LEGISLATIVE COUNCIL

Tuesday 24 November 1992

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

ASSENT TO BILLS

Her Excellency the Governor, by message, intimated her assent to the following Bills:

Acts Interpretation (Australia Acts) Amendment,

Criminal Law (Sentencing) (Suspension of Vehicle Registration) Amendment,

Expiation of Offences (Divisional Fees) Amendment

Financial Transaction Reports (State Provisions),

Friendly Societies (Miscellaneous) Amendment,

Fruit and Plant Protection,

State Lotteries (Soccer Pools and Other) Amendment,

Statutes Amendment (Expiation of Offences),

Statutes Amendment (Public Actuary),

Waterworks (Residential Rating) Amendment,

QUESTIONS ON NOTICE

The PRESIDENT: I direct that written answers to the following questions on notice, as detailed in the schedule that I now table, be distributed and printed in *Hansard:* Nos 8, 13, 14, 20 and 22.

AIDS

The Hon. BERNICE PFITZNER: In relation to the following sections of the Public and Environmental Health Act 1987:

1. Section 33 (2) *(d)*—What proportion of reported HIV/AIDS infected people have been given 'directions notices' by the SAHC, namely 'a direction that the person refrain from performing specified work or any work other than specified work'?

2. If not 100 per cent for adults, why not?

3. Section 35—Is the SAHC providing local councils or regional health authorities reports on the occurrence of HIV/AIDS in its area on a monthly basis?

4. Section 37—What surveillance has the SAHC in place to monitor that the infected persons 'take all reasonable measures to prevent transmission of the disease to others'?

5. If a medical practitioner or public hospital has knowledge that an infected person is not complying with section 37, should he/she/it report this to the SAHC?

6. If a report is made regarding non-compliance with section 37, will the medical practitioner/public hospital be protected from litigation for breaching confidentiality?

7. What is the SAHC policy if litigation is proceeded against the commission by a patient who has been infected by a health worker in the public hospital?

The Hon. BARBARA WIESE:

1. No directions have been issued under section 33.

2. Transmission of HIV does not occur in normal social or work settings. To make a direction restricting the work of every HIV infected adult is not warranted. A copy of the SAHC policy on HIV infected health care workers was provided to the honourable member on 17 September 1992.

3. Local councils are provided with regular monthly reports on the incidence of most notifiable diseases in their area and periodically on incidence Statewide. Monthly reports are provided as soon as possible and include AIDS data. The collection and reporting system for HIV and STDs does not coincide with monthly reports. To expedite transmission of monthly reports to councils, STD and HIV data is included in periodical reports on Statewide incidence to councils.

4. Section 37 places the onus on the person infected with a controlled notifiable disease to take all reasonable measures to prevent transmission. Any person can lay a complaint for failure to comply with this section.

The Health Commission would investigate any report or complaint by any member of the public, including a treating medical practitioner, that an infected person is placing others at risk, where the person is infected with a controlled notifiable disease such as tuberculosis and hepatitis B as well as IRV infection.

5. See the answer to 4. above.

6. The duty of confidentiality is not absolute. Disclosure may be justified in exceptional cases such as where some other person's life or health is put in jeopardy by maintaining silence, but each case must be considered in the context of its particular facts.

7. The claim would be reviewed on its merits.

MINISTERS' STAFF

13. **The Hon. R.I. LUCAS:**

1. What were the names and classifications of all officers working in the offices of the Deputy Premier, Treasurer and Minister of Mineral Resources as of 13 November 1992?

2. Which officers were 'ministerial' assistants and which officers had tenure and were appointed under the GME Act?

3. What positions in the Minister's above offices were unfilled as of 13 November 1992 and what were the salaries and other remuneration payable for such positions?

4. What salary and other remuneration was payable for each officer in the filled positions?

The Hon. C.J. SUMNER:

1.

Jeff Mills	Chief Admin. Officer	ASO-6
Janey Nicholson	Appointment Secretary	ASO-3
Vanessa Dom	Receptionist/Typist	ASO-1
Sally Lane	Clerk/Typist	ASO-1
Tracey Newman	Correspondence Clerk	ASO-1
Kaye Mathewson	Press Secretary	
Alvan Roman	Ministerial Assistant	

2. *(a)* Kaye Mathewson and Alvan Roman
(b) All others above are GME Act.

3. All positions are filled.

4.

Jeff Mills	$44 793
Janey Nicholson	$30 033
Vanessa Dom	$21 423 + $319 Ac All
Sally Lane	$20 244 + $319 Ac All + $4 345 additional duties for three months
Tracey Newman	$20 808 + $319 Ac All
Kaye Mathewson	$44 699 + $6 705 O/T All
Alvan Roman	$46 125 + $6 919 O/T All

14. **The Hon. R.I. LUCAS:**

1. What were the names and classifications of all officers working in the offices of the Minister as of 13 November 1992?

2. Which officers were 'ministerial' assistants and which officers had tenure and were appointed under the GME Act?

3. What salary and other remuneration was payable for each officer?

4. Which positions in the Minister's above offices were unfilled as of 13 November 1992 and what were the salaries and other remuneration payable for such positions?

The Hon. C.J. SUMNER:

1, 2 and 3 as at 13 November 1992.

Name	Ministerial/ GME Act	Salary $
J. Bottrall	Ministerial	51 404
B. Handke	GME Act	44 793
S. Hancock	GME Act	30 033
A. Jalast	GME Act	34 081
L. Carruthers	GME Act	29 008
K. Nicholas	GME Act	22 869
W. Joy	GME Act	13 479*

* denotes part-time employment

4. There are no unfilled positions.

20. **The Hon. R.I. LUCAS:**

1. What were the names and classifications of all officers working in the offices of the Minister of Health, Family and Community Services and Minister for the Aged as of 13 November 1992?

2. Which officers were 'ministerial' assistants and which officers had tenure and were appointed under the GME Act?

3. What salary and other remuneration was payable for each position?

4. Which positions in the Minister's above offices were unfilled as of 13 November 1992 and what were the salaries and other remuneration payable for such positions?

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

OFFICERS APPOINTED UNDER GME AND SAHC ACTS

Act	Salary 13.11.92 $
GME	46 125
GME	42 025
GME	34 081
SAHC	31 058
SAHC	26 958
SAHC	25 933
SAHC	21 127
SAHC	18 624
GME	26 958

MINISTERIAL OFFICERS

Name	Salary 13.11.92 $
Purman, V.*	55 874
Gilchrist, S.†	51 512
Boyd, S.†	51 512

* Salary includes allowance of 25 per cent in lieu of overtime.
† Salary includes allowance of 15 per cent in lieu of overtime.

There were no unfilled positions as at 13 November 1992.

22. **Hon. R.I. LUCAS:**

1. What were the names and classifications of all officers working in the offices of the Minister as of 13 November 1992?

2. Which officers were 'ministerial' and which officers had tenure and were appointed under the GME Act?

3. What salary and other remuneration was payable for each position?

4. Which positions in the Minister's above offices were unfilled as of 13 November 1992 and what were the salaries and other remuneration payable for such positions?

The Hon. ANNE LEVY:

Name	GME Act/ Ministerial	Classification	Salary
L. Boswell	Ministerial	ZA 2	44 793 + 15% loading
R. Morns	Ministerial	ZA 7	44 699 + 15% loading
C.Nelligan	GME Act	ASO 5	42 025
R. Bargwanna	GME Act	ASO 4	34 081
J. Komazec	GME Act	ASO 3	34 081
R. Wall	GME Act	ASO 1 (0.4 FTE)	10 373
K.Klomp	GME Act	ASO 1 (0.6 FTE)	12 338
J. Hyland	GME Act	ASO 1	23 484
P. Simmons	GME Act	ASO 1	21 986
Vacant	GME Act	ASO 6	43 460

PAPERS TABLED

The following papers were laid on the table:

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

Police Superannuation Board—Annual Report, 1991-92.

Summary Offences Act 1953—Road Block Establishment Authorisations and Dangerous Area Declarations, 20/7—19/10/92

Regulations under the following Acts:

Occupational Health, Safety and Welfare Act 1986

Stamp Duties Act 1923

Trustee Act 1936

By the Minister of Transport Development (Hon. Barbara Wiese)—

Annual Reports 1991-92:

Chiropractors Board of South Australia

Committee Appointed to Examine and Report on Abortions Notified in South Australia

Department of Fisheries

Foundation S.A.

Department of Marine and Harbors

Metropolitan Taxi-Cab Board

National Road Transport Commission

Regulations under the following Acts:

Animal and Plant Control (Agricultural Protection and Other Purposes) Act 1986

Fisheries Act 1982

Seeds Act 1979

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

Annual Reports 1991-92:

Carrick Hill Trust

Children's Services Office

Electricity Trust of South Australia Superannuation Scheme

Environmental Protection Council

Industrial and Commercial Training Commission
Regulations under the following Acts:
Clean Air Act 1984
Education Act 1972
Senior Secondary Assessment Board of South Australia Act 1983

QUESTION REPLIES

The Hon. ANNE LEVY (Minister for the Arts and Cultural Heritage): I seek leave to make two brief ministerial statements on replies to questions.

Leave granted.

The Hon. ANNE LEVY: During the debate on the Appropriation Bill, the Hon. Mr Lucas asked a question relating to the renovation work on the 5th and 9th floors of the education building. The Bill has since been passed and, further to the information already provided to the honourable member, the Minister of Education, Employment and Training has provided figures supplied by SACON on the expenditure relating to the renovation work. I seek leave to have the details of the reply inserted in *Hansard* without my reading it.

Leave granted.

EDUCATION BUILDING—5TH AND 9TH FLOOR RENOVATION

5th floor

	$
Building work	36 000
Electrical	17 300
Mechanical4	000
Furniture/equipment/uplift	24 000
Cabling/phones	6 319
Professional fees	24 800
Total	$112 419

9th floor

	$
Carpet	15 518
Workstations	21 256
Furniture	23 160
Parquetry flooring	8 738
Partitions/electrical/phones	5 500
Moving furniture	4 090
Painting, etc	1 146
Professional fees	15 308
Total	$94 716

The Minister has also forwarded an amended reply to the response given on 5 November 1992 concerning staff currently working within the office of the Minister of Education, Employment and Training.

MINISTER'S OFFICE STAFF

The Office of the Minister of Education, Employment and Training has the following complement of staff. Those marked * are vacant positions. The position marked † is vacant and funded through the Minister's Consultative Committee line. This is in accordance with the level recommended by the Department of Labour and approved in Cabinet.

	Title	Classification	Type of Appointment	Salary $
	Finance Manager	ASO6	GME	43 460
	Senior Administrative Officer	ASO5	GME	42 025
†	Assistant to Media Adviser	ASO4 (.5)	GME	33 313-34 850
	Appointment Secretary	ASO3	GME	30 033
	Administrative Officer	ASO3	GME	30 033
	Administrative Officer	ASO3	GME	31 235
	Administrative Officer	ASO3	GME	31 235
	Administrative Officer	ASO3	GME	29 008
	Administrative Assistant	ASO2	GME	16 919
	Parliamentary Clerk	ASO2	GME	24 938
	Receptionist/lnformation	ASO2	GME	24 908
*	Clerical Support	ASO1	GME	12 551-23 165
*	Clerical Support	ASO1	GME	12 551-23 165
*	Clerical Support	ASO1	GME	12 551-23 165
		13.5 FTEs		
	Executive Assistant	ZA2	Ministerial	44 793 +15% overtime
	Ministerial Assistant	ZA2	Ministerial	44 793 +15% overtime
	Ministerial Assistant	ZA2	Ministerial	44 793 +15% overtime
	Ministerial Assistant	ZA2	Ministerial	44 793 +15% overtime
	Ministerial Assistant	ZA2	Ministerial	44 793 +15% overtime
	Media Adviser	ZA7	Ministerial	44 699 +15% overtime
		6		
		19.5 FTEs		

The Hon. ANNE LEVY: During the debate on the Appropriation Bill the Hon. Ms Laidlaw asked a series of questions relating to the Arts and Cultural Heritage portfolio. The Bill has since been passed and, for the information of the honourable member, I now seek leave to incorporate the detailed responses in *Hansard* without my reading them.

Leave granted.

1993 CALENDAR YEAR GRANTS

The $9.284 million announced for the 1993 calendar year will fund the following types of arts grants:

GENERAL PURPOSE GRANTS

A total of 58 grant applications, seeking $7.04 million, was received for general purpose funding in 1993. Of the applications received, 51 were successful with a total of $5.72 million being awarded to those applicants.

PROJECT GRANTS

Although a provision has been made for 1993 project grants it is not possible to say at this time how these funds will eventually be spent.

The first call for project grant applications for the period January-June 1993 closed on 31 October 1992. In excess of 250 applications were received which are still being sorted and recorded by the Arts Division so it is not possible at this time to say what the total value of those grants are. Certainly decisions as to which applications will be funded will not be finalised until later in December.

The second call for the period July-December 1993 will close on 30 April 1993.

OTHER GRANT PROGRAMS

As the honourable member is aware, there are many other calendar year grant programs including:

- Film and Television Financing Fund;
- Government Film Fund;
- Public Radio;
- Festival Awards for Literature;
- Publishing and Promotions Program;
- Creative Development Fund;
- Arts Facilities and Museums Capital Grants.

Some of these programs receive applications on an ongoing basis while others have differing closing dates. It is again, therefore, not possible to say at this time how many applications will be received, the total value of those applications and how many will be funded.

SA FILM CORPORATION PRODUCTION—*THE BATTLERS*

SAFC has budgeted for a deficit of $192 000 and this remains the estimated deficit whether or not *The Battlers* proceeds. It is scheduled to proceed in March 1993.

The corporation took a decision to defer the recoupment of those fees until such time as *The Battlers* is completed and recouping its investments. It took this decision because it was necessary in order to attract the support of the Film Finance Corporation, to reduce the budget. The corporation believes that it was vital to the local industry to have *The Battlers* in production to provide work for up to 66 local crew and 35 local cast.

The original schedule for *The Battlers* has been changed to accommodate the availability of the lead actor, Gary Sweet, approved by the Seven Network, by London Films the overseas distributor, and by the Australian Film Finance Corporation.

All these parties must give their consent to the engagement of lead cast and the availability of actors must also be fitted in with the availability of the Director. Both the lead actor and the Director have contractual commitments so that the first available pre-production date is 8 March 1993. The Director's commitments mean that the shoot will start on 15 June for eight weeks.

It is not at all unusual for production schedules to be changed in this way to accommodate the availability of key personnel.

The delay in production will not affect the Filmsouth investment of $131 000.

SA FILM CORPORATION DEVELOPMENT SLATE AND ROLE OF CHERYL CONAVAY

Cheryl Conway is employed by the corporation as the Head of Development. Previously Ms Conway worked in commercial television developing drama projects.

In the 18 months that Cheryl Conway has been with the corporation, she has been responsible for the assessment of nearly 300 scripts, 18 of which are now in active development. From this assessment and development process, four joint ventures with local producers and writers have been initiated. A good working relationship between Filmsouth and the SAFC in the financing of script development has also been established.

The services of Cheryl Conway are provided by a company. That company's arrangements with the corporation are, of course, confidential as are its arrangements with Ms Conway.

PROJECTS CURRENTLY UNDER DEVELOPMENT

Title	Production type
Boomer Crew	TV Serial
Angel Baby	Feature Film
Two to Tango	Feature Film
Two Weeks with the Queen	Feature Film
Seventh Crossing of Reshah	Feature Film
A Child's View	Documentary
Chain Letter	Feature
The Battlers	Mini Series
Once I was a Princess	Mini Series
Hell Next Door	Sitcom
Honk if you are Jesus	Feature Film
Heart of the Dream	Mini Series
Women with a Sword	Mini Series
I'll make you Happy	Feature Film
Nullarbor Nymph	Feature Film
Co-Ed High	Series
Red Lotus	Feature Film
Tarcoola	Feature Film

SA FILM CORPORATION—MANAGING DIRECTOR TRIP TO MANCHESTER

Valerie Hardy the Managing Director of the South Australian Film Corporation is the Executive Producer of *The Battlers* and as such carries ultimate responsibility for all production decisions.

As mentioned in my initial response concerning *The Battlers,* the Seven Network has the right of approval of lead cast. This is an absolute condition of Seven's contractual commitment to acquire the Australian television licence for *The Battlers.*

Seven had conditionally approved two actors for the leads in *The Battlers,* Philip Quast and Danielle Carter. Seven insisted upon these actors being screen tested at its expense. Philip Quast (Australian) was, and still is, working in Manchester. Danielle Carter had contractual commitments in Sydney such that she had only one gap of six days in which this testing could take place.

It would often be the financial responsibility of the production company to arrange and deliver screen tests but in the particular circumstances of *The Battlers,* Seven agreed to pay for the Director and Danielle Carter to travel to the United Kingdom in order to test with Philip Quast. Seven also agreed to pay all the costs of setting up and conducting four days shooting, and initially agreed to pay the expenses of the Executive Producer, whose presence was essential to the proper conduct of the test.

At the last minute Seven required *The Battlers* production budget to bear the expense.

The Battlers production budget had made provision for contingencies of this nature so that none of Ms Hardy's travel will be paid for out of corporation resources. The Overseas Travel Committee was immediately informed of all details which it has accepted.

Ms Hardy travelled to the United Kingdom in her capacity as Executive Producer of *The Battlers* and not as Managing Director of the South Australian Film Corporation. Given her considerable experience in TV network matters she was clearly the correct person to go to ensure that the Director delivered what was necessary.

Ms Hardy also furthered deal arrangements in London with London Films.

INDEPENDENT PRODUCERS OCCUPYING SPACE AT THE SA FILM CORPORATION

The rental arrangements of the producer's is not on a free basis. Rent accrued is due and payable on commencement of pre-production of that producer's first project.

The following producers are covered under the arrangement:

	$
Jane Ballantyne/Mario Andreacchio—35 weeks at $50 per week	1 750
Maylands Productions—Anni Browning—64 weeks at $50 per week	3 200
Archangel Productions—Gabrielle Kelly—64 weeks at $50 per week	3 200

De Roeper & Associates—Julia De Roeper—64 weeks at $50 per week	3 200
Rolfe de Heer—48 weeks at $50 per week	2 400
Genesis Films—Craig Lahiff—47 weeks and 6 days	2 392

STATE THEATRE COMPANY—SIMON PHILLIPS

The Artistic Director of the State Theatre Company, Simon Phillips, is entitled under the terms of his contract to six weeks paid external engagement leave each year. Ills involvement in New York comprised two years entitlement for this leave and accrued recreation leave.

SOCIAL DEVELOPMENT COMMITTEE

The Hon. CAROLYN PICKLES: I bring up the first report of the Social Development Committee on the social implications of population change in South Australia and move:

That the report be printed.

Motion carried.

QUESTIONS

FRINGE BENEFITS TAX

The Hon. R.I. LUCAS: I seek leave to make a brief explanation before asking the Minister representing the Minister of Education, Employment and Training a question about fringe benefits tax on schools.

Leave granted.

The Hon. R.I. LUCAS: In the last Federal budget the Keating Government announced that it would introduce amending legislation to the fringe benefits tax to impose fringe benefits tax on certain car parking benefits received by employees. Shortly after this announcement there was concern in many quarters that this new impost would hit hospital staff and teachers in schools.

Subsequently, an article appeared in the *Advertiser* of 25 August, with the headline 'Schools exempt from parking tax'. The article stated in part:

> The Federal Government has promised to exempt schools from changes to the fringe benefits tax which will tax the provision of free or discounted car parking to employees. A spokesman for the Treasurer, Mr Dawkins, said yesterday it was never the intention of the Government to extend the FBT on car parking perks to include schools and hospitals. There was no and is no intention to tax educational institutions and hospitals in this way,' he said.

However, since that article was published there have been further articles, such as one in the *Australian* last month, reiterating the huge tax bills some schools will face if the fringe benefits tax on school parking proceeds. As a result, some schools made further inquiries and were told that the Treasurer's office denied all knowledge of schools being exempted from the parking tax. Here in South Australia, Pulteney Grammar School has indicated it faces a fringe benefit tax bill of $27 500 in the first full year of operation. I am told that Adelaide High School would face a fringe benefits tax bill of nearly $29 000 for the 81 car parking spaces it provides to staff.

In view of the perceived back-down from the promise of 25 August not to include schools in the fringe benefits tax net, my office rang the Treasurer's office today. We were told that the Government had not promised to exempt schools from the fringe benefits tax. The officer (who says he was not around at the time the promise was made to the *Advertiser)* said that, while the Government still had not made up its mind on whether schools should be exempted by regulation from paying fringe benefits tax on car parking spaces, he saw no reason why teachers should be exempted from the fringe benefits tax. He said also that schools were not in the same category as, say, hospitals, which were deemed by taxation authorities as benevolent institutions. My questions to the Minister are:

1. Have the Minister and her department conducted an assessment of how much the fringe benefits tax on school car parking spaces will cost South Australian schools and, if so, how much will it cost?

2. Does the Minister believe that schools should pay fringe benefits tax on car parking spaces and, if not, what submissions has she made, or will she make, to the Federal Treasurer for such spaces to be exempted by regulation?

The Hon. ANNE LEVY: I will refer those questions to my colleague in another place and bring back a reply, but I would imagine that the honourable member or his Federal counterparts could certainly take up the matter directly with the Federal Government.

STATE BANK

The Hon. K.T. GRIFFIN: My questions are directed to the Attorney-General. Following the media reports at the end of last week that there was a division between the Attorney-General and the Premier and other Ministers as to what should happen to the Auditor-General's inquiry into the State Bank if it cannot be completed by 28 February 1993, largely as a result of legal action:

1. Is there a difference of opinion between the Attorney-General and the Premier as to what should happen?

2. If there is not and if, by reason of legal action by former directors, the Auditor-General is prevented from presenting his report by 28 February 1993, will the Government grant a further extension of time and, if appropriate, will the Government allow the Auditor-General to present an interim report on those matters which have been completed and allow an extension of time for the balance?

3. Is there any prospect, as has been rumoured, that none of the report will see the light of day as a result of legal action by former directors?

The Hon. C.J. SUMNER: The answer to the first question is emphatically 'No', and there never was. The *Advertiser* story was quite wrong; it was not checked with me (or anyone else as far as I can determine) to ascertain whether there was any substance in it at all; there was not. The Auditor-General has always been able to produce an interim report if he wished to, and on previous occasions I have suggested that that might be a course of action he could follow, but he has not chosen to do so. I intend to make a further statement about the Auditor-General's inquiry, probably during this week but, obviously, there is some question about the 28 February reporting date, and that has to be looked at.

However, I want to make quite clear that the Government insists on a full and complete inquiry being conducted by the Auditor-General. The fact is that if that means the Auditor-General's report comes out two weeks before or two weeks after the next election then so be it. It is not a matter that is going to concern the Government. However, what does concern the Government, and I suspect the whole South Australian community, is simply that it is in the public interest for these inquiries to be completed as soon as possible. They are having a debilitating effect on confidence in South Australia and they should be completed as expeditiously as possible, consistent with getting a full report.

However, I make quite clear that the Government has absolutely no intention, and did not have any intention, of curtailing the Auditor-General's report, and the third proposition put forward by the honourable member is, therefore, a complete furphy. I should say also that, if the former Managing Director and the former directors of the State Bank think that, by the use of legal manoeuvres they can somehow or other force the Government into curtailing or withdrawing some aspects of the Auditor-General's Report, they are quite wrong.

The Government will not be diverted by legal manoeuvres from the former directors or the former Managing Director in its desire to see the Auditor-General complete his report properly and to fully report to the Parliament. As I said, I anticipate making another statement about this matter in the near future.

CONTAINER TERMINAL

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

Leave granted.

The Hon. DIANA LAIDLAW: Next Tuesday, 1 December, has been set as the deadline for the new operator to take over the operations of the Adelaide Container Terminal. This move follows a decision by the Government to oust, for an as yet undisclosed multi-million dollar sum, the current operator, Conaust, and to repossess the lease three or four years before it is due to expire. While the deadline for changeover is only seven days away, the Minister has not yet announced who the new operator will be, although it is widely speculated to be Sealand, an American company based in Singapore.

The Minister's silence on who the new operator will be is causing commercial confusion for shipping companies, many of which have contacted my office in the past two weeks wanting to know what is going on. They do not know with whom they will be dealing next week, and they do not know what rates they will be charged to use the terminal from next week.

The contracts are with Conaust, so even if the shipping companies knew from today with whom they were to be dealing next week, seven days in their assessment is now an impossibly short time to renegotiate these contracts. In view of the Government's silence—in fact, I would say secrecy—to date about what is going on at the container terminal, I ask the Minister:

1. Is Sealand to be the new operator of the Adelaide Container Terminal from next week?

2. Has the lease with the new operator been negotiated on a fully commercial basis, or does it involve taxpayer subsidies and/or other incentives and, if so, what subsidies and incentives?

3. From 1 December, what will be the status of contracts made between Conaust and various shipping companies?

4. How much did the Government agree to pay to P&O Australia to buy out Conaust as the operator of the terminal?

The Hon. BARBARA WIESE: Some weeks ago I made quite clear that negotiations were proceeding with relevant parties concerning the lease on the container terminal. I indicated that I hoped it might be possible to make a statement about these matters in about the third week of November. This is about the third week in November, and I hope that I will be able to make a statement about it in the near future.

The negotiations to which I referred a few weeks ago when I was asked this question have been proceeding very well, and agreements in principle have been reached. As I understand it, the only issues now to be resolved are matters relating to legal language, and discussions are taking place between lawyers about these matters.

It may mean that the handover date for the container terminal will therefore be delayed by a few weeks. But that will become clearer over the next couple of days when I receive a further status report on the negotiations taking place. However, anyone who is involved with the port of Adelaide, including such parties as the Chamber of Commerce and the various users of the port have been kept informed of what is happening with these negotiations, and those people know that all they have to do is make a phone call to the relevant people in the Department of Marine and Harbors or to the Chairman of SAPLAC and information will be provided to them. I know that that sort of information has been passing between the relevant people. I think that the Hon. Ms Laidlaw is beating up a story where it does not exist, by suggesting that there is confusion, when all of those people know that they are able to contact the relevant people to be reassured about what is happening.

The Hon. Diana Laidlaw: Why would they be contacting me if they are getting the information you say they are getting?

The PRESIDENT: Order!

The Hon. BARBARA WIESE: I suggest, Ms Laidlaw, if they are not getting information it is because they are not asking. I know of a large number of people who are involved with the port of Adelaide who have sought such information and who have been notified of the status of events with respect to the lease for the container terminal, and I believe that these matters will be resolved in the very near future. It is not until the negotiations are completed and all agreements have been reached that a public announcement will be made about the nature of those agreements or the parties involved. I can assure the Hon. Ms Laidlaw and members of the Council that at the very first opportunity I am available to make such a statement I will be making it and we will get on with the business of running the port of Adelaide

with a minimum of fuss, if all the negotiations currently under way are successful, as I expect them to be.

The Hon. DIANA LAIDLAW: Mr President, I ask a supplementary question. Is the Minister not prepared to reveal how much the Government paid to P&O Australia to buy out Conaust as the operator of the terminal?

The Hon. BARBARA WIESE: The Hon. Ms Laidlaw asked me this question during the Appropriation debate and I indicated to her at that time that it would not be appropriate for me to release that information when negotiations were continuing with the relevant parties. The same is also true now and I will not be making public statements about these matters until the time is appropriate.

WHYALLA COUNCILLORS

The Hon. I. GILFILLAN: I seek leave to make an explanation before asking the Attorney-General a question about allegations of threats of intimidation against a Whyalla councillor.

Leave granted.

The Hon. I. GILFILLAN: honourable members will recall that earlier this year I raised a matter concerning two Whyalla councillors and alleged involvement with the sending of a racist fax with a heading 'Licence to shoot Aborigines'. These two councillors, Mr Tom Antonio and Mr Roger Thompson, are currently involved with charges against them in Whyalla. In the case of Councillor Tom Antonio, he is charged with three counts of common assault, and Mr Roger Thompson and Mr Antonio jointly face a charge of unlawful detention. Last week I received a plea for help from Whyalla City Councillor Eddie Hughes following what he alleged was a series of threats of intimidation and political interference made against him by Councillor Tom Antonio.

At a council meeting on 16 November, Councillor Hughes attempted to move a motion to have councillors Tom Antonio and Roger Thompson stand aside from council pending the outcome of the court cases against them. Councillor Hughes alleges that, prior to the start of the meeting, Councillor Tom Antonio approached him and told him that he had been 'speaking with an old friend of yours'. When Councillor Hughes asked who was the old friend, he was told that it was former police officer Sam Bass, currently Secretary of the Police Association. Councillor Hughes informed me that the same Mr Sam Bass had a special significance for him because of his involvement with Mr Bass at a time when Mr Bass was a serving police officer some 15 years ago. It was an unfortunate occasion and Mr Hughes was left with some animosity towards Mr Bass.

Councillor Hughes alleges that Antonio then threatened him by saying, 'If you go ahead with this, certain things will happen to you.' Councillor Hughes did push ahead with his motion, but was gagged following the passing of a motion, which was decided on the casting vote of the Mayor. During the adjournment, which Councillor Hughes described as very heated, Tom Antonio allegedly spoke directly to Councillor Hughes about incidents in Councillor Hughes past involving the police. It became clear to Councillor Hughes that the information that Councillor Antonio had could only have come from one of two sources: either directly from his police record or indirectly from a police officer who had access to the information and had passed it on to Councillor Antonio.

One incident in particular worried Councillor Hughes because it had occurred almost 15 years ago and was covered under the Commonwealth Spent Convictions Act and therefore should not have been available to anyone, yet Councillor Tom Antonio appeared to have all the details. After the council meeting had finished and Councillor Hughes was leaving the chambers, he passed both Councillors Antonio and Thompson on the steps of the building. As he left Councillor Antonio again threatened him by allegedly stating, 'Don't worry Hughes, we've got you lined up.' Councillor Hughes has told me that he takes these threats against him very seriously and is genuinely worried for himself and his family. He has appealed directly to me for help. My questions to the Attorney-General are:

1. If the above allegations are correct, what offence, if any, has been committed by Councillor Antonio against Councillor Hughes?

2. What course of action is open to Councillor Hughes to deal with these alleged threats?

3. What protection exists for a member of a council threatened by another?

The Hon. C.J. SUMNER: I do not think it is appropriate for me to comment on whether an offence might have been committed in the circumstances as outlined by the honourable member, except to say that on the face of it possibly there could have been some offence committed. However, it is really not for me to speculate. If allegations of criminal offences are made, they should be made to the police and the police should then investigate them. In this case I suggest to the honourable member that taking the matter to the police is one way of Mr Hughes ensuring that the issues are properly investigated. Furthermore, if Mr Hughes feels that police officers have been involved in the release of unauthorised information, he also has recourse to the police Complaints Authority.

Finally, as to the third question, I do not know that anything specific is contained in the Local Government Act (there may be) regarding the protection of people from threats, whether at local government meetings or elsewhere. It is a matter for the police to look at if the matter is reported to them. I do not know whether the allegations raised by the honourable member have any substance, so my answers are based on the question that he has asked. I am not in a position to indicate whether or not the facts are true.

GLENELG FORESHORE DEVELOPMENT

The Hon. L.H. DAVIS: I seek leave to make a brief explanation before asking the Minister of Transport Development a question about the Glenelg foreshore development.

Leave granted.

The Hon. L.H. DAVIS: I refer to the announcement yesterday that State Cabinet has approved an $80 million foreshore tourist development for Glenelg. In an article in today's *Advertiser* it is reported that the Government is

expected to contribute $4.6 million towards the Glenelg ferry landing scheme proposed by joint venturers Nelson Dawson Pty Limited and MacMahon Southern Developments. The consortium reportedly won the right to develop the Glenelg foreshore in September 1991.

Members will recall that in August this year, when tabling the findings of the Worthington Inquiry into the then Minister of Tourism's involvement in tourism projects, the Attorney-General said in part that Mr Worthington had found:

Miss Wiese was a good friend of Mr Dawson (of Nelson Dawson Pty Limited) and she was aware at both Cabinet and departmental level that she was making decisions and taking actions which could affect Mr Dawson's financial interests.

Further, Mr Worthington found:

That the Minister did not understand from the guidelines on conflicts for Ministers that declarations were required in matters involving friends.

Finally, he stated:

Cabinet has determined that there was a personal interest which gave rise to a minor conflict of interest. That interest was not declared by the Minister at the time.

