LEGISLATIVE COUNCIL

Thursday 5 August 1993

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

MENTAL HEALTH

A petition signed by 37 residents of South Australia concerning special mental health services, and praying that this Council will examine the existing services to assess whether they meet the mental health needs of migrant and refuge users by:

(a) examining participation rates;
(b) assessing the appropriateness of these services culturally and linguistically;
(c) identifying what is not there that should be there,

was presented by the Hon. Bernice Pfitzner.

Petition received.

LEGISLATIVE REVIEW COMMITTEE

The Hon. M.S. FELEPPA: I bring up the minutes of evidence given before the committee concerning regulations under the Firearms Act in relation to fees.

DINGO CONTROL

The Hon. ANNE LEVY (Minister for the Arts and Cultural Heritage): I seek leave to table a ministerial statement which has been given in the other place on behalf of the Minister of Primary Industries on Dingo Diesel.

Leave granted.

QUESTION TIME

FAIR TRADING OFFICE

The Hon. K.T. GRIFFIN: I seek leave to make an explanation prior to directing a question to the Minister of Consumer Affairs on the subject of the Office of Fair Trading.

Leave granted.

The Hon. K.T. GRIFFIN: Earlier this year I asked questions about the Tilstone report, which reported on a review of the Office of Fair Trading. I think members and the Minister will recall that I indicated that the report was critical of management. To refresh memories, I will refer to a couple of quotes from the report. In relation to management-staff relations, it states:

> These are among the worst we have seen anywhere. We could fill the report with examples, but prefer to list the main elements. We believe these to be:
> . an emphasis on centralised control
> . the persistence of autocratic styles
> . poor people practices.

It further states:

> Many of the problems we have described are deep-rooted and not simple. However, bad management styles and practices run through all of them. Things are either not done or are done poorly. . . The system has too many layers and too many managers. It is top heavy.

The report refers to those autocratic styles of management and an air of tokenism in the consultation process with employees which has 'engendered distrust of executive management'. There are a number of other references to the inadequacy of the management and management structures in that report, but I will not identify all of them.

I have now been informed that in 1989 management gave themselves a big pay rise but in July 1993 there was another large increase in salaries for management but this increase was backdated to October 1991, resulting in payments of backpay of up to $20 000 each for senior management. I have also been informed that it was these managers receiving the backdated pay increases who were the subject of criticism in the Tilstone report. My questions to the Minister are:

1. Why did the management receive substantial pay increases in July 1993 in view of the criticism of management in the Tilstone report, and why were they backdated?

2. Was the Minister aware of the increases in salaries and did she either approve or authorise them? If she did not, can she indicate who did?

The Hon. ANNE LEVY: I was not aware of any increases in salaries if they have occurred in the Office of Fair Trading. That is not a matter which comes to the Minister, as I am sure the honourable member would be aware. Salary matters are dealt with by the agency in conjunction with the Commissioner for Public Employment. Where negotiations are involved, the Commissioner for Public Employment is in the Department of Labour, and industrial officers from the Department of Labour are often involved in such matters.

I certainly can indicate that since the Tilstone report was received there has been a new CEO for the department. The previous Director of the Office of Fair Trading is no longer holding that position. While there is a person acting in charge of the Office of Fair Trading, under his aegis and that of the CEO of the department, there have been considerable changes to the Office of Fair Trading in terms of implementing the recommendations from the Tilstone report. As I understand it, these reorganisations are still occurring, but there have been major changes as a result of the Tilstone report.

As far as the pay increases are concerned, I will seek a report from the department, although obviously the Commissioner for Public Employment would be involved, so it may mean a report from the Commissioner for Public Employment. However, I will seek a report and bring back a reply.

The Hon. K.T. GRIFFIN: As a supplementary question, in the light of the Minister's response and her indication that there have been substantial changes in the structure of the Office of Fair Trading, would she in due course bring back some detail about the changes that have occurred and the management structure which is proposed to be put in place when that restructuring has been completed?

The Hon. ANNE LEVY: I will certainly seek a report on that matter for the honourable member.

EDUCATION AMBIT CLAIM

The Hon. R.I. LUCAS: I seek leave to make an explanation before asking the Minister representing the Minister of Education a question on the subject of an Education Department log of claims.

Leave granted.

The Hon. R.I. LUCAS: A number of school council chairpersons have contacted my office about a log of claims lodged with school councils by the State Public Services Federation. Employees covered by this industrial body are employed in schools in non-teaching positions such as in the

canteens or, for example, in clerical capacities. While the federation's log of claims is clearly of an ambit nature there is concern among school councils, from discussions they have had with union representatives, that despite this, there will, in the end, be some significant additional cost to schools or school councils.

