.

The Hon. PETER DUNN: That is what has been quoted to me; maybe he is just being generous. As I said, the plumber's call-out fee is $28 an hour with a minimum fee of $18. An electrician's call-out fee is $30 an hour. An ambulance call-out fee is $385. What has gone wrong? Nothing is paid to the people who provide the service in the country. I do not mind the Government's charging that amount in the city because you people were silly enough to get rid of the volunteers. The Government worked at it until it got rid of them and now city people have to pay $385. But why charge us $385 in the bush? I can see the Hon. Mr Roberts squirming in his seat because he knows that what I am saying is correct. This state of affairs should not exist, and it should not continue to exist. There ought to be some change.

What the Hon. Ms Laidlaw is trying to do at least allows the Minister some discretion so that, if a fee in the country is too high, perhaps it can be changed. I do not accept that those fees should be charged when people offer their labour for nothing. All the auxiliaries in the country are raising money, which finishes back here to pay paid staff. That gets up my nose. I am aware of the fact that it costs a lot to run a service and to man the ambulances. They are expensive and there is a contribution from the Government, but why is it that country people are not entitled to the same amount as is given to people in the city? The difference is brought about by the paid staff in the city. It costs no more to provide an ambulance in the country than it does in the city, although both services are expensive. I admit that. To have to pay $385 when everyone else charges about $30, plus the $2.25 per kilometre charge, and they do not charge that much usually, is out of whack. I said that yesterday. It is way out of whack and it cannot be justified. It is a medical service and, because of its high cost, it is thought to be an elite service.

To travel from Port Lincoln to Whyalla to consult a specialist costs about $1 800 in an ambulance, up and back. The aerial ambulance costs $1 680, or something in that figure. I can hire a light aircraft, and get the whole aircraft, for $1 000. Somewhere along the line, something has gone wrong. If the Government continues down this track, there will be revolt.

These fees are reflected in the cost of private medical insurance, and people in the country tend to have such insurance because we know that we have to take ambulance fees. I have forgotten what my ambulance subscription is, but I pay it in addition to my medical insurance. If a person who contributes to the ambulance brigade makes a claim, the private companies will not pay it because they know it is so expensive. However, the cost is reflected in private health insurance. If we do not correct the problem somewhere along the line, there will not be any service and chaos will reign supreme.

The Hon. BARBARA WIESE: I am advised that the honourable member is misinformed. The money that is collected in country areas does not go towards propping up city services. I am advised that any profit from the operations of ambulance services in country areas goes into a country capital reserve fund, which is used for capital purposes.

It is used for the construction of buildings, the purchase of vehicles and other things for the benefit of country people. So, it is not correct to say that the money collected in country areas is spent in the city.

There is another point I would like to make, and that relates to the relative costs that the honourable member was referring to in relation to chartering a light aircraft to take someone from somewhere to somewhere else. The fact is that, if any light aircraft was able to be used for these purposes, it is simply a taxi service; it is not an

ambulance service. The whole purpose of an ambulance service is to provide a vehicle, whether it be an aircraft or a motor vehicle which has been suitably modified, to give the level of medical support that someone needs. If they do not need that, they do not need an ambulance at all. So, to compare the ordinary costs of light aircraft with the costs of facilities to take people from one place to another when they require ambulance services is not a fair comparison to make.

The Hon. R.J. RITSON: I urge the Committee to support the Hon. Ms Laidlaw, and I refer to the Hon. Mr Elliott's comments that the ministerial discretion available makes that merely academic on the grounds that the Minister will, in any event, do what the Minister wants. I do not believe that is so, because there are appeal provisions, and the exercise of the Minister's discretion is subject to judicial review. To have paragraph (b) remaining in the Bill gives an additional ground whereby the Minister may justify her decision before the court.