Did the Minister declare an interest prior to the State Cabinet's discussion of the $80 million foreshore development announced yesterday and, if not, why not?

The Hon. BARBARA WIESE: The answer is 'Yes'.

The Hon. M.J. ELLIOTT: I seek leave to make a brief explanation before asking the Minister for the Arts and Cultural Heritage a question about the Glenelg foreshore project.

Leave granted.

The Hon. M.J. ELLIOTT: On 6 May this year I asked a question about the value of land the Government was planning to give to the developer chosen for the Glenelg foreshore development. Although the Valuer-General had said that the land was worth $750 000, an independent analysis based on property sales in the immediate vicinity put the developed value closer to $46 million. The answer I got to my question did not address the value at all: in fact, it totally avoided that question and said that I should wait for the EIS, which is yet to be done.

This morning's newspaper carried the news that the foreshore project had been given the nod by Government and that $4.6 million would be provided to the developer. What that sum is to include is unclear. If the independent valuation on the public land of $46 million is used and account taken of the fact that some of the land will be used for public spaces such as roads and therefore will be unavailable to the developer for the purposes of making a profit, the Government could still be seen to be providing a subsidy of up to $40 000 per marina berth and per luxury dwelling unit. In the current economic climate I have already had people ringing me expressing great anger, as they are struggling to pay for their homes, yet this sort of subsidy is available.

The Government tells us that the development will solve the pollution problems of the Patawalonga. A gross pollutant trap which will do nothing but prevent the bigger nasties up the Sturt Creek finding their way into the Patawalonga would have cost the E & WS about $2.2 million. That trap will still do nothing about the bacterial and other pollution. Flushing the Patawalonga, as one developer put forward in his plans, will only move the pollution into the adjacent marine environment. So, the cash injection of $4.6 million and the land gift of up to $46 million will not solve the pollution problem. My question to the Minister is: How can the Government justify paying a private developer $4.6 million to take land worth up to $46 million off its hands?

The Hon. ANNE LEVY: That question was directed to me as Minister for the Arts and Cultural Heritage, but it has nothing whatsoever to do with my portfolio responsibilities. It should more accurately be a question through me to the Minister of Environment and Land Management and I will refer the question to him and bring back a reply.

EXTRA

The Hon. J.C. BURDETT: I seek leave to make a brief explanation prior to asking the Attorney-General a question about the classification of publications.

Leave granted.

The Hon. J.C. BURDETT: An invitation was issued last week to all members of Parliament to attend a talk by Dr Judith Reisman on the effects of pornography. Dr Reisman is an American author, consultant and lecturer on the effects of pornography. She has an impressive CV which I will not delay the Council by reading now. The talk was given on Friday, and I was present, as were at least two others of my colleagues from this Council, one from each side. Referring to Dr Reisman's Australian tour—she had only one day in Adelaide—the Melbourne *Age* of 16 November states:

What has particularly incensed her is a new Australian teenage magazine *Extra* which gave away a free condom and pocket guide to sex with its first issue. She said the magazine's editor had said that, while the publication was for 14 to 18 year olds, it would also be bought by eight to 10 year olds.

Dr Reisman is critical of the magazine's content, which includes a 'spring fever' fashion feature depicting girls clad in underwear lying with semi-naked boys, but is more vociferous about the sex guide approved by the Family Planning Association of New South Wales.

Just some of her complaints are the A-Z of sex that includes bondage, and, under the letter L, favours libido rather than love.

It also illustrated 'six sexy positions', under one of which was the line, 'Some girls can find it degrading, but it's extra sexy because...'

She did not repeat the rest but it is in the book. The article continues:

One of Dr Reisman's concerns is that children will have the attitude of 'Let's try this' and will practise on whoever is available. 'And then we wonder why our kids are going around like little whores.'

The Hon. R.J. Ritson: Can you practise on newsagents?

The Hon. J.C. BURDETT: I do not know. Yesterday I set out to see whether the publication was available in Adelaide. The first newsagent's shop into which I went and which was fronting a public concourse had the publication openly displayed in the main display area, sex guide on the front cover and all, and it was not in any kind of container.

On Saturday, the day after Dr Reisman's lecture, I looked in a local suburban newsagent's shop for *Extra* but did not find it. I have since discovered that I was too naive; I looked under the heading 'Adult publications' and it was not there. It was in fact under the heading 'Children's publications'. I suppose that adds up because it was directed at children. I have the package on my desk, complete with free condom.

I would also mention that the sex guide has a section on gay sex, and I quote, 'What's the difference between gay and straight relationships? Not a lot really.' The action proposed by Dr Reisman for State and Federal Governments included:

Recall existing stock of current (November 92) issue with its Family Planning Association approved 'Young Person's Guide to Sex' plus free condom. The condom given to children with this magazine is particularly dangerous, as no lubricant is provided and children do not lubricate naturally. This condom will break.'

With AIDS and nasties like that around, I suggest that is rather serious. My questions are:

1. Is this publication classified in South Australia and, if so, in what category?

2. If it has not been viewed by the board, will the Attorney draw it to the board's attention?

The Hon. C.J. SUMNER: South Australia usually follows the classifications which have been made by the Commonwealth censor. I do not know whether this magazine was classified and, if so, in what category. It has not been drawn to my attention previously. I will have that matter examined and bring back a reply for the honourable member and, if need be, I will refer the matter to the Classification Publications Board.

WORKERS COMPENSATION

The Hon. J.F. STEFANI: I seek leave to make a brief explanation before asking the Attorney-General, representing the Minister of Correctional Services, a question about workers compensation claims.

Leave granted.

The Hon. J.F. STEFANI: Last week the Minister of Correctional Services (Hon. R.J. Gregory) tabled the 1991-92 annual report. The report indicated that the number of work injuries increased by 13.5 per cent from 456 to 518. The total cost of workers compensation claims for the same period increased from $4.6 million to $5.8 million and at the same time common law claims also reflected an increase of 52 per cent to $396 111. Given that the cost of workers compensation claims has nearly trebled over a four-year period, my questions are:

1. What preventive programs have been implemented to reduce work injuries within the Department of Correctional Services?

2. Can the Minister advise what action has been taken by management to avoid unnecessary exposure of employees to physical and mental abuse within the prison system?

3. Can the Minister advise if the injury projections for 1992-93 are on the increase?

4. Will the Minister ensure the correction of the date on the statistical table for occupational health and safety information, which should read 'from 1 July 1991'?

The Hon. C.J. SUMNER: I will refer that question to my colleague in another place and bring back a reply.

WORKCOVER

The Hon. J.C. IRWIN: I seek leave to make an explanation before asking the Attorney-General, representing the Minister of Labour Relations and Occupational Health and Safety, a question about WorkCover.

Leave granted.

The Hon. J.C. IRWIN: In the Federal Budget in August the Prime Minister announced the local government capital works program. From this Federal grant South Australia was allocated $35 million going to council areas with high unemployment. Although founded on unemployment figures, the Australian Local Government Association was successful in changing the original scheme from an unemployment scheme to a capital works scheme. Some 59 councils in South Australia are receiving funding for capital works programs in their area.

Part of the conditions of the program is that councils must contribute up to 20 per cent of their own money, the money must stimulate the local economy, it must be used to create local jobs, and there must be a high use of local labour, goods and services.

In South Australia local councils are in a unique position regarding workers compensation. A number of councils are still paying off workers compensation as a result of the RED scheme. Because of the difficulties that councils have experienced with workers compensation, the majority of councils have decided to contract out the local government capital works projects. I am amazed to learn that WorkCover has decided to charge all contractors who have been chosen by councils to do these projects a 10 per cent WorkCover levy. I believe that the standard rate at the moment for WorkCover charges is about 3.5 per cent, depending on the type of work and injury record of that company or individual.

The charges for local capital works programs in Victoria for WorkCover are the same as the standard industry levy rate. There will not be an increase in the levy for capital works programs in Victoria as there is in South Australia. A few examples of Victoria's charges are: bricklaying, 5.78 per cent; non-building construction non-private, 4.78 per cent; non-residential building construction, 5.78 per cent; parks and zoological gardens, 5.78 per cent; and plumbing and draining 3.95 per cent.

In New South Wales the levy is set after making allowances for a higher incidence in claims and higher premiums, and they are anticipated to be marginally above the standard industry levy rate. The local council rate in New South Wales is 3.1 per cent. The rate will be set depending on the type of work done, but it is not expected to be far from the standard industrial rate levy in New South Wales. My questions are: how can WorkCover justify charging 10 per cent for work under the local government capital works program, when it would be charging a lot less for contractors and their workers to do exactly the same work when not directly

employed on a local capital works scheme; and does the Minister agree that, with a charge of 10 per cent or more under this arrangement, the extent of the capital works program will be reduced? For example, on a $1 million labour charge within a particular job, that levy would take out $100 000 and, if it was 3.5 per cent, it would take out $35 000—a difference of $65 000 which could have been spent on capital works or employment.

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

HILLS FACE ZONE

The Hon. BERNICE PFITZNER: I seek leave to make a brief explanation before asking the Minister representing the Minister of Environment and Land Management a question about the hills face zone.

Leave granted.

The Hon. BERNICE PFITZNER: It has been suggested that this Government is trying to transfer power of planning decisions in the hills face zone from State Government to local councils. Last year this was attempted and parliament successfully voted to disallow this move. The hills face zone, like the Adelaide parklands, is sacrosanct, and active measures must be in place to prevent its being carved up for development. When this Government launched the Metropolitan Open Space System (MOSS) some seven or eight years ago, the hills face zone was said to be its cornerstone. MOSS was supposed to be the second generation parklands for people who lived in the outer suburbs. If the planning decision is to be left to local councils, from the previous track record not much of the hills face zone will remain as open space. This will have a detrimental effect on the concept of MOSS. My questions are:

1. Can the Minister confirm whether this transfer of power to local councils in relation to the planning authority of the hills face zone is being reconsidered?

2. If so, what is the new rationale behind this second attempt?

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

PRIMARY INDUSTRIES DEPARTMENT

The Hon. PETER DUNN: I seek leave to make a brief explanation before asking the Minister representing the Minister of Primary Industries a question about staffing.

Leave granted.

The Hon. PETER DUNN: It has come to my attention from a primary producer on the far west coast that the Primary Industries Department is looking at taking away the agricultural adviser from Streaky Bay and from Lock. He was rather perturbed about that and thought that, as agriculture has been under some pressure in recent years, it was not the time to be doing that. So, if there are to be cuts in agricultural advisers in country areas, will the Minister tell me how many will be cut and where? If there are to be cuts, will any occur in the administration offices in the administration centre and, if so, how many?

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

LEGAL AID

The Hon. K.T. GRIFFIN: I seek leave to make an explanation before asking the Attorney-General a question about legal aid.

Leave granted.

The Hon. K.T. GRIFFIN: I understand that the week before last the High Court handed down a decision in a criminal case, and the essence of the decision was that every person appearing on a criminal charge is entitled to legal representation and that, if that legal representation is not available—if the person is not able to pay for it—the matter is to be adjourned. The speculation in consequence of that decision was that, if in some cases legal aid was not available, some persons charged with serious offences might never come to trial.

Of course, the other aspect of this, which is interesting, is the extent to which this will add costs to the whole legal aid system with the requirement for either State or Federal Governments or both to make additional funds available to defendants in criminal cases or whether it will mean a reallocation of priorities so that it is only in criminal matters that legal aid will be granted, rather than also in some civil matters. Has the Attorney-General made an assessment of the likely consequences of that High Court decision in respect of legal aid; and is it likely to mean additional funds being required from State or Federal or both Governments to ensure that the basic right which the High Court has said defendants in criminal matters have will be realised and that cases are not adjourned in the event of no legal aid being available?

The Hon. C.J. SUMNER: I have not yet studied this judgment or its implications, but I will be doing so, obviously, and I will respond to the honourable member thereafter.

SOUTH AUSTRALIAN FILM CORPORATION

The Hon. DIANA LAIDLAW: I seek leave to make an explanation before asking the Minister for the Arts and Cultural Heritage a question about Film Corporation productions.

Leave granted.

The Hon. DIANA LAIDLAW: During the Estimates Committees in September, the Minister will recall that questions were asked about the South Australian Film Corporation's projected income and expenditure this financial year, and that the Chairman, Mr Bachmann, said:

> On the plan that we have developed for the year 1992-93, with no production occurring, we could be looking at a cash deficit of around $192 000.

On the weekend, the Basil Arty column in the *Advertiser* speculated that the corporation was having trouble with the film *Angel Baby,* which was to star Nicole Kidman. I

have since confirmed that this project is likely to be abandoned, following an offer by the corporation to return the script to the writer in the US on condition that the writer reimburse the corporation for the development costs that have been incurred to date. It would be bad news for the corporation if this production was abandoned; it already has to defer production of the series *The Battlers* until June next year. Initially, filming on that was to have commenced by now. So, I ask the Minister:

1. Can she confirm that at this time the South Australian Film Corporation has no production scheduled to occur this financial year?

2. If this is so, based on the Chairman's financial forecasts in September, what action is the corporation now taking to minimise a projected cash deficit of $192 000?

3. What legal, development and administrative costs has the South Australian Film Corporation incurred to date on the production of *Angel Baby*? I appreciate that the Minister may have to bring back replies on that question. I also ask:

4. What has the corporation paid to date to the writer of the *Angel Baby* script, including funds arising from his decision to sue the corporation?

The Hon. ANNE LEVY: Obviously, I will have to seek a report on the detailed information that the honourable member has requested. Certainly, I do not have such details with me. I point out that the reply that I provided to the honourable member about three-quarters of an hour ago indicates that at this time *The Battlers* is expected to start next March, not June—

The Hon. Diana Laidlaw interjecting:

The PRESIDENT: Order!

The Hon. ANNE LEVY: Next March is when work on *The Battlers* is expected to begin. I certainly have no information to suggest that that is not correct.

The Hon. Diana Laidlaw interjecting:

The PRESIDENT: Order! The honourable Minister.

The Hon. ANNE LEVY: I must also say that 15 June, which the honourable member mentioned, is in this financial year, so far as I am aware—unless she is suggesting that the dates of the financial year have been altered. If so, that has not been conveyed to me. As I understand it, the film *Angel Baby* was not taken into account in the calculations or forecasts made by the corporation, so whether that film proceeds or not will make no difference whatsoever. As to the detailed queries, I will bring back a report when I have obtained the figures, which will answer the honourable member's question.

REPLIES TO QUESTIONS

READING RECOVERY PROGRAMS

In reply to **Hon. R.I. LUCAS** (27 October).

The Hon. ANNE LEVY: The Minister of Education, Employment and Training has provided the following response:

1. The Education Department recognises that there are aspects of the reading recovery program, which when used in the context of an holistic literacy program will contribute to the improvement of students' literacy skills. Many of the teaching strategies contained within the reading recovery program are already in daily use in schools throughout South Australia and have been so for many years.

The Education Department's Literacy Task Group has considered available information regarding the reading recovery program and whilst recognising the potential benefits of aspects of the program, the task group has expressed the following reservations:

- the tight structure of the program focuses on a narrow range of word identification and reading skills at the expense of reading for meaning, writing and oracy. If the program is taken in isolation such a focus jeopardises the development of a broad range of literacy skills;
- the withdrawal of students from classrooms for intensive one-to-one assistance is considered less desirable than support which is sustainable within, and supportive of, classroom programs which enable students to maintain normal teacher and peer interaction;
- the program adopts a view of parent participation which is more limited than that which has been encouraged in recent years;
- the significant costs involved in training tutors and then funding tutors throughout the program make it less cost effective than strategies which build upon the skills and expertise of teachers responsible for developing literacy within the context of the broad curriculum;
- evidence regarding the long-term success of the program is conflicting.

On the basis of present information the Education Department offers no formal endorsement of the reading recovery program.

2. No formal review of reading recovery is intended. Rather, the Literacy Task Group will continue to monitor and report on reading recovery programs along with others aimed at increasing students' literacy skills.

A statement outlining the Education Department's position will be published in the Literacy Task Group's newsletter and advice regarding the program will be updated as monitoring continues.

BUSINESS EDUCATION

In reply to **Hon. R.I. LUCAS** (27 August).

The Hon. ANNE LEVY: The Minister of Education, Employment and Training has provided the following response:

1. Shortages may occur from time to time where it is not possible to fill a particular vacancy in a particular school or area. Such shortages are transient and are affected by the time of the year and where a vacancy exists. It is rare that schools request Accountancy only and it may be the combination of subjects requested which contributes to difficulty in filling a specific position, for example, Accountancy/Legal Studies, Accountancy/Business Education or Accountancy/Word Processing.

The decision to cease funding a salary to support the Graduate Diploma at Magill was based on the relatively small number of those participating in the course being employed by the Education Department. While it has occasionally been difficult in certain locations to fill immediately some vacancies which identify Accountancy as part of the teaching duties, the situation does not warrant the reintroduction of salary support for the Graduate Diploma at Magill Campus of the University of South Australia.

2. In 1990, 1991 and 1992 there have been 12 full-time release time scholarships. These are generally allocated for teachers in areas of need. For 1993, the Curriculum Directorate has recommended that all 12 Scholarships be allocated to LOTE (Languages other than English). While it is an issue of prioritising resources, Business Education is considered in that HECS exemptions exist for teachers studying in that area.

3. The cost of the salary was equivalent to a Step 12 teacher salary, that is $39 155 in 1992.

The cost of the course for seven teachers was $6 000. It should be noted that this course was not intended as an alternative to training or study in Accountancy. It was an initiative of the Mid-North Secondary Education Co-operative to meet a particular need .in that area. It constituted professional development and support for the Year 12 PES course in the area and was aimed at updating existing teachers in the region who

had some existing knowledge, background and qualifications in Accounting.

RAILCARS

In reply to **Hon. J.C. BURDETT** (21 October).

The Hon. BARBARA WIESE: The reply is as follows:

1. Yes. The new railcars are being delivered at the contract rate of 10 units per year.

2. Yes.

3. Not applicable.

LONG SERVICE LEAVE

In reply to **Hon. J.F. STEFANI** (22 October).

The Hon. C.J. SUMNER: The Minister of Labour Relations, Occupational Health and Safety has provided the following response:

1. The Construction Industry Long Service Leave Board has recently forwarded to the Minister of Labour Relations and Occupational Health and Safety a report on an actuarial review of the Construction Industry Fund and Electrical and Metal Trades Fund as at 30 June 1992. This report was recently tabled in the House of Assembly.

On the recommendation of the Board, it is proposed to reduce the levy rate of the Construction Industry Fund from 1.5 per cent to 1.25 per cent from 1 January 1993. The regulations will be amended shortly to prescribe the new rate. The Board has also foreshadowed it is likely the Construction Industry Fund and Electrical and Metal Trades Fund will combine during 1992-93. At that time the current Electrical and Metal Trades Fund levy of 2.5 per cent will reduce to 1.25 per cent.

2. On the recommendation of the Actuary, the Board is reviewing its investment strategies. As indicated in the Board's Annual Report, the Board is currently considering placing a small part of the Funds with professional fund managers.

In view of the uncertain economic outlook and likely revised investment strategy, it is considered unrealistic to estimate rates of return on investments over the next three years.

POLICE OPERATIONS

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

The Hon. C.J. SUMNER: The Minister of Emergency Services has provided the following response:

1. A Traffic Services Policy Statement exists which directs police personnel engaged in speed camera duties not to park the police vehicle on private property. In the matter cited in the House, the unmarked police vehicle was legally parked on Burbridge Road causing no obstruction to traffic.

2. Written instructions are in existence requiring police personnel engaged in speed camera duties and radar duties to consider that the placement of a radar site is safe for both the general public and the members themselves. Traffic police supervisors have written instructions to ensure that these operational practices are being complied with.

STATE BANK

In reply to **Hon. J.F. STEFANI** (8 October).

The Hon. C.J. SUMNER: The Treasurer has provided the following response.

1. The State Bank has fully provided for losses associated with the Myer/Remm project. The bank commissioned an independent valuation of the Myer/Remm project as at 30 June 1992 which valued the building at a figure substantially higher than that set by the Valuer-General for rating purposes. Full provisioning has been made to write the value of the building down to this independent valuation.

2. Provisioning was made in both the 1991 and 1992 financial periods according to information and/or valuations as at those dates.

3. The total amount written off by the State Bank against the Myer/Remm project is $210 million. Additional provisions and losses of $226.4 million have been incurred taking the total loss of the bank to $436.4 million. This loss is fully reflected in the value at which the project is held in the accounts of the bank.

COURT SERVICES DEPARTMENT

In reply to **Hon. K.T. GRIFFIN** (28 October).

The Hon. C.J. SUMNER: The reply is as follows:

1. The major reason for the increase in work injuries reported in the Court Services Department are as follows:

- A number of incidents involving security guards with members of the public at various courts.
- Ongoing occupational overuse syndrome problems, particularly with magistrate's clerks.
- Occupational health and safety training of staff creating a greater awareness of such issues resulting in a willingness of staff to report not only occupational 'accidents', but also occupational type 'incidents'. Both accidents and incidents are included in the number of reports recorded.
- Introduction of a new 'incident report' system as part of a wider preventative program.
- Stress claims directly attributable to some members of staff not being able to cope with the numerous changes brought about through increased technology and workloads in some areas.

The following steps are being taken to minimise such injuries in the future:

- Further training, first, for managers, supervisors and OH&S representatives and, secondly, for all staff, as part of an overall preventative strategy to minimise accidents and injuries in the future.
- In relation to occupational overuse syndrome problems, a review of work practices of magistrates' clerks was undertaken. As a result of the recommendations of this review new work practices have been put in place to overcome high risk areas involved in their work. In addition, continual reviews are being undertaken of work stations, including the ergonomic assessment of equipment, and remedial action being taken as required.
- Preventative measures to overcome stress related injuries have been introduced by providing additional on-the-job training in areas which have caused concern, improving communication through team building, providing stress management courses for staff, and introducing an employee assistance and early intervention program.
- Additional training programs have been introduced for security staff with a view to addressing problems that arise from time to time with hostile members of the public.

2. The major component of training initiatives in the 1991-92 financial year was mainly directed at occupational health and safety staff representatives (750 hours) and a number of managers/supervisors (150 hours). Whilst the overall awareness of occupational health and safety issues has improved considerably throughout the department as a result of this training, the amount of training undertaken on an overall departmental basis has been minimal at this stage.

However, the effect of the training undertaken in the 1991-92 financial year has been most encouraging. There is an obvious increased awareness by all staff of occupational health and safety issues. However, further ongoing training is required to ensure the work injuries are minimised in the future. Further training courses are planned for the 1992-93 financial year.

It is important to note that whilst statistically the actual number of reported 'accidents' increased, the actual number of staff who lost time because of an actual 'injury' reduced from 43 to 42 in the 1991-92 financial year. Of the 42 cases seven of these related to injuries sustained in work journey accidents.

Further, a comparison of the total number of hours lost through injuries shows a decrease of 27 per cent from 13 642 to 9 998 hours.

These figures illustrate that the preventative, early intervention and rehabilitation training programs are already having a marked effect upon the department.

DISABLED PERSONS

In reply to **Hon. M.J. ELLIOTT** (14 October).

The Hon. C.J. SUMNER: The Minister of Labour Relations and Occupational Health and Safety has provided the following response:

This Government has introduced major legislative changes which are aimed at assisting persons with a disability.

The Equal Opportunity Act (S.A.) 1984, was amended in 1990 to bring persons with an intellectual disability under the protection of the Act.

The South Australian Equal Opportunity Commission has been wholehearted in its efforts to disseminate information regarding equal opportunities for persons with disabilities and has assumed a proactive role in the matter of bringing about attitudinal changes towards persons with disabilities. The activity of the Equal Opportunity Commission enhances the employment opportunities for persons with a disability, in the private sector employment market.

The Employer of the Year Awards in the disability area are awarded on the basis of achieving both integration and inclusion for workers with disabilities. By this is meant it is not enough to just place workers with disabilities in open employment, they must also be engaged in meaningful work at rates of pay commensurate with their contribution to the organisation.

Recent legislative changes to section 89 of the Industrial Relations Act (S.A.) 1972 facilitate Commonwealth initiatives in the area of workers with disabilities in supported employment It provided for the integration of workers with disabilities who require support into open employment through the staged introduction of these workers into the award system, once a wage structure consistent with the Disability Reform Package has been agreed on. Of course, there is currently nothing preventing individual workers obtaining section 88 'slow worker permits' when placed in open employment, which allow for the payment on non-award wages if the worker is assessed to be not fully productive at the required tasks.

This Government has been active in the area of facilitating persons with disabilities in getting to and from their place of work. The allocation of $2.825 million for Access Cab funding in the 1992-93 State budget indicates further how this Government's Social Justice Strategy is being implemented with respect to persons with disabilities.

I turn now to the second part of the question in which the honourable member asked for an investigation as to why in 1992 nobody in South Australia won an award in Category 'A' of the Prime Minister's Employer of the Year Award.

There were only five South Australian entrants for the Category 'A' awards. All were private sector entrants.

The awards are made to companies for their commitment to employing people with a disability, in the open labour market, providing them with the opportunity to prove themselves as valuable and productive members of the work force.

The competition for the awards was widely publicised in newspapers and in the *Business Review Weekly* magazine.

Firms are free to nominate themselves.

Winners of individual State awards are eligible to nominate for the National Awards.

The National Category 'A' award was won by Dixon Leather, a small Queensland footwear company, with a total staff of 96 of whom seven were persons with disabilities including six with intellectual disabilities.

All receive award wages and conditions, participate fully in their workplace and carry out tasks which range from drying hides to supervising machinery staff.

The reason as to why a South Australian firm did not win a Category 'A' award, at either the State or the national level, appears to be related to the fact that only a handful of firms applied and these were faced with high standards which resulted from stiff competition.

EASTERN STANDARD TIME

In reply to **Hon. R.I. LUCAS** (6 November).

The Hon. C.J. SUMNER: The Minister of Labour Relations and Occupational Health and Safety has provided the following response:

On pages 25 and 26 of the KPMG report on the State Business Climate Study the issue of our distinctive time zone, half an hour behind the eastern States was raised. This study formed part of the Arthur D. Little report, but Eastern Standard Time (EST) was not discussed in the main volume of the Arthur D. Little report. The Government announced its commitment to the adoption of EST as part of its response to the interim Arthur D. Little report.

ROAD FUNDING

In reply to **Hon. DIANA LAIDLAW** (22 October).

The Hon. BARBARA WIESE:

1. In 1992-93, as at the end of September, the Department of Road Transport had received $7.225 million from the Federal Government under the 'One Nation' funding package.

The $7.225 million consists of:

$2.2 million—National Highways
$2.575 million—National Arterials
$2.450 million—Blackspots.

The department had expended $1.5 million of this sum at the end of September. The expenditure has been in the following areas:

$200 000—National Highways
$650 000—National Arterials
$650 000—Blackspots.

2. The Minister for Land Transport, Mr Brown, requested additional information on this State's program for projects planned under the 'One Nation' initiative. I have forwarded Mr Brown all the required information. In addition, the Department of Road Transport is working closely with his office regarding this matter. I therefore do not expect any further problems to arise that will threaten this State's promised road funding.

Expenditure of the Federal funds has been slow due to the unseasonably high rain fall experienced by this State during the past few months. However, I expect that with better weather, expenditure of funds will not be a problem and Mr Brown will be satisfied with our progress.

3. No.

FRUIT AND PLANT PROTECTION BILL

In reply to **Hon. PETER DUNN** (27 October).

The Hon. BARBARA WIESE: Under the proposed clause 13 (4) (5), the Minister would have no authority to approve the importation of plants or diseases direct from overseas, for example, biological control agents against Salvation Jane, since such approval can be granted by the Federal Minister of Primary

Industries and Energy under the Commonwealth Quarantine Act 1908.

Clause 13 (4) (5) would enable the Minister to allow the importation of plants and diseases which are present interstate but are prohibited entry into South Australia, for scientific purposes provided there is industry and scientific community support for importation.

Without this clause 13 (4) (5) sterile fruit flies could not be imported into South Australia for use as an eradication technique. The current 'baiting technique' used in fruit fly eradication is being viewed with increasing community concern since the bait contains 1 per cent malathion, 2 per cent protein hydrolysate and 97 per cent water.

PORT LINCOLN SEWAGE TREATMENT WORKS

In reply to **Hon. PETER DUNN** (14 October).

The Hon. ANNE LEVY: The Minister of Public Infrastructure has provided the following comments in response to the honourable member's question concerning the Port Lincoln Sewage Treatment Works:

No apology is necessary. When Cabinet approval for construction of the Port Lincoln Sewage Treatment Works was announced last May, the then Minister of Water Resources announced that on-site work would begin before the end of 1992 and the plant was expected to be completed by mid-1994. Due to some necessary adjustments in the E&WS capital works program, on-site work is now due to start in February 1993, and completion is scheduled for late rather than mid-1994. This is a minor delay and there is no lessening of the Government's commitment to end the discharge of untreated sewage into the sea off South Australia.

ROAD MAINTENANCE

In reply to **Hon. PETER DUNN** (8 October).

The Hon. BARBARA WIESE: The Department of Road Transport is currently reviewing both the funding and operations of its gangs involved in maintenance and upgrading of the unsealed roads in the outback as part of an evaluation of its Local Communities Access Program. Although the evaluation is not complete, results to date indicated the need to restructure the outback roads work force and this has now occurred.

Reference was made to the withdrawal of maintenance gangs from Coober Pedy, Yunta and Marla.

In fact, the Coober Pedy maintenance gang is still operating and now incorporates the Marla gang which has been reduced in size. The Marla depot has been retained by the department and employees work out of this site according to road maintenance demands.

In addition, a new four-person dual grader patrol operating full time out of Coober Pedy has been created and replaces the part-time, single grader patrols which were attached to the Coober Pedy, Marla and Oodnadatta maintenance gangs. This has resulted in a more mobile and better equipped work force.

The Yunta maintenance gang is still operating and maintains roads in the eastern pastoral area in conjunction with the Flinders Ranges patrol gang.

The Yunta, two-person single grader patrol has been withdrawn on a trial basis only. If it is necessary to permanently supplement resources to maintain an adequate level of service in the area, the Yunta patrol gang will be reinstated.

The department is continuously monitoring the demands of the road network and its stakeholders to ensure that the allocation of resources and level of service provided is flexible, appropriate and equitable.

With regard to funding, approximately $8.5 million has been programmed for expenditure on the far northern unsealed roads in 1992-93. In addition to funds spent on the unsealed roads, approximately $4 million is programmed to be spent maintaining and rehabilitating sealed roads in the outback area (defined as that area outside council districts). In total, these expenditures represent roughly 7 per cent of the total expenditure which the department has programmed on road construction and maintenance throughout the State.

The department has assessed that this level of expenditure is necessary in order to maintain outback roads in a safe and trafficable condition given the local environment and the level and type of traffic on these roads.

In comparison, the outback area is estimated to provide around 4 per cent direct contribution to State gross product, the overwhelming majority of which comes from the mining sector. The total contribution would be higher allowing for considerable flow-on effects.

Although traffic flows are very seasonal, even the most highly trafficked roads like the Strzelecki Track are estimated to carry less than 80 vehicles per day on an adjusted average daily basis. Assuming funds were available to seal roads in the area and taking into account the savings in road user costs which would accrue, average daily traffic volumes of the order of 200-300 vehicles are required to justify such work in cost-benefit terms. Even is sealing could be justified, the actual cost is equivalent to an annual increase in road funds of the order of $20 000 per kilometre per year or $8.5 million per year to construct and maintain a sealed Strzelecki Track. With so many other pressing demands on State funds, an increase in expenditure on outback roads to this extent is difficult to justify.

Nevertheless, the department recognises the importance of roads like the Strzelecki Track to the State, and will continue to monitor advances in low cost road construction technology with a view to making road improvements which are cost beneficial.

TERRACE HOTEL

In reply to **Hon. L.H. DAVIS** (20 October).

The Hon. C.J. SUMNER: The Treasurer has provided the following response:

1. No. Most 5-star hotels have luxury limousines available for their clientele. Another prominent Adelaide hotel, for example, has two vintage Rolls Royces.

2. This matter has been investigated. The October 1989 edition of 'Glass's Vehicle Guide' shows that based on the assumption that the vehicle had done 60 000 kilometres (that is, 15 000-20 000 kilometres per annum for a three year old vehicle) the retail value for the same model as that owned by The Terrace was $245 000. The Rolls Royce purchased had done only 5 000 kilometres putting its value much closer to the $280 000 quoted for a new 1986 Rolls Royce.