I have been informed that one of the reasons for the log of claims being lodged is to create an industrial dispute with the federation's aim being also to secure Federal award coverage for its members employed in non-teaching positions within schools. Again I stress that whilst this is an ambit claim school councils have been informed through their discussions that the union is intent on a significant pay rise for its members that will result in additional costs to schools and school councils which are already cash-strapped and which are already hard pressed providing supplementary services to schools.

Among some of the claims in the log of claims served by the federation on schools are the following ambit salaries for various categories of non-teaching staff:

> Administrative/Clerical Workers: An employee employed to undertake duties requiring no formal qualification, work experience or on-the-job training, $50 000.
>
> An employee employed to undertake duties requiring a superior level of knowledge and skills to an employee within subclauses (a) to (f), $300 000.

On the payment of salary section of the ambit claims, the document states:

> Salaries shall be paid to an employee at the same time of the same day of each week during working time. If an employee is not paid at that time, the employee shall be paid at the rate of treble time until payment is made.

The log of claims also seeks paid meal breaks of 90 minutes per day and a 30-hour working week on any four consecutive days.

In the section headed, 'Parenting Leave and Maternity Leave', the ambit log of claims says that a 'Total of five years paid leave may be taken by the female employee' and that 'unpaid leave of up to seven consecutive years may be taken by the female employee directly following the period of paid leave'. Under a section headed 'In Vitro Fertilisation' the log of claims states:

> An employee attending an in vitro fertilisation program shall be allowed an additional three years leave without loss of pay for the purposes of participating in the program.

I am told on good authority, with tongue firmly in cheek, by people employed in the Education Department that the staff would be able to take this leave up to the age of 60 years.

As I have already said, these claims are of an ambit nature and as a result should be seen for what they are: starting points for industrial negotiations. However, the grave fear from school communities that have contacted my office is that whatever increases in remuneration and conditions the federation eventually secures for its members will result in a commensurate increase in costs to already over-stretched school budgets. My questions to the Minister are:

1. What are the ramifications to schools and DEET (SA) of this attempt to secure federal award coverage?

2. Is the Minister aware that behind the facade of this ambit claim the union is intent on achieving significant pay increases for its members and does the Minister have an estimate of the cost to the Government in the 1993-94 financial year?

The Hon. ANNE LEVY: I will refer those questions to my colleague in another place and bring back a reply. If I heard the honourable member correctly, and if he was correctly quoting from the ambit claim, it did seem that it was a sexist claim with parental leave being claimed for female employees only which would surprise me. Perhaps the Minister involved can address that question as well as the others in responding to the honourable member.

UNIONISM

The Hon. DIANA LAIDLAW: I seek leave to make an explanation before asking the Attorney-General a question about union labour.

Leave granted.

The Hon. DIANA LAIDLAW: I have been provided with a copy of the tender documents, specification 8670, issued by the Department of Road Transport for the construction of the Hindmarsh Island Bridge. I was provided with them by a subcontractor who was concerned about a fundamental condition that all employees, agents, representatives and subcontractors of the contractor must be financial members of an appropriate trade union. This subcontractor works in the area and near the site of the construction of the proposed bridge and it was his understanding, and the understanding of others, that if this bridge goes ahead it would create considerable local work and employment.

He decided not to participate because he was unable to meet these conditions. The explanation in the specification in the tender documents for this compulsory unionism clause states that the employment of union labour was a condition because the employment of non-union labour could 'provoke industrial disputation between the department and its employees resulting in considerable financial loss or expense to the department'. Will the Attorney confirm:

1. That there is no provision in South Australian industrial law which requires the Department of Road Transport to impose a compulsory unionism condition upon all who may seek to be involved in the construction of the bridge or, indeed, any other construction work funded through the department; and

2. That the department's compulsory unionism requirements contravene International Labour Organisation convention 135 and related freedom of association provisions? I understand that that convention has either been recently ratified by the Government or is likely to be.

The Hon. C.J. SUMNER: This matter has been dealt with on previous occasions in this Council as I recollect; in fact, on a number of occasions previously. The position is that I do not believe that the provision is in contravention of the International Labour Organisation convention. However, if the honourable member wanted to have that matter examined she could have it looked at by the appropriate authorities. The contract to which the honourable member refers in this case is a usual form of contract in South Australia for those tendering for work from Government agencies. It is not new; it has existed for many years, and it gives effect to the Government's policy of preference to unionists.

AGE DISCRIMINATION

The Hon. I. GILFILLAN: I seek leave to make an explanation before asking the Attorney-General a question about age discrimination in transport travel concessions.

Leave granted.