It makes an enormous difference as to whether Ms Laidlaw's amendment is passed or not. If it is passed exploitative fees may give rise to competition from an alternative service, providing it achieves the standard required. However, if paragraph (b) is left in there the Minister, of course, will simply use the argument that the existing service cannot withstand competition and allow the exorbitant fees to continue.

I have a question about fees. It is a genuine question, the answer to which I do not know so therefore perhaps it is a dangerous question to ask. Is there any differential between the fee scales charged in respect of private, uninsured citizens, or to subscribers to the service on the one hand, and on the other hand, fees charged to SGIC in respect of road trauma, and if so is the fee (a) discounted with respect to SGIC, (b) the same, or (c) inflated?

The Hon. BARBARA WIESE: I understand that it it is not possible at this time to provide a comparable fee for a private person who is being charged for a particular service compared with the fee that someone may be charged through SGIC. The reason for that is that the SGIC fee is an annually negotiated overall cost fee which is based on the previous year's performance. So, you would have to do a division of how many passengers were transported, or how many call-outs there may have been during the previous 12 months divided into whatever the figure was that was agreed to. Of course, that may change from year to year so that the figure which is agreed for this year is based on last year's results. This year's results may very well be quite different for one reason or another. So, the unit cost will be different in that circumstance.

In relation to the fees that are charged to individuals, that really depends on the carriers. For example, if the situation is not an emergency situation with red lights flashing, etc, the cost will be less than half.

The Hon. R.J. RITSON: For a priority run? What you are really saying is that you have no idea whether a discounting arrangement has been made with SGIC and what its average cost is until the actuarial figures are worked out. Will that appear in their annual reports in a form which enables a comparison, because SGIC does all sorts of deals.

The Hon. BARBARA WIESE: The assessment made by the honourable member is correct. It is a matter that has to be calculated after the event. It is not information which I understand is currently contained in the annual report.

The Hon. R.J. Ritson interjecting:

The Hon. BARBARA WIESE: I am not sure about that, but it is certainly a matter which I would be happy to refer to the Minister for his consideration should the Council feel that it is something that ought to be disclosed, and he can make an assessment whether or not that is possible.

The Hon. M.J. ELLIOTT: I wish to reiterate one point that seems to have been missed. I felt that the matters being raised by the Hon. Ms Laidlaw were important, but I was also saying that I did not think that this was being achieved in the right way. I think that clause 6(1)*(b)* should legitimately be taken into account. As I said before, what was probably also necessary was a requirement that the Minister take into account the efficiency of the existing service and whether or not the granting of a licence would cause costs to be reduced without placing at risk the standards of service.

That is the form of amendment that I think would have been appropriate, but that is not what is being moved. Frankly, I believe that that subclause, which the honourable member is proposing to have deleted, is a legitimate concern to be taken into account. I do not believe that it should be eliminated to achieve the end that the honourable member is trying to achieve.

The Hon. DIANA LAIDLAW: Clause 6(2) refers to a prescribed fee for a licence to be granted to an association. Will the Minister indicate what that fee may be?

The Hon. BARBARA WIESE: The fee would be set at a level that would cover the administration costs.

The Hon. DIANA LAIDLAW: Will the Minister give some indication of what that dollar figure may be?

The Hon. BARBARA WIESE: At this stage it is not possible. That has not yet been calculated.

The Hon. PETER DUNN: Subclause (3) really demands nearly the same question, that is, what will be the criteria that we will be asking of someone who makes an application? Surely, there must be some guidelines.

The Hon. BARBARA WIESE: I understand that the Minister has established a committee that is currently working on the conditions that should apply and, once that work has been completed and the conditions and standards have been established, it would be the intention that applicants would be given that information following their initial inquiry about application.

The Hon. PETER DUNN: Will there be a standard for everyone? Will they be the same rules for everyone? Will the Minister put it into regulations, or how is she going to set about it?

The Hon. BARBARA WIESE: I understand that such conditions would be too voluminous to be incorporated in regulations but, once established, would be applied equally to all comers.