3. The cost of service and maintenance since November 1989 (one month after purchase) has been approximately $2 500 per annum.

4. The cost of enclosing a single parking bay to securely house the Rolls Royce was $3 800. This was considered essential given the value of the vehicle and the fact that the car park housing the vehicle was open to public access.

FINANCIAL INSTITUTIONS DUTY

In reply to **Hon. L.H. DAVIS** (20 August).

The Hon. C.J. SUMNER: The Treasurer has provided the following response:

Financial Institutions Duty is payable at a flat rate of .1 per cent on deposits other than amounts received in the course of short-term dealings.

The amount of duty payable on short-term dealings (amounts of $50 000 or more invested for less than 185 days) is calculated at a lower rate, .005 per cent of the average monthly balance of the account.

The investment of $50 000 over seven days would therefore attract 56 cents duty ($\frac{50\ 000 \times 7}{31} \times .005$ per cent) not $1.12 as suggested in the question.

FID on short-term dealings is calculated on a uniform basis in all States. The concessional treatment of such dealings is designed to facilitate the continued operation of the short-term

money market. There is no way of defining this market precisely and so the States jointly settled on a figure of $50 000 as the minimum to qualify for the concessional rate.

People dealing in lesser amounts are implicitly regarded as being unlikely to be regular investors of funds on a short-term basis. The situation described in the honourable member's question would therefore be expected to arise only infrequently.

For sums of less than $50 000 the position in the other States is only marginally different from the position in South Australia. At the most common rate of FID (.06 per cent) a sum of $40 000 would have to be invested for at least five days to produce a return which exceeded the amount of FID payable. In South Australia the minimum term would be eight days.

With any transactions tax such as FIID the disincentive effect is smaller the longer the period of time for which the money is invested. FID is not therefore considered to be a major disincentive to the sort of investment which will have most benefit for the nation.

SUPPORTED RESIDENTIAL FACILITIES BILL

In Committee.

Clauses 1 and 2 passed.

Clause 3—'Interpretation.'

The Hon. R.J. RITSON: I proposed to move this amendment because I believed that the proprietor was put in an invidious situation if, because of deterioration of a resident's health, the person became in need of personal care and the proprietor felt prevented by law from giving such care. I raised the point that the term 'for a short term' was a rather indefinite length of time, and that such a proprietor ought to be allowed to give the care, rather than being prevented by law from giving the care, provided that he or she was making genuine attempts to have the person properly placed.

The Government takes the view, using statistics quoted with respect to the average waiting time to get into a nursing home, that it is only for an average of about nine days that such care would be needed before placement would occur and that the existing wording of the Bill would permit a proprietor in goodwill to give such care. I did observe that the Minister used the words 'eight point something days from the date of approval for admission to nursing home'.

I am still a little concerned because, in the first place, many of these people require only personal care, not nursing care, and would not qualify for approval for admission to a nursing home. They would have to seek hostel or rest home accommodation.

We do not know how many people there will be. Obviously, the Government believes that there is a problem with frail people being neglected in sleazy lodgings other than nursing homes and rest homes. It could well be that the pressure on that type of accommodation could require quite some time, weeks or a month or two, before placement is made, particularly if the operation of this Act coincides with the closures of the back wards of Hillcrest. So we just do not know. If we come back to the statistics on waiting times for entry to nursing homes, in relation to the figure that was given I distinctly remember the Minister using the words 'from the date of Commonwealth approval'. Well, a whole lot has to happen before Commonwealth approval, Generally, the chain of events is that the person giving current care, recognising that it is beyond them, seeks the attendance of a medical practitioner, the medical practitioner then fills out forms and they are forwarded to a Commonwealth officer. A medical examination on the part of the Commonwealth is carried out and the approval is subsequently given, and then the Minister's 8.9 days—or number of days average—would start to run, from the date of approval, after the initial decision, application, medical examination, and rumination by the Commonwealth medical authorities.

So I still have a concern about the meaning of 'short term' and about the usefulness of applying nursing home statistics to placements which substantially are going to be in non-nursing home accommodation. I also have some unease about whether the impact of the legislation itself, if it achieves its goal of getting some of these people out of unsatisfactory accommodation, will indeed alter the figures for the timing. However, I recognise that this Bill breaks new ground and that it is an all embracing Bill.

The Government has attempted to cross all the t's and dot the i's; and throughout the Bill one can find question marks, because it is indeed largely untried. I have decided that I will not move my amendment, but merely express my concern about the potential for delays. I think the Government deserves to have the legislation, to get it on the ground and, if need be, I am sure that a wise administration, in the light of experience, when it gets on the ground, will come to grips with these problems in a just way. If necessary, subsequent Governments could bring it back for fine-tuning. However, I think what is needed, with certain caveats and questions at this stage, is to give it a chance on the ground and then to deal with the problems as they arise. I will not be moving my amendment, therefore, for those reasons.

Clause passed.

Clause 4—'Application of Act.'

The Hon. BARBARA WIESE: I move:

Page 3, lines 39 to 41—Leave out paragraph (e).

As members will see, I have a series of amendments on file in respect of clause 4. They all relate to one concern, which was raised by members during the course of debate, and which matter has also been raised by the Institute of Environmental Health. As I understand it, the concern is that, unless local government has the power to license nursing homes and hostels and organisations of that sort, it is quite possible that the quality of care will be reduced in those places. The Government is of the opinion that that is not likely to occur, because under Commonwealth legislation numerous mechanisms are in place which enable proper monitoring of these facilities.

This legislation also provides mechanisms whereby hostels and other organisations which for some reason or other begin to operate in an unreasonable way can actually be brought back within the ambit of this legislation. Nevertheless, I understand that discussions have taken place between members of the Legislative Council and the Minister of Health, which have led to the drawing up of the amendments that are on file. I understand that these have the general agreement of all the members who took part in those discussions on this

question and I hope they provide the assurances that honourable members were seeking in regard to adequate controls on hostels and nursing homes.

The Hon. BERNICE PFITZNER: I was one of the members who had concerns about clause 4(2)(e), and although I support wholeheartedly the thrust of this Bill, which is to upgrade supported residential facilities, I was very concerned about the absolute exemption of Commonwealth subsidised nursing homes, which really account for 95 per cent of most of the nursing homes in this State. It seems g little illogical to me that in a commendable Bill like this, which upgrades these facilities, we should exempt 95 per cent of nursing homes.

The amendment is an improvement on the present situation because it does not automatically exempt the 95 per cent of nursing homes. The Minister has to confer an exemption from this Act and he or she must be satisfied with the adequacy of Commonwealth monitoring. That is my concern because I know that in the eastern suburbs the Eastern Metropolitan Regional Health Authority already monitors about 60 Commonwealth subsidised nursing homes and I wonder whether the Commonwealth has officers who will as adequately monitor those nursing homes as has local government. Does the Minister know whether the Commonwealth has the relevant officers to monitor these outcome standards for almost 95 per cent of nursing homes in this State?

The Hon. BARBARA WIESE: As I understand it, the Commonwealth has sufficient staff to be able to monitor these premises. I refer the Hon. Dr Pfitzner to comments I made in my second reading response, which indicated that most nursing homes and hostels are inspected on an 18 month to two year cycle. Should a problem arise with any of those premises, more frequent monitoring and visits can be and are paid to those premises. The Government believes that sufficient people are employed by the Commonwealth to undertake the monitoring function as required and we do not envisage any problems with it.

The Hon. R.J. RITSON: Very late in the presentation of this Bill, which has a history of one or two years consultation behind it, a difference of opinion arose between two groups: the Institute of Public and Environmental Health (which I understand is representative of the health inspectors as a group) and the Nursing Homes Association. One group (the institute) claimed that the nursing homes are indeed in need of frequent and intensive oversight by local government health inspectors. The other group (the Nursing Homes Association) claimed that they are the most over-regulated, inspected, disinfected, watched, complained about group of institutions in society and feel that they do not need an additional layer of bureaucracy. Apart from being inspected by the Commonwealth, they are inspected daily by friends and relatives of inmates. It is an emotional area and complaints can be and readily are made. The Nursing Homes Association has a complaints authority to deal with such complaints.

So, the Parliament found itself between those two lobbies, each with a principle and each with a vested interest. I note that it was always the Government's intention to exempt the nursing homes and Commonwealth funded hostels by regulation and it was only in the House of Assembly, where it was inserted as an amendment into the principal Act, that discussion arose about these two viewpoints.

Prior to that it was intended to exempt by regulation (and I was advised that most of the principal players were aware of that). Indeed, the Minister provided me with answers to some questions about funding in this area that I asked during the estimates debates, well before we saw this Bill. One of the answers about funding in relation to local government stated that there would be 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. The answer was given before the Bill hit the floor of this place, so at least in the mind of the Government it was nothing new—the new thing was that in the other place it was put explicitly into the principal Act.

This amendment represents a compromise position, which provides the Minister with the option of its going back into the subordinate legislation field and being done by proclamation, but with the added proviso that the Minister needs to be satisfied that the degree of supervision is adequate. The local government authorities should not feel a sense of grieving that they are losing an area of authority. The inspectorial power in relation to habitability of buildings and public health factors of buildings still exist and, whether or not a licence is attached to the process of inspecting and enforcing, is not all that relevant. Substantial fines still exist under the Public and Environment Health Act, for example.

There will still be fire regulations and many other domestic things to be inspected. It was obviously thought that by relieving councils of the administration of a licence and processing the applications, renewal forms, and all that stuff, they would then be free to get on with inspecting real troubles. We will see later in the Bill they will be encouraged to enter and inspect properties which are not necessarily licensed premises. There will be a lot of new work for local government to do in relation to the real target of this Bill, which I suspect is the squalid boarding house. Although it took a few days of discussion and compromise to arrive at this position, the Liberal Party is prepared to support it as a good compromise.

Amendment carried.

The Hon. BARBARA WIESE: I move:

Page 4, lines 3 to 6—Leave out subsections (3) and (4).

This amendment relates to the issues that we have been discussing.

Amendment carried.

The Hon. BARBARA WIESE: I move:

Page 4, after line 11—Insert:

(5a) Without limiting the operation of subsection (5), the Minister may, by notice in the *Gazette,* confer an exemption from this Act in relation to Commonwealth subsidised nursing homes or aged care hostels if he or she is satisfied as to the adequacy of Commonwealth monitoring of outcome standards for residents.

(5b) Subsection (5a) is subject to the qualification that the Minister may, by notice in the *Gazette,* determine that an exemption conferred under that subsection does not apply in relation to particular premises specified in the notice.

(5c) The Minister may, at any time, by further notice in the *Gazette,* revoke a determination under subsection (5b).

Amendment carried

The Hon. BARBARA WIESE: I move:

Page 4, line 12—After 'subsection (5)' insert 'or (5a)'.

Amendment carried

The Hon. BARBARA WIESE: I move:

Page 4, line 15—After 'subsection (5)' insert 'or (5a)'.

Amendment carried; clause as amended passed.

Clauses 5 to 8 passed.

Clause 9—'Role of councils.'

The Hon. R.J. RITSON: I want to ask a few questions about funding. The clause describes the functions and roles of councils in enforcement. It was said that there will be no South Australian Government funding for the local government effort of inspection under this new law and that the funding would come from the licence fees. I recall that it was also said it would come from fines, which puzzled me, because I thought fines went into general revenue. However, the Minister may care to comment on that when she responds.

Does the Government have any estimate of the sort of licence fee that will be charged? I have been given an estimate of the overall cost to local government of $194 000. I do not know the physical distribution of these premises. It may be that one council will incur costs of $50 000. Obviously the Hawker council will not have large costs, but other councils may have very few premises requiring a licence under this system, yet they may have many problems. A council may have many boarding houses and houses that take in half a dozen lodgers. Whether or not they are licensed, the powers under section 42 may have to be exercised against those premises based on a complaint, for example.

How will the Government ensure that it does not place an uneven burden on councils? One council may have little to do, very few new staff to put on or very little increase in hours of staff, yet collect lots of licence fees, whereas another council may have to do a lot of inspecting and cleaning out of dubious lodgings because they have frail people requiring personal care living in them, yet not collect licence fees because those premises are not licensed. Alternatively, does the Government envisage different councils having a differential licensing fee within each district so that the licence fee within each local government area will reflect the burden on the council in that area?

The Hon. BARBARA WIESE: First, on the organisational arrangement and distribution of funding, I understand that when this legislation passes a working party will be established with representation from local government as well as Government to discuss how these functions can best be organised. There has already been some discussion about this with the Local Government Association. One idea that will be pursued through this avenue relates to councils in a particular region coming together for the purposes of cooperating and administering the requirements in their area. For example, in the eastern suburbs, the Eastern Regional Metropolitan Health Authority might be the body that would administer this legislation for the eastern suburbs. There would perhaps be a mechanism whereby agreement could be reached about the distribution of funding according to the needs of the region and of particular councils and the responsibilities that fall within their boundaries. The exact detail is still to be discussed, but it is intended that those discussions will take place and these cooperative arrangements will be encouraged through this working party.

I understand that the licence fees have not yet been determined, but they will be set by regulation. It is intended that a green paper on regulation will be released shortly and that will contain recommendations about an appropriate fee. It is true that revenue from fines will be placed in this pool for administering these functions.

The Hon. R.J. Ritson: How does that happen?

The Hon. BARBARA WIESE: The fines themselves will be paid to local government, and that revenue will be retained by local government for use for these purposes.

The Hon. R.J. Ritson: Will that be some sort of expiation fee-type fine? I thought that, if one breached the statute and was fined under the Act, the fine went into general revenue. What would happen if I was prosecuted for not paying my parking sticker?

The Hon. BARBARA WIESE: As I understand it, there has been an agreement in principle at this stage that the revenue will be kept by local government. The mechanism by which this will happen will be determined later, and I presume that the power will be made by regulation for this to occur. The agreement in principle has already been reached, and it is the intention that the revenue from fines will be collected by local government and retained by it for the purposes of administering this legislation. I think that covers the questions that were raised by the Hon. Dr Ritson.

The Hon. R.J. RITSON: I thank the Minister for her reply. It is in conformity with the Local Government Association's view of this aspect of the Bill, namely, that it really does not have an idea where the funding will go and how much it will cost. But, again, I fall back on previous remarks and say that the Opposition may press this matter further, because the aims are so laudatory that it will cooperate with the Government in getting it on the ground and trying to work it out in that working party.

The Hon. BARBARA WIESE: I would like to make just one additional point with respect to fines. It has just been brought to my attention that clause 52(5) provides:

A penalty for an offence against this Act that is recovered on the complaint of a council or an officer of a council must be paid to that council.

So, there is an empowering clause within the legislation itself, and it is intended that that will be the way it goes.

The Hon. BERNICE PFITZNER: As the Minister has referred to the Eastern Regional Health Authority, which, as we know, is the only regional authority here in the metropolitan area, the local council officers are at present already monitoring these nursing homes, so I have no difficulty about the payment. However, I have concerns about the training of these officers. As has been identified, these officers' traditional role has been to monitor and inspect the physical aspects of the premises, but not so much the personal care aspect. I wonder what kind of training has been thought about for these local council officers.

The Hon. BARBARA WIESE: With respect to the first issue relating to training, it is intended that a 10-day training program for authorised officers will be developed

and implemented following the passage of this legislation, and that it will be provided through the Local Government Training Authority. The intention would be that training relating to the monitoring of care would be amongst the issues covered by such a training course.

The Hon. BERNICE PFITZNER: Is the Minister aware that, if the Commonwealth subsidised nursing homes are to be exempt (and they constitute 95 per cent of the nursing homes), 95 per cent of the licensing fee that is at present received will not be available for the training of these officers?

The Hon. BARBARA WIESE: Yes, that is correct.

The Hon. BERNICE PFITZNER: Will there be sufficient funding, therefore, to train these local council officers as well as to pay some of the local councils that do not have these officers?

The Hon. BARBARA WIESE: As I understand it, it is believed that there will be sufficient funding to cover the responsibilities that are envisaged here and that the money will come primarily from three sources. One will be the licensing fees and the revenue from fines. Secondly, there will be a reallocation of inspectorial staff at the local government level following the passage of this legislation, where staff will be taken away from the work that they are currently doing inspecting nursing homes and hostels and redirected to some of the premises that are envisaged under this legislation.

Thirdly, a reallocation of responsibilities between State and local government in some areas is likely. They have not yet been determined and will be subject to the general negotiations that are taking place now between State Government and local government concerning their respective responsibilities. We can envisage, for example, that there might be some responsibilities which could be taken back by the State Government from local government and which would then free up resources to be redirected to the functions envisaged under this legislation. So, in all, it is believed that, with the reorganisation that will take place, there should be sufficient resources to fulfil the functions of this legislation.

The Hon. BERNICE PFITZNER: Am I to understand that there has not been a definitive feasibility study of the number of nursing homes that are expected to be supervised or monitored, nor of the number of officers who are to supervise and monitor at the State level?

The Hon. BARBARA WIESE: I understand that some indicative costings have been undertaken, and at this stage it is thought that there would need to be an additional 3.8 full-time equivalent employees over and above the existing local government staff. Of course, some more detailed work would have to be undertaken once the legislation passed to ensure that the calculations were accurate. If the honourable member would like to have access to the indicative calculations, I can provide that for her.

Clause passed.

Clause 10 passed.

Clause 11—'Establishment of the Committee.'

The Hon. BARBARA WIESE: I move:

Page 7, line 32—Leave out '12' and insert '13'.

Page 8, after line 8—Insert:

(da) one will be a legally qualified medical practitioner nominated by the Minister,.

These amendments arise from the concern expressed by the Hon. Dr Pfitzner, who felt that the advisory committee should have a legally qualified medical practitioner as one of its members. The Government has no objection to that proposal but believes it is desirable to add to the membership of the committee rather than replacing one of the existing members, as provided for in the Bill. For that reason, I am proposing that the advisory committee's membership be increased from 12 to 13 members and that one member should be a legally qualified medical practitioner nominated by the Minister.

The Hon. BERNICE PFITZNER: I move:

Page 7, line 36—Leave out 'three' and insert 'two'.

Page 8, after line 8—Insert:

(da) one will be a legally qualified medical practitioner nominated by the Minister.

The amendment reflects the priority of the need for a legally qualified medical practitioner on the committee. If one examines the aims and objectives of the Bill one sees that high quality care needs to be assessed and that reference is made to reasonable levels of nutrition.

In the circumstances a medical practitioner would contribute immensely to those principles. My priority is to have a medical practitioner on the committee, and the Minister and I have agreed to that. However, as to my second amendment, I believe that the advisory Committee is big enough. I believe it should comprise 12 members, and the Government is moving for 13 members. The aim of my first amendment is to keep the committee at 12 members.

The Hon. M.J. ELLIOTT: Two amendments are before the Committee, but neither mover has commended her amendment as being better than the other. I wonder if there is an overpowering argument to suggest that one amendment should be supported over the other.

The Hon. BARBARA WIESE: I would like to make a contribution that might convince the honourable member that the Government's amendment is preferable to that of the Opposition. The composition of the committee outlined in the Bill provides for three consumer representatives. The Government believes that all three should be retained, rather than replacing one of them with a medical practitioner, because the range of consumer interests to be covered on the advisory committee is broad.

It is felt that having three positions available to be filled by consumer representatives enables a broader cross-section of community interests to be represented on the committee, in addition to the benefits that can be brought to the committee by a medical practitioner. For that reason, the Government favours the idea of expanding the membership of the committee by one in order to accommodate the wishes of the Hon. Dr Pfitzner, while preserving the composition of the committee as envisaged by the original Bill.

The Hon. R.J. RITSON: As I said in the second reading debate, the question arises as to why we need a whole new QUANGO of 12 people, and possibly six additional people to assist in the Administrative Appeals Court as assessors. We have up to 18 people to provide advice and, given that the Health Commission works closely with the Department for Family and Community

Services, there are probably any number of public servants with the right professional skills to give the right advice.

The dilemma for the Government is whether to put together an advisory committee by appointing a series of experts who have a great deal of professional knowledge and experience, or whether to put together a board of competing representation. I wonder why the Trades and Labor Council has to have someone there. It was a small concession to expertise for the Government to accept the Hon. Dr Pfitzner's view that there ought to be a doctor to advise on a matter which affects the frail and helpless.

These committees that have representation of sectional interests often go off the rails and bedazzle the Minister. The most important thing is that at least someone with expertise in geriatrics or mental health has an opportunity to be allowed to advise the Minister by appointment on this board, and that is the essential thing which the Hon. Dr Pfitzner wanted to say and which the Minister has graciously taken it up. There is no contest about that. I will not go to the wall on this or divide on it, but the point is that Dr Pfitzner proposes not to increase the payroll for this new quango, by keeping the total numbers the same.

The Hon. BERNICE PFITZNER: As the Hon. Dr Ritson says, the main purpose is to have a medical practitioner on the committee. Clause 11(2)(b) provides for three persons acting as advocates for the interests of people who are elderly, disabled or intellectually impaired and this would be replacing three with two. My thought was that a medical practitioner could easily act in that capacity as advocate, replacing one of those three. The Minister might have misunderstood this thinking, in that there is also one in subclause 2(d)(iii), which provides 'one must be a person who is suitable to represent the interests of people...', and so there is consumer representation there. It is not taking out consumer representation but providing that one of the advocates would be a medical practitioner, whom I believe would be admirably placed for this.

The Hon. M.J. ELLIOTT: There is not a huge difference between the two amendments. The important thing is that they are both seeking to put a medical practitioner on the committee. I have been very impressed with the work done by organisations who act as advocates. I must say that, with a move to cut down the number of people on the committee in order to put on a medical practitioner, I would find it hard to understand why local government, which essentially is acting as a monitoring body, should have four representatives while the advocates have only three. If anything, I would have cut down the number of local government representatives; but that is not the proposal before us. On balance, I support the Minister's amendment. As I said, there is not a huge difference, but I would not like to see the number of representatives from the organisations acting as advocates cut back. If there was to be a cut back, it might have been elsewhere, but that is not the proposal before us.

The Hon. BERNICE PFITZNER: As the Hon. Mr Elliott has indicated his direction, I will not press on with my amendment.

The Hon. Ms Wiese's amendments carried; clause as amended passed.

Clauses 12 to 21 passed.

Clause 22—'Powers of authorised officers.'

The Hon. R.J. RITSON: This clause gives the very wide powers of inspectorial access, entry, seizure, interrogation, etc. This set of powers is not dissimilar to those that other authorities have. They are not dissimilar to the powers under which the Strehlow collection was briefly seized. How does the Minister envisage the directing of these powers? For example, there could be a licensed premises about which there were complaints but the premises may not want to admit an inspector. But I suspect that these powers could be used, and perhaps ought to be used, against premises that do not have a licence and are not part of the personal care scheme. The question of compliance with section 42 arises, and of reporting the deterioration of the health of people who are in ordinary residential only accommodation. Does the Government intend to use the inspectorial powers to inspect residential only premises that have not applied for a licence, if they appear to be squalid residences which may be harbouring people with either mental defect or other disability or illness that renders them in need of personal care which they are not getting?

The Hon. BARBARA WIESE: This part of the Bill does empower an authorised officer to enter an unlicensed premises (clause 22(1)(a)(i), for example). It would be possible for an authorised officer to enter an unlicensed premises to determine whether or not such premises should be licensed. That is considered to be a reasonable power to exist, in order to determine, first, whether a premises should be licensed and, secondly, to determine what needs to be done to bring a premises up to an appropriate standard should it be below standard.

The Hon. R.J. RITSON: I am not concerned that the powers exist. In the case, say, of a premises applying for a licence or a licensed person being inspected I do not think for a moment that those obtrusive powers would need to be exercised, because the proprietor would be wanting to comply in order to get or retain the licence. On the other hand, though, the powers are exercisable against any dwelling place, whether it wants a licence or not. Without objecting to the existence of those powers, I want to know whether the Government has in mind exercising those powers against residential only premises, whose proprietors do not apply for a licence and do not purport to give personal care but where it is suspected that the residents of those places are persons who should be reported under section 42, because their health has deteriorated and they have become in need of personal care. My question is whether the powers are going to be directed at the licensing process of existing establishments or whether they will be used to ferret out and discover the contents of the squalid lodging houses.

The Hon. BARBARA WIESE: It would be the intention that unlicensed premises could be inspected on the receipt of a complaint by a member of the public, by a medical practitioner, or whoever it might be, and where there are reasonable grounds to suspect that accommodation is being provided to persons who are in need of further care.

It would also be possible for inspection to take place on the basis of the knowledge and experience of the local government authority concerned because it is the case that local councils generally are aware of the trouble

spots and organisations that are difficult within their own areas, so based on their experience they might initiate such an inspection. As I understand it, it would be primarily on these two grounds that such an inspection would take place, with a view to determining whether or not such premises should be licensed.

Clause passed.

Clauses 23 to 41 passed.

Clause 42—'Extension of care—residential-only premises.'

The Hon. R.J. RITSON: This clause provides that where a resident in an unlicensed or residential-only premise suffers a deterioration of health such that it requires that some personal care be given to that person, the relevant authority must be notified of that fact. The relevant authority is very diffuse as it can be the licensing authority, the Minister or someone delegated by the Minister or the council. It provides for mandatory notification of the deterioration of a resident to the point where that resident requires personal care. My question is a little related to an amendment that I mooted, but did not move. In that instance where a report is made, the person is not permitted to give personal care, except for the short term (whatever that means), but there is no obligation on an authority or entity to place that person. When I discussed the matter with an officer from the Local Government Association, who at that time was dealing with this Bill by way of consultation, the comment made to me was, 'Look, I do not know, but as long as it is not us.' That was the attitude of local government—it did not want anything in the Bill that required the licensing authority to place persons notified under section 42. I cannot see who is required to place persons.

I am anxious that residents reported in that way may not be placed for a good deal of time—much longer than the short term referred to in clause 3. We have a situation where the authority—it may be the licensing authority or the Health Commission—is telephoned or receives a form filled out stating that the resident has suffered a deterioration in health and is in need of personal care. That satisfies the statute—end of subject. What happens to the form or the telephone call? Who will ensure that that person is placed in an appropriate personal care situation? It is a matter of urgency because the proprietor is prevented by law from cutting toe nails, brushing hair or helping a person put on their panties.

With the attitude of the Local Government—'as long as it is not us'—it is important that the Government explain what it is doing to address this issue because, by law, it will prevent a person giving personal care except in the short term. It requires reporting but does not require anyone to do anything about it and such a report could lie on the shelf for a month or two or even get lost, leaving the proprietor with the degenerating resident, fearing to administer personal care and saying, 'What do I do; whose responsibility is it?' The policy needs to be sorted out fairly quickly.

The Hon. BARBARA WIESE: It is a difficult issue because currently no statute requires a Government agency or some other body to provide care where it has been identified that it would be desirable for an individual to receive care, unless that person is a child, in which case the provisions of the Guardianship Act might apply. All of these appropriate organisations such as the IDSC have as part of their charter a duty of care and it would be under that principle that such decisions would be made. However, they would be administrative and management decisions taken on what sort of care or whether care can be provided, depending on whatever resources are available at the time to these various agencies that might take responsibility for picking up the issue of the provision of care once notification has been received.

It has certainly never been the intention that local government should have to pick up this responsibility. It is envisaged that those health-based organisations within the community such as IDSC, Domiciliary Care and so on might be the bodies to follow up on these matters.

The Hon. R.J. RITSON: Will the Minister consider, perhaps by regulation, requiring that all notifications under clause 42 be made to some visible, high profile, central, coordinating authority such as the Commissioner for the Ageing, so that the commissioner's office could farm out the requests to place to the appropriate agency, whether it be a rest home, nursing home, general practitioner, mental health service or IDSC. This diffuse group of helping agencies is no good without a head or visible central authority to whom those notifications must be made.

The Hon. BARBARA WIESE: The view is that it would be difficult to find a mechanism that would achieve the outcome that the honourable member is seeking. It is not thought that the Commissioner for the Ageing, for example, would be an appropriate person to have this authority because the Commissioner has no authority over the institutions to which a person who requires care should be referred.

However, there are some provisions in place in extreme cases of which the honourable member would be aware. For example, for someone who may harm themselves or someone else, there are compulsory mechanisms in place that would enable the placement of those people, where appropriate. Provisions under the guardianship legislation provide for decisions to be taken about individuals who may not be able or competent to make decisions for themselves. In other cases there are no powers to ensure the placement of such individuals, and this legislation does not change those arrangements.

Under the provisions of clause 42, where it is felt that an individual requires care of some sort, they are referred, usually by some relevant authority within the community who has determined this position, to an appropriate body and, if a placement is available for such individuals, they have access to it. This legislation will not change that situation. It is difficult to envisage a mechanism by which more authority or power could be provided in those circumstances.

Clause passed.

Clauses 43 to 57 passed.

Clause 58—'Amendment of the Mental Health Act.'

The Hon. BERNICE PFITZNER: In my second reading speech I asked some questions about this clause to which I have not had any replies. I asked: first, are these mental health hostels replacing what is known in the Mental Health Act as psychiatric rehabilitation centres and, if so, who is at present licensing these centres;

secondly, where will the officers go; and, thirdly, will there be special training for the new licensing officers?

The Hon. BARBARA WIESE: When I made my second reading contribution I did not have the information to respond to the issues raised by the Hon. Dr Pfitzner, but I now have some information which I hope will be helpful to her. The Bill provides for psychiatric rehabilitation centres, known as mental health hostels, to be regulated via that generic legislation rather than through specific mental health legislation. Physical standards, personal rights and standards of personal accountability will now be covered by the generic legislation. Authorised officers will be responsible for ensuring the provision of care for residents as stipulated by the Bill. The current licensing authority for mental health hostels, the Mental Health Accommodation Licensing Committee, has two options to consider. First, it can continue to exist in a revised form to oversee specific contractual agreements which are developed between the South Australian Mental Health Service and the mental health hostels in respect of the specific subsidy paid by them; or, secondly, it can negotiate with local government to take over the responsibility for implementing the legislation and provide the appropriate resources and training to ensure the effective continuation of care for residents. In either situation, the South Australian Mental Health Service recognises its responsibility to ensure that residents continue to receive high quality accommodation and care.

The Hon. BERNICE PFITZNER: Have officers been monitoring these mental health hostels previously and where are they to go?

The Hon. BARBARA WIESE: Will the honourable member indicate which officers she means?

The Hon. BERNICE PFITZNER: In Part 6 of the Mental Health Act we have psychiatric rehabilitation centres and I would imagine officers are monitoring these places. If we are to have new and different officers to monitor mental health hostels, where will the original officers who were monitoring the psychiatric rehabilitation centres be relocated?

The Hon. BARBARA WIESE: I understand that officers retained by the South Australian Mental Health Service have previously been responsible for monitoring such premises, and it is recognised that they will continue to have that responsibility. What we need to determine now with the passage of this legislation is whether they will continue to use their own people to monitor these facilities or whether they will enter into an arrangement with local government, for example, to take up that responsibility for them. Such issues will be the subject of further discussion when the legislation passes.

Clause passed.

Clause 59 and title passed.

Clause 23—'Requirement to be licensed'—reconsidered.

The Hon. BERNICE PFITZNER: I apologise for my lapse of concentration when clause 23 was passed, but I want to ask a point of clarification about this clause, which provides:

> Premises must not be used as a supported residential facility unless licensed under this Act.

I have concerns about the Commonwealth subsidised nursing homes, which will now be under the Commonwealth. Will the Commonwealth be licensing these 95 per cent of its own subsidised nursing homes? I am a little puzzled. A report of the Office of the Commissioner for the Ageing in 1991 states that 'local government was identified by most respondents as the preferred licensing authority.' It goes on to state that there are advantages in having local government as the licensing authority. Will the Minister comment, first, on whether the Commonwealth officers will be licensing the Commonwealth subsidised nursing homes, given that that involves 95 per cent of the nursing homes, and why; and will she comment on the statement from the Office of the Commissioner for the Ageing?

The Hon. BARBARA WIESE: The Commonwealth does not license facilities of this sort. It provides funding to nursing homes and hostels and, as the honourable member would be aware, they cannot exist without such funding. So, the ultimate sanction and power that the Commonwealth has is the fact that it provides the funding to keep these organisations going, and it does have its own inspectors who monitor the premises for the purposes of the continuation of funding. Therefore, if in the case of these bodies there is some problem, the ultimate sanction the Commonwealth has is to withdraw funding so, for that reason, it does not have to worry about licensing arrangements and other things, because its power is in the purse. So, that is the situation that will apply for those 95 per cent of nursing homes and hostels to which the honourable member refers.