The Hon. I. GILFILLAN: I realise that some of the detail of this question may more appropriately go to the Minister of Transport Development who, unfortunately, is indisposed. It is illegal to discriminate against a person on the basis of age in South Australia. No-one disagrees or confutes that. However, mature age secondary students over the age of 21 are being discriminated against on the basis of age by being denied access to public transport travel concessions outside the Adelaide metropolitan area.

I have been contacted by Mr Kevin Adrian Jackaman, a 33 year old mature age full-time secondary student studying at the Marden Open Access College. Mr Jackaman, who is divorced and who has weekend visitation rights to his two children, lives at Woodville North and from time to time must travel to the college and other institutions as part of his study. Currently he receives an STA concession within the metropolitan area which at the student rate costs approximately $5 for a multi-trip ticket, and he also receives a Commonwealth rail card from Australian National which entitles him to half price fares by rail.

However, Mr Jackaman must pay full fares if he travels by bus intrastate, despite concession passes being available to secondary students under the age of 21 and to tertiary students of any age. He is a secondary student, but he is over the age of 21. He has an income that is restricted to Austudy, and he is soon to move to Murray Bridge for cheaper housing, because he is able to undertake the bulk of his study from home. However, he must still travel to Adelaide every weekend to visit his children and he needs college access at least once a week.

Four buses run daily between Murray Bridge and Adelaide and just one train, the Overlander, which obviously is inappropriate and very difficult to make use of. The bus is the only realistic option, but without a travel concession Mr Jackaman must pay a round trip fare of $18 a day with additional costs if he brings his children back to Murray Bridge with him on the weekend, leaving him with a $50 travel bill for an access visit.

Yet, if he was a tertiary student or a secondary student under the age of 21, he would pay $4.80 on a concessional round trip fare. Mr Jackaman has told me that most of his friends with whom he studies are mature age secondary students; all of them are over the age of 21 and therefore are denied travel concessions outside Adelaide.

My question to the Attorney is: does he believe this constitutes an offence on the basis of discrimination against someone because of age and, if so, what action could be taken? The questions which he may care to refer to his colleague the Minister of Transport Development are:

1. Why are mature age secondary students over the age of 21 denied access to travel concession cards outside the Adelaide metropolitan area?

2. Will the Minister undertake personally the follow-up to Mr Jackaman's case to ensure that he does get justice and does not continue to be discriminated against on the basis of his age?

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

DISTINGUISHED VISITOR

The PRESIDENT: Before I call on the next question, I would like to acknowledge the presence of Michael Moore MLA from the ACT Parliament who is in our gallery, and I trust he has an enjoyable stay in South Australia.

TOURISM, CHINESE

The Hon. CAROLYN PICKLES: I seek leave to ask the Minister for the Arts and Cultural Heritage, representing the Minister of Tourism, a question about Chinese tourism.

Leave granted.

The Hon. CAROLYN PICKLES: Today in the *Advertiser* there was an article relating to the rapidly growing prosperity in China and the prospect of a new Asian tourism boom. It stated:

> About 1 million mainland Chinese were expected to travel through Hong Kong to overseas destinations this year, and that was forecast to rise to 10 million by the end of the decade.
>
> The optimistic forecast does not take into account the additional numbers of Chinese who might travel out on direct services from Beijing and other Chinese cities.
>
> By the turn of the century, the study predicted that 200 million of China's 1.2 billion people would be classed as affluent, with a purchasing power larger than today's East Asian and South-Asian markets.

They have been comparing this growing market with the Japanese market and the boom in tourism that that created, particularly in countries such as Australia. Can the Minister of Tourism indicate what steps are being taken by South Australia to capture the future Chinese market in tourism?

The Hon. ANNE LEVY: I will see that that question is referred to the Minister of Tourism and bring back a reply.

STATE BANK

The Hon. J.F. STEFANI: I seek leave to make a brief explanation before asking the Attorney-General, representing the Treasurer, a question about the State Bank's superannuation funds.

Leave granted.

The Hon. J.F. STEFANI: On 3 March 1993, I raised some questions about the accumulated benefits in the State Bank superannuation funds. In the Auditor-General's second report, Mr MacPherson has identified that the State Bank management materially mis-stated the accumulated value of the funds by allocating the cumulative asset revaluation surpluses of $17 million to the credit provisions for superannuation, instead of the asset revaluation reserve which was materially understated.

The Professional Accounting Bodies' Statement of Accounting Standard AAS10, entitled 'Accounting for the revaluation on non-current assets', and the approved Accounting Standard ASRB1010 of the same name require that, where a class of non-current assets is revalued, the revaluation increment should be accounted for by crediting the increment directly to an asset revaluation reserve. The taking of the revaluation surplus to the provision for superannuation is contrary to the requirements of the Professional Accounting Bodies' Statement of Accounting Standard AAS10, 'Accounting for the revaluation on non-current assets', and the approved Accounting Standard ASRB1010.