The Committee divided on the amendment:

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

Noes (10)—The Hons M.J. Elliott, M.S. Feleppa, I. Gilfillan, Anne Levy, Carolyn Pickles, R.R. Roberts,

T.G. Roberts, C.J. Sumner, G. Weatherill, Barbara Wiese (teller).

Pair—Aye—The Hon. L.H. Davis. No—The Hon. T. Crothers.

Majority of 1 for the Noes.

Amendment thus negatived; clause passed.

Clauses 7 to 11 passed.

Clause 12—'The governing body of the association.'

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

Page 4, lines 13 to 15—leave out paragraph (b) and insert the following paragraphs:

(b) two members nominated by the Priory;

(ba)one member who is a serving volunteer ambulance officer elected by serving volunteer ambulance officers;

(bb) one member who is a person serving as a volunteer in the administration of the provision of ambulance services elected by persons who are serving as volunteers in the administration of the provision of ambulances services;.

I have been approached by a number of volunteers who have expressed concern as to what representation they will have on the governing body of the association and who have put the point that the Priory itself is not a democratic body and that, if the volunteers are to be represented, they should have a say in who represents them. After all, the Ambulance Employees Association is nominating its own person; the UTLC, for reasons that I do not understand in relation to this Bill, is nominating its own person; yet the volunteers must rely on Priory.

That seems to me to be a little inconsistent, to put it mildly. The amendment I am moving would see that two members are nominated directly by Priory and, if there are any arguments about the sort of balance of the committee, Priory still has the capacity to affect the balance via that route.

I believe that the officer who represents the serving volunteer ambulance officers should be elected by those officers and, similarly, that should happen in relation to the volunteer representing the volunteers in administration. Consistently in legislation I have tried to designate very closely who it is that is responsible for putting various persons on, and as far as possible they should be put there by the very people they are there to represent. I urge this Committee to support the amendment.

The Hon. DIANA LAIDLAW: The Liberal Party will certainly support the amendment, because we have the same amendment on file. I would indicate also that this has been an issue that has been pursued in both places. The shadow Minister argued very vigorously for the governing body of the association to be incorporated in the Act rather than just left to the association to determine as part of its constitution. That is a course that could have been adopted, because this association is incorporated under the Associations of Incorporation Act.

But, because of all the ugliness in recent years between the majority of paid officers and volunteers, we believe very strongly that what we expect in terms of the composition of this association should be defined very clearly by Parliament, and in the other place we had two persons nominated by the Priory and two members elected by the volunteer officers. We did not have the numbers to get that amendment through so the Government has provided four members nominated by the Priory.

We have reconsidered the position outlined in the other place last week and are now advocating not two members elected by volunteer ambulance officers but one member elected by those officers, by the members of the service as volunteer ambulance officers. We have also made provision for a member to be elected by persons who are serving as volunteers in the administration of the provision of ambulance service. I think that is a much healthier situation and more adequately reflects the nature of ambulance services in this State.

The Hon. BARBARA WIESE: Clearly, the Government does not have the numbers here, but we will oppose this amendment. The arrangement under this piece of legislation is essentially a partnership and I am advised that the Priory views with considerable concern the amendments that have been placed on file. It feels that it needs to retain the ability to nominate the four positions as currently embodied in the Bill in order to ensure an appropriate balance of background and expertise on the governing body and I understand that considerable attention to these matters was given in the development of the legislation. So, for those reasons, the Government opposes the amendment.

Amendment carried; clause as amended passed.

Clause 13—'Advisory committee.'

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

Page 4, line 22—Leave out 'volunteer'.