The Hon. BERNICE PFITZNER: It seems rather illogical to me that here we have the Bill providing that premises must not be used as supported residential facilities unless they are licensed, and then we have all the matters to be considered before a licence is granted. I refer, for example, to the suitability of the applicant and premises, personal care and the qualifications of the person involved. Who will monitor these matters in the Commonwealth funded facilities if, as I understand it, the Commonwealth funded nursing homes will now not necessarily need to be licensed? If they are not to be licensed, who will monitor the matters to be considered for granting the licence, namely, the suitability of the premises, the personal care, as well as the qualifications and experience of the applicant? If the State subsidised nursing homes have this constraint, does it mean that the Commonwealth subsidised nursing homes do not have a similar constraint?

The Hon. BARBARA WIESE: I think there may be some misunderstanding about the conditions that will apply in situations where organisations are licensed under this legislation, as compared with those organisations which are receiving Commonwealth subsidy and which are exempt from this legislation. I think the point that is most pertinent to make here is that in both situations, whether these organisations are exempt from this legislation and therefore subject to Commonwealth monitoring or whether they come within the purview of this legislation, very strict checks will be applied to all those bodies. Under this legislation, organisations that will be licensed will be subject to scrutiny on a number of matters that are outlined in clause 25, and there are very extensive checks that will be undertaken.

In the case of the Commonwealth subsidised organisations that are exempt from this legislation, they

are not let off the hook by the fact that they are exempt, because they are covered by the very stringent checks that are undertaken by the Commonwealth. I would like to outline some of those checks that the Commonwealth undertakes. Outcomes standards monitoring undertaken by the Commonwealth is undertaken by standards monitoring teams. The teams visit nursing homes on a 18-month to two-year cycle, unless a facility gives particular cause for concern, in which case visits are more frequent. Hostels standards monitoring began in January 1991, and achievement of a similar visiting cycle is planned.

The Commonwealth has various sanctions available to it in the event of a facility not meeting standards, ranging from the open publication of an unfavourable report to ultimately the withdrawal of subsidies. A variety of complaints mechanisms are available to residents, families, facilities' staff or members of the public to ensure that issues of concern are drawn to the attention of the Commonwealth Department of Health, Housing and Community Services.

The Commonwealth relies heavily on councils to monitor inputs in nursing homes and hostels in respect of physical and environmental factors in a facility such as fire safety, room space etc. This reliance will continue after passage of the Bill. Indeed, the department states that it 'plans further to extend its relations with council staff in the monitoring of Commonwealth subsidised premises'.

Councils for their part retain their existing powers, some of which are quite substantial, under other statutes, including the Public and Environmental Health Act, the Food Act, the Building Act and the Waste Management Act. So, a number of powers are in place to ensure that the sorts of checks that will be made on licensed premises for the purposes of this legislation will also apply to those organisations that are exempt from it by virtue of the fact that they are covered by the Commonwealth schemes.

The Hon. BERNICE PFITZNER: Does that mean that they will be monitored according to similar standards but under a different procedure?

The Hon. BARBARA WIESE: Essentially, that is correct. The Commonwealth standards cover the sorts of issues that are contained within section 25 of this legislation.

Clause passed.

Bill read a third time and passed.

DANGEROUS SUBSTANCES (EQUIPMENT AND PERMITS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 11 November. Page 738.)

The Hon. J.F. STEFANI: I will be brief. The Dangerous Substances Act provides for the keeping, handling, packaging, conveyance, use, disposal and quality of toxic, corrosive, flammable or other harmful substances. The Act places a general duty of care on people who undertake various activities described therein. The Bill seeks to ensure that the health and safety of any person or the safety of any person's property is not endangered. In recent years the conversion of cars to run on liquefied petroleum gas as an alternative fuel to petrol has generated a number of complaints about the quality of workmanship in the installation of the equipment.

Because of the irresponsible action of a few installers, customers have been exposed to possible injury and damage to property. With this in mind the proposed amendments to the Act will ensure that individuals will be required to continue meeting the safety standards set down in the Act and, in addition, the employer or business proprietor will be liable for any unsafe or defective work that has been undertaken by the business.

Under the existing legislation no action can be taken against a proprietor of a business, and this has raised the issue and the current amendments. The Bill extends the general duty of care to include plant. This will ensure that people operating in this area will accept their responsibilities and provide a safer working environment for employees, employers and the public generally. The Liberal Opposition supports the Bill.

Bill read a second time and taken through its remaining stages.

THE STANDARD TIME (EASTERN STANDARD TIME) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 18 November. Page 891.)

The Hon. PETER DUNN: The Opposition does not support this Bill, and nor do I. This Bill is one of the greatest diversionary tactics that has ever been undertaken. I cannot understand—

The Hon. R.R. Roberts interjecting:

The Hon. PETER DUNN: I can understand why the Government has brought it in. It has so many problems with the State Bank, the Speaker and other matters like the State Bank that it has introduced this Bill to try to take our mind off the target. We will not take our mind off the target, because this is a stupid Bill. True, 9 1/2 hours is a stupid period to be ahead of Greenwich Mean Time. In 1898 when the people put central time half an hour behind, they must have had an attack of the vapours, because it is such a difficult time to determine. If one is anywhere else in the world and tries to work out the time in South Australia, which is 9 1/2 hours ahead of Greenwich Mean Time, one finds that it is nearly impossible. If it were nine hours, 10 hours or 11 hours ahead of Greenwich Mean Time, it would be relatively easy.

To then turn around and make it worse by saying that we will use the longitude that is used for Eastern Standard Time will really get us into a bind. At the moment we use longitude 142.5°—which in fact runs through about Warrnambool. We should be using longitude 135°. Eastern Standard Time, of course, uses longitude 150°. This means that the sun is overhead here at about 1 o'clock in the afternoon, and that is quite silly. We also have the problem with the Northern Territory remaining on Central Standard Time at this time of the year and so we are one hour out of phase with the Northern Territory.

It would be much more sensible and better for our body clocks to use longitude 135°. I guess many people wake up in the morning feeling grumpy, and that is something to do with the fact that in practical terms the clock went off at 6 o'clock instead of 7 o'clock, and if we had Eastern Standard Time it would go off half an hour earlier again. So we do have body clocks and anyone who travels on intercontinental aircraft understands what this means when travelling around the world. We get out of plumb. Many things are influenced by this cycle. On looking at the behaviour of animals we can see that when they are feeding or on the move they rely enormously on the sun for their operation. We as animals probably still do that also.

However, because someone has said that it would be easier to ring up their mate in Sydney or Melbourne or Brisbane and easier to do business if we are all on the same time, this proposal has been put forward. It is a ridiculous argument, though, when we are trying to improve trade with places such as America, Hong Kong, the Philippines, Indonesia, Korea and so on, and in that race Western Australia plays us on a break, because they are pretty well lined up with those countries. In fact, if we were to adopt longitude 135°, which I think would be a far better solution, we would be in the same time zone as Hong Kong, the Philippines and eastern Indonesia, and very close to Malaysia in fact. In my opinion that would give us quite an advantage over the eastern States.

In a country the size of Australia it is crazy not to equally divide the three time zones, with Eastern Standard Time 10 hours ahead of Greenwich Mean Time, South Australia nine hours ahead and Western Australia eight hours ahead. To have this silly time zone of nine and half hours ahead puts us out of plumb. The move to go to Eastern Standard Time, 10 hours ahead of Greenwich Mean Time, which would further exacerbate the situation is very difficult to understand.

I live in the western part of the State and I can legitimately put the argument for the people living in that area. To put the time further ahead would be an impediment to people with young families. The children would have to get up and go to school in the dark. In fact, they do that now in places like Penong and Ceduna, where they may have to catch the bus three-quarters of an hour before school time, and sometimes even more. To add another half hour to that would mean that in October and March the children would be catching the bus well before dawn. It is very easy for people here to say that the people in those areas should use a different time zone, that they should go back half an hour or an hour. The point is that they have already tried that, and in Ceduna they could not get the teachers to agree. Their main reason, they said, was that their work hours did not match with those of the banks, the supermarkets, or anything else. It is also a good argument to say that they can deregulate shop trading hours. But the local community could not get those schools to agree, even though the Minister at the time had said that, yes, if the school community wished to start school an hour later then they could do so. But it was impractical.

The other problem is that the timetables for the airlines and so on would be out of kilter when trying to connect with other flights. The flights out of places like Ceduna, Streaky Bay and Wudinna would not connect with the flights going to the Eastern States or to the north, or west, or wherever. It is difficult to match up the schedules once the time zone is changed. It is more difficult for people within a State to handle a half hour difference than applies with time differences interstate and across the borders. Today we have every modern means of communication, with telephones, facsimile machines and television, and these make it very easy for communications between people. Fax messages can now be sent in the middle of the night, on the cheaper telephone rates, with the information ready to be picked up in the morning and acted upon.

I have received a number of letters, and principally they come from one group of people. The letters are reasonably sound, except that they do not answer the principal question that I keep asking: what is the economic advantage to South Australia? No-one is able to put a monetary figure on this, or even to say whether there is a monetary advantage. Some people maintain there is an advantage, but it is not qualified. I shall just quote a paragraph from one of the letters, from a Mr E.W. Gooden, who says:

> The Democrats, whilst admitting that Eastern Standard Time for most people will be an advantage, championed the cause of the tyrannised minority.

Who in fact is the tyrannised minority?

The Hon. R.I. Lucas: You are!

The Hon. PETER DUNN: Perhaps we in the western part of the State would term ourselves the tyrannised minority. I think he is really referring to people in South Australia. I do not think there is tyranny here whatsoever. It is a pretty good State in which to live, except I would like to see it one hour behind the Eastern States and an hour ahead of Western Australia. Western Australia is really the up and coming State. If one considers the mining and rural industries in Western Australia one can understand why I say that. I believe it is a State with which we ought to be aligning ourselves more and more. Western Australia is really on the way to having great economic advantages in the years to come—and this is despite what the Labor Party has done with WA Inc. Despite all that, I think Western Australia will be a great State in years to come.

These letters follow the same old theme all the way through. I think I have had about six letters from the one person, and they have all received the same answer. I still cannot find out what advantage there is. I have another letter from a group of people, although I do not what the name is. The writer, a Mr Duffield, puts a religious point of view. However, I cannot work out from his letter what the religious advantage for us might be. I find this a bit difficult to work out. This Eastern Standard Time proposal has been put forward by the Government as a diversionary tactic. However, it is not working well. The press has lost interest in it, the Chamber of Commerce has lost interest in it, and each time a survey is done it is evident that its interest is even less.

The Hon. R.I. Lucas: The only person left supporting it is the Hon. Ron Roberts.

The Hon. PETER DUNN: Well, the Minister of Transport Development has just walked in, and I suspect that she does not support it. Being a good country girl from way back she perhaps likes to look at this from the perspective of someone who has lived in the country. The

Hon. Rob Lucas provided some details on times. It is interesting to note that, in Adelaide, on Eastern Standard Time, in the middle of June the first daylight would appear at 7.28 a.m., with daylight ending at 6.13 p.m. At the moment it is half an hour later than that all the way through. Yet, if we go to 6 March, including Eastern Standard Time, the beginning of daylight will be at 12 minutes past seven. That is quite ridiculous. Sunrise will be 20 minutes later at 7.37.

The Hon. R.R. Roberts: Sunrise will be the same time as it always is.

The Hon. PETER DUNN: Sunrise on Eastern Standard Time will be at 7.37. In the middle of December Piccaninny dawn will be at 5.55 and sunrise will be at 6.15. That does not matter in summer, but in winter, when the roads are busiest between 6.45 a.m. and 7.45 a.m., when people are going to work, they will be doing so in the dark. That is no saving. The principal argument for daylight saving in the first place was to save electricity. That has proved not to be the case, as we use the same amount of power. If we go to work earlier, people will get up, turn on their lights and we will use more power. It defeats its own object in that regard.

I would like to go to longitude 150, which means that the sun would be virtually overhead at midday instead of where it is at the moment, way out to the east. That would make for better living, the State would operate better and we would have closer ties and be in line with Japan, the Philippines, Eastern Malaysia and even Port Pirie, according to Ron Roberts.

If we adopted that time, the whole of South Australia would be at an advantage. There would not be the great disadvantage for people living in the west. There are not a lot of them but, if we adopt the same attitude that in South Australia we are at a disadvantage to the eastern States, we can correlate that attitude to those who live on western Eyre Peninsula, compared with those in Adelaide.

Eastern Standard Time does not achieve anything at all. It is a disadvantage, a diversionary tactic by the Government, which is running very ragged at the moment, still introducing Bills and not able to get its act together on the State Bank or much of the legislation coming into this Parliament at this very late hour. It introduces Eastern Standard Time hoping that we will spend all our time talking and arguing about it. It is a diversionary tactic. The response from the public has been abysmal, it is a dead issue and I hope that the Bill does not pass the second reading.

The Hon. J.C. IRWIN: Along with my colleagues, I do not support the Bill, and support the remarks that they have made. They have covered all the issues that could be covered. I will be making a more lengthy contribution on the dairy Bill later this evening. We know how dairy production is disrupted by Eastern Standard Time. That will be the time for me to talk about it. The Hon. Mr Roberts, with his flat earth theory that the sun rises at the same time each day, gives an interesting twist to this argument. All of us who were in this place in 1986 can recall the passion with which the debate was then conducted. It may have been more passionate for me as I was only a brand new member and it was a debate that I recall getting my teeth into. When I look over the reasons I gave for opposing the legislation then I can see that I have not changed my mind from those days. I can recall some of the more sensible and constructive remarks made by members on both sides of the argument during that debate, and 1986 was about the middle of the Bannon era, so the Government was in full flight and very confident in those days. It was a very hot issue. Indeed, when Mr Bannon was Premier and could see the Bill sinking, he made some constructive points, which I will come back to later.

I do not think that the Government of 1992 has learnt from the experience of the 1986 debate, and this adds weight to what my colleagues have said, namely, that it is a diversionary tactic not being pursued with any great passion by this Government. Nothing is contained in the short explanation introducing the Bill to persuade me to support it. It is the Government's responsibility to include an explanation rather than refer people in passing to the Arthur D. Little report. I do not think that the issue was canvassed in the final report, but certainly it was mentioned by those doing research for the Arthur D. Little exercise. We found nothing at all persuasive in the second reading explanation.

Like the Hon. Mr Dunn, I have received letters from business people, but they have not persuaded me to change my mind, as they have also failed to produce persuasive evidence to support a half hour change to EST. Apart from some who have very serious views on the matter, it has been a non-event, so far as industry generally in South Australia is concerned. I have not had any great lobbying from the business sector. It amazes me that the measures in the Bill and the supporting explanation, such as it is, display a total absence of fine tuning and a total disregard for the number of people and communities (as small as they may be) in the overall picture of South Australia who will be disadvantaged by a move to Eastern Standard Time. I am speaking, as have others, of people who live west of Adelaide where the magnitude of the disadvantage increases as one moves to the western extremities of South Australia and to reasonably well-known communities such as Ceduna at the western extremity of South Australia, albeit not right on the border.

It is my belief, based on a recall of the public debate in 1986, that if the Government had bothered to negotiate with the people and communities west of Adelaide, we might have had a different outcome from this debate. By this I mean that the Government might have made a serious attempt to find ways of allowing schools, banks, Government departments and many other services to have their opening and closing hours tailored to local needs, with an arrangement to allow Eyre Peninsula to have its own unofficial time. It does not have to be tied to Eastern Standard Time. I may be looking at it too simply, but I cannot see why we cannot have some flexibility.

My Federal Leader, Dr Hewson, is accused of being inflexible by the very people who are inflexible themselves in South Australia and who will not even look at fine tuning or allowing communities to negotiate sensible arrangements to have such services as schools, banks and other services open during hours to suit the community although they do not suit the official unionised hours of opening and closing of banks, schools and other bodies. If these points had been addressed, we

could have had a good debate about EST and a proposition put forward which might have been acceptable to both sides of the Parliament. My challenge to the Government is that, if it is serious about adopting EST, it should consider the whole State rather than only those close to the eastern border. From my days of living at Keith in the South-East I was right beside the Victorian border where it is not an issue from there down to Mount Gambier. In fact, they would be quite happy to have EST. However, they have not lobbied me much and I do not think it is a great issue with them.

In my judgment, the Government has not presented any compelling argument for me to support this proposition; neither has business and the community generally. Furthermore, the arguments presented by my colleagues in this and the other place are far more persuasive than the Government's arguments. It is preposterous for anyone to believe that South Australia, or Western Australia for that matter, would improve its business or trading position one iota by joining the eastern States on EST.

Again, I support the remarks already made on this issue by my colleagues. Indeed, the Hon. Mr Dunn has just mentioned that we are virtually trading up and down with Japan, and that is where our future is, as well as the eastern seaboard of Australia. The great population is above us and we must move up through Darwin to that area. The argument is simple: if we have the same time zone as our major trading partners, there is no need to change ours and put it out of sync with theirs. It is time that South Australia stood proudly on its own so that it becomes the envy of the other States. It should not wish to match them and be in the pocket of the eastern States. I do not have the figures with me, and I do not want to go through them, but the eastern States subsidise South Australia to the extent of many millions of dollars now because of its status as a backward State. I hate to use that terminology, but it is judged by others in that light. It is time that we took down the walls of our State and competed well and truly with the other States. I am sure we can do that if the business climate is allowed to prosper in South Australia and it gets back to being a low-cost State. We desperately need to get on with that job and the main game, which has been so neglected for the past 10 years by this Government, and not be diverted by mindless debates about the half-hour time difference. I do not support the Bill.

The Hon. L.H. DAVIS: I join my colleagues in opposing this Bill. It is a fairly limp attempt by a desperate Government to divert attention from the substantial issues of the day. In 1986, when the Eastern Standard Time debate was before the Parliament, I had some sympathy with the proposition. With my financial and business background, there was quite a good deal of lobbying in support of the motion that South Australia should move its time forward by half an hour to be in line with the eastern seaboard. There were perceived to be financial and practical advantages flowing to business in this State, although, as I think most people agreed, the western part of the State was to be considerably disadvantaged.

On this occasion the one thing that can be said about the legislation is that it has received lukewarm support at best. I have had very little contact from people whom one would imagine would support the project. As my colleague the Hon. Jamie Irwin said, one could easily imagine people in the South-East of the State seeing it as being in their interests to move to Eastern Standard Time. Not one letter, phone call or communication of any nature has been received from the South-East. Sporadic contacts have been made by individuals in business who have lobbied in support of Eastern Standard Time, and I respect that there are advantages for sectors of industry. For example, I received a letter from Southern Television Corporation Pty Limited, which operates NWS Channel 9 in Adelaide. It believes that it would be to its benefit because it is holding programs for half an hour and obviously there are costs involved in that.

I want to reflect briefly on the history of Eastern Standard Time in South Australia before moving to the current debate. It is interesting to reflect that Sir Charles Todd, who is perhaps best known for the overland telegraph line from Alice Springs to Adelaide, was the astronomer for South Australia. He established the observatory on West Terrace, Adelaide, and recommended that the time in South Australia be from the meridian of 135 35.1 east, and South Australia's time was nine hours 14 minutes 20.3 seconds. It was quite a mouthful to specify that we had a Statewide nine hours 14 minutes and 20.3 seconds east of Greenwich. Of course, it was quite a remarkable proposal. In February 1895, following an international conference of 1894, it was decided that South Australia would fix its time at nine hours east of Greenwich. As a result of that 1894 conference it was decided that Australia would adopt the following time zones: Western Australia would be eight hours east of Greenwich, the 120th meridian; the 135th meridian, South Australia, would be nine hours east of Greenwich, and the 150th meridian, Victoria, Tasmania, New South Wales and Queensland, would be 10 hours east of Greenwich.

In other words, we had three time zones: Western Australia one hour behind South Australia, which also included the Northern Territory at that time, and then we had Victoria, Tasmania, New South Wales and Queensland which at that time were one hour ahead of South Australia. However, businessmen complained that the time difference between South Australia and the eastern States was too great; the one hour was too much. Four years after the decision in 1895 to make South Australia one hour behind the eastern States, an Act of Parliament was passed to bring South Australia's standard time to nine hours 30 minutes east of Greenwich; that is, half an hour behind the eastern States. That has been the situation for the past 93 years.

As my colleagues have said, because we have advanced the clock ahead of South Australia's geographical position in relation to the sun, we have the unusual situation that, if we adopted the Government's proposition of moving to Eastern Standard Time, the sun would be over the meridian 150 degrees east, a line running north and south between Canberra and Sydney 1 000 kilometres east of Adelaide. At midday in South Australia the sun would be over the meridian 150 degrees east, about 1 000 kilometres east of Adelaide.

Of course, that situation would be worse when we moved to daylight saving, as we do for four to five

months of the year. It would mean that, when we have daylight saving, at midday in Adelaide when the sun passes over the meridian 165 degrees east, it would be a line passing through the Pacific Ocean 300 kilometres east of north Lord Howe Island, not far from New Zealand's south island. It would mean that, if we had Eastern Standard Time, there would be 58 consecutive days during winter when the sun would not rise until 7.45 a.m. in Adelaide, and it would be even worse in western country areas, where there would be 159 separate days when the sun would not rise until after 7 a.m.

I can understand that in 1899 businessmen in Adelaide complained that the one hour time difference was a disadvantage and that it created communication problems. I find it more difficult to understand in 1992, because I think quite frankly that one of the reasons why the passion has gone out of the Eastern Standard Time debate is that information technology and communication techniques continue to improve. If people are out at lunch and unavailable for a phone call because of a time difference, there is the facsimile machine and the mobile telephone, which has become more than common in the six years since this measure was last a public issue. Whilst mobile telephones are not everyone's cup of tea, particularly in restaurants—

The Hon. Barbara Wiese: They are very irritating.

The Hon. L.H. DAVIS: They are very irritating in restaurants, as the Minister says, and I must say that I am inclined to agree with that. Nevertheless, the mobile phone and fax have taken the heat out of the time difference debate. I find it remarkable that such passion can be stirred about Eastern Standard Time when we see the time zones around the world; for example, in America, a country of 250 million people, time zones are accepted. That is a country of similar geographic size to Australia. In Canada, a country of almost identical geographic size as Australia, time zones are accepted.

I must say that I have some sympathy with the arguments of the South Australian Farmers Federation and my colleague the Hon. Mr Dunn that the half hour time zone is something that is unusual. Although it can be said that there are at least four other countries and I think seven different zones where there are half hour time differences in the world, the one hour time difference is far more common.

The South Australian Farmers Federation argues that it would be more appropriate and logical if South Australia was one hour behind Eastern Standard Time and on the same time meridian as Tokyo and more consistent with other world time zones. That would take us back to the situation that existed following the introduction of the 1895 measure. It existed in South Australia for only four years.

I must say that I have more and more sympathy with that proposition if I look at the Arthur D. Little report, which has unfortunately been quoted by some advocates of Eastern Standard Time quite out of context. The Arthur D. Little report at no stage advocated Eastern Standard Time passionately. It made reference to it—

The Hon. R.I. Lucas: Some consultants did.

The Hon. L.H. DAVIS: Some consultants did, and they were quoted in the Arthur D. Little report, but at no stage did the Arthur D. Little report recommend it, nor did it see it as a panacea for South Australia's financial problems. I take the lead from the Arthur D. Little report that, rather than South Australia focusing on competition with other States, it should be focusing on the fact that it is competing with the rest of the world, and arguably the half hour time difference between South Australia and the Eastern States in future may be of less importance than the time compatibility of South Australia with that of other nations immediately to our north—that there is a distinct advantage in our having compatible time zones with Singapore, Hong Kong, Taiwan, Thailand, Korea, China and Japan, which will be increasingly important as South Australia lifts its export profile.

So, although I have a business background and an inclination to support what is in the best interests of business, I have not been persuaded by what little contact that has been made on this subject. The best arguments that have been put are those by Southern Television, which suffers demonstrated disadvantages, and some businesses that have claimed that there is a psychological problem existing in dealing between States, although I must say that I have never found that operating in financial circles to any great degree. I think we should not look at this as an excuse or as a disadvantage for South Australia. Rather, it could well be an advantage in some cases.

As I said, in the past I have exhibited some sympathy for the argument. I am not persuaded as much as I was in 1986 that there is any merit in changing. Rather, I think it is a matter that we should keep under review and, perhaps in time, it may be appropriate for us to examine the situation that obtained in 1895, when South Australia's time of nine hours 135 degrees east of Greenwich was first established. That was a fixed one hour difference between South Australia and the Eastern States—a difference that is much more in accord. with where the sun actually is. It is a less artificial time situation than that which exists at the moment. It is an argument that perhaps may be developed at some future occasion, but on this occasion I must say I do not support the measure.

The Hon. R.R. ROBERTS secured the adjournment of the debate.

SUPERANNUATION (BENEFIT SCHEME) BILL

Adjourned debate on second reading.

(Continued from 12 November. Page 770.)

The Hon. L.H. DAVIS: I indicate Liberal Party support for this Bill. We are all aware that the South Australian superannuation scheme embraces a variety of schemes. Not only do we have the pension scheme, which operated until it was closed in 1986-87 following a Government inquiry into the South Australian Superannuation Fund, but also we have a lump sum scheme that was established following that inquiry. We have a police pension scheme, a variety of other Public Service schemes and also the 3 per cent productivity benefits, which have been paid since 1988.

This Bill, together with the subsequent Bill (the Superannuation (Scheme Revision) Bill, seeks to recognise Commonwealth legislation requirements to

ensure superannuation cover for all. They obviously affect people not only in the private sector but also in the public sector. This Bill is introduced following the Commonwealth Superannuation Guarantee (Administration) Act 1992, which seeks to introduce superannuation cover for all over a period of time.

For the State Government it requires a minimum payment of 4 per cent of salary as from 1 July 1992, rising in stages to a maximum payment by the State Government on behalf of its employees of 9 per cent by the 2002-03. It is not for us to debate the merits or demerits of the Commonwealth proposal. As a nation we have been slow in accepting the extraordinary challenge of providing income support for our ageing population.

The Commonwealth Labor Government's approach has been to establish a safety net by requiring mandatory contributions from employers that must be invested in approved superannuation schemes. My personal philosophical preference would have been a contribution not only from employers but also from employees. It can be well demonstrated that employees have greater respect for the importance of a scheme and the benefits flowing there from if they themselves make a contribution.

The Commonwealth requirement for even small business to pay a minimum 3 per cent superannuation benefit, and for larger employers to pay at first 4 per cent rising through to 9 per cent over the next 10 years, will be an enormous burden on many businesses. I want to place on record my disappointment that there is no employee contribution to this scheme.

However, this benefit scheme will mean that 70 000 employees in South Australia will now be covered by this safety net scheme, which is retrospective to 1 July this year. This is an example of retrospective legislation, and I accept the nature of the retrospectivity. It is a scheme that is required to take effect from 1 July 1992, so the State Government is revamping its Public Sector Employees Superannuation Scheme, which was the 3 per cent productivity scheme, to conform to the minimum guarantee of 4 per cent of salary contribution that comes into operation as from 1 July this year.

Most employees receiving credits under the Public Sector Employees Superannuation Scheme are also paying into the State contributory schemes, whether they be the pension scheme, which was closed down in 1986-87, or the lump sum scheme, which has operated as the main State superannuation scheme since that date, and they will have their credits in the Public Sector Employees Superannuation Scheme paid into the State schemes and will not be eligible for the State superannuation benefit scheme.

The scheme is relatively straightforward, and the estimated cost of the additional 1 per cent that has to be paid as from 1 July, remembering that since 1988 we have had a productivity scheme paying 3 per cent, is, as we have been told in the second reading explanation, $22 million in this year's budget.

When the percentage increases to 5 per cent of salary, as it does under the Commonwealth legislation, in the 1993-94 financial year, the full year's cost in that year is expected to be about $32 million. Anyone ceasing to contribute to the existing State scheme will be covered by this safety net scheme.

One of the imponderables about this new scheme is the extent to which public servants will see the safety net scheme, which we are now debating, as an attractive option to the scheme to which they are now contributing.

Honourable members will recall that one of the great disadvantages of the long-running State pension scheme was the inflexibility that it offered contributors, who were locked into a certain level of contribution each year. The attractiveness of the new legislation, the lump sum scheme, is that they could take on a different level of contribution. In fact, they may suspend their contributions altogether, and I suspect that, given that the safety net scheme makes it mandatory for all employees under the Government umbrella to be provided with this minimum 4 per cent as from July 1992 and moving up to 5 per cent in 1993-94 and thereafter 9 per cent, it may mean that some people opt out of the State schemes.

Instead of paying their 5 per cent or 6 per cent, they may prefer to join this non-contributory scheme to which they do not make a contribution but in relation to which they know the Government is obliged to make a minimum contribution of 4 per cent this year, moving up to a higher level in future years.

Certainly, it will be a much cheaper scheme for the Government if they opt to do that, because the maximum that the Government will be obliged to pay is 9 per cent in the year 2002. Obviously, it will not have the same attractive end benefits for a retiring employee if they choose to opt out and just take up the safety net superannuation—it will not provide the same benefits then—but it will be cheaper for the Government by a long shot.

The Opposition appreciates the need for the scheme and supports the nature of its legislative framework. I am particularly pleased to see that this new Government scheme will be fully funded. The Attorney-General would know of my concerns over many years about the burgeoning problem of public sector superannuation schemes: at the latest estimate we have an unfunded liability of about $2.9 billion in South Australia in public sector schemes.

That is expanding at a fairly dramatic rate and it will continue to do so for some time, given the demography of the Public Service and the nature of the pension scheme, which was, as I argued in 1986, as I remember, one of the most generous, if not the most generous, schemes in the world.

In relation to the final matter that I raise, I will be quite happy if the Attorney-General perhaps provides a written answer later. The Opposition has noted with interest the ruling of the High Court earlier this year, which determined, in a majority decision, that the South Australian Superannuation Fund interest income was not State property and therefore could be taxed by the Commonwealth Government. On the other hand, taxes on capital gains were held to be taxes on State property and therefore unconstitutional. Obviously, it is important to establish what the overall impact of that High Court ruling will be on the liability to the Commonwealth of the South Australian Superannuation Fund.

The 1991-92 annual report of the South Australian Superannuation Fund noted that the Australian Taxation Office had granted an extension of time to the end of 1992 for the submission of tax returns on the State

schemes for the three financial years 1988-89, 1989-90 and 1990-91. I will be interested to know whether there was any further development with respect to that matter. The footnotes in the accounts of the South Australian Superannuation Fund annual report for 1991-92 say that the members of the South Australian Superannuation Fund had resolved to prepare the accounts of SASFIT gross of any income tax expense; that it appeared there was some optimism that perhaps there was not any tax payable. I know that is a side issue to the matter that we are debating, but obviously it does have ongoing ramifications for public sector superannuation schemes in South Australia. So, the resolution of the tax dispute is something which the Liberal Party is most interested in.

The Superannuation (Benefit Scheme) Bill seeks to establish this new superannuation scheme for employees of the Government, statutory authorities and agencies who are not at present accruing the minimum level of superannuation which is required now by the Commonwealth superannuation government charge legislation. It is an important scheme. It is a scheme that has been described as a safety net scheme, and I suspect that it may well prove to be not only of benefit to those people who are not presently covered by superannuation in the Government, and that would probably be some 70 per cent of people in Government employ, but also, as I have indicated, may in time prove to be a scheme which is attractive to people who are currently in the other State superannuation schemes. With those comments I indicate support for the second reading.

Bill read a second time.

[Sitting suspended from 5.56 to 7.45 p.m.]

STATE BANK OF SOUTH AUSTRALIA (INVESTIGATIONS) AMENDMENT BILL

The Hon. C.J. SUMNER (Attorney-General) obtained leave and introduced a Bill for an Act to amend the State Bank of South Australia Act 1983 and for other purposes. Read a first time.

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

That this Bill be now read a second time.

This Bill makes a number of technical amendments which will ensure that the Auditor-General's investigation into the State Bank Group proceeds expeditiously. The Government is committed to allowing the Auditor-General sufficient time to complete his inquiry but is concerned at the possibility of costly and time consuming legal challenges delaying the inquiry and reporting process.