In view of these serious accounting deficiencies within the State Bank superannuation funds, my questions are:

1. Will the Treasurer advise the number and names of the superannuation or retirement funds which are in existence within the State Bank Group at the present time and the total amount of accumulated benefits within each fund?

2. Will the Treasurer confirm what action has been taken to correct the abuse of the accounting standards in relation to the asset revaluation of each fund and what is the amount

which will now be available for credit to the asset revaluation account in each of the funds?

3. Will the Treasurer advise the total amount paid by each fund to the members whose services have been terminated or who have retired since 12 February 1991 to the present time?

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

EGGS

The Hon. M.J. ELLIOTT: I seek leave to make a brief explanation before asking the Attorney-General, today representing the Minister of Primary Industries, a question in relation to egg deregulation.

Leave granted.

The Hon. M.J. ELLIOTT: When the State Government abolished the Egg Board in early 1992 and a cooperative was set up it was to have brought cheaper eggs to supermarket shelves and herald a new age of efficiency for the industry. However, I have recently met with a deputation of egg producers who tell me that they are now despairing, that the deregulation dream has become a nightmare of plummeting prices. I have been told that farm gate prices for all sizes of eggs have dropped to levels which have left many large and established producers staring bankruptcy in the face; but the supermarket prices have barely moved—an average drop of only 5¢ a dozen.

Producers have told me that deregulation has destabilised many family-owned producers in the State and has left the industry in danger of folding, with the fear that local consumers would be left to pay higher prices for interstate imports. Before deregulation, producers were being paid between $1.25 and $1.45 per dozen. I understand that has now dropped to an average of 82¢ per dozen across all sizes, even though the real cost of production of these eggs remains around $1.34 a dozen. Meanwhile, the retail price has gone down, but, instead of encouraging greater efficiency and modernisation in the industry, I have been told that the price difference is causing properties to become increasingly run down with no funds available to maintain plant and equipment.

The situation has also put South Australia at a disadvantage in the national marketplace, according to my information. South Australian farmers cannot send eggs to Victoria without going through its Egg Board and paying certain fees, but surplus Victorian eggs are already finding their way into South Australian shops without restriction. Producers from outside of the new cooperative are also causing problems in the local market. The absence of the Egg Board means little control over the quality of eggs being sold as fresh product. I know from personal experience, I have had more bad eggs in the last two years than I have had in the rest of my shopping times. I have been told that second grade eggs being sold at lower prices on the fresh market not only drag down the price for first grade eggs but they reduce the quantity available for pulping. Many people fear that when the South Australian industry finally collapses the consumers who have had marginal savings to date will then pay through the nose for the imported eggs. I ask the Minister four questions:

1. Is the Minister aware of the current problems facing the industry?

2. Is the Government taking any action to address this problem?

3. Is there any action likely in future to help the struggling producers?

4. Would the Minister consider a farm gate price, as exists in the dairy industry, even if that farm gate price was set at or below the real cost of production for efficient producers?

The Hon. C.J. SUMNER: I will refer that question to the Minister of Primary Industries and bring back a reply.

NATIONAL AUSTRALIA TRUSTEES LIMITED

The Hon. L.H. DAVIS: I seek leave to make an explanation before asking the Attorney-General, as Leader of the Government in the Council, a question about National Australia Trustees Limited.

Leave granted.

The Hon. L.H. DAVIS: National Australia Trustees Limited is a fully owned subsidiary of the National Australia Bank, which in recent years has been by far the most successful and profitable of the major banking groups in Australia. On 7 December 1992, National Australia Trustees Limited established an office in Adelaide and on that same day submitted a request to the Arnold Government for trustee status for its common fund. A common fund is a facility which enables investors to lodge money on a 24-hour call basis and to receive an interest rate on those moneys. Trustee status may be required for a number of investors; for example, moneys invested in accordance with a will where investment powers are restricted or simply where individuals or companies wish to have a very safe haven for their moneys at call.

It certainly is an essential part of the business of being a trustee company to have a common fund with trustee status. Under the Trustee Act in South Australia common funds are given trustee status under section 5(1)(g). All that is required for National Australia Trustees' common fund to achieve trustee status is a one line amendment to section 5(1)(g).

National Australia Trustees submitted a request for this amendment on 7 December 1992, which is now eight months ago. In early February, the Government asked for further information, which it supplied immediately. I understand that Treasury eventually gave the green light to this in March. Of course, Parliament sat until 6 May this year and we have now been sitting for one week in this new session, but still this one line amendment is yet to appear.