This is a fairly straightforward amendment. There are two points to it: first, rather than talking about just volunteer ambulance officers, we are talking about serving officers and it is also important in this amendment that not only are the volunteer ambulance officers represented but also those working in administration. Anybody who knows anything about the way the services work in country regions would know that the two arms are both essential to the operation of the service. The administrative arm and the great deal of work done by the people at that end are just as important as the people providing the service in the ambulance itself and as such we would be ill-advised to neglect the administrative component. This amendment has been urged on me by people in the country regions, and I note that the Hon. Ms Laidlaw has the same amendment, so I am sure she has been lobbied by exactly the same people as those I have been lobbied by. I urge the Committee to support the amendment.

The Hon. DIANA LAIDLAW: Of course, we support the amendment, because we have the same amendment on file, as the Hon. Mr Elliott noted. I note also that the Minister has an amendment to this advisory committee provision. The advisory committee, I add, was again inserted by the Liberal Party in the other place when this Bill was debated last week, and the Minister stated at the time that he would like to give some further consideration to the matter. I am not necessarily surprised to see the Minister's amendment to the Bill. In fact, I even understand the amendment, because it indicates that on this committee in relation to ambulance services in country areas there should be just half volunteers.

What we have done, however, since this amendment was inserted in the other place is refine the nature of the advisory committee, and we have now indicated in both amendments moved by the Hon. Mr Elliott and me that

this advisory committee is to serve with respect to volunteer ambulance services in country regions. Not all ambulance services are in country regions. So the Minister's amendment is appropriate for what is in the Bill, but the amendments that we are moving are confining the work of this advisory committee to volunteer ambulance services in country regions. There are 64 volunteer ambulance services in country regions and a further eight fully paid services, so this advisory committee would 'not be looking at the provision of services with respect to those eight regional and fully paid services, but just the 64 regions.

The Hon. BARBARA WIESE: I move:

Page 4—

Lines 22 and 23—Leave out 'comprised of members who are volunteer ambulance officers'.

With my amendment the Government is trying to guarantee volunteers a major voice in providing discussion and information on the provision of services in country areas, and I think that is a goal that is shared by all Parties here. The Government believes that it would be unfortunate to restrict the membership of the committee to only volunteers when two country centres are staffed by a mix of paid and volunteer staff. The Government believes that an advisory body on country ambulance services should be broader in its role than that which seems to be proposed by the Hon. Ms Laidlaw, and the sort of situation that the honourable member is advocating, which is to restrict the work of this advisory body to only those services provided by volunteers, to some extent really just perpetrates the gulf that has existed between volunteer services and paid services.

If we are serious about providing the best possible advice on the services to be provided in country areas, it would be reasonable that volunteers and paid staff in country areas should have an opportunity to put forward a point of view, and surely there will be issues of common concern, whether the staff is volunteer staff or paid staff. For that reason, my amendment suggests that the committee as it is structured in the Bill should proceed but that at least half of the members of that committee must be volunteer ambulance officers, to ensure that they do have an appropriate say.

The Hon. DIANA LAIDLAW: Before we vote on this issue, I want to comment on the remarks that the Minister made about perpetuating the gulf. I clearly put on the record the fact that I do not believe that at any time of the volunteers, either in the metropolitan area, as they once were, or in country area that they serve now, have been responsible for the gulf which is now apparent and to which the Minister refers, between paid and volunteer officers. I think the difficulty has come from the unionised paid work force, or the majority of those members. I believe that the Government and the Minister should understand the sensitivity in country areas about their precious service, that if it was not run by volunteers there would be no service at all. They are vulnerable emotionally and in terms of the future of their service and they do not want any part of a committee from the country areas which they think could be further eroded and eaten into by paid services.

For instance, the country volunteer services believe very strongly that they want to keep the St John's name, and yet we see the vehicles in the metropolitan area, and in some country centres now where they have paid officers, the St John's name has been scrubbed out—in fact it is probably graffiti vandalism, of a different sort—as though it is a name to be ashamed of. Well, the country volunteers are not ashamed of the name and I don't drink the majority of the people in this State are, either. They also want to keep the uniform, and yet they have been told by others in the hierarchy or in the Priory that they will have to change their uniform to some khaki brown mucky colour, not the uniform which they wear with pride today and one which, when they raise funds at country shows and elsewhere, always ensures that they can raise plenty of money, because it is St John's that they are associated with. So there are many sensitivities and there are many good reasons why at this time the advisory committee should relate only to voluntary ambulance services in country areas.