The Auditor-General has received correspondence from the solicitors acting for the former non-executive directors of the State Bank other than Mr Prowse, in relation to a number of matters, and particularly concerning the validity of the terms of the appointment of the Auditor-General and his ability to comply with the terms of his appointment. The Auditor-General has drawn these matters to my attention.

This Bill will clarify section 25 of the State Bank of South Australia Act with respect to investigations.

The Bill strikes out section 25 (2) and section 25 (6) and recasts them into the one subsection (the new section 25 (2)). This will overcome a potential argument that there are two different investigations dealt with by section 25 for which different procedures apply. An argument which has been put is that section 25 (2) provides for one type of investigation while section 25 (6) provides a code for an entirely different type of investigation if certain criteria are fulfilled.

Members would be aware that in answer to the Auditor-General's inquiry he was advised that that inquiry could deal with conflict of interest, impropriety, etc. The argument now raised questions whether the Auditor-General can do so in the context of his current hearings.

This position is arguable although it is not accepted by the Government's legal advisers. It is considered simpler to settle the doubt and to prevent the delay which may be caused by legal challenge on the point, by making clear the nature and ambit of the investigation contemplated by the Act.

The Bill introduces a provision in similar terms to that contained in the Royal Commissions Act, which will ensure that the acts and proceedings of the Auditor-General's investigation are not liable to be reviewed or restrained. The Government has become increasingly concerned that the Auditor-General's inquiry may be frustrated if it does not have this protection, and considers this provision will provide an appropriate framework in which the inquiry can be finalised. In this regard it is noted that the Full Court has recently explained the requirements upon the Auditor-General in the conduct of his inquiry in order to afford natural justice to those who may be criticised in the report. The Auditor-General will comply with those requirements.

The Bill also ensures that authorisations made by the Auditor-General will be taken to have been properly made; there has been a suggestion that the existing authorisations are technically defective.

The other matters addressed by the Bill are a number of amendments designed to clarify the Auditor-General's powers. These amendments have already been introduced to the Parliament as amendments to the Public Finance and Audit (Miscellaneous) Amendment Bill. That Bill will not pass in this parliamentary session and it is considered appropriate to expediate the passage of certain amendments which will improve the procedures that apply where a person objects to answering questions put by the Auditor-General or attempts to frustrate the Auditor-General into carrying out his investigation.

These provisions reflect the Government's commitment to giving the Auditor-General adequate power to conduct his investigation without the frustration of non-cooperation or the possibility of deliberate delay.

The Government is committed to allowing the Auditor-General reasonable and sufficient time and sufficient legal backing to complete his report. The Bill underlines the importance the Government places on the Auditor-General's Report. To place a number of matters relating to the authority of the investigation beyond doubt, this Bill is considered necessary. I commend this Bill to honourable members. I seek leave to have the detailed explanation of the clauses inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Clauses

Clause 1: Short title—This clause is formal.

Clause 2: Commencement—This clause provides that the measure (other than clause 3) is to come into operation on the day on which it is assented to by the Government. Clause 3 is to be given effect from the date of commencement of the 1991 Act that last amended the State Bank of South Australia Act 1983 and made various amendments to section 25 relating to investigations of the State Bank and its operation.

Clause 3: Amendment of s. 25—Investigations—This clause is (under clause 2) to have effect from the commencement of the 1991 amendment Act. It brings together into a proposed new subsection (2) the separate provisions currently providing for the subject matters of an investigation under section 25 of the principal Act. The new provision is designed to make it clear that the subject matters referred to the Auditor-General by the Governor for investigation could lawfully have included the matters of possible conflict of interest, breach of duty, negligence, etc., in the path of a director or officer of the State Bank or a subsidiary of the Bank and that such matters were not only open to investigation under the current subsection (6) as matters arising incidentally in the course of the investigation of other matters referred to the Auditor-General by the Governor. Paragraphs *(a)* and *(e)* of the clause make this change and paragraphs *(b), (c)* and *(d)* make consequential or related amendments to section 25.

Paragraph *(f)* inserts a new provision enabling the Supreme Court to make orders, on the application of the investigator or an authorised person, to enforce investigative requirements made by the investigator or an authorised person in the exercise of powers conferred under the Public Finance and Audit Act 1987. The paragraph also inserts a further new provision authorising the investigator to report to the Governor and the Economic and Finance Committee of the Parliament on any contravention or non-compliance by a person with requirements imposed by or under the section in the course of the investigation.

Clause 4: Validation and exclusion of judicial review—This clause is (under clause 2) to have prospective effect only. Subclause (1) limits the application of the clause to the investigation by the Auditor-General in pursuance or purportedly in pursuance of the instrument of appointment issued by the Governor and published in the *Gazette* of 28 March 1991. Subclause (2) is designed to ensure the validity of the authorisations issued by the Auditor-General conferring investigative powers on 'authorised persons'. Subclause (3) is designed to exclude any future proceedings of judicial review relating to the investigation.

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

DRIED FRUITS (EXTENSION OF TERM OF OFFICE) AMENDMENT BILL

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

The Hon. BARBARA WIESE (Minister of Transport Development): I move:

That this Bill be now read a second time.

It is the object of this short Bill to extend by a further year the terms of office of the representative (elected) members of the Dried Fruits Board.

Honourable members will recall that in 1991 the Government conducted a review of dried fruits marketing legislation which dates from 1934. The exercise consumed more time than anticipated and it became clear that amendments stemming from the review could not be enacted before expiry of the elected board members' terms on 31 December 1991.

In seeking a statutory extension of that term for one year, the Government maintained the view that such action was more sensible than the conduct of an election for a theoretically brief term of office. It was anticipated that amending legislation would be passed in the first Parliamentary sittings of 1992, which would have allowed those arrangements to have been revoked shortly thereafter.

Unfortunately, these forecasts have been relegated by discussions between South Australia, New South Wales and Victoria on harmonized dried fruits legislation. The negotiations, which envisage the incorporation of areas of commonality between the three 'dried fruit' States, have delayed the preparation of the South Australian Bill.

The Government again submits that a statutory extension of the three representative members' terms of office is more sensible and economical than the conduct of an election. In this vein, an extension until the end of 1993 is considered appropriate. I commend the Bill to members and seek leave to have the detailed explanation of the clauses inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Clauses

Clause 1 is formal.

Clause 2 amends section 39 of the principal Act by striking out 'by one year from the day on which they would otherwise expire' and substituting 'until the end of 1993'.

The Hon. J.C. IRWIN secured the adjournment of the debate.

THE FLINDERS UNIVERSITY OF SOUTH AUSTRALIA (MISCELLANEOUS) AMENDMENT BILL

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

The Hon. ANNE LEVY (Minister for the Arts and Cultural Heritage): I move:

That this Bill be now read a second time.

The amendments proposed by this Bill are concerned with internal administrative matters at the University.

Certain changes to definitions in the Act are proposed which will—

- affect who can vote in University Council elections. The existing provisions disenfranchise part-time general staff.
- change the anachronistic definition of 'University Grounds'. The current definition means that the University By-laws only apply to lands in the Mitcham or Marion Council areas.

Several senior academic positions are created. Changes are proposed to the size of the Council's quorum and to voting procedures.

The most significant amendment is to address the possibility of a deadlock between the Council and the Convocation of the University over the University's statutes and regulations. The term 'Convocation' means all Flinders graduates and such graduates of any other University as the Flinders Council may decide to admit to the Convocation. Council has decided that all graduate members of staff will be members of the Convocation.

The Flinders Act currently states that the Convocation has the power of veto in relation to any statute or

regulation made by the Council. Flinders Council believes that it and the University of Adelaide are the only two Universities in Australia where a body such as Convocation has the power to veto legislation referred to it by the Council.

Flinders Council is given full responsibility for the day to day management of the University under the current Act, and it is therefore not conducive to the efficient running of the University's affairs for there to be no provision in the Act for the breaking of deadlocks between Council and Convocation over University statutes and regulations.

It should be stressed that the decision on the part of the Government to make this amendment is not related to the current dispute between Council and Convocation over the administrative structure most suitable for the internal administration of Flinders. This matter is for Flinders itself to decide. However, this dispute has brought to the Government's attention the fact that in the event of a disagreement between Council and Convocation there is no means to resolve the deadlock and, hence, disputes over statutes could continue for extended periods of time in a damaging fashion before a satisfactory solution is found.

The Government therefore believes that for the proper management of the University the Council must be given the power to make a final decision on the matters related to the management of the University which it will recommend to the Governor for approval.

It should be stressed that interested parties within the University community are generally given ample opportunity to influence decision making on most matters before they go to Council for approval. The various constituent parts of the University community are all represented on the University Council.

The structure of the Convocation is such that it is very difficult for the Council or the University's administration to bargain with it or to reach a compromise which can be guaranteed to be final. Convocation votes on matters referred to it at meetings called by the placing of newspaper advertisements and the like. Questions must be voted on in this way because there are over 20 000 members of Convocation and it is too impractical and expensive to carry out a postal vote which would require the University to send large sets of papers to all potential voters, most of whom would not be interested in the matter.

Therefore, in practice, Convocation consists on any particular occasion of whoever happens to be present at the meeting. Meetings are generally poorly attended, which means that small groups of members could block decision-making indefinitely by getting comparatively small numbers of people to turn up to a meeting to vote in a particular way. Convocation has a quorum of only 20 people out of over 20 000 members.

The President of Convocation has advised that a review of Convocation's role and functions is underway and the Government looks forward to receiving that report. I seek leave to have the explanation of the clauses inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Clauses

Clause 1: Short title is formal.

Clause 2: Amendment of s. 2—Interpretation. This clause amends the definitions of students and staff so as to allow the Council of the University to define the parameters of the four individual categories. These definitions have particular relevance to Council elections. The definition of 'University grounds' is substituted with one that caters for land that is owned or leased by the University or that is under its care, control and management. This definition has relevance to the University's by-law making powers.

Clause 3: Amendment of s. 5—The Council. This clause changes the composition of the Council by providing for the appointment by the Council of not more than two of its Pro-Vice-Chancellors and Deputy Vice-Chancellors. Such an appointment to the Council will be on the nomination of the Vice-Chancellor.

Clause 4: Insertion of s. 9a. This clause provides that a Pro-Vice-Chancellor or Deputy Vice-Chancellor who is appointed to the Council will hold office for two years and will be eligible for reappointment on the expiration of a term of office.

Clause 5: Insertion of s. 14—Vacancies in membership. This clause is a consequential amendment.

Clause 6: Amendment of s. 16—Appointment of Chancellor, Vice-Chancellor, etc. This clause recasts the provision dealing with appointment of Pro-Chancellors and Pro-Vice-Chancellors. There will still only be two Pro-Chancellors, but the Council may appoint any number of Pro-Vice-Chancellors and Deputy Vice-Chancellors as the Council thinks fit.

Clause 7: Amendment of s. 18—Conduct of business in Council and Convocation. This clause provides that a majority decision of the Council or the Convocation will be of the votes actually cast at the meeting, thus allowing for abstentions. The quorum for Council meetings is increased from six to 12. The quorum for the Convocation remains at 20.

Clause 8: Amendment of s. 20—Power to make statutes, regulations, etc. This clause removes the Convocation's current power of veto of statutes and regulations made by the University's Council. The new provision provides for a negotiation process between Council and Convocation over a disputed statute or regulation. If agreement is not reached within the stated time limits, the Council may proceed to have the statute or regulation promulgated.

The Hon. R.I. LUCAS secured the adjournment of the debate.

CONSTRUCTION INDUSTRY LONG SERVICE LEAVE (MISCELLANEOUS) AMENDMENT BILL

Consideration in Committee of the House of Assembly's message—that it had disagreed to the Legislative Council's amendments.

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

That the Council no longer insist on its amendments.

The Hon. J.F. STEFANI: For all the reasons that I put forward when these amendments first came before this Chamber we insist on the amendments. We have checked with the industries involved. I have spoken to the Employers Federation and it certainly agrees with the approach that the Opposition has put before the Parliament in terms of defining 'foreman' and 'construction work'. The net that was thrown out by the legislation is far too wide. It encompasses people in service industries who were never meant to be involved in construction work or covered by the Construction Industry Long Service Leave Act. As such, we believe that there is justification for proceeding with these amendments. The Attorney-General supported not all, but most, of the amendments and we believe it is an appropriate course of action to take. Therefore, we insist on the amendments.

Motion negatived.

MOTOR VEHICLES (CONFIDENTIALITY) AMENDMENT BILL

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

Page 1, after line 12—insert new clause as follows:

Commencement

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

The Hon. BARBARA WIESE: I move:

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

The Hon. DIANA LAIDLAW: I agree.

Motion carried.

SUPERANNUATION (BENEFIT SCHEME) BILL

In Committee.

Clause 1—'Short title.'

The Hon. C.J. SUMNER: The Hon. Mr Davis asked a question in the second reading debate about the effect of the High Court decision on the South Australian Superannuation Fund Investment Trust. On 25 February this year the High Court by majority decision determined that SASFIT's interest income was not State property and was therefore able to be taxed by the Commonwealth, while taxes on capital gains were held to be taxes on State property and were therefore unconstitutional.

In terms of the Income Tax Assessment Act as it applies to partially funded superannuation schemes operated by public sector bodies, for example, the South Australian Superannuation Scheme, little if any tax is expected to be payable over recent years and for quite a number of years into the future. However, because the Commonwealth Treasury also has some major problems as a result of the High Court ruling, discussions are being held between Federal Treasury and all State Treasuries in order to find a solution to the problems.

South Australia is still confident that it will not have to pay tax to the Commonwealth with respect to benefits many years before they are actually paid out of the scheme. Until such time as a satisfactory solution is agreed to in relation to the Commonwealth and State problems relating to taxing superannuation funds and benefits, SASFIT is continuing to be granted extensions from the Australian Taxation Office with respect to lodging its tax returns back to the financial year ending 30 June 1989.

The Hon. L.H. DAVIS: I have some general questions in relation to this new superannuation scheme which is established by this Bill. How is this scheme expected to be managed? How does the Government propose to manage this scheme? Will it be managed by the public sector or will the investments accruing in this fund be managed by the private sector as is the case for at least part of the South Australian Superannuation Fund as it currently exists?

The Hon. C.J. SUMNER: No decision has been made on that, I am advised, and none will be made until this taxation question that I referred to earlier has been resolved.

Clause passed.

Clauses 2 to 8 passed.

Clause 9—'PSESS benefit.'

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

Page 8, line 13—Leave out 'to be paid to the member or'.

The words removed from the Bill by this amendment were originally included to accommodate the possibility that a member's employment would terminate after 30 June 1992 but before the PSESS benefit had been determined. In this case the benefit should be paid directly to the former member upon being determined. The words in the Bill need to be expanded to address this situation specifically or be left out altogether. On reflection it is felt that they can be omitted because it is clear that where membership of the scheme has ceased and there is no superannuation account in the name of the former member the only course available is to pay the PSESS benefit directly to the member.

Amendment carried; clause as amended passed.

Clauses 10 to 14 passed.

Clause 15—'Termination of employment on invalidity.'

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

Page 11, lines 37 and 38—Leave out these lines and insert—

'(2) where the member had fulfilled the requirements for membership of the scheme under section 4 for an interrupted period—

(a) that included the last three complete financial years before the termination of the member's employment;

and

(b) that extended up to the termination of the member's employment,

the'.

This amendment addresses two problems. Clause 5 provides that once a person satisfies the requirements of clause 4 he or she remains a member of the scheme until benefits have been paid to the member under this Act. A member may not always comply with the requirements of clause 4 during the period of membership. For instance, a casual employee does not meet those requirements during a period of non-employment, and a member of the State scheme does not meet them when benefits are accruing to him or her under the State scheme. The reference to an uninterrupted period of membership in line 37 was intended to refer to a period during which the requirements for membership of the scheme under clause 4 were being met. The amendment spells this out.

The second problem is the need to spell out more fully the period referred to in subclause (2). It must be a continuous period that includes the last three complete financial years, and that extends up to the termination of the employment.

Amendment carried.

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

Page 12, line 6—After 'three' insert 'complete'.

This is a consequential amendment.

Amendment carried; clause as amended passed.

Clause 16—'Death of member.'

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

Page 14, lines 6 and 7—Leave out these lines and insert—

(3) Where the deceased member had fulfilled the requirements for membership of the scheme under section 4 for an interrupted period—

(a) that included the last three complete financial years before the member's death;

and

(b) that extended to the member's death, the future service.

This part of clause 16 is identical to clause 15, except that it deals with termination of employment on death instead of on invalidity. The amendment corresponds to the amendment to clause 15 and is made for the same reasons.

Amendment carried.

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

Page 14, line 12—After 'three' insert 'complete'.

This amendment corresponds to the second amendment made to clause 15.

Amendment carried; clause as amended passed.

Remaining clauses (17 to 30) and title passed.

Bill read a third time and passed.

SUPERANNUATION (SCHEME REVISION) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 12 November. Page 768.)

The Hon. L.H. DAVIS: This is a companion Bill to the Superannuation (Benefit Scheme) Bill. The need for this legislation can again be traced to the Commonwealth Superannuation Guarantee (Administration) Act 1992. This Bill provides that productivity benefits in the form of that 3 per cent salary productivity benefit that had been accruing to public sector employees since 1988, rather than being paid as a benefit through a separate scheme, will be rolled into the main State schemes.

In other words, the Government is quite sensibly seeking to rationalise superannuation schemes, and employees who contribute to the main State scheme will, rather than have a benefit being paid through a separate scheme in future as a result of this legislation, have the additional benefits flowing from the productivity benefits incorporated in the main State scheme.

The State scheme can be broken up into two parts: the pension scheme, which operated until 1986-87, and the lump sum scheme which has operated beyond that date. This second Bill that we are now debating reflects the closing down, effectively, of the productivity scheme, which has been replaced by what can at best be described as the safety net scheme which we have just debated. The Superannuation (Benefit Scheme) Bill has just been passed by this Council, and people who are in the State scheme, whether it be the pension scheme or the lump sum scheme, have had productivity benefits accruing at the rate of 3 per cent since January 1988, for 4 1/2 years, and I understand that $270 million to date has accrued in this scheme.

The credits that have built up through the productivity levy in the past 4 1/2 years—known as the Public Sector Employees Superannuation Scheme—will be rolled over into the main schemes. As I have already discussed, the Commonwealth Superannuation Guarantee (Administration) Act requires this State Government to pay a minimum 4 per cent as from July 1992, so there will be an additional cost over and above that 3 per cent productivity scheme.

Most public sector employees receiving credits under the Public Sector Employee Superannuation Scheme who are also paying into the pension or lump sum scheme will have their credits in the Public Sector Employee Superannuation Scheme paid into the State schemes. They will not be eligible for the State Superannuation Benefit Scheme, which is the new scheme created through the passage of the legislation that was just debated.

That is the main thrust of the Superannuation (Scheme Revision) Amendment Bill, but there are some technical amendments. For instance, there is some modification of lump sum and pension benefits for people at risk, for example, smokers. New entrants will be restricted from receiving disability pensions in certain circumstances within the first five years of joining the scheme and, in the event of financial hardship, contributors will be able to reduce their contributions during a particular financial year.

Pensions and lump sum schemes will be increased over a period so that there will be a maximum pension payable at age 60 years, eventually of 75 per cent of salary as against the current 67.6 per cent, and at age 55 years the level of pension over the next 35 years will increase from 50 per cent to 56 per cent.

As a result of this restructuring, which we are told will not add to the actual cost to Government, according to actuarial calculations, the lump sum scheme will provide a benefit of about 8.2 times final salary after 35 years of standard membership.

This is a question that I ask the Attorney-General to take on notice, for the Committee stage, as to how this 8.2 times final salary compares with private sector fund equivalents. One of the concerns nationally has been the burden of unfunded public sector superannuation schemes, and 8.2 times final salary does seem a little on the high side, although I accept that it does occur only after 35 years of membership.

In summary, the net effect of incorporating the productivity benefits into the mainstream schemes will be as follows. The defined benefit lump scheme, which of course has been operating for only four or five years, will cost the Government 12 per cent, plus the three per cent productivity benefit, which will be a total of 15 per cent. The pension scheme, which of course was a much more expensive scheme and which was closed down permanently following the Agars Committee report into State superannuation, will cost the Government 19 per cent plus two per cent for the productivity benefit, with the other one per cent of the productivity benefit being used as the cost offset in providing preservation of benefits option under the existing legislation. This is complex legislation and it runs into several pages. I have had a briefing on the legislation. I am satisfied of the | need for it following the introduction of Commonwealth legislation. I am satisfied with the nature of the legislation and with the provisions of the Bill and I do not intend to delay the passage of the Bill. As I have said, I have only one question as to how the lump sum scheme, with a benefit of around 8.2 times final salary, following this restructuring provided for in the Bill, compares with private sector schemes.

Bill read a second time.

In Committee.

Clause 1—'Short title.'

The Hon. C.J. SUMNER: I take this opportunity to respond to the question asked by the Hon. Mr Davis. The 8.2 times salary maximum benefit after 35 years in the 1988 lump sum scheme is on a par with benefits available in the private sector. It has to be remembered that this new level of benefit incorporates the three per cent of salary productivity benefit that was granted in lieu of a pay rise in 1988.

Clause passed.

Clauses 2 to 15 passed.

Clause 16—'Substitution of section 34.'

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

Page 14, line 12—Leave out 'at retirement' and insert 'at the age of retirement.'

This is a drafting amendment.

Amendment carried.

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

Page 14, line 14—Leave out 'at retirement' and insert 'at the age of retirement.

This also is a drafting amendment.

Amendment carried; clause as amended passed.

Clauses 17 to 22 passed.

Clause 23—'Amendment of schedule 1.'

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

Page 23, lines 30 to 32—Leave out subclause (3) and insert the following subclause:

(3) Where conditions limiting the payment of benefits applied in relation to the contributor under the old scheme the same conditions will, if they can be applied without modification, apply in relation to the contributor under the new scheme, but if not the board will apply conditions that are, in its opinion, appropriate limiting the payment of benefits to or in relation to, the contributor under the new scheme.

This amendment replaces subclause (3) of clause 16 of Schedule 1 of the principal Act. Clause 16 gives old scheme contributors the right to move to the new scheme. The existing subclause (3) provides that any conditions limiting benefits under the old scheme will apply to benefits under the new scheme. However, old scheme conditions may not be applicable to new scheme benefits. The new subclause allows the board to apply appropriate conditions in such a case.

Amendment carried; clause as amended passed.

Clause 24 and title passed.

Bill read a third time and passed.

THE STANDARD TIME (EASTERN STANDARD TIME) AMENDMENT BILL

Adjourned debate on second reading (resumed on motion).

(Continued from page 948.)

The Hon. M.J. ELLIOTT: I will keep this brief. I think this has taken more time of the council than the issue justifies. The Democrats have on two occasions opposed this move, and we do so again. Quite frankly, I am staggered that this issue is being treated as seriously as it is, and even being promoted to the South Australian public that it is one of the major moves that will turn around the economy, coming from the Arthur D. Little report. I would have hoped that the report had something a little more substantial to offer than that.

Any reasonable analysis of the supposed benefits does not stand up and one will find that business itself is clearly divided with one peak organisation supporting the move and the other peak organisation opposed to it. While it is claimed that moving another half hour, such that we adopt Eastern Standard Time, will help business, I have never had difficulty dealing with the eastern States, which I do regularly. After all, in the days of the fax machine, the mobile telephone and all the other devices now available, communication is terribly easy. I have found communicating with the west coast of the United States, which has an office opening time overlap of one hour with us, also not to be too difficult. Suggestions that half an hour would cause great difficulty really do not hold water to my way of thinking.

If people cared to insist that it did make a difference, I would ask whether, if it is an advantage to be in the same time zone, is it not also an advantage to be in the same time zone as Japan, which would mean that we shift back half an hour. With major trading opportunities with much of developing South East Asia, we would require a shift of time zones to take us to the west, which would make a lot of sense with the burgeoning economies of Indonesia and Malaysia, among others. To shift to a time zone half an hour to the east is to take us further away from communication with those economies. Whatever way one cares to debate it, the suggestion that we should change to Eastern Standard Time does not hold water. I am concerned that we continue to waste the time of this Chamber on an issue that is trivial to the vast majority of South Australians. The great bulk of South Australians say that they do not care. I have had very few letters saying that they do care and that they want it to happen and have had a lot of letters saying that they do care and do not want it to happen. On that basis I continue to oppose the Eastern Standard Time legislation and hope that we do not continue to see this nonsense coming back repeatedly. It offers no great value to this State and simply wastes the time of this Chamber.

The Council divided on the second reading:

Ayes (8)—The Hons T. Crothers, M.S. Feleppa, Anne Levy, Carolyn Pickles, R.R. Roberts, C.J. Sumner (teller), G. Weatherill, Barbara Wiese.

Noes (11)—The Hons L.H. Davis, Peter Dunn, M.J. Elliott, I. Gilfillan, K.T. Griffin, J.C. Irwin, Diana Laidlaw, R.I. Lucas (teller), Bernice Pfitzner, R.J. Ritson, J.F. Stefani.

Pair—Aye—The Hon. T.G. Roberts. No—The Hon J.C. Burdett.

Majority of 3 for the Noes.

Second reading thus negatived.

INDUSTRIAL RELATIONS (MISCELLANEOUS PROVISIONS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 12 November. Page 763.)

The Hon. K.T. GRIFFIN: In relation to this Bill one has to ask when the Government will get into its collective head that more regulation and less flexibility in employer and employee relationships will be detrimental to job prospects in South Australia. No benefit is to be gained by South Australia in this Bill. It is all about extending the scope of the Industrial Relations Act, ultimately the power of the Industrial Commission and entrenching union power. When one considers that unions represent about 30 per cent of the work force and are not increasing their membership, one has to ask why they should have such a powerful presence on the industrial relations scene and be so cosseted under this legislation.

The legislation tends to reinforce the view promoted by some unions that all employers are extortionists. Most people of reasonable attitude and persuasion will recognise that most employers not only in South Australia but throughout the nation regard their employees as their most valuable resource and generally treat them well. There are, unfortunately, a few instances where employers do not treat their employees well, but in those circumstances, particularly in the area of occupational health, safety and welfare, those employers ultimately are brought to account and under the current system their attitudes are identified and again they may be brought to account. It is important to recognise that in many businesses, whether they be large, small or medium in size, a considerable amount of rapport exists between employers and employees.

Employees do participate in the improvement of the workplace, the conditions and the development of productivity goals and the meeting of those goals. Without that cooperation between employer and employee the business would not prosper. I am not suggesting that all businesses are prospering in the current economic environment; very much to the contrary. However, we read of considerable productivity gains where employers and employees have been working together to improve relationships, the workplace environment and ultimately productivity. One of the most notable to have gained publicity in the last year or so is the Shepparton Preserving Company, where employees and employers were able to negotiate an accommodation for 12 months in return for a promise that as productivity improved and the business recovered the employees would have their remuneration and other benefits restored. They are now very much in front after having come to that accommodation and effectively rescued the business.

There are many other businesses where employers cannot wait for real enterprise bargaining because they believe that they can come to an arrangement with their employees which will be better for the employees and the business and will result in significant improvements in productivity. That will result from employees gaining more in the way in which those employees believe their remuneration packages ought to be structured to suit them best rather than being obliged by a Statewide industrial relations award which binds employers and employees regardless of the characteristics of a particular workplace and of the desire of employees to improve themselves and their business. If the employer's business does not improve, the prospects for the employee are appalling. Most workers recognise that fact of life and are prepared to make a significant contribution to a business becoming more competitive, provided they are given an opportunity to participate in it in one form or another, and employers are anxious that there be that opportunity to negotiate directly with their employees.

The structure of the South Australian industrial relations legislation and this Bill is opposed to effective enterprise bargaining between employer and employee because there is an insistence that such agreements be negotiated by an association of employees—a union—with an employer. The difficulty is that employees who are not members of the union cannot become part of the industrial agreement and are left out in the cold, and those who are members of a union which is a party to an industrial agreement and enterprise bargain will cease to benefit from the provisions which have been negotiated and will cease to be a party to the agreement when they cease to be members of the union. It is an unworkable situation. Although there is a proposal in the Bill to extend certified agreements, there is still the obligation for those agreements to be negotiated by unions with employers. There is no flexibility for an employee to negotiate directly with the employer.

On consideration of the Bill in Committee I shall seek to move amendments which will free up that situation significantly—not as much as I would like to see it freed up but freed up considerably within the framework of the Bill which seeks to deal only with enterprise bargaining in a limited context and ultimately to provide the Industrial Commission as a safety net to vet those agreements. In my view, there is no need for the Industrial Commission to be involved to that extent. As the legislation provides for that presently, we are prepared to go part of the way and allow the Industrial Commission to have some involvement provided that employees can negotiate directly with employers without the intervention of a union.

The Bill seeks to widen the jurisdiction of the Industrial Commission, to widen the net of workers who will be caught by it and, therefore, to widen the potential net for union recruitment. The extent to which the definition of 'employees' is to be broadened to include people who deliver newspapers and catalogues and what some of us call junk mail on a door-to-door basis on a contract rate, the concept of outwork being extended quite dramatically and the reference to industrial agreements and the wider power to review unfair contracts all signal the focus of the Government on ultimately widening the range of workers who may be caught by the legislation and required to join a union to get the benefits of the legislation. It is very much pro-union legislation.

As I said at the beginning of my speech, South Australia's economic prospects are dismal; we are faced with an economic disaster. Employment is low, unemployment is high and growing, and even tonight the Prime Minister will not rule out unemployment passing the 1 million mark in the not too distant future. In that climate I should have thought we would be able to free up the market place to enable people to get work rather than pass legislation which will mean that jobs will be lost quite significantly and perhaps even businesses will be closed.

While much of the Bill is of a Committee nature, I want to focus on a number of issues which are of some significance to this place and the people of South Australia. The first two major employer bodies, the Chamber of Commerce and Industry and the South Australian Employers Federation, make very strong assertions that the Bill presents no benefits to businesses or to the community. For example, the Chamber of Commerce and Industry states:

The Chamber of Commerce and Industry does not support the Bill in its present form and content. The Bill fails to address the requirements of employers as outlined to the Minister in earlier correspondence; rather it simply attempts to copy unsatisfactory aspects of Federal legislation. Two key components of the Bill, unfair contracts provisions and the certified agreements division, are presently under challenge in the Federal jurisdiction and should not be proceeded with, at least until some clarity emerges.

A further concern arises from the intended general legislation on family leave, with the double jeopardy of full commission standards being determined under section 25a of the Act. In short, the Bill is of no assistance to employers and may serve to further frustrate direct dealings between the industrial parties, contrary to the objectives of the Act.

The Employers Federation in particular states:

The Employers Federation does not support this Bill. In general terms, there are no amendments sought by employers; in fact, the majority of amendments proposed run counter to the stated policy and direction of South Australian employers. Whilst the proposed certified agreements division will add flexibility, the Federal consistency argument is applied selectively, and only those elements of Federal legislation which lend support to greater regulation upon employers generally flow into our State system. As an example of the lack of attention to the amendments which have been sought by the Employers Federation over recent times, we reaffirm our call for the industrial relations Bill to be amended to address the following: increased flexibility in workplace bargaining between employers and their employees; removal of the concept of compensation from section 31; the insertion of more extensive demarcation dispute settling powers along the lines of section 118 of the Federal Industrial Relations Act; removal of subsection 3(a) of section 108a; the ability for employers to file for the insertion of a bans clause into awards and procedures in the Act to enforce the same; removal of provisions attempting to regulate independent contractual relations; removal of the limitation upon access to the commission as currently set out in section 30; deletion of section 25a or amendments to allow this section to operate as a genuine standard setting mechanism; removal of subclause 1(a) from section 99 dealing with stay orders.

Accordingly, from an employer's point of view, there is nothing to recommend the Bill. In this submission we will be making comments that outline our opposition and suggest ways to improve the provisions.

Then, they go on to say that this should not be taken as support for the various proposals contained in the draft Bill. Other employers express similar views to those. No flexibility is allowed either in the principal Act or by this ill to tailor employee/employer relationships to those situations which suit employers and employees. A rigidity is being built into the system which will have adverse consequences for employees as well as for employers, and South Australia will not work its way out of any recession or depression (however one looks at it from an economic perspective) by this sort of rigidity built into the system, particularly when one considers the extension of the inflexible provisions of the Act to those who are presently contractors.