Quite clearly National Australia Trustees is at a very significant disadvantage because its common fund does not have trustee status. The common fund is a vital part of the business because it provides cash flow to enable a trustee company to carry out the traditional functions of a trustee such as preparation of wills and estate administration.

Three of the company's competitors are Elders Trustee and Executor Trustee, which of course are both subsidiaries of SGIC, and also the Public Trustee. It is not unreasonable to speculate that if one of these three companies had been applying for trustee status for a common fund they would not have been left swinging and facing the breeze for eight months.

For a Government that talks about getting South Australia on the move again it seems remarkable that a simple one line amendment can wait over eight months to get into the parliamentary ring. Quite clearly, the Government's slowness to act has severely hobbled National Australia Trustees' ability to compete in the lucrative and essential common fund market. National Australia Trustees has financial handcuffs placed on it in the market place.The irony is that—

The PRESIDENT: Order! Politics seems to be getting into the debate.

The Hon. L.H. DAVIS: That is often the case. I am just giving the Attorney-General the benefit of a professional opinion here. The irony is that three of its major competitors are State-owned trustee companies. My questions to the Attorney-General are:

1. Will the Attorney-General advise whether a one line amendment to the Trustee Act in the foreseeable future to give trustee status to the common fund of National Australia Trustees is within the capacity of this Government?

2. As Minister of Public Sector Reform can he explain this slovenly, snail-like approach to a reasonable request from the nation's leading banker?

The Hon. C.J. SUMNER: The honourable member characteristically has debated the issue, provided an opinion and generally abused the Standing Orders, but that is neither here nor there.

The Hon. L.H. Davis: They are the facts.

The Hon. C.J. SUMNER: If they are facts—

The Hon. L.H. Davis interjecting:

The Hon. C.J. SUMNER: Sometimes they are and sometimes they aren't. Whether the honourable member on this occasion has conveyed the correct facts to the Parliament I cannot say. However, I will have the matter examined and bring back a reply.

PUBLIC SECTOR ADVERTISING

The Hon. PETER DUNN: I seek leave to make a brief explanation before asking the Minister of Consumer Affairs a question about advertising approvals.

Leave granted.

The Hon. PETER DUNN: It has been brought to my attention that a number of publications are having difficulty obtaining permission from the Government advertising agencies of Charterhouse Advertising and Rubicam for advertising. The publications are required to notify the agency three weeks in advance of feature articles so that the advertising opportunities can be arranged. This arrangement has been verified by the Adelaide Festival Centre, which appears to be most unhappy with this method of operation. It appears that the advertising opportunities, particularly where features are involved, are being lost.

The other effect is to cause unnecessary delays to publications when setting their type and planning their features. There appears to be unease amongst Government departments with the extra step; that is, the agency must now view all advertising prior to printing. My questions therefore are:

1. If this is a cost saving exercise, how will it occur?

2.What other advantages might this extra bureaucratic step provide?

3.What savings does the Government expect to make by using the agencies to which I have referred?

The Hon. ANNE LEVY: Certainly, an analysis was done before the Government adopted the new advertising scheme, and considerable costs would be saved because of the bulk nature of advertising that could then be commissioned. With the volume, better rates could be obtained in what is doubtless a very competitive market at the moment. I do not have with me what the expectation on savings was. The Minister of State Services was concerned in this matter. So, I will refer the question to him so that he can provide a detailed reply.

SENIORS CARD

The Hon. J.C. IRWIN: I seek leave to make an explanation before asking the Minister representing the Minister representing the Minister of Health (I think I must put it that way because of the absence of the Minister of Transport) a question about the Seniors Card.

Leave granted.

The Hon. J.C. IRWIN: It has been drawn to my attention that some of the wording on the application form for the newly launched or relaunched Seniors Card is ambiguous or misleading. Under the heading 'Who is eligible for the Seniors Card?', it is stated:

> All permanent residents of Australia aged 60 years or over or who are in paid employment for 20 hours or less per week. There is no income or pension limit and the seniors card is issued free.

The sentence can be read:

> Who is eligible for the Seniors Card? All permanent residents of Australia who are in paid employment for 20 hours or less per week.

Some young people have in fact asked me what is to stop them being eligible for the card as they are residents of Australia and they are out of work; that is, they work for less than 20 hours a week. Maybe it is not ambiguous and perhaps it is intended that all people can apply. My questions to the Minister are:

1. Does the Minister agree that the wording on the card application form is ambiguous and misleading?

2. If he does, will the Minister withdraw and correct the application form?

3. What mechanisms and safeguards are in place to protect the integrity and use of the card if a person does in fact perform work in excess of 20 hours a week?