The Hon. BARBARA WIESE: I do not want to prolong discussion, but I do want to take up that first point that was made by the honourable member. When I referred to the gulf between paid services and volunteer services I in no way tried to ascribe any blame to anyone at all, but simply to acknowledge the reality that there has been something of a gulf, that this is undesirable, particularly in the provision of services to the community, and that there are common issues of concern to all country services, whether they be paid or unpaid, and certainly the Government has no argument against the fact that volunteers should have a major voice in these matters, and that is certainly what is provided for in the amendment that I have moved.

The PRESIDENT: I put the question that the words proposed to be struck out by the Hon. Barbara Wiese down to and excluding 'volunteer' stand part of the clause.

Amendment carried.

The Hon. M.J. Elliott's amendment carried.

The Hon. M.J. ELLIOTT. The amendment on file to lines 23 and 24 is consequential, I so move:

Page 4, lines 23 and 24—Leave out these lines and insert 'serving volunteer ambulance officers and persons who are serving as volunteers in the administration of the provision of ambulance services to advise the association in relation to the provision of volunteer ambulance services in country regions'.

Amendment carried; clause as amended passed.

Clauses 14 and 15 passed.

Clause 16—'Borrowing and investment.'

The Hon. DIANA LAIDLAW: This clause relates to borrowing investment. Subclause (1) reads:

The association must not, without the written approval of the Treasurer, borrow any money or accept any other form of financial accommodation.

Could the Minister indicate what the criteria will be for the granting of the right by the association to borrow money? Also, subclause (2) reads:

The association must not, without the written approval of the Treasurer, invest any money.

What sorts of investments are likely to be approved by the Treasurer?

The Hon. BARBARA WIESE: As I understand it, the reason for this clause is to ensure that the Government is consulted on financial matters and that the Government has the ability to have a say whenever the organisation might be contemplating borrowing money for one

purpose or another. So, the short answer is that there is unlikely to be any criteria established. Each occasion would be considered on its merits and there would be discussion and negotiation between the two joint venture partners, essentially.

The Hon. K.T. GRIFFIN: I have some questions—

The Hon. Diana Laidlaw: Are you going to mention the State Bank?

The Hon. K.T. GRIFFIN: I was going to mention the State Bank by way of interjection, focussing upon the responsibility of the Treasurer, but we will leave that for next week, in terms of the approval. I am sorry I missed asking some questions on the rules of the association, which I should have done under clause 11, so I seek some latitude to raise some questions on those rules under this clause. It is all part of the measure which relates to the St John Ambulance Service Incorporated.

Why has it been felt necessary to incorporate the St John Ambulance Service Incorporated under the Associations Incorporation Act rather than adopt the model of a statutory corporation, particularly where there are so many modifications to the normal requirements of the Associations Incorporation Act in the way in which this association is established? I talk particularly of the obligation imposed by statute as to the composition of the governing body and the fact that, under the rules, the power to administer the affairs of the association is to be vested in the ambulance board. Effectively, this will not be the sort of association where the members will be able to exercise any of the powers which they would normally be entitled to exercise under the Associations Incorporation Act.

The Hon. BARBARA WIESE: As I understand it, the reason that is being done this way is largely at the request of the St John people themselves. It is a non-profit making organisation and it felt that it would be more appropriate to be incorporated under the Associations Incorporation Act. Its rules were submitted for scrutiny under that Act and it was deemed that it was eligible for incorporation under the Act, and it has therefore come to pass.

Clause passed.

Clause 17—'Fees for ambulance services.'