That is one of the major issues to which I now wish to turn, that is, leaflet distribution. Originally, the Industrial Relations Act, or the Industrial and Conciliation and Arbitration Act as it used to be called, essentially dealt with relationships between employers and employees and did not deal with those who were contractor and principal. In some instances, the contractor/principal relationship is now covered, particularly in relation to truck drivers, but certainly not with our support.

What the Government seeks to do is deem other relationships now to be within the description of employer and employee relationships. In clause 3 of the Bill there is an attempt to extend the definition of 'employee' to any person engaged for personal reward to distribute any items such as newspapers, catalogues or other publications or advertising or promotional products or materials, where the person distributes the items by going from place to place or distributes the items to members of the public who are passing by and the items are supplied to the public free of charge, whether or not the relationship of master and servant exists between that person and the person by whom that person has been so engaged.

That last reference to whether or not the relationship of master and servants exists is the most objectionable part of that extension to the definition of 'employee'. As has been said in the press and now in the House of Assembly, this seeks to extend this matter to young people, older people, and very old people, all of whom accept the task of distributing pamphlets, brochures, other material, give-aways, samples and those sorts of things at a contract rate. Most members of parliament, particularly in the House of Assembly and also in the House of Representatives, as I understand it, use those who distribute pamphlets, particularly at election time. As I understand it, even the Minister of Labour Relations and Occupational Health and Safety (Hon. Bob Gregory) uses them and is able to negotiate a better price than the normal contract price of about $30 to $40 per thousand. As I understand it, he gets his done for about $25 per thousand.

The Hon. Diana Laidlaw: Maybe he is exploiting them.

The Hon. K.T. GRIFFIN: Maybe he is exploiting them; maybe this legislation is a cross that he is prepared to bear in the interests of having the principle established. However, I think it ought to be recorded that he does use them and that he bargains and gets a better price than many other people are able to get for the distribution of their election material. So, everyone uses them, and the people who undertake these tasks are pleased to do it. We do not hear too many people complaining about the opportunity to earn a few dollars for some distribution work.

The Hon. Diana Laidlaw: Or for some exercise.

The Hon. K.T. GRIFFIN: Or for some exercise. Some people walk, some people ride their bicycles; some people even use rollerblades, the in thing.

The Hon. T.G. Roberts: Scooters?

The Hon. K.T. GRIFFIN: I am not sure about scooters, but certainly rollerblades are used by some

distributors. Some have a fantastic throughput because they are able to move quickly, and others are slower. Members are not going to tell me that an hourly rate should be fixed for this, where productivity becomes an irrelevant consideration.

The Hon. Diana Laidlaw: We'll have age discrimination then.

The Hon. K.T. GRIFFIN: My colleague the Hon. Diana Laidlaw says that we may well then have age discrimination; all sorts of possibilities come to mind. The fact is that so many people are involved in this sort of activity. I want to read into *Hansard* some observations made to me by a number of groups that are directly involved in this activity. First, there is a letter from South Web, which is a South Australian company and which has only been in operation for a relatively short period of time. In its letter to members of the Legislative Council, it states:

Southweb has established itself over the past 17 months as a supplier to the retail industry with a large client base in South Australia. All of our retail clients use the letterbox distribution system as part of their advertising program. The present delivery network operates in an efficient manner, but it is not in my opinion the type of operation that is suited to employing staff. The WorkCover Corporation recently stated that these people are contractors, not employees. The work flow is erratic, family groups perform the task, pensioners and housewives. Although the delivery is a simple function, the structure in South Australia is quite complex. Quite often, work is performed for more than one organisation at a time. I am very concerned that if the distribution network is forced to convert their contractors into becoming employees, then the costs will increase significantly. Most of our retail clients cannot carry additional costs. I am not talking about large stores only; we have many small businesses that produce small numbers of leaflets to promote their business locally. You can also understand the possible consequences if retailers are not able to maintain their sales momentum.

This could carry past retailers into the manufacturing areas. Again, the present system operates successfully for all parties concerned. To pass this legislation without significant input from the industry would, I believe, be detrimental to those who are in it.

The Hon. T. Crothers interjecting:

The Hon. K.T. GRIFFIN: They are contractors. They carry their own responsibility.

The Hon. T. Crothers: We are subsidising these people who are in the business of distributing pamphlets.

The Hon. K.T. GRIFFIN: You are not subsidising them in any way.

The Hon. T. Crothers: Yes, you are.

The ACTING PRESIDENT (Hon. M.S. Feleppa): Order!

The Hon. K.T. GRIFFIN: Presumably most of them will be declaring their income and, if they come within the bracket to pay the Medicare levy, they are making their contribution to the system. Many people, certainly those on pensioner benefits, have paid their dues to society through income tax during the long period that they have been working. Some of them are superannuants who have been paying their dues through the tax system whilst they have been working and they are supplementing their income. It is correct that there are younger distributors, children, who would not be paying tax, because they would not be earning about $6 000 out of it, but many of those young people are making other contributions.

The Hon. T. Crothers interjecting:

The ACTING PRESIDENT: Order! Order, please.

The Hon. K.T. GRIFFIN: They are saving up for things like tennis racquets and sporting gear, all of which I should say attracts a wholesale sales tax, and some of them are even saving up to buy motor cars. They pay tax on their motor car, they pay motor vehicle registration and stamp duty—

The Hon. T. Crothers interjecting:

The ACTING PRESIDENT: Order! The Hon. Mr Crothers is welcome to participate in the debate, but I ask him to cease interjecting.

The Hon. K.T. GRIFFIN: Those people are making a contribution to society because they are turning their money around and paying taxes directly or indirectly on what they earn. They are helping to develop their own attitude towards work. They are aspiring to acquire assets, whether they be personal or real estate assets. It is enterprise, and that is a good thing to be encouraged. The moment one starts to regulate it and require an award to regulate it, to govern the relationship and the terms and conditions, the moment one starts to require these people to belong to a trade union, one stifles incentive, and that is when many people will be out of work as a result.

Let me now draw attention to a submission made by the Salmat group, an interstate group, but it does carry on business in South Australia. It says:

We are deeply concerned at the proposed changes to the current legislation. These changes have the ability to affect our industry drastically. The extent of this could see the shutdown of our business in South Australia. This will directly cause the loss of many permanent jobs and the loss of substantial income for our contractors. Let me explain. Our company is involved in the national distribution of catalogues, samples and newspapers into letter boxes throughout Australia. We employ some 175 full-time people and have some 80 000 contractors nationally who distribute material on a spasmodic or random basis. We contract with these people or organisations on an individual contract for each distribution. In order to give you a broad overview, I would like to divide this issue into the following topics.

Government history. Over the past 10 years we have had extensive liaison with various Government departments, including the Australian Taxation Office, WorkCover Corporation of South Australia and the payroll tax office, and all have agreed [they attach letters] that the nature of the relationship is one of contractor—not an employee.

The costs of administration. Some 7 000 housewives, young adults, pensioners, retirees, charities, scout groups, family groups and unemployed in South Australia are contracted to Salmat on a spasmodic basis. This translates into some 80 000 people nationally. The transforming of these people into employees would be a logistics and administrative nightmare. We would then rank with Coles-Myer and BHP as the largest Australian employers. I would like you to imagine the cost in terms of historical records, Government forms and payroll issues for a small industry such as ours to have to bear. The cost would alone force us out of business.

Disadvantaged groups. The very nature of the business means that those disadvantaged groups such as housewives, pensioners, unemployed, charities, retirees, scout groups and families can contribute to the economy. The introduction of employee status would mean an end to these citizens' ability to earn an income

and contribute to the society within which we live, particularly in these recessionary times.

Non-discussion with industry and contractors. We feel that the haste with which this amendment has been introduced and passed by the Lower House has not led to a democratic process. The Bill was first introduced on 29 October and passed on 11 November 1992. Prior to this there has been no discussion with industry groups and contractors to establish the effects or necessity for this legislation. If there had been some consultation, it would have been immediately obvious that our industry cannot survive under employee status.

I pause to say that, as I understand it, one of the prime movers for this has been a Ms Fiona Campbell, who was with the SDA union. She is now engaged in the Premier's office and was one of the prime movers fighting for this proposition to be included in the legislation. I suggest that she is probably still wielding a significant amount of influence through the Premier's office in the promotion of this provision of the Bill. The letter from the Salmat group continues:

Effects on employment. The legislation will not only have a direct effect on our people but on the employees and viability of many other industries. These industries, which will be directly affected, are printing, free newspapers, advertising agencies, graphics and paper supply. The issue which we find puzzling is that these industries are all highly unionised and that the jobs and livelihood of these people will be in jeopardy with many jobs being lost. The question is: can we afford in these economic times to enforce further hardship on an already weakened economy?

I pause there to suggest that perhaps there is some inter-union rivalry between the PKIU, which of course will suffer with the loss of jobs in the printing industry, as referred to by the Salmat group, on the one hand, and maybe the SDA, on the other, which is endeavouring to extend its membership base. The letter from the Salmat group continues:

Competition. The increasing cost structure caused by this legislation would force our commercial rates up. This would make us non-competitive in the market. As such, another Australian industry which is supplying jobs, growth and enterprise would cease to exist.

Political decisions. Over the past few years there has been discussion and even legal cases with Government bodies over the status of contractors. In all cases the result has been for common sense and practicality whereby it has been found to be a contract situation. We disagree with the premise that an issue such as this is to be decided undemocratically when it has been previously left to the legal system to decide. If anyone wants to determine whether an employee, employer or contractor situation exists, let it be tested at court but not influenced by one person's view.

Contractors. In consultation with our contractors over 14 years we have never had any movement for these contractors to want employee status. Both parties are happy with the current situation. Legislating unwanted status is contrary to the spirit of good industrial relations.

Self-regulation. The industry has been proactive in self-regulation, with the Australian Catalogue Association and the Distribution Standards Board. These bodies have ensured the ethical and honest performance of the industry. The industry uses modern collective bargaining initiatives endorsed by all parties.

Political campaigns. Every politician has used our medium to enhance their election chances. It is used because it is low cost and effective. We can target your electorate with your message. The use of our services would, with the introduction of this legislation, be beyond the range of most political candidates. This would lead to a drop in understanding by the voters of the real issues in your electorates.

Retailers. Retailers use our service to promote the sale of their products in a timely and efficient manner. In these times of rising unemployment and dropping demand our retail industry has been one of the worst affected. Companies like Coles-Myer, Woolworths, Foodland and Pizza Hut regularly use our services. They need strong sales and would be seriously disadvantaged by this Bill.

In summary, we are asking you to consider our democratic rights and exercise your elected mandate to vote against this Bill on our behalf. Good legislation should be one that rises from consultation and social and business needs, democratic process, cost for the community, employment, building, fostered competition, and is morally justifiable. It is our view that this legislation does not fulfil any of our requirements, and as concerned citizens we ask for your help.

That is from Mr Peter Maddick, Managing Director. I am sorry to take up the time of the Council reading this correspondence into *Hansard,* but I think it is important to understand the range of interests that are affected by this one provision of the Bill. There are many areas affected by other parts of the Bill also. I have received a submission from the Advertising Federation of Australia Ltd, from a Mr Andrew Robertson, who is the Chairman of the South Australian Division, and he writes:

Our concerns relate to the effect of this legislation on the letterbox distribution industry which, in essence, we believe will be rendered unviable. Of the many issues involved, let us focus on two: (1) jobs and (2) the wider effect on many South Australian businesses, particularly in the retail sector. It is our view that no Government would wish to legislate against jobs or to impose hardship on retail businesses at any time, let alone at this time of record unemployment and severe recession. The letterbox distribution industry provides work and income for many thousands of people in South Australia. For example, approximately 1 000 people are involved in each full metropolitan area delivery, apart from the smaller nucleus of full-time staff within the respective distribution companies. These people are contractors who are paid at a rate per 1 000 deliveries. It is our clear understanding that this activity would be economically unviable if these contractors were required to become employees and subject to the provisions of these Acts. Therefore, these people in their thousands would lose this valuable source of work. The reason is simply that the cost of providing the letterbox distribution service to clients would increase from $30 to $40 per 1 000 to something of the order of $80 per 1 000, on all reliable estimates. Therefore it would no longer be a cost effective method of advertising, and clients using it would have no alternative but to seek other advertising options.

There are broader employment ramifications to this. Jobs within the printing industry, graphic design, paper merchants, advertising agencies and others will also be threatened, apart from any further flow-on effects.

Our second main issue of concern is the wider effect on South Australian business, those companies who currently use letterbox distribution to generate their custom. These companies range from major national retailers to small local comer stores who find letterbox distribution to be a proven and cost effective method of advertising. These companies rely on the business generated by the advertising and yet they may not be able to

afford the cost of main media advertising. This problem may be further exacerbated by any threat or cost increase to Messenger Press. The profitability, and in some cases the very viability, of those companies will therefore be seriously threatened. It is our strong view that to proceed with this legislation under these circumstances would be irresponsible in the extreme. The argument against the legislation is made more compelling by the fact that there is no apparent benefit to counterbalance the very serious and very obvious hardships. The people concerned, the contractors, many of whom are students, housewives, retirees, charity groups, families and many who would have difficulty in finding other employment are satisfied with the current arrangements, as we understand.

More to the point there has been no consultation either with the contractors themselves or the distribution companies or related industry bodies like ourselves.

This is the recurring theme, that there has been no consultation and there has been no demonstrated need for the legislation. There has been no clamour from those who are the distributors, those who pound the beat, who ride the bicycles or who use their rollerblades to deliver this sort of material. There certainly has been no call from them for a broadening of the scope of the industrial relations Act, so that ultimately they may be the subject of some award. I have another letter from a company called Joint Effort, a South Australian company, which writes:

If you proceed with the legislation regarding letterbox distributors becoming full-time employees of distribution companies you will be creating a situation that will result in a decrease in the number of catalogues produced by my clients, who during this calendar year produced 13 376 659 catalogues, as they would no longer able to afford such a large increase in expenditure, and it would be largely in their advertising budgets. With a reduction in the number of catalogues produced the net result would be a decrease in the levels of employment across a number of industries, many of them highly unionised. These include advertising, printing and graphic arts. The reduction in numbers of catalogues would also flow onto the retail and manufacturing sectors due to the situation that less merchandise would be exposed for sale. Many people whom I know that distribute letterbox material do not wish to become full-time employees, as they wish only to work a few hours a week to supplement their income or for the exercise the job provides.

There is then a plea to stop this proposed legislation. The Australian Direct Marketing Association has also written in relation to this matter, with the same plea. It says that its association represents something like 190 companies who market their products and services by direct marketing methods, and at some time or another they do deliver advertising material directly into household letterboxes. They say, and I quote:

The current recession has led to an increase in the letterbox drop method of marketing. Australia's three leading contractors, Salmat, Automail and Progress Press, alone service over 3 700 separate business customers each year. The above legislation now before the South Australian Parliament to change the status of letterbox distributors from contractors to employees will have a drastic, if not fatal, impact on this industry. It is almost beyond belief that at a time when we are deeply concerned about unemployment, legislation is being proposed which will cripple an industry giving work to many thousands of people, including pensioners and housewives desperately trying to pay the mortgage and feed the children. The undemocratic haste, and absence of any industrial consultation, with which this legislation is being introduced, can only be described as outrageous. In the space of 16 days, 105 amendments have emerged, each of them one must assume without proper discussion and consultation. This association has not been contacted, nor have any of the key players in the industry, which cannot survive competitively under employee status.

Progress Press was one of the companies referred to by the Australian Direct Marketing Association. It is an interstate company that carries on business in South Australia. It makes some observations as follows:

We estimate that the proposed legislation, if passed, will increase the price of letterbox delivery by some 300 per cent to the consumer, which will render the industry non-viable. The resultant decrease in four colour process printing volumes by up to 50 per cent; food hand bill-type printing would completely disappear, massive retrenchments of delivery personnel, who include pensioners, students, housewives, charity groups and scouting organisations; loss of hundreds of thousands of dollars out of the South Australian economy; severe loss of potential retail sales in our already depressed environment; reduced opportunities for advertising agencies, creative houses and the like; loss of jobs in the printing industry. Companies affected in South Australia would include Griffin Press—

no relation to me, regrettably—

Southweb Printing, Cadillac Printing, plus the many small job printing operations. The full-time jobs of supporting transport drivers, and administrative and sales staff employed in the letterbox distribution industry are also at risk.

Progress Press is a printer of much of that advertising material. It has been in business for something like 25 years. It has engaged a range of people across Australia to distribute material. It makes the point, as other correspondents have made the point, that in all the years of operation the Australian Taxation Office has treated the delivery of advertising material as one of a basically contractor and principal relationship. WorkCover Corporation has accepted that delivery people perform work under a contract for service and are not employees. Progress Press states:

To include these workers as employees will take away much of the freedom to deliver this material by the persons concerned and will impose extra costs in the industry that are not warranted and which will likely infringe on the printing industry as a consequence.

Severe concerns exist in the industry and the wider community about this provision of the Bill on which there has been no consultation and that is to be deplored. The Liberal Party will oppose that part of the Bill.

I turn now to another provision equally of concern. It has not had so much public focus upon it and relates to the extension of the definition of outworkers. Outworkers basically are those who carry on their work from premises either at home or some other premises not trade or business premises. The Bill seeks to extend the definition of outworkers who might then become subject to an award to those who work on processed or packed articles or materials, those who perform any clerical service, those who solicit funds, sell goods, offer services, carry out advertising or promotional activities by telephone or perform any journalistic service or public relations service.

A number of charitable organisations do solicit for donations on the telephone. Everyone in this Chamber at

some time or another would have had contact on the telephone from a person canvassing, whether it be to make a donation to a paraplegic or quadriplegic association, to purchase Guide Dog tea towels, calendars or a variety of other products or to make other donations, possibly even buy lottery tickets. Even bodies such as Bedford Industries undertake telephone canvassing. Some of those organisations engage their own staff as employees who come into the premises and make telephone calls there rather than from home. However, others are given a batch of names and are asked to ring from home. Their telephone costs are reimbursed and they are employed on a contract basis, which is partly related to those contacted as well as on an incentive for performance. They would be caught by this legislation, whether they are soliciting funds, offering services, selling goods or simply carrying out advertising or promotional activities.

What did come to mind was whether the political Parties in conducting telephone surveys, on a paid rather than on a voluntary basis, are equally caught by this legislation. I suppose that they are not soliciting funds or selling goods. They may be offering services or be regarded as carrying out promotional activities or advertising. Maybe they are not covered. However, a range of activities undertaken by telephone are caught by this proposed extension to the definition of outworker.

We also have the performance of any journalistic or public relations service. Many freelance journalists work from home, submit their articles to newspapers, magazines and other publications and are paid for the article that they present. In no way are they employees, but rather contractors. Under this Bill not only those contributing articles are involved, but also it may extend to a press or magazine artist or photographer. The whole range of activity that may be undertaken on a freelance basis, whether it be on journalism, artistry or photography, may be caught by this legislation. Any work of a kind performed in or associated with public relations is to be caught. So, a person who is a graphic artist or engaged to set up a set for filming, a cameraman or a camerawoman or anyone undertaking any function in relation to public relations services is likely to be caught as an outworker where they work on a contract basis.

I have had discussions with some people engaged in public relations activity who say that their whole business is focused on providing work out there in the community away from their premises and not necessarily to people who have an established office or business premises on a contract basis but to individuals who provide a service. This can have significant ramifications for those businesses as well as for the customers they serve.

In addition, there are those who perform any clerical services. There is some concern about those who perform clerical services. The definition of 'clerical service' is any kind of work usually performed by a clerk, including typing, administrative or computer-based duties. Computer-based duties can extend to a wide range of activities whether by telephone, modem or some other facility. That means that a whole range of people are to be brought within the definition of outworker and are therefore liable not only to be the subject of an award, which will have its own repercussions and consequences, but to be unionised if they wish to take advantage of the provisions of the legislation to which they are subject. There is a range of concerns about the extension of the definition of outworkers. Again, we shall be moving amendments which will seek to delete from the Bill those parts of clause 4 which seek to make such an extension.

I turn now to unfair contracts. There is already a provision in the principal Act, section 39, which was inserted without Liberal Party concurrence but by a majority of both Houses of Parliament, to review unfair contracts. It has fairly limited application, but the Bill seeks to extend the application of section 39 to a wide range of contracts which previously were not subject to any form of review. They will be extended to any contract of carriage or service contract, and an application may be made where it is asserted that the contract is unfair, harsh and against the public interest.

The concern that has been expressed to the Liberal Party about the broadening of the provisions of section 39 is that it will put under threat all contracts and will introduce a great deal of uncertainty into the business and professional community which will ultimately result in higher costs to consumers and no significant benefit, if any, will arise as a result of that.

The Housing Industry Association has been particularly vocal in its criticism of this provision. I understand that the Housing Industry Association has challenged a similar provision at the Federal level. The Housing Industry Association, in a letter to me from its Chief Executive Officer, states:

> I make it abundantly clear that IRA does not support unfair contracts. What we dispute is the proposed method of handling them, particularly as it opens the door for union activity and intervention which is clearly not wanted by either subcontractors or builders.

In an earlier letter the HIA wrote:

> As indicated to the State Government and to some members of the shadow Cabinet, the Housing Industry Association is vehemently opposed to the amendments that the Federal Government recently passed to their Federal industrial relations legislation. We are particularly disturbed to find that the State Government is now introducing supporting legislation which we believe is even more draconian than the amendments passed by the Federal Government.

In an accompanying paper the HIA seeks to identify the impact of unionisation on housing costs. It talks particularly about contractors and subcontractors and the extent to which amendments at State and Federal level will bring them under the purview of this legislation. In its accompanying paper it states:

> While building unions have been unsuccessful in penetrating the single family detached housing sector, they have forced industrial commercial conditions on some high rise and higher density housing sites in the major capital cities. Where this happens building companies are required to engage subcontractors on union-imposed terms and conditions. The main forms of union interference involve the setting of subcontractor prices well in excess of prices prevailing in single family detached housing. So, while subcontractor labour arrangements might be tolerated by the building unions on medium density housing sites, the unions behave as a *de facto* contract regulation tribunal.

Later it states:

On housing sites the builder is required to provide toilet facilities and drinking water. Under commercial industrial site conditions builders are required to provide air-conditioned full dining and rest room facilities, fully sewered separate male and female toilets and refrigerated cold water drink bubblers.

Again later it states:

Case studies revealed that unionisation of medium density sites added around 15 per cent to construction costs in three projects and 11.2 per cent in the other project.

It then states:

The impact of unionisation is to lift dramatically on-site labour costs. On the basis that on-site labour costs in non-unionised housing construction represent 25 per cent of overall costs of construction, the imposition of union conditions would increase on-site labour costs by between 40 and 60 per cent over traditional arrangements applying in single family detached housing. If the building unions were to succeed in subverting housing sites from subcontract arrangements to day labour, as applies to office construction sites, the impact on labour productivity and housing costs would be devastating. Many home building companies would be forced to close down their business. One of the most significant cost penalties arising from the imposition of on-site employees instead of subcontractors is the consequential loss of productivity. Independent subcontractors, unlike direct employees, are remunerated on the basis of results achieved as distinct from the number of hours worked. Subcontractors have the incentive to get on with the job.

Later the Housing Industry Association makes a number of other observations. It is important to put these on the record, although I recognise that many members of the Council are already familiar with them. It states:

The legislation opens up the possibility for building unions, such as the BWRU, to have subcontractor agreements in the housing industry referred to and varied by the Industrial Relations Commission. It also will effectively allow building unions to force builders in the housing industry to adopt commercial industrial conditions on housing sites.

Later it states:

The legislation is a smokescreen for the building unions to achieve through the commission that which they have failed repeatedly to achieve in the field, namely, to unionise 100 000 subcontractors in the housing industry. In the newsletter of July 1992 the BWRU states: 'The union has consistently fought over many decades to improve the award and statutory entitlements of our members who are employees in the commercial building industry and flowing these on to our contract members in the cottage industry. The policy of the BWRU is to civilise the contract system in the cottage industry'.

Later the Housing Industry Association states:

The housing industry argues that the Government's legislation will not provide a low-cost fair or simple dispute resolution system and will in fact only result in an unwarranted and costly extension of union power and privilege.

Indeed, the Housing Industry Association estimates from case studies that the imposition of commercial industrial conditions will increase housing costs by 15 per cent. The royal commission into productivity in the New South Wales building industry estimated that unionisation increased home building costs by between 7 per cent and 22 per cent. In a report of May 1992, the Victorian Department of Planning and Housing concluded that unionisation of medium density housing projects caused building costs to increase by between 10 per cent to 15 per cent.

That is a sad commentary on what is likely to occur as a result of this Government's legislation, which is quite obviously designed to provide some satisfaction to the union movement. I think most people in the community believed that when the Hon. Mr Arnold became Premier he would stand up to the union movement and take his instructions from the people, but in fact what we are seeing with this legislation, the WorkCover legislation and other legislation—

The Hon. R.R. Roberts: The people are the union movement.

The Hon. K.T. GRIFFIN: They are not. They are only 30 per cent of employed workers; that is a very small proportion of the workforce and a very small percentage of the total population of South Australia.

The Hon. R.R. Roberts: That's 30 per cent more than you want.

The Hon. K.T. GRIFFIN: If people want to join a union that is their right, but this legislation effectively forces them into a union, and what I will be moving for later in the Committee stage—

The Hon. R.R. Roberts: Awards in South Australia are all minimum awards.

The Hon. K.T. GRIFFIN: So what? What this Bill seeks to do is give your union mates a broad range of people whom they can con into joining the union membership or even force them into it, and I will be moving later in the Committee stage for voluntary unionism—a key plank of the Liberal Party's industrial relations policy for a number of years. That will allow people to make a choice. We believe not in bullying them into it or bullying them out of it but in allowing them to make a choice. They can judge for themselves, and then we will see how effective unions are. Unions will have to work to gain membership, even more than they have to work for it now.

The Hon. T.G. Roberts: Move over Mr Ingerson, here comes Mr Griffin.

The Hon. K.T. GRIFFIN: I do not aspire to take on Mr Ingerson's position at all, but if I am representing him in this Council I will put the position which the Liberal Party believes ought to prevail in South Australia—more freedom for employees and employers to negotiate their own arrangements and also voluntary unionism: getting compulsory unionism and preference for unionism not only out of the industrial relations system but also out of the Government tendering system, where at the moment one cannot get a contract unless one's employees belong to a union. That is blackmail, and we want to get rid of industrial blackmail by Governments, which ought to know better.

Members interjecting:

The Hon. K.T. GRIFFIN: I am pleased that both the Hon. Mr T.G. Roberts and the Hon. Mr R.R. Roberts agree with me.

The Hon. R.R. Roberts: No, I do not agree with you. I am saying it is a good idea; you are saying it's a bad idea.

The ACTING PRESIDENT: Order!

The Hon. K.T. GRIFFIN: The Hon. Ron Roberts was agreeing with me that it was a good idea to get this out—

Members interjecting:

The ACTING PRESIDENT: Order! I ask the Hon. Mr Ron Roberts to cease interjecting.

The Hon. K.T. GRIFFIN: Thank you, Mr Acting President. The problem is that members opposite cannot take the truth when it is presented to them, and all I want to seek to do is provide people with freedom of choice. The Liberal Party wants to go so far (and we have had Bills in this Chamber before) that, when people go to an election, they are not compelled to go to the polling booth They are certainly not compelled to vote, but they are compelled to go to a polling booth.

The Hon. R.R. Roberts interjecting:

The Hon. K.T. GRIFFIN: It is not the sixteenth century. No longer will we have blue ribbon Liberal seats, white ribbon Labor seats or whatever we like to call them—safe Labor or Liberal seats—when we get voluntary voting. When we give people the choice we have to work for the vote.

The Hon. CAROLYN PICKLES: On a point of order, Mr Acting President, this has no relevance to the debate at hand.

The Hon. K.T. GRIFFIN: I do not want to spend a lot of time on voluntary voting, because I acknowledge that—

The Hon. Carolyn Pickles: It's irrelevant.

The Hon. K.T. GRIFFIN: It is relevant to the extent that it relates to questions of freedom of choice, and I was provoked by members opposite to begin a debate about voluntary unionism and freedom of choice. One has to look at all that in its broadest context.

The Hon. T.G. Roberts: Jeff Kennett has looked at it.

The Hon. K.T. GRIFFIN: He can look at it if he likes; that is up to him. We are South Australians. What applies in Victoria does not necessarily apply in South Australia. Let me get back onto the subject of this Bill. What I am saying in relation to this provision is that it will result in significant additional costs and no benefit. In fact, the additional cost, the push towards unionisation, the broadening of the scope of employer/employee relationships and to deem certain relationships to be within that decision will all add to the costs.

There will be no additional benefit, and fewer and fewer people will want to come to South Australia and invest here. Fewer and fewer people will want to continue in business in South Australia and fewer and fewer people will want to come to South Australia and set up a business, because there will be no incentive to do so. They will be hide bound by this massive regulation which does not give them the flexibility which they need in a world competitive business environment if they are to be able to compete. The Opposition will certainly be moving some amendments, and we will oppose the clause relating to the extension of the power to deal with unfair contracts.

I want to turn now to the next controversial issue, which is the provision in the Bill which empowers the commission to address the issue in awards. It is a jurisdiction of the commission by award to regulate or prohibit the performance of work where the employee is required to work nude or partially nude or in transparent clothing. The employer associations have made the point—

The Hon. T. Crothers: Show us an example of what you mean.

The Hon. K.T. GRIFFIN: I do not want to give any examples. You ought to know; you are a man of the world. I just put on the record that I have never been to one of these topless restaurants; I never intend to go to one and I have better things to do with my time and with my interest. I think it is important to make some observations about this provision.

The Hon. Carolyn Pickles: It is not what Mr Evans in another place had to say.

The Hon. K.T. GRIFFIN: I am not my brother's keeper.

An honourable member interjecting:

The Hon. K.T. GRIFFIN: Nor my sister's keeper, either. Both the Chamber of Commerce and Industry and the Employers Federation adopt the view that this is an issue that is not necessary within the Bill. They take the view that there has been no indication by the Industrial Commission that it believes that it does not have jurisdiction to deal with this issue. It certainly made a consent award between the hotels and hospitality industry and the Liquor and Allied Trades Union. That has been carefully worked out and enshrined in the award. The Chamber of Commerce and Industry says:

> The chamber is totally opposed to the proposed amendment which would allow the Industrial Commission to impose moral standards upon the community. This kind of social engineering is unacceptable and is in stark contrast to the Government's normal stance on issues such as censorship. In particular, we have a strong objection to the inclusion of the words 'partially nude' or 'in transparent clothing'. These words mean different things to different people and we predict that they will only become the source of disputation.
>
> The Industrial Commission has recently inserted a clause in the hotels award dealing with the subject matter, and the parties were at pains to ensure that words which were capable of different interpretations because of their ambiguity should be avoided. In our view it is not inappropriate for the commission to insert provisions to go into such issues by consent, but it is not the role of arbitrators to impose their values on the community in such matters. Finally, a study of the case law suggests the amendment is unnecessary as the commission has not failed to act for want of jurisdiction. Rather, it has decided matters on their merits or refused to grant relief for the reason we have stated. It is not their role. The Government should not force the commission to accept this responsibility.

The Employers Federation says:

> The view of the Employers Federation is that this amendment to the jurisdiction of the commission is unnecessary. The commission has dealt with a similar subject matter on a number of occasions, and the lack of jurisdiction was not the reason for the commission rejecting regulation in this regard. If it is the intention of the Government to prohibit the performance of work in circumstances referred to in the Bill, then in our view the Government should make the decision and not avoid the issue by asking the Industrial Commission to make what is essentially a social decision. Reference to the concept of 'partially nude' is very subjective and must be narrowed so as to avoid the potential of unintended consequences.

At this stage I flag a need for some clarification of what that clause actually means if it is to continue in the Bill. There is no difficulty in understanding what the reference to 'nude' means, but 'partially nude' can have a number of connotations. It is a question whether it relates to merely the uncovering of arms, legs or other parts of the body—

Members interjecting:

The Hon. K.T. GRIFFIN: I am being serious—

The Hon. Carolyn Pickles interjecting:

The Hon. K.T. GRIFFIN: To be serious about that interjection, as I understand it, the objection to so-called topless waiting is to the exposure of a person's private parts, whether it be chest or otherwise. If one talks about partial nudity, one has to relate that definition to that exposure, and I think the same applies to 'transparent clothing' because one can have transparent clothing that does not necessarily expose those parts of the body in respect of which the concern has been expressed.