The Hon. ANNE LEVY: I will see that that question is referred to the Minister of Health to bring back a reply. From what the honourable member said, its sounds as though a comma has been left out. However, doubtless the Minister of Health can address the required punctuation in his response to the honourable member's question.

RACISM

The Hon. BERNICE PFITZNER: I seek leave to make a brief explanation before asking the Attorney-General, representing the Minister of Ethnic Affairs, a question regarding racist comments.

Leave granted.

The Hon. BERNICE PFITZNER: Less than three weeks ago during a State Labor Party convention a Miss Wong proposed the establishment of legislation on racial vilification. During the debate the President of the Labor Party made the comment that 'two Wongs don't make a right'. It is to be remembered that in the 1950s the Federal Labor Leader, Arthur Calwell said, 'Two Wongs don't make a white.'

The surname Wong is a very common Chinese/Cantonese surname like Smith or Jones, its Anglo-Celtic equivalent. As a member of Asian background I find these statements from a person in a position of authority, influence and responsibility in the Labor Party offensive, as does the rest of the Asian community. It is offensive as it has racial connotations and overtones.

We constantly voice our desires to join in with our Asian neighbours, especially in trade. I am quite sure that the two Wongs statement would not amuse our Asian neighbours. My questions are as follows:

1. Does the Minister think that these kinds of statements *per se* are acceptable, even in jest?

2. What is his view of such statements emanating from a person of the status of the President of the State Labor Party?

3. Does the Minister feel that an apology is due to Miss Wong and, if he does, will he recommend to the relevant persons that it be done?

4. If the Minister does not consider an apology necessary, will he say why not?

The Hon. C.J. SUMNER: I hate to suggest to the honourable member that the newspaper report of what was said was not entirely accurate. However, if the honourable member has gained the impression which she apparently has, and which she has indicated to the Chamber today, I have to inform her that she is wrong. The statement was not being made in any offensive way by the speaker. The debate was about whether or not the Labor Party should adopt a policy to legislate against racial vilification in some form or another. It was actually a very reasonable debate, between on the one hand those people who felt that laws restricting freedom of speech should not be passed and, on the other hand, those who felt that racial vilification was such a serious abuse of people's rights that there should be some prohibition against it.

In other words, there was, on the one hand, those who took a fairly strict civil libertarian view to the freedom of speech in our community against those who felt that racial vilification was so damaging to the community and offensive to so many people that there should be some restriction on freedom of speech in those circumstances. It was in that context that the statement was made.

The statement came from the President, Mr Ralph Clarke, who in fact took the former view. He took the view that there ought not to be legislation prohibiting racial vilification as it would be an unreasonable restriction on freedom of speech. What he said was that we have come a long way since the days of 'two Wongs don't make a White', which was a quotation, as the honourable member will know, from Mr Arthur Calwell in the late 1940s. Mr Clarke was saying that we have come a long way from the times when those sorts of statements were made and when those sorts of attitudes existed, to the present time, when the current policy in the Australian community, at least for the majority of the Australian community, is towards policies of anti-racism, policies of multiculturalism, and policies of tolerance for ethnic diversity.

That was the context in which he made the remarks, namely, that we had come a long way from those sorts of comments to today's situation. Therefore, he was saying that those changes in community attitudes had occurred without there having to be the need for such racial vilification laws. He was not saying them in any supportive way. He was in fact using that quote to indicate the difference in Australian attitudes in the past 40 years. He was being critical of them, because he was contrasting those remarks of 40 years ago and the attitudes they reflected to remarks and attitudes that one would expect today.

Regrettably, I do not have the newspaper report in front of me, but if it appears from the newspaper report to the honourable member that what Mr Clarke was saying was said in a derogatory or offensive way, then I am sorry, but the honourable member has been misinformed. He was not saying it in that way at all.

He was contrasting attitudes 40 years ago with attitudes today. He was quoting a well known quote (although he did not refer directly, as I recollect, to Mr Calwell), 'two Wongs don't make a White', which Mr Calwell used in the late 1940s.

So, in that context, there is no call for Mr Clarke to apologise. In fact, he was supporting anti-racist attitudes and was putting his point of view that there had been significant changes in Australian attitudes to racial matters in the past 40 years.

The Hon. BERNICE PFITZNER: As a supplementary question, if, as the Attorney-General says, the statement was wrongly reported, why then does this article that I have in front of me state:

> The comments sparked angry booing and hissing and cries of 'racist' from the convention delegates?

The Hon. C.J. SUMNER: Simply, he is a controversial—

Members interjecting:

The PRESIDENT: Order! Order!

The Hon. C.J. SUMNER: No, the delegates got it wrong.

Members interjecting:

The PRESIDENT: Order! Order.