The Hon. PETER DUNN: I am concerned about fees. Subclause (1) provides, 'The fee for ambulance service will be fixed by the Minister by notice in the *Gazette.*' To emphasise my point, I will read a letter which appeared in the Port Lincoln *Times* during the past month. Headed 'Ambulance costs exorbitant', the article reads:

I would like to support Dr Clive Auricht's stand in relation to the exorbitant costs of ambulance services. It is difficult to justify the call-out cost of $385 plus the charge of $2.25 per road kilometre. Dr Auricht quotes a transfer cost to a centre approximately 150 kilometres away at $337.50. This is the road cost alone. On top of this, you have to add the call-out fee of up to $385, making a total of up to $722.50 for a transfer from Cleve to either Whyalla or Port Lincoln.

I made that point yesterday. The letter continues:

When a patient is sent urgently from Port Lincoln to Whyalla for a CT scan, the cost is $1 620 for the return trip. If a patient is transferred to Adelaide, the cost is $1 850. Compare this with chartering a light aircraft of nine to 10 seats to go to Adelaide for the day at less than $1 000. Mr Jacobsen [I do not know who he is] says providing the service is costly, and it certainly is, particularly in the metropolitan area and the regional centres where staff are paid to be at the ambulance centre awaiting a call. I reject that the cost of the Cummins or Tumby Bay services are expensive. In these small communities it is often the case that hospital staff are the St John volunteers. It is not uncommon that the hospital provides the volunteer (on full pay but free to St John's) for a patient transfer, and is then charged at the aforementioned rates.

It is important to note also that the charge is per patient, not per trip, so two patients in the one transfer double the charge. In view of all this, is it any wonder that responsible administrators explore every possible alternative to the use of an ambulance. We use the ambulance less, they earn less income, therefore their rates become even higher in order to cover their fixed costs, we try even harder not to use them, and so it goes on. This situation will never be solved while the current funding arrangement survives.

The ambulance service has only two functions. The primary and traditional function is to rescue people who have fallen ill, or are involved in trauma, and convey them to a hospital. The second function is to transfer patients between hospitals and other care facilities. The simple fact is that the incidence of these functions is not sufficient to justify and financially support an hierarchical salaried organisation. Additional duties have to be found, or the service integrated with hospitals, so that the staff can be fully utilised and the costs made more realistic.

The letter was signed by I.D. Matthews, Chief Executive Officer, Port Lincoln Health and Hospital Services. That letter demonstrates that these people are not happy with the service they are receiving and the huge cost that is involved. It is causing problems in that relatively remote area.

A headline in another local paper read 'Cowell ambulance threat', and it related to staffing. When I inquired about this from officers at the St John Ambulance centre at Port Lincoln, the reason they gave me was that they are getting a big sick of being abused about the cost. When they offer their free service, they are sick of being abused about the huge cost involved in going perhaps only 1 000 metres to the hospital. It costs approximately $390 to get a person there.

They can see the writing on the wall and they are having difficulty now supplying the service, saying that Whyalla or Cleve will have to do it. Please take those points into consideration, Minister, when you—or whoever is setting the fees. They are important because if we do not have the high standard of service provided by the volunteers then, as I said before, chaos will reign and we do not need that.

The Hon. BARBARA WIESE: I will undertake to draw those comments to the attention of the Minister for his consideration.

Clause passed.

Remaining clauses (18 to 20) passed.

Progress reported; Committee to sit again.

DAIRY INDUSTRY BILL

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

CRIMINAL LAW (SENTENCING) (SUSPENSION OF VEHICLE REGISTRATION) AMENDMENT BILL

Returned from the House of Assembly without amendment.

FINANCIAL TRANSACTION REPORTS (STATE PROVISIONS) AMENDMENT BILL

Returned from the House of Assembly without amendment.

ADJOURNMENT

At 6.6 p.m. the Council adjourned until Tuesday 17 November at 2.15 p.m.