The Hon. Barbara Wiese interjecting:

The Hon. K.T. GRIFFIN: That is possible. It is Government legislation, and I am simply flagging—

Members interjecting:

The Hon. K.T. GRIFFIN: You can talk about it later. That is what I understand to be the concern. If you talk about partial nudity, one can then extend that to the stage, to the Australian Dance Theatre—

An honourable member interjecting:

The Hon. K.T. GRIFFIN: It may be perfectly proper, but I am saying that the breadth of this clause is such that a dancer who is covered by the relevant industrial award is required to work partially nude. If the Australian Dance Theatre is okay, fine. I am just trying to raise the issue that employers have raised about the potential for this to be the subject of litigation. It seems to me that, if one focuses on the real concern, it is more likely to limit the extent to which there might be litigation, and the same in relation to transparent clothing, because we can have transparent clothing that does not expose those parts of the body whose exposure is causing the particular concern. It is interesting to note that this issue was raised at the ALP State convention and, as I understand it, the Attorney-General was one of those—

The Hon. Carolyn Pickles: Long before then—

The Hon. K.T. GRIFFIN: No. The Attorney was suggesting that this should not be the subject of regulation, at least on an earlier occasion, but the State convention did take the decision to move in the direction encompassed in this Bill. It is interesting to note also that the *Advertiser* newspaper in July 1989 in its editorial referred to 'moral totalitarians', referring to—

The Hon. R.I. Lucas interjecting:

The Hon. K.T. GRIFFIN: No, this is 1989—a view opposed to so-called topless waitressing. I refer also to a later editorial which was published on 8 October 1992 and which says, 'Bar workers should not be sex objects.' So, there is obviously a difference of opinion on whether or not this should be the subject of some provision in this legislation.

I suppose the difficulty is that, with the Chamber of Commerce and Industry and the Employers Federation arguing that it should not be in the Act, they are acknowledging that there is power in the Industrial Commission to deal with this if that is an issue that the parties before it wish to make the subject of regulation.

As I say, it has been controversial, and there are those who argue that they make a choice to work topless and that they ought to be entitled to exercise that right of choice. I certainly acknowledge, on the other hand, that there are those who might have no other option for work but to work in that condition of partial nudity.

Most people will know my personal views on this subject. I think the Hon. Anne Levy described them in puritanical or Calvinistic terms the other day on another issue. In relation to censorship, I have been very strongly of the view that pornography ought to be much more severely restricted than it is. I do not have the hang-ups with censorship that some members on the other side or their predecessors have had from time to time, because I think that standards do need to be set. My personal view is very much opposed to the abuse of men and women who are required to perform in this state of undress.

However, I must say that the formal position of the Liberal Party is that this should be left to the industrial jurisdiction and for the parties to make their own judgment before the Industrial Commission. To that extent the formal view of the Liberal Party is that this provision is not necessary in the legislation.

The Hon. Carolyn Pickles interjecting:

The Hon. K.T. GRIFFIN: I think we have to recognise that it is our parliamentary Party that makes the policy decisions. The organisation wing of the Party does not make policy. The Labor Party is bound by its State conventions—and we saw that last weekend at its State Convention. I have made it clear that this is a controversial issue. I think in the terms of the principle there is no difference between the Liberal Party and the Labor Party, that if Parties make submissions to the Industrial Commission and the commission believes it appropriate to do so, then provisions can be made. The difference is whether or not it should be in this legislation and, as I have indicated, everyone knows my views on the issue of exploitation.

The Hon. T. Crothers: We will come to that when I make my contribution.

The Hon. K.T. GRIFFIN: That's fine. Honourable members will be pleased to know that there are not many other matters I wish to address at this stage of the debate. I want to make passing reference to agreements which this Bill seeks to develop and which it does limit to agreements between associations and employers. I have already made the point that we do not support that limitation and will be moving to extend it. Pertinent to that is the recent International Labour Organisation decision which was reported on 13 November, where the Australian Chamber of Commerce and Industry took to the ILO in Geneva the Federal Government's legislation which sought to establish super unions. The ILO decided that such mandatory creation of large unions by legislation was contrary to the ILO Convention on freedom of association principles, and that workers ought to have a choice, and if the wish to join a small union they can do so and if they wish to join a large union they can do so.

It is interesting to note that there are unions as small as 100, and another of 30, that were held not necessarily to be in accordance with the ILO convention. What I would be seeking to do is extend the arguments used in that to the issue of agreements, because if agreements are required to be made between associations and employers then it must logically follow that any law that prevents an agreement between an employee and an employer is contrary to the ILO convention, because it has the convention of compelling a person to join a union if that person wishes to be party to an agreement. So in relation

to that area we will seek to extend that in the course of Committee consideration.

In respect of registered agents, there is a provision for a more formal procedure for establishing a registry of agents. There is a regulation making power which enables standards to be set and discipline to be applied. I think that is an area that does need some amplification and what I would like from the Minister in reply is some clarification of the difference between the registered agent and an agent, whether agents employed by unions and employer organisations have to be registered, and the procedural proposals by which agents will be recognised, the code of conduct by which they will have to comply and the procedures for discipline and disbarment.

There is a concern among employers about the requirement (under clause 32) which stipulates that employers must keep certain superannuation records. The Chamber of Commerce and Industry is of the view that the provision is unnecessary absolutely, given that the recording requirements under superannuation law do require fund members to receive half yearly or annually reports on superannuation accounts from fund managers. Under the superannuation guarantee legislation there is a whole series of obligations required to be met by trustees, and seeking to add to those obligations under this legislation is going to create an unnecessary burden on employers.

Looking at the provision in the Bill, it will be a nightmare for those employers who are required to comply with that provision. The South Australian Employers Federation has the same view, because again they see the burden that it will create for employers, but with no necessary advantage to employees. Employees' interests are protected under Federal legislation, and they do have a right to information that is required to be provided under the Federal legislation.

Insofar as family leave is concerned, this is an extension to those general provisions which presently have been incorporated in awards. I will be asking some questions about that in the Committee stage, particularly about the relationship between those provisions and section 25a, which allows the Industrial Commission to make some generally applying provision across the State, and also I understand there is some inconsistency with the recent Federal test case decision, and I would like to know why the Government has decided to follow a New South Wales provision for family leave rather than the Federal test case provision.

The only other matter concerns the question of conscientious objection. My colleague the Hon. Rob Lucas will deal with that in more detail, suffice it to say that there had been representations made to us in several areas where we believe there is some merit in seeking to clarify the rights given to conscientious objectors, for example, in the area of victimisation. Section 144 provides that an employer may not victimise, but makes it makes no reference to an association, and that certainly ought to be included. There is also a provision for access to premises where there are conscientious objectors and where in fact there are no members of a particular employee association and we will be seeking to address that issue.

Other areas will be subject to amendment and will seek to reinforce the conscientious objection provisions of the legislation in the areas I have indicated and those matters will be addressed further by my colleague the Hon. Mr Lucas. It is on the basis that I have indicated that we will support the second reading of the Bill. We will seek to move amendments. If not successful, at the third reading stage, we are likely to oppose the third reading of the Bill.

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

DAIRY INDUSTRY BILL

Adjourned debate on second reading.

(Continued from 17 November. Page 835.)

The Hon. J.C. IRWIN: I support the second reading, as does the Opposition. The Dairy Industry Bill is to regulate the dairy industry, to establish the Dairy Authority of South Australia, to repeal the Dairy Industry Act 1928 and the Metropolitan Milk Supply Act 1946 and for other purposes. Currently two State Acts cover the dairy industry in South Australia and I have mentioned them already: the Metropolitan Milk Supply Act, which covers the area of the State from Meningie to Gawler, and the Dairy Industry Act covering the rest of the State. We also have Commonwealth legislation that levies all milk to support lower returns received on export markets. There is an increasing national focus on returns from dairying and legislation to achieve it. There is a move in all States to reduce legislation in the dairy industry and this Bill is in line with national requirements and pricing, particularly at the farm gate.

The Victorian Parliament is debating its dairy legislation at the same time as we are debating ours—in fact, it may have already completed its debate. The purpose of this Bill is to reduce legislation in the dairy industry and give more responsibility to the industry for its own pricing mechanism and quality control. Provision is made to allow for two lc increases in the wholesale price of milk, to be paid into a trust fund to be distributed to dairy farmers outside the current Metropolitan Milk Board area, increasing their farm gate price to the same as that received by dairy farmers in the metropolitan area. This provision will allow for a State-wide farm gate price and not put at risk country milk processing plants. It is anticipated that these prices will be progressively removed so that from 1 January 1995 the only price control will be at the farm gate. However, in line with Commonwealth legislation farm gate price control may cease by the year 2000.

Provision is made to ensure that milk for market milk, no matter from where it is sourced or sold, is paid for at the declared farm gate price. This provision is to ensure national discipline as agreed to by all States. Provision is also made for the Minister of Primary Industries to have reserve powers, should there be a breakdown in the equalisation agreement, a code of practice to be administered, milk testing equipment to be transferred to the dairy industry and staff currently employed by the Metropolitan Milk Board to transfer to the authority. The benefit from herd recording will cover all dairy farmers

and provision is made for the industry to fund the replacement and operational costs of the equipment.

The last time that I can recall debating a dairy Bill was when we considered amendments to the Metropolitan Milk Supply Act of 1987. Debate then was about giving the Minister power to declare a maximum only price for milk if the industry was threatened by a discounting war using interstate milk. One supermarket chain was in fact trying to do that at the time. The whole national debate on industry protection has come a long way since 1987. Indeed, the debate so far with regard to protection of the dairy industry has been on the agenda since the second world war. The dairy industry is a classic example of the problems confronting Australian industry, be it primary or secondary, with a relatively small home population and production in excess of home market needs. This surplus needs to be sold on an overseas market in competition with other domestic suppliers and other countries' surpluses.

The Australian dairy industry has for many years been subject to artificial plans and Government intrusion. It has to be said that in line with other industries the dairy industry has not been backward in seeking Government protection. I make the point that the first dairy subsidy plan—

The Hon. M.J. Elliott: As distinct from support?

The Hon. J.C. IRWIN: I will reiterate what I said: the dairy industry, like others, has not been backward in seeking protection and support.

The Hon. M..1. Elliott interjecting:

The Hon. J.C. IRWIN: It may well be and I will come to that later. I started by going through what was fairly obvious—that two Acts on the domestic market are being taken away by this legislation and one gave protection to the metropolitan area. It is like the old Samcor Act, which protected meat in the metropolitan area. No abattoir in the South-East was allowed to bring meat into the metropolitan area. It was an absolute nonsense. Previously I gave an example in this Chamber of Premier Dunstan saying to the principals of Tatiara Meat in Bordertown, one of the best exporting abattoirs in the world, when it was to set up, that they should go to Victoria and set up as it would then have access to the South Australian metropolitan area. They said that they were butchers in Bordertown and did not want to go to Victoria. Luckily they persisted and the metropolitan protected area for meat disappeared some years ago. At last milk is catching up with it. That is what I am talking about with regard to protection on the domestic market. Other arguments relate to the overseas market and I will come to those.

The first dairy subsidy plan was made during the second world war and 47 years later we are staring at the Kerin plan as it changes to the Crean plan. The Government intervened during the war to subsidise dairying from general revenue rather than allowing an increase in dairy product to force up the cost of living, which the Government was desperately trying to hold down. In 1962 the Federal Parliament was debating the McCarthy dairy report, which advised the then Government not to continue the butter bounty but to use the bounty money to encourage dairy farmers to leave the industry. Even before the EEC was born, it was clear that there was no long-term future for our butter exports. When the EEC became a reality it wantonly subsidised its own products (and still does, with France at the forefront not only on butter products but in plenty of other areas) to such an extent that it obliterated the world dairy market.

My friend and former member for Wakefield, the Hon. Bert Kelly, a well-known crusader in this debate over many years, had this to say in 1962:

> It was fundamentally foolish to encourage, by paying the bounty, the production of increased quantities of butter which we knew we could have increased difficulty in selling, so we should do what the McCarthy Committee advised.

If in 1962 we had subsidised our milk prices down, as occurred in New Zealand at the time, instead of up, as we were doing in Australia, we would probably have consumed all the dairy products that we produced and we would have had to import butter. That is not so silly now when we look at it. This lesson has at last sunk into the minds of our masters who designed the various dairy plans. Quite simply, our market milk policies keep milk prices up. They disregard section 92 of the constitution and so limit the demand for milk, comfortable as it is for a few but damn silly for the great majority of people in this country, consumers and producers as well.

In 1984 the IAC summed up the market milk situation as follows:

> Currently about 30 per cent of milk produced is market milk and this provides some 50 per cent of returns to dairy farmers. The supply and distribution of milk is extensively regulated by State Government legislation. The effect of this regulation has been to maintain high and stable prices for market milk. The commission has estimated that in 1981-82 this involved an income transfer of between $70 million and $100 million or 4.5c and 6.5c a litre of milk.

That is what I was saying to the Hon. Mr Elliott earlier. In 1981-82 there was a transfer helping the dairy industry to the extent of between $70 million and $100 million in those days, which was 4.5 to 6.5c a litre of milk. The IAC continues:

> This estimate is supported by data on the prices paid by farmers for the rights to supply the fluid milk market. The commission could find no justification for a transfer of this magnitude in terms of ensuring satisfactory hygiene and compositional standards or in high costs of producing adequate supplies of market milk. The commission also questions the need for Governments to ensure stable consumer prices all the year round.

That almost echoes what some of us were saying with regard to the egg legislation: that there is this phobia about people having to have fresh eggs every day of the year in the quantities that they demand rather than what nature will produce. It is probably the same for the fruit industry and many other industries which are seasonal, but there is the ability, through better management techniques, to try to get a constant supply throughout the year.

I suggest that this $70 million to $100 million transfer meant unduly high prices in 1984. One more important point that has been building since the mid-1940s and not often understood is that a subsidised dairy product has the effect of flowing to an excess in the price of land. For all sorts of reasons that is counterproductive. It is particularly counterproductive when we are trying to encourage young people to come on to the land, if the

price has been inflated because of a flow-on of artificial measures. There is no doubt in my mind, along with many others, that this has happened between the mid-1940s and the present time. In and around 1987 the Hon. Kym Mayes was Minister of Agriculture and the parliament was subject to a number of attempts to deregulate a variety of rural products. The Government was more intent then on testing the Opposition's resolve to support the Opposition's general policy on deregulation than a genuine belief that deregulation in itself was a good thing. History shows that the Opposition, and indeed the Democrats, were not very cooperative in relation to some of the Government's attempts to deregulate rural industries. Our consistent concern was more about the way that the deregulation was proposed. We were also consistent in our insistence that, if rural industries were to be deregulated, many other areas should be deregulated, including the labour market.

As I said earlier, much has happened since 1987. It is fair to say that the debate on protection and deregulation, including the labour market, has been won. Of course, differences will remain about degree and timing. As an aside, I am getting more than a little tired of hearing the ABC doing the bidding for the Federal Government on a daily basis. Today, for instance, we saw the results of a recent survey on car tariffs where a clear majority supported or at least understood tariff reduction. I was glad to hear that those who were interviewed on the ABC this morning, despite the ABC's thinking it might go the other way, rejected its line. It is about time that that so-called responsible body started to put a few broad and balanced views to the people of Australia rather than taking the Government's line every time.

The Hon. T.G. Roberts interjecting:

The Hon. J.C. IRWIN: It is pretty clear if you listen to what they say on a daily basis. It was evident this morning, 'Whacko, there is something in the paper about tariffs, so we will just bang it on the ABC again.' What do we find? At half past eight this morning we had another discussion about tariffs.

The Hon. T.G. Roberts: They said it was a confusing poll.

The Hon. J.C. IRWIN: The poll was fairly clear to me. It was clearly a majority of those who understood that tariffs were damaging. The man from Mitsubishi said, 'Yes, it means a saving of $2 000 per car.'

The Hon. T.G. Roberts: The breakdown between Western Australia and South Australia—

The Hon. J.C. IRWIN: I am talking about what I saw with regard to South Australia which brought this program on this morning. As I said, it was an aside.

With the Milk Supply Act in 1987 we supported the deregulation moves, and it is pleasing to see this legislation taking the process further and we can expect to see the removal of the levy on the wholesale price of milk by 1995 and the total abolition of the farm gate price in every State by the year 2000. I am comfortable in believing that the measures contained in this Bill are not confrontationist; they are not some smart alec attempt to score points for the sake of scoring points. The position arrived at in this Bill is one of common sense and an acknowledgment of reality. This may be one small example of reality, but if we fail to move in the direction of this Bill and, indeed any other deregulation measure, we will be setting the State back and impeding the development of proactive and vital enterprises.

No longer can we afford to create convenient comfort zones where some of our community live off the efforts of others. There are many players in the dairy industry—producers, transporters, manufacturers, retailers, wholesalers, vendors, standards administrators, consumers and probably others. There will inevitably be winners and losers, but with the time scale indicated in this legislation all sectors should have the time to adjust and make long term decisions. The Bill is the result of a long gestation period, and I am satisfied that all sections have had ample opportunity to consult and be consulted.

I pay a tribute, as did my colleague the shadow Minister (Dale Baker) to the Minister of Primary Industries (Terry Groom) for the way that he has gone about achieving one of the first pieces of legislation since he was made a Minister. His approach as a Minister is refreshing and a great improvement on the experiences of the late 1980s. I do not include the current premier in my criticism when he was Minister of Agriculture until recently.

There are three basic uses of milk. In South Australia about 143 million litres of milk is produced annually for the fresh milk market. There are at present about 900 dairy farms in South Australia. Approximately 411 million litres of milk is produced in South Australia. If we extract from that the 136 million litres which are used for fresh milk, it can be seen that a substantial portion of the milk is used for manufacturing purposes to produce cheese and butter. Some 250 million litres is used for cheese and butter and 24 million litres is used for flavoured milk, a total of about 275 million litres.

There are two parts in this regulated market. First, there is the fresh milk market, which provides milk for consumption across the State. The same thing occurs in all States. The dairy farmer is paid 44.6c a litre for that milk. For producing the milk used for manufacturing cheese, butter and other products, the farmer receives about 20c a litre. Given the protected local market, which will continue to be protected with the farm gate price and the export market, the dairy farmer gets an average price.

It is interesting to note that Australia exports about $11 million worth of dairy products. We are one of the most efficient dairy nations in the world, and that is a tribute to the dairy farmers of South Australia and indeed Australia. One class in the manufacturing milk market is particularly important from the producer's point of view, and I refer to the flavoured milk market, which has been developed by some major companies in Australia and which has become a large portion of the non-alcoholic drink market in this country. It is a very good product. I guess some of the younger members of our families, our wives and others have a very keen preference for one or another of the brands of iced coffee, iced chocolate or custard.

The Hon. T.G. Roberts: You wouldn't get a marketing manager's job out of that one.

The Hon. J.C. IRWIN: In fact, I am not even game to drink it now, much as I like it. That is why I am the size I am: because of the quantity of milk I have consumed throughout my life. I am trying not to drink anymore; I am trying to wean myself. One of the reasons this market

has been developed is that the processors around Australia have been buying that milk at manufacturing price—approximately 20c a litre—and that has given them the margin to advertise the product and has allowed them to sell the product at a price that makes flavoured milk competitive in the soft drink market. That is very important in the overall scheme of the milk industry in Australia, particularly in South Australia, because both major producers in the State are very active in the flavoured milk market and their brand names are well known.

Beginning with the Merin plan at least 10 years ago, attempts have been made to rationalise the dairy industry Australia-wide, and I welcome these attempts. Nationally we are looking at a farm gate price which the producer will be guaranteed for his fresh milk, and there will be a negotiated price for the manufacturing milk. That will not vary much around the major dairying States in Australia. What we are trying to achieve in Australia is a common farm gate price so that milk can move freely across borders. At present in South Australia there are three distinct areas, and milk cannot move amongst these. The aim around Australia is that fresh milk and manufacturing milk can move; flavoured milk, which will become a bigger part of our daily diet in the future, will be bought at a price that makes it competitive.

At the end of the day, with all that deregulation going on, if it is done in a common sense way, the dairy farmer in Australia, and most decidedly in South Australia and Victoria, will receive an average farm gate price that not only makes their industry viable on the local market but that also makes us very competitive in the export market. I have no doubt that, when one looks, as I have looked, at the various production areas around South Australia as they are divided up in the South-East, the Jervois Flats, the Riverland, the Mid North and other areas within the State and some of their production costs and returns per hectare and per cow, one sees that that may change dramatically in the years between now and 1995, although it may not be dramatic at that stage.

However, by the year 2000 there may well be a different mix because different calculations will be made and, with the reality of the year 2000 in mind, calculations will be made on where is the best and most efficient place in South Australia to produce milk, bearing in mind that, as with the domestic international problem, the problem is the same in a smaller area of the State where there is a domestic market, say, the South-East. However, they then have a surplus which needs to go to the higher population areas. The same applies, no doubt, with the Riverland and the Mid North, where they have a domestic area of daily milk market, and the rest of it needs to be sent somewhere else.

I had a 50 cow dairy at one stage with a ridiculous situation of Friesian dairy cows producing cream for the local cream factory, with milk coming out of my ears. I also had pigs which I was fattening and breeding with this excess milk. So, I declare an old interest in having something to do with the dairy industry in a very small way years ago. I had a share farmer working for me; he was a most diligent person who, with his wife, got up at 5 a.m. and who finished their work at 7 p.m. seven days a week. At the end of two or three years, I said to them, 'Do you want to go on? I calculate that your average hourly work is bringing you 20c an hour. Although you love the animals and you are doing a fantastic job and I will support you as long as I can, do you really want to go working at 20c an hour for that amount of work?' They decided not to, so I wound up my exercise in the dairy industry.

I would say that there would be a lot of other people making that decision over the next few years after very carefully doing their costings and working out how this new system will work. I do not think it will involve dramatic moves, but I am sure that there will be moves to areas where dairying can be most efficiently done, and that will be where most of the milk will be produced.

Under the Bill, instead of having three distinct areas in South Australia, it will take the boundaries of those areas right away from the boundaries of the State. That cannot be done overnight, because some people will be disadvantaged. I acknowledge the Hon. Ron Roberts' interest in this area and his concern because of the pressure of the Golden North processing plant at Port Pirie. We cannot take away or alter the market share of the major producers or manufacturers overnight, because that would cause disruption to the market.

I have always said that, when deregulation is occurring or tariff barriers are coming down, it should not be done overnight; it should be a slow, predictable process. This looks to have that same mould of 1995 and the year 2000. So, it is proposed that we will have what is called an equalisation scheme and that it will take two years until 1 January 1995 until that scheme finds a level that will allow the Government of the day to deregulate the wholesale price of milk. After 1 January 1995 there will be a farm gate price from market milk set by the Minister. There will be a negotiated manufacturing price, but there will be no controlled wholesale price for milk; in fact, nationally, the aim is that by the year 2000 the farm gate price for market milk will be taken away and the industry will then be completely deregulated. As I have said before, that is sensible.

Not only am I very much in favour of deregulation, but also it must be done in an orderly fashion, and that is a sensible proposition for dairy farmers and their representatives to work towards with the Federal and State Governments, for that target of the year 2000.

In this State, this Bill will enable farmers throughout South Australia to receive a common farm gate price for the fresh milk supplied before the wholesale price is deregulated. To fund that, the wholesale price of milk will rise in two lots of lc a litre; that is funded. That is reasonable because at present we have the lowest wholesale price of milk of any State in Australia. That has been controlled. We have had total controls on wholesale and retail prices in South Australia to one degree or another, and those controls have got us out of kilter with the rest of Australia. This lc rise each year will bring us more in line with what is happening in the other States.

It is interesting that the authority as set up under the Bill will determine the farm gate price, which is 44.6c a litre at present. It will determine that price, taking into consideration what the farm gate price is in Victoria, so that manages to level out what is being paid in both States and gives the industry a much better basis on which to organise itself. It also, most importantly, allows

a freer flow of milk between the States because, if the market price is the same, there may be producers in the South-East who choose to send their milk to Melbourne, Warrnambool or wherever. That is important.

With all this in place, one further thing must happen; there must be an agreement in the interim period leading up to 1 January 1995 between the two major processors in South Australia. In this respect, I refer to Farmers Union Foods and the Dairy Vale Cooperative. These two companies and the South Australian Dairy Farmers Association have been trying to negotiate an agreement which this measure will allow them to go on with in the interim period. As market shares are involved, much behind-the-scene negotiations have been taking place about what should go into the Bill which will finally become the Act. That has caused a tremendous amount of work for the Minister, his staff and the South Australian Dairy Farmers Association.

I pay a tribute to the Minister and his staff for the way in which the Opposition has been able to cooperate to ensure that we get the Bill into a form that is acceptable to all parties. The agreement between the two companies and the South Australian Dairy Farmers Association has not yet been signed, as I understand it, but it is important that I place it on the parliamentary record again, in this Council at least, so that we know the sort of agreement towards which we are working.

There are still a couple of minor sticking points, but they should be resolved before too long. I will read into *Hansard* the tentative agreement, because this is one of the many matters that the Bill is about. The tentative agreement states:

Industry recommendations to the South Australian Minister of Agriculture following Cabinet approval for new legislative arrangements:

1. The increase in the processor margin in line with the Minister's decision goes into a separate industry pool.

2. The separate industry pool is to be used to provide processors with the funds to pay the full farm gate price to farmers by no later than 1 January 1994.

3. Any surplus funds remaining in the separate industry pool are used to make additional payments to farmers in the Barossa, Mid-North and the Riverland (if it is necessary) to ensure they are no worse off than their current position.

4. Any further surplus funds remaining in the separate industry pool will be distributed equally amongst all farmers in the State.

5. In order to distribute funds as per 2 above, the calculation for each processor will be based on the difference between the farm gate price and 34.49c/L from 1 January 1993 and the difference between the farm gate price and 33.13c/L (that is, 9.47c/L) from 1 July 1993 until 30 June 1994. From 1 July 1994 to 30 June 1995 the rebate will be the difference between the farm gate price and 35.68c/L (that is, 8.92c/L). The maximum rebate a processor can receive at any point in time will be 10.11c/L (that is, the difference between the farm gate price and 34.49c/L at 1 January 1993). The maximum volumes on which rebates are to be made are the market milk volumes for each region in the 1991-92 year (ended 30 June).

6. Dairy Vale and Farmers Union Foods will be reasonable in their negotiations over equity in equalisation.

7. This agreement will operate initially until 1 January 1995. However, during the previous year, industry sectors will negotiate any extension.

8. Neither Dairy Vale nor Farmers Union Foods will have any liability to make up for any unforeseen shortfalls in the proposed pool.

It is proposed that that will be signed by Dairy Vale, for and on behalf of Dairy Vale and Farmers Union Foods and the South Australian Dairy Farmers Association. I know that negotiations are continuing at the moment and there could be some variation to paragraph 7, which is one of the main matters to be enacted.

The Bill comes to us with amendments already achieved in another place, and I have on file a number of amendments. Two of them refer to an audit of money paid under section 23, and to division one, which refers to a licence applying only to milk of bovine animals. Both are identical to amendments on file from the Democrats and similar to amendments moved by the Opposition in another place.

I have on file two other amendments that we can debate more fully in the Committee stage. One refers to the authority to be constituted by this Bill. There will be three members of the authority and three deputies. Notwithstanding that the authority can appoint deputies, I believe it is not satisfactory for the authority to be constituted of three members, with the Chair having a deliberative as well as a casting vote and being able to make decisions with only two members present.

In other words, the quorum for the authority is two, and certainly that is consistent with the calculation for quorums generally where it is half the membership plus one. In this case, half the membership plus one gives a quorum of two, but we suggest that that is not right. It gives much power to the Chair.

The Victorian legislation provides for six members, and it is the Opposition's preference to have a small authority, rather than a large authority seeking to represent every possible combination of representatives.

While we are trying to stay with and support the Government's intention of three members, we do not want to move particularly to any other number that would then give a higher quorum but not quite so much power with the deliberative and casting vote of the Chair. In that context I note that the Consumers Association of South Australia has contacted me. It would like to be represented to put the point of view of consumers because consumers will virtually be paying up to 2c for some years as part of the farm gate price arrangement.

If only two members of the authority are in attendance at a meeting and the vote is one all, the Chair can resolve the meeting with a casting vote. It is our view that that gives too much power to the Chair. I refer to Division 3, clause 11 (7), which provides as follows:

A proposed resolution of the authority—

(a) of which notice is given to all members of the authority in accordance with procedures determined by the authority;

That does not spell out, and we are not told until the authority decides after it is constituted, how long beforehand any notice of a meeting will be given and if the notice will go out to the deputies so that they are warned about the date of the meeting. I raise this point if the matter of the casting vote cannot be changed.

There is often a need for meetings to be called in a hurry, but I am always extremely wary of that provision because it can be misused and misinterpreted, and we can have trouble if a meeting is called at such notice. Let us say that none of the deputies and a member could attend an important meeting which was called at short notice, so that only two members were present. There may be excuses why some people cannot attend such a meeting that was called at short notice.

As to subclause (7) *(b)*, a decision of the authority can be made if all members of the authority—that is three—'express their concurrence in writing'. A telephone or video conference between members of the authority is also possible in clause 11 *(b)*.

I accept both those provisions, but I claim that there are telephone hook-ups, writing, or video conferencing which I hope are all exhausted before the authority is ever required to have a meeting with only two members present. The effect of my amendment to clause 11 would be that, if one member of the authority is absent and his or her deputy is not at the meeting, then the Chair in the event of a 1:1 vote will not have a casting vote and another meeting will have to be called to decide the issue.

This is a small compromise to make if the authority is to remain comprised of three members. Local government has this arrangement where, if the numbers are equal, the Chair, as opposed to a council with a mayor, does not have that power and the matter is not resolved until a subsequent meeting. There we are talking between 12 and 14 people who potentially can be at the meeting. My fourth amendment is to clause 21 which deals with transfer of a licence:

> A licence may be transferred with the consent of the authority.

My amendment is in line with the provisions of the Dairy Industry Act of 1928, which we are repealing. We have been given no advice that that original provision did not work in that old Act. If the Bill now before us is about deregulation then there is no reason why, as clause 21 provides, a licence may be transferred with the consent of the authority. If clause 21 prevails as it stands, it smells more of regulation and the authority being given a responsibility and power to investigate and sit in judgment on prospective new licence holders seeking to take over an existing licence. In the other place the Minister of Primary Industries said:

> I am not prepared to accept the amendment at this stage. I have not discussed the ramifications of it with the industry. I do not think it will take all that long to do so. It is a matter that will be resolved definitely one way or the other before it goes to the Upper House.

The Minister said that he erred on the side of safety when rejecting our amendments in the Assembly. I am not aware of any subsequent advice from the Minister regarding this amendment and I am not aware of discussion with the industry. I hope that either the Government will produce its own amendment or accept ours in Committee. We ask the Minister at the table to give some explanation of what process the Minister of Primary Industries has been through in relation to further consultation, which he very clearly said that he would undertake. He said he was erring on the side of safety just to have some more consultation.

I have had some late advice regarding clause 23, which is about price control. Clause 23 comes to us amended by the Minister of Primary Industries. To put this matter into context, I shall quote from the debate in the House of Assembly. This concerns the amendment moved by the Minister of Primary Industries, the Hon. Mr Groom. In debate, Mr D.S. Baker said:

> This is probably the second most controversial clause in the Bill and it is really about price control. Although the amendment tidies up the whole section much better, I am not sure that it goes far enough, because this whole section is about the control of the wholesale price, because the wholesale price, in effect, ceases on 1 January 1995. Both major processors of milk have some concern as to what will happen after 1 January 1995.
>
> One of them has given me some amendments that they wish to have inserted. They vary in relation to what the Minister has put forward today, and I seek an assurance from the Minister that ongoing discussions will take place to ensure that the intent of what we are trying to do in the interim period is covered with the major processors and, of course, the dairy farmers, and that there will be discussions until the end of 1994 to ensure that none of the three major parties involved in the legislation is going to be disadvantaged after we carry on with the next step of deregulation which is the deregulation of the wholesale price of milk on 1 January 1995...But the main point I want to make is that, as we get to 1 January 1995, I seek an assurance from the Minister that if there is a disagreement as we approach that date he will continue these discussions to see whether we can iron them out before the major processors are put on to the deregulated market, to see whether we can be assured that none of them is at a disadvantage as we go to the next step.