The Hon. C.J. SUMNER: No, if the *Advertiser* was reporting his remarks as racist remarks, then I am sorry, the *Advertiser* was clearly wrong.

The Hon. R.I. Lucas interjecting:

The Hon. C.J. SUMNER: And indeed the delegates were wrong in their interpretation of what he said.

The Hon. Anne Levy: A few of them.

The Hon. C.J. SUMNER: A few of them, not all of them.

Members interjecting:

The Hon. C.J. SUMNER: Well, I was there; the Hon. Anne Levy was there; the Hon. Terry Roberts was there; and there is no doubt—

Members interjecting:

The PRESIDENT: Order!

The Hon. C.J. SUMNER: That is also true. His speeches usually do get interjections from the floor.

Members interjecting:

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

The Hon. C.J. SUMNER: However, those people who interjected on that basis misunderstood his remarks. I have absolutely no doubt that the context in which he made the remarks was the context that I have put to the Council today. There is absolutely no doubt about that in my mind at all. He was not making a racist comment. He was doing exactly what I explained to the Council a few moments ago. There is no cause for an apology. He was not making remarks of a racist kind. He was opposing the introduction of racial vilification legislation on the basis of principles of free speech, and he used the quote as an example to show the change in attitudes in Australia in the past 40 years.

Members interjecting:

The PRESIDENT: Order!

Members interjecting:

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

PUBLIC SECTOR REFORM

The Hon. K.T. GRIFFIN: I seek leave to make an explanation before asking the Attorney-General a question on the subject of departmental restructuring.

Leave granted.

The Hon. K.T. GRIFFIN: In the Governor's speech on Tuesday, under the heading 'Public Sector Reform', there is

a reference to work proceeding with the creation of a Department of Housing and Urban Development, a Department of Education, Employment and Training, and a Department of Justice. The Attorney-General will remember that, at the end of the last session, I did raise the issue of the Department of Justice with him, but at that stage he was not able to give many details about what was proposed following the one line statement that there would be a Department of Justice created in the Meeting the Challenge document which was tabled in the Parliament. My questions to the Attorney-General are:

1. Can the Attorney-General indicate what progress has been made in creating a Department of Justice and what departments, agencies and areas of responsibility are to comprise the department?

2. Can he indicate what is the proposed administrative structure and when the department will come into being?

3. Can he also indicate when are the other two new departments to come into being and what are their likely administrative structures?

4. Can he indicate whether the costs, benefits and disadvantages of these three new departments have yet been identified and, if so, what they may be?

5. Can he also indicate whether or not the Office of Public Sector Reform has been involved in the creation of the new departments and, if so, to what extent it has been involved?

The Hon. C.J. SUMNER: Mr President, the Office of Public Sector Reform has been advising on all matters relating to the contracting of the some 30 departments down to 12 operational departments and two central agencies. In fact, the Housing and Urban Development Department has been created, a new Education Department has been created and the Governor's speech referred to those. They are being brought together at the present time. Obviously, you do not make an announcement on day one and find it all implemented on day two. A process of bringing together departments is going on. Those two departments have been created and the Department of Primary Industry has been created and, from what I know of that, it is working very well and has achieved some efficiencies and savings.

The next phase of the departmental restructuring will be announced by the Premier shortly and that will include the Department of Justice. I am not in a position to indicate its exact configuration at this time but, in the last couple of months or so, considerable work has been done on that department and on a number of other departments such that the Premier is almost in a position to make announcements on stage two of that process of contracting a number of departments. Members will recall that the Meeting the Challenge statement indicated that this reduction in departments would occur over a period of some 12 or 14 months. It was not all going to happen immediately. The first batch were announced as part of that statement that included Housing and Urban Development, Education, Primary Industries and the amalgamation of E&WS and ETSA. There will be a second lot of agencies being brought together and that will be announced shortly. The process will be completed before the end of this financial year.

The reasons for this approach were outlined fully by the Premier and by me in our statements relating to public sector reform in April and May and I believe they are valid. Undoubtedly there can be savings in the sharing of corporate services. There is better opportunity to get consistency in policy development and implementation across a range of like agencies and, with chief executive officers of 12 or 14 agencies, one is in a position to get more of a corporate approach to Government decision making, policy making and implementation of policies determined by Cabinet.

So, that was fully outlined in the Meeting the Challenge statement. I believe it is an important aspect of the public sector reform agenda which has been very extensive. Indeed the honourable member may be interested to know that recently when we had a visit from Mr Ted Gaebler, an American author and person involved in public sector reform in the United States, he was very complimentary about the initiatives that have been taken in this State in public sector reform. It is not just a matter of contracting the departments but a whole number of other initiatives giving the public sector a greater customer focus than it has had before, a less bureaucratic approach—the matters that were outlined in the document Bias for Yes, which was tabled when I made my statement. But, in summary, the honourable member can expect shortly to get the information he has requested when the next batch of the—

The Hon. K.T. Griffin: When?