The Hon. Mr Groom replied:

> If I am Minister on 1 January 1995, I will certainly carry out the assurances that I am about to give the honourable member—and I expect to be, do not make any mistake about that. I do have the power to direct, and will do so if appropriate circumstances arise.

Before the members in the other place voted on that, the Minister said:

> However, I think it should go through in this form at this time. I have ample power to direct and give the assurance that if the need arises on 1 January 1995 that will take place.

I have not received any advice that the Minister in the other place will do anything to clause 23 following discussions with the interested parties and I have had absolutely no feedback on the matter, and there is no amendment from the Minister. There may be some advice from the Minister in this place when we conclude the second reading debate. I now quote from advice from Baker O'Loughlin, which is acting for Farmers Union Foods, and it states in a letter to me:

> The problem is that the Government has stated that it will cease to fix prices [except for the farm gate price] after 1 January 1995. It appears to me that once the Minister ceases to fix prices, under section 23 (1) he can no longer exercise any power under section 23 (2) *(a)* to require a proportion of the price received from the vendors for marketed milk to be paid into the industry fund. If no order is in operation under section 23(1), then each processor will get to keep the 2c per litre previously paid into that fund.

The advice from that firm goes on to spell out the fact that one of the processors will receive quite a hefty amount from the windfall gain of $420 000 from that arrangement, if the Minister cannot do other things. I seek from the Minister in this place an assurance regarding the Bill as amended that has come to us here that Crown Law will back the advice that Mr Groom gave, more or less off the cuff, in the other House in his statement that he does have the power to direct on or after 1 January 1995. I would prefer to have that assurance before we deal with the Bill in Committee. If that is not available before then, at least we will have it on the record in Committee. We want to know what the present position is, with the Minister having had some

days to consult and think about what was put in in relation to clause 23.

Finally, the Opposition and the Democrats have received advice from the South Australian Dairyfarmers Association about clause 28, which is about advisory and consultative committees. The South Australian Dairyfarmers Association advice to me is that the history of legislative review in relation to the dairy industry over the past few years would suggest that there would be a great benefit to the industry and the Government in having a consultative mechanism in place, and that is certainly envisaged by the Act. They have suggested a structure for a consultative committee consisting of 10 people, made up of four farmers, three processors, one vendor, one retailer and one union representative—and I venture to suggest that there is a place there for a consumer. It would be funded by the budget of the authority.

I am not sure what the statutory requirements or linking to statutory control and overview would involve. I am not sure whether it can be done as it is now, whether the authority can set up a consultative committee and fund it, or whether it needs to come back to us, and its role would be, as suggested by SADA, to act as a forum for industry development and regulation and to advise the Minister on policy development, and also provide a forum for regular industry consultation and to establish a code of practice.

Clause 28 provides: 'The Minister may establish a committee or committees.' The Opposition and SADA want an assurance from the Minister that a consultative committee 'will be' set up and not 'maybe' set up. I have no doubt that with the cooperation that has been evident between SADA and the Minister a consultative committee will be set up. The Minister referred to that in another place and said that it would be silly for any Minister not to have a consultative committee. I am looking for an assurance that a consultative committee will be set up. I support the fact that the Bill does not seek to be prescriptive in this instance, but I urge the Minister to encourage the setting up of the informal consultative committee and I am confident that he will.

It is heartening to observe the progress, albeit slow, in sorting out various protective measures under GATT. I have already made a brief passing reference to that and to the French attitude. When I put down this thought yesterday it was just through that there had been a breakthrough in GATT negotiations and it is now clearer what has happened. I paid credit previously to the Federal Government and then Minister Blewett who was heading up the GATT negotiating round for the Government. I am happy to pay credit to the Federal Government for its determination in this area. I am sure, as some of us have seen for a long time, that it is convinced that this is one of the best avenues for lifting productivity and incomes, particularly for farmers and this efficient fanning industry. We have the problem of only a small domestic market and have to get rid of an enormous excess production. People in GATT countries must see the light that they cannot afford to go on subsidising their rural products to a point where they over-produce so that they need to dump in the markets we supply or in our domestic market. Once they win that philosophical battle, the work done by the Federal Government as far as the GATT and other rounds of negotiations are concerned will be an advantage to the Australian farmers that will flow on through to the whole community.

It is pleasing to see, since the American elections, that some small progress has been made in this area. The dairy industry in Australia has and always will have a production surplus that must be sold overseas. Any surplus sold at a reduced value to that obtained on our limited domestic market is a calculation that all dairy farmers must and do contemplate. I recall the time when there was a discussion about dwarf wheat and the fact that it would not be terribly good in quality but would have an enormous potential for huge tonnages in given areas. It would be quite on the cards for Australian farmers and those in my area and the South-East to say that they will grow so much hard wheat, so much fair average quality wheat and a whole lot of feed wheat or feed barley and pick up in quantity what they do not have in quality.

The avenue has always been open to producers to look at lower prices and decide whether they want to go with the higher price for the domestic market and shandy it with the lower prices for the surpluses. It is a challenge to the Australian producer and manufacturers to find innovative ways to lift domestic consumption of milk, to produce new products which can compete overseas as wine is now doing. No reason exists why we cannot tailor some sort of agricultural products to the Asian market, find out what the Asian market wants and produce it here, either in a niche market or in something that might grow to more than that, and excite domestic users of dairy products to buy our goods in preference to imported products. That is simply import replacement. I do not say that we can or should keep out other products as that is ridiculous. If we expect people to buy our product we have to let in their product, but we should compete with it.

In the debate on Eastern Standard Time I said that we should be proudly going out, not worrying about times but rather saying that these are the products we can do best and can do it better than elsewhere in South Australia. It is an exciting time for the dairy industry, as it can look at import replacement. For those who have tried King Island cheese (and there are many other examples such as Jervois cheese or cheeses from other States), we know that it is as good as anything in the world. We see a bit of social one-upmanship in eating French cheeses or cheeses with fancy wrappers from other countries, but we must excite people to the fact that our cheeses are as good as any in the world, as are our dairy products. As well as being efficiently produced, they are exciting products for us to pursue. Without doubt deregulation produces the best climate in which to do these things properly as there are no barriers and no comfortable safety nets when deregulation comes in totally in the year 2000. The market will be free and those who do not follow innovative and best principles will go to the wall. That is the best climate in which people can try new products, find out what people in other places in the world want and produce it for them

The Hon. T.G. Roberts: And stop dumping.

The Hon. J.C. IRWIN: Yes. We cannot keep out other products and must make sure that we cannot dump. We need proper dumping legislation that is fast acting. I

know that the Hon. Mr Elliott would take up that point with regard to oranges and fruit juice imports, as previously addressed. I know rural producing and marketing better than secondary production and I am aware of the part that nature plays in the equation. I am well aware of the cyclical nature of product popularity. If you have a good product you cannot afford to stop there, but you must prepare for market change and a new generation of product. Those people who have a long life as far as their contribution in the marketplace is concerned are those who are not only plodders but those who innovate and when that innovation takes on they are then looking for the next innovation. They do not succeed in all of them, but the market is prepared for changes and we must be prepared to change with a new generation of products.

While my latest information is that production costs, at least at the farm gate, are declining slightly due to a number of factors including genetic improvement and farm efficiency, production costs are still too high and return on capital is too low. In 1991-92 the average herd size increased by five cows to 109 cows and the average per cow production increased. That was on the sample used by the department on an annual survey basis. When I say that the herd size increased to 109 cows, I did not mean over the whole State but rather amongst the surveyed group.

In that group, which would be representative of the industry, they had a per cow increase. Milk was up 57 litres per cow or 12 per cent; kilograms of butter fat increased by 25.5 or 12 per cent; and kilograms of protein increased by 21 or 14 per cent. I am unable to give an analysis of the total State or regional trends. I will watch them with interest as 1995 and the year 2000 approach. There has also to be an improvement across the whole spectrum of manufacturing, retailing, shipping and wharf costs. There must be those improvements to help with the efficiency of the industry.

The Coalition's Fightback package, if implemented, will offer dramatic cost savings to primary producers. Farmers will pay 26c a litre less for all petrol used on and off the farm for business purposes and 19c a litre for personal vehicle use. The price of diesel will fall by the same level. These fuel price reductions will contribute to lower freight costs. Charges will be reduced further by the complete removal of sales tax on all transport equipment, for example, trucks, spare parts and tyres. The cuts will also apply to Avgas, meaning a further saving for those who want to use aerial top dressing of superphosphate. I do not imagine many dairies do that, but no doubt some would. There will be the complete removal of the wholesale sales tax on all farm inputs which at present are calculated by the Federal Treasury to cost farmers $288 million. There will be quicker and more efficient anti-dumping and countervailing procedures to ensure fair trade. They will be quicker than they are now by some months.

The present unfair assets test, which discriminates against rural Australian retirees, will be abolished and a fairer income test will apply. Tax treatment of depreciation will be reviewed to give all businesses a greater incentive to invest in the latest technology and match the best international practice. Those things will help when they are able to be initiated by a Coalition Government.

An independent industry consultant estimates that farm business incomes on identified properties could rise by between 7 per cent and 22 per cent at least with the introduction of the GST, the abolition of wholesale sales tax, fuel excise, payroll tax and tariffs set to negligible levels. A dry land dairy producer will have an increased income of an estimated 7 per cent.

I look forward to observing how the measures outlined in this Bill will be implemented. I hope that the dairy industry, consumers and the Australian economy will benefit from the changes that we are discussing tonight. Obviously this is the same type of legislation as will be enacted in every State. I certainly look forward to seeing how the work that we are doing tonight will be effected as 1995 approaches and then the year 2000.

The Hon. M.J. ELLIOTT: I support the legislation and promise the Council a much shorter speech than the previous contribution. The Democrats support this legislation. I note that the dairy industry is probably one of the most efficient agricultural industries in Australia, particularly its operations in South Australia. We have seen massive improvements in efficiency, particularly during the 1980s. I neglected to bring the figures with me, but conservatively it is about 5 per cent per year for each of the years during the 1980s, and I suspect that it was slightly more than that.

It is worth noting that that has been done without any subsidy. We have milk and milk products which are among the cheapest in the world. They have been achieved within a regulated environment. We need to note the point that one of our most efficient industries, which is still rapidly improving in efficiency, has been achieved within a regulated environment.

Stability of supply by way of licensing and a guaranteed price have been instrumental in achieving this. There is no doubt that the system has served us well, although, as with all regulation, it is appropriate from time to time to reassess the regulation. The Democrats are on record in this place as being opposed to deregulation for its own sake, which is what we get from time to time. We support appropriate regulation. If it can be demonstrated that particular regulations have become out of date and are not serving any useful purpose, then certainly they should go. However, most regulations were brought in for a purpose and sometimes we are a little too eager and the baby goes out with the bath water.

Rationalisation has occurred in the industry in an orderly fashion. It has been occurring according to plans both at Federal and State level, the Kerin plan being one of the more prominent among them. I do not believe that total deregulation achieves this. Total deregulation is having no plan at all. The Japanese economy, as an example, grew because the economy's growth was planned. That is something that the proponents of deregulation consistently choose to ignore.

It is worth noting that farmers in Australia and internationally, generally speaking, are underpaid for their produce. There is an unrealistic expectation as to how much primary producers should be able to produce their product for. There are a number of reasons for that which I will not explore now, but I put on record that most

farmers are not paid adequately for what they are producing. There are some wealthy cockies, but the great bulk of primary producers are not wealthy. They sometimes have assets which are appreciating rapidly, particularly the land, but they do not have an income stream which most people in the city would consider to be adequate.

Particular commodity groups have difficulties. Dairying is very much like other commodity groups to which I have been close in horticulture. There is a problem in many of these commodities in that there are very few buyers in the market and there are many sellers. In the dairy industry in South Australia there are essentially two buyers in the market: a primary producer-owned cooperative and one privately owned company, with a small amount of milk being bought out of the South-East by another company interstate, Kraft. With few buyers and many sellers the whole concept of the free market does not work. Anybody who thinks that a free market will work in that situation is off in fairyland somewhere.

Unfortunately, some of the big proponents of deregulation, particularly out of the agricultural sector, tend to be broad acre farmers who are not in the position of many sellers and few buyers. The one exception is probably the wheat producer who operates the major buyer. We will not see any wheat producers wanting the Wheat Board to go. Deregulation of the wheat market domestically has damaged prices and deregulation of external marketing would also be damaging to wheat growers, because a couple of cartels will quickly move in and dominate the markets and then the wheat growers will learn what total deregulation of marketing means. As I said, the totally deregulated market is fairyland stuff. The broad acre farmers do not yet appreciate those difficulties, although wheat farmers should if they think carefully about their own situation.

Very large producers of some of these commodity groups also do not feel the same pressures. A very large producer of citrus, a very large grower of grapes or a very large producer of milk will not be under the same pressure as the average and smaller size producers. It is a matter not of being a more efficient producer but of the sheer size which one has and which gives one a power in the market that the others do not have. Once again, I think that they do not really live in the real world; they are on one edge of it.

I regret what I heard coming from the Hon. Mr Irwin which seemed to suggest that he thought that at the end of the day total deregulation of milk prices at the farm gate level by the year 2000 would be a good thing. I beg to differ. Time will tell, and I can assure him that producers of other commodity groups which are deregulated but which are in a similar position do not share his sentiments.

I said earlier that there was a need for change. I think the metropolitan milk zone quite clearly had done its time. With the introduction of refrigerated trucks, which can move milk around, and so on, there is no basis for maintaining the metropolitan milk zone. I think that there is also an increasing trend for dairy farmers wanting to move out of what was the metropolitan milk zone in order to take advantage of irrigated pastures along the Murray River and down into the South-East, where they have green pasture for a significant amount of the year and where some irrigation potential also exists.

However, the metropolitan milk zone was a positive disincentive for producers to move where perhaps they could work more efficiently. It served a purpose at the time, but that time has well and truly passed.

The Hon. Peter Dunn: The milk price wasn't a subsidy, was it? It was twice the price of manufacturing milk.

The Hon. M.J. ELLIOTT: No, I do not believe it was. What it was doing was guaranteeing supply throughout the year, no more and no less. That was its principal purpose. It was aimed at producing milk. Without it milk would have varied in price and quality significantly throughout the year. Now we have a very homogenous product which is available at a very good price the year round. As I said before, as much as we might want to knock the regulation, the fact is that under a regulated environment we have damn cheap milk—cheap by world standards.

The Hon. Peter Dunn: You ought to go to New Zealand.

The Hon. M.J. ELLIOTT: New Zealand is the only country in the world which, without subsidy, produces cheaper milk but, bearing in mind all the natural advantages that they have in the pastures there, the difference is only marginal.

I do not believe that the regulated environment in South Australia and in Australia over recent years (as distinct from earlier times) has coddled the farmers. They have not had it easy; they have been forced to increase the size of their herds, and figures were quoted again here today in this respect. So, the regulation did not make it easier for farmers; it stopped it from being impossible, a situation which the totally deregulated market would produce for them.

Personally, I would like to see the maintenance of the farm gate price in the longer term, but I think we probably cannot do it at State level. It would need to happen at a national level. I would also argue that, having set that farm gate price, we would set it at a level which would not encourage the inefficient to continue operating. It is a question of finding what is the appropriate level. I am sure that, if we set it at a level that discouraged the inefficient and discouraged people from operating in areas where they should not be, we could achieve our desired goals but still produce a lot more certainty in the market so that producers know at what price they are to produce. Then they could be offered at least some protection against the games that the oligopolies play in the marketplace.

The Hon. Mr Irwin made mention of GATT in passing. I think the most important thing about GATT is that there is discouragement from the massive level of subsidies that have been going on at an international level. Once again, I would be most surprised if any responsible nation did not try to remain somewhat self-sufficient in foodstuffs, and I would be most surprised if the Europeans did not maintain a level of assistance that keeps themselves significantly, if not entirely, self-sufficient. They would remember only too well the experiences of World War II and the difficulties they had then, and that is something which they have always

remembered and of which all nations should take note to some extent.

There are just a couple of matters to which I will refer during the second reading debate and to which I hope the Minister will respond. In relation to clause 21, I note the Hon. Mr Irwin raised questions about the transfer of licences. It is an issue that has been raised with me by the South Australian Dairy Farmers, and I would like some clear explanations from the Minister as to what precisely is intended to happen there.

The clause as it stands gives no explanation as to how the transfer of licences is to be handled by the authority, and I would appreciate hearing a more detailed explanation of this matter. I think the Hon. Mr Irwin said he might have an amendment in relation to that clause, and at this stage I would be tempted to support an amendment that perhaps takes us back to the situation that existed under the old Act. It is a matter of only minor importance but, in relation to price control and equalisation schemes, I will be moving amendments to make clear that they relate to milk only from bovine animals, in other words, cows. This is because it appears to me that it is likely that there will be licensing of dairy industries other than simply cows. Already it involves a number of primary producers, including a number producing milk from goats and other products from goats' milk, and there are also a couple of primary producers now milking sheep.

I suggest that we would want to license those dairies to make sure that they are being maintained at adequate standards, but I would not expect price control mechanisms or the equalisation schemes to apply to those, and I will be moving amendments to make clear that that is the case.

I also want some clarification in relation to clause 25, which refers to the guarantee of the farm gate price. In fact, that price is mentioned at several points through the Bill. I want to have a very clear understanding of what the farm gate price means.

There were difficulties in the Riverland when there used to be a minimum pricing scheme for grapes: some of the wineries started pulling a bit of a shonk. They would pay the minimum charge but then pay quite incredible freight rates to move the grapes around. I want to make quite clear that the farm gate price is the price the farmer receives, and there is not some deduction that is made by the company for freight reasons.

I think the dairy industry recognises the need to take account of location, and it does so currently through equalisation schemes and, of course, Division Ell of Part IV still has an equalisation scheme. As I understand it, it is the intention of the dairy industry to use the equalisation scheme to take account of location. I hope that the setting of the farm gate price will be such that some dairy company does not pull a shonk later on and try charging exorbitant freight rates. I do not believe they can do that, but I certainly want the Minister's advice that that cannot occur.

The final matter I will raise in the second reading debate relates to the consultative committee. The Hon. Mr Irwin received a copy of a letter that the SADC sent to me after the meetings we had, and he has essentially read in the response that it sent to me, in particular its requirement to see a consultative committee set up. I believe that the SADC would have liked it to be set up under the legislation itself.

As I understand it, it has been inordinately difficult to get the various sections of the industry to sit around the table, and that is not good for an industry that is trying to move ahead. I think their great hope was that a consultative committee set up under statute would be one way of ensuring that the various groups do sit around the table.

There may be other matters that I will raise in Committee. The Democrats support the legislation, and we are pleased to see that the metropolitan milk zone will go. We are pleased to see that some levels of regulation will be maintained in the industry. It is at least guaranteed that the farm gate price will remain until the year 2000.

The Democrats would like to see the farm gate price continue indefinitely and there are other commodity groups for which it could be argued we should be doing it. However, in the light of how much business we have to get through this week, I will not extend that debate at this time. As I have indicated, there will be several amendments of a relatively minor nature that we will move in Committee.

The Hon. BARBARA WIESE (Minister of Transport Development): I thank honourable members for their contributions to the debate. A number of issues will be raised in Committee, so I will not address all the matters that have been raised by honourable members in the course of the debate thus far, because we can deal with some of them in the Committee stage.

However, there are three issues with which I think I can deal now. Two of them are matters that were raised by the Hon. Mr Irwin, and the third was one of the issues raised by the Hon. Mr Elliott. First, the Hon. Mr Irwin raised the question whether the Minister of Primary Industries actually has power to direct. As he indicated, it would be his intention to do so, should it be necessary, with respect to matters relating to pricing, should there be some disadvantage that had been caused to some sections of the industry following deregulation.

The Hon. Mr Irwin sought an assurance that there was a Crown Law opinion which would back the advice that had been given by the Minister. As far as I know, there is no Crown Law opinion on the matter, but I am advised that the Minister does have power to direct, although not under clause 23. However, certainly under clause 5 he is given authority to direct. The authority itself is under the control and direction of the Minister, so he clearly has a power under that provision to provide direction.

Also, under clause 20, which deals with conditions of licence, the Minister would have the power to set or direct that a condition of the licence would enable the outcome that was desired, that is, that there should be no disadvantage. I understand that that would be done by way of a licence fee transfer, as is currently undertaken under the existing Metropolitan Milk Supply Act. That power would be used, should it be necessary, and those provisions of the legislation would provide for that.

Secondly, the Hon. Mr Irwin sought an assurance that the Minister would establish some sort of advisory committee, and I have been authorised by the Minister of Primary Industries to give such an undertaking that it is

his intention to establish an advisory body. He intends to do that by way of regulation following consultation with the industry.

The third point I would address relates to the matter raised by the Hon. Mr Elliott about clause 25. He wanted information about exactly what the farm gate price might mean. He wanted an assurance that freight and other charges would not be deducted from the farm gate price, so that the dairy farmer would not be disadvantaged. I am advised that these matters would be dealt with by way of the equalisation provisions of the legislation to ensure that a dairy farmer would not be disadvantaged by someone attempting to pad prices in that way.

At this stage I do not have a response to the question about clause 21, but we can deal with that as we proceed with the Bill. I thank all members for their contributions *an*d, if any further explanation is needed on any matter that I have raised, I shall be happy to provide it as we deal with the Bill in Committee.

Bill read a second time.

In Committee.

Clauses 1 to 10 passed.

Clause 11—'Proceedings.'

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

Page 5, lines 18 and 19—Leave out 'and, if the votes are equal, the member presiding at the meeting may exercise a casting vote'.

This amendment deals with the casting vote of the presiding officer of the authority. It seeks to take out of subclause (4) the provision where, if votes are equal, the member presiding at the meeting cannot have a casting vote. There is to be only a deliberative vote. If the quorum is two members out of the authority of three and if there is a 1:1 vote, under my amendment there would not be a decision. There is the ability of the authority to nominate proxies for authority members. We put it to the Committee that if the authority cannot raise three original members or two original members and one proxy, or one original member and two proxies (whatever the combination), the Chair of the meeting should not have a casting vote but only a deliberative vote.

If that does not resolve a matter at a meeting when only two members are present, they should go away and consider the matter at another time—the next day—or adjourn the meeting until the matter can be resolved. I will not go over all the ground again, but I mentioned in the second reading debate that we considered going along the lines of increasing the authority membership to six members, as Victoria has done, to give more representation, on the one hand. On the other hand, there is the question of resolving whom those people should represent, but giving a bigger number from which to pick a quorum where this would not become a problem. We decided not to go along that line, because we are helping the Government to deregulate. A small authority is best, to our way of thinking, and we just want to take that final powerful decision away from the Chair in case only two members are at an authority meeting.

The Hon. BARBARA WIESE: The Government opposes the amendment. We do not believe it is necessary. We do not anticipate that the circumstances will arise very often where there will only be two members present. However, if that circumstance did arise then the Government believes that the business of the authority should be allowed to proceed and that there should be the capacity for a decision to be made. I might say that if this new authority works in a way similar to the old Metropolitan Milk Board the need for a vote is likely to occur very rarely, and I understand that that has been the case since the Metropolitan Milk Board was established in 1986. I understand it has been the preference of the board for decisions to be made by consensus wherever possible, and so the need for votes is a very rare occasion indeed. We very much hope that the same cooperative practices will apply under this new authority. The concerns being raised in relation to these circumstances are perhaps academic. In any case, should there be a need for such a vote, the Government believes that the power to resolve the issue should be there in the event that not all three of the members are present to enable the business of the authority to proceed. For that reason we oppose the amendment.

The Hon. M.J. ELLIOTT: The Democrats support the amendment. There may be very few occasions when this would eventuate—in fact it would be extremely rare—and when one considers that not only does each member of the authority have the capacity to have a deputy but also, under clause 11(6) the authority has the capacity to have telephone or video conferences. There simply is no excuse, where there is a one all vote, in having one person making a decision on behalf of the whole authority. I think the amendment, in the light of the existence of deputies and also clause 11(6), is a very reasonable one and the Democrats support it.

Amendment carried; clause as amended passed.

Clauses 12 to 14 passed.

Clause 15—'Accounts and audit.'

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

Page 7, after line 10—Insert the following subclause.

(3) The Authority must arrange for the audit of any money collected and paid under section 23(3) and ensure that the farm gate price is paid under a price equalisation scheme.

I have been advised that, under the current schemes, when audits have been carried out from time to time quite significant discrepancies in payments have been found. I am seeking to expand the amount of audit that is carried out to also include moneys collected and paid under section 23(3), and also to ensure that the farm gate price is paid under a price equalisation scheme. This has the support of the dairy farmers.

The Hon. BARBARA WIESE: The Government opposes this amendment. It is not because we oppose the sentiments that have been expressed by both the Democrats and the Liberal Party with respect to audits but because the Government believes that it is not necessary to have a rigid system which encourages this requirement in legislation. The power to initiate audits is given by way of the legislation, and the Minister feels that matters relating to audits would be better handled by way of regulation, and I think he has already undertaken to include this provision in regulations. For that reason he does not wish to have it included in the legislation. However, I note that both Parties in this place are likely to insist that it be in the legislation, and he will have to make a decision about that when the time comes.

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

Amendment carried; clause as amended passed.

Clauses 16 to 19 passed.

Clause 20—'Conditions of licence.'

The Hon. J.C. IRWIN: I was not going to ask any questions on clause 20 until the Minister in her second reading reply indicated that clause 20, and I think clause 5, would help with price control. I have referred in the second reading debate to the mater of price control as it relates to clause 23, the Minister would also have noticed that I have an amendment on file to clause 21, which affects the transfer of a licence, and I will speak to that later. If the Liberal Party is successful with its amendment to clause 21 it will mean that when a property changes hands the licence will go with it. Would that mean that the conditions of a licence, in clause 20, would change, if a licence moves from one property to another? Will a different condition attach to that licence held by the new property owner?

The Hon. BARBARA WIESE: I am advised that if such a transfer took place it would not affect the conditions that apply under the licence.

Clause passed.

Clause 21—'Transfer of licence.'

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

Page 9, after line 5—Insert after the present contents of clause 21 (now to be designated as subsection (1)) the following subsection:

(2) The authority's consent is not required for the transfer of a dairy farmer's licence where ownership or control of the dairy farm to which the licence relates changes and, in that case, the licence will be transferred on notification to the authority of the name and address of the person by whom the dairy farming business is to be conducted.

I outlined this matter in my second reading speech. The intention of this is to add to clause 21 the provision as outlined above. Quite simply, the Opposition believes that in a deregulation sense there is no reason why the old conditions that were in the Act of 1928, which we are repealing by this Bill, cannot be transferred here, where the authority does not have to make any intervention when the licence moves from one farmer to another. Unless the Minister can give good reasons, we cannot see any reason for the authority needing to intervene in the purely commercial business transfer of the farm from one person to another.

The Hon. BARBARA WIESE: The Government opposes the amendment. The Minister in another place indicated some reservations about it when the matter was raised there, although he indicated also that he would want to consult the industry about such a provision. I understand that the industry supports the provision that exists within the Bill and would prefer to have a system where transfer takes place by consent. For that reason, therefore, having had an opportunity to reconsider the matter since it left the House of Assembly, the Minister would prefer to stick with the provision as contained in the Bill.

The Hon. M.J. ELLIOTT: The South Australian Dairy Farmers Association did not ask me for any change here, although it would be fair to say that it questioned how precisely it would work. Will the Minister give a more definitive answer as to why this option is preferred over the way things were done under the old Act as opposed to what is proposed under this amendment?

The Hon. BARBARA WIESE: As I understand it, there has not been a huge amount of discussion one way or another on this matter. I understand that the purpose of the provision is to ensure that at the changeover of a licence an opportunity is provided to inspect the quality of the buildings and reassess the conditions of a licence. Generally that idea is supported by the dairy industry.

The Hon. M.J. ELLIOTT: I have not been asked by dairy farmers to change this clause and they were aware of the option being put up by the Hon. Mr Irwin. Where the industry has not been insisting on a change, it is perhaps difficult, unless I have a strong feeling myself, that I should be insisting on a change. In that case, I will not support the amendment.

The Hon. J.C. IRWIN: No consultation has been undertaken by the Minister up until yesterday with the people consulting me. The Minister wished to err on the side of safety and I admire him for that as he did not accept the same amendment in another place. I strongly believe that no reason exists for the inspection of buildings or facilities on that holding that has the licence which cannot be carried out anyway by other people connected with the dairying industry or the health authorities connected with the production of milk. It is an intrusion to have the authority sitting in judgment of the transfer of my property to someone else to carry on with the dairying licence. I do not want to put them in a position of having to sit in judgment on whether the new owner has the money or the expertise or will be a good or bad person in the industry. The three member authority should not have that thrust upon it for any reason. I have not been given any reason why it needs such power other than to look at some buildings or reasons as to why it should sit in judgment on the proper commercial transaction between the person selling the farm and another buying it.

[Midnight]

The Hon. BARBARA WIESE: To correct the misunderstanding that the honourable member seems to have about what sort of monitoring is undertaken in accordance with this provision, I point out that no intention exists whatsoever for the authority to sit in judgment on individuals as to their suitability for being involved in the industry or to check in any way on their financial capacity. The purpose of these provisions is to allow for a check to be made on the suitability of buildings, facilities and so on: that is what the licence is for. It is licensing the property or facilities and no intention exists to intrude on what might be considered the private business affairs or character of individuals involved.

The Hon. J.C. IRWIN: The Minister could concede that grounds exist for that to happen if an antagonistic majority on the authority does not like a person who will get a licence or become bigger by accumulating more licences. It is possible that there could be some antagonism towards that and therefore some more stringent precautions. I am hoping that everything goes well and there will be no problem, but there could be a problem in this area. It could follow that, with the inspection of the buildings, draconian measures will have to be taken by the new owner before taking over the licence as it may come through the authority. If the authority continues to say that the buildings or facilities

are not good enough, there appears to be no appeal mechanism or any way of sorting out the matter if it becomes a nasty incident. I hope that it does not get to that, but the Minister must agree that it could. I am happy to accept the Minister's prior explanation that I was probably going too far in what I thought the authority could do in so far as intervening with the selling. I am happy to accept her explanation on the matter.

Amendment negatived; clause passed.

Clause 22 passed.

New clause 22a—'Application of division.'

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

Page 9, after line 13—Insert new clause as follows:

22a. This division applies only to milk of a bovine animal or dairy produce processed from milk of a bovine animal.

I referred to this during second reading. I have no problems with the licensing of goat and sheep farmers for the production of milk, but I see no point in their being involved in price control and equalisation schemes. The amendment makes quite clear that it relates only to cows.

The Hon. BARBARA WIESE: The Government opposes this new clause. There was some discussion about this matter in another place when amendments were moved relating to the definition, although the intention was similar. I understand that the Minister has no intention of applying either the pricing or equalisation provisions to sheep and goats' milk farmers, but there is a possibility that sheep or goats' milk could be mixed with cows' milk and circumvent the provisions of the legislation. Whilst that is perhaps of minor concern, it is a possibility. For that reason, it is considered more appropriate to stick with the Bill.

The Hon. J.C. IRWIN: We support the new clause.

New clause inserted.

Clauses 23 to 25 passed.

New clause 25a—'Application of division.'

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

Page 10, after line 25—Insert new clause as follows:

25a. This division applies only to dairy produce processed from milk of a bovine animal.

This new clause is identical to the previous one so I do not need to comment further.

The Hon. BARBARA WIESE: The Government opposes this new clause.

The Hon. J.C. IRWIN: We support the new clause.

New clause inserted.

Remaining clauses (26 to 33), schedule and title passed.

Bill read a third time and passed.

CONSTRUCTION INDUSTRY LONG SERVICE LEAVE (MISCELLANEOUS) AMENDMENT BILL

The House of Assembly requested a conference, at which it would be represented by five managers, on the Legislative Council's amendments to which it had disagreed.

The Legislative Council agreed to a conference, to be held in the conference room of the Legislative Council at 12 noon tomorrow, at which it would be represented by the Mons I. Gilfillan, R.J. Ritson, T.G. Roberts, J.F. Stefani and G. Weatherill.

FIREARMS (MISCELLANEOUS) AMENDMENT BILL

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

ADJOURNMENT

At 12.45 a.m. the Council adjourned until Wednesday 25 November at 2.15 p.m.