The Hon. C.J. SUMNER: Weeks, maybe even a week, maybe days, who knows, but it will not be months.

The Hon. K.T. GRIFFIN: I would like to ask a supplementary question. Can the Attorney-General, if he has not got this information available, bring back—

The Hon. C.J. Sumner interjecting:

The Hon. K.T. GRIFFIN: Well, it is a pity he cannot announce something now. You have been talking about the Department of Justice for about three or four months. Can he bring back information about the costs and benefits and disadvantages which may have been identified in relation to the three departments to which I referred in my question?

The Hon. C.J. SUMNER: I will see what more information can been provided. I assume he is talking about Housing and Urban Development, Education and Primary Industries which are the three agencies that have been brought together so far. Justice has been announced but not formerly brought together at this point in time.

The Hon. K.T. Griffin interjecting:

The Hon. C.J. SUMNER: Well, there have been, of course; there has been a lot of work done and documents prepared in relation to those agencies that have been brought together.

The Hon. K.T. Griffin: Cost benefits—

The Hon. C.J. SUMNER: Okay, I will get whatever information I can on that for the honourable member and, as I said, I anticipate that a further announcement will be made shortly.

SEPARATION PACKAGES

The Hon. DIANA LAIDLAW: Will the Minister of Public Sector Reform advise how many people who have held the position of CEO within various departments are now on the unattached list and how long they have been so? I understand that calls have been made in the recent weeks by Mr Andrew Strickland to some of these officers offering or suggesting that they take up voluntary separation packages. If that is the case, how many have decided that they will take such packages and what is that cost to the Government?

The Hon. C.J. SUMNER: Obviously, if you reduce the number of operational agencies from 30 to 12 or 14 then there will be some CEOs without positions as CEOs. Some of them have taken other jobs. Mr Dawes, for instance, has been appointed the Public Advocate. He was the Chief Executive

Officer of the Correctional Services Department and some have, I believe, been offered separation packages. The important thing to realise about the whole process of targeted separation packages is that in the long run there are savings to Government because people are got off the payroll by that process. The exact details of who is involved to date I will have to take on notice and bring back a reply.

LAND BROKERS

In reply to **Hon. K.T. GRIFFIN** (25 November).

The Hon. ANNE LEVY:

1. Yes.

2. The Minister of Housing, Urban Development and Local Government Relations has advised that an investigation was carried out by the South Australian Housing Trust in accordance with the Industrial Agreement between the Trust and the Public Service Association.

The findings of that investigation revealed that over the past two years approximately 30-35 private brokerage jobs had been undertaken by the broker. This work was mainly for family and friends but about 10 per cent (3-4 clients) could not be considered in this category.

As the broker had not sought or obtained approval to undertake private work he was in breach of the Trust's 'Code of Conduct'.

On 23 December 1992 the broker was formally reprimanded and has agreed to make financial restitution to the trust for costs and time involved in undertaking private work.

The Minister has instructed the General Manager of the trust to provide clear written instructions to staff to avoid a recurrence.

As to the matter of a person employed in a department under my responsibility, namely the Department of Public and Consumer Affairs (Public Trustee's Office) I have had the Chief Executive Officer investigate the claims that this person is undertaking private landbroking activities. I am advised that that person has undertaken work for relatives, a neighbour and close friends over a period of time. This was done without seeking approval and the Chief Executive Officer has taken the appropriate action.

Further to the honourable member's inquiry regarding the Electricity Trust of South Australia, the Minister of Public Infrastructure has advised that this matter was pursued by ETSA prior to it being raised by the honourable member.

It was determined that the person concerned had pursued his private interests with the use of ETSA facilities and on 14 October 1992, disciplinary action was taken.

In the interim the ETSA Board has determined an ethics policy, which has been further enhanced by the promulgation of the State Government's ethics policy. These policies specifically deal with the issue of external employment touching on an employees paid employment with ETSA. The promulgation of these policies will assist employees in determining their obligations.

ETSA are further reviewing the steps available to them in relation to the incident referred to by the honourable member.

3. The Treasurer has advised that in the normal course of banking business, State Bank customers sometimes ask bank staff to recommend a land broker. The bank does not have a list of preferred land brokers and staff generally respond by advising customers the names of a number of land brokers who have provided good service to customers in the past. The selection of a land broker is the customer's choice. Neither the Bank nor any Bank Officer receives any payment if a customer elects to use one of the land brokers that may be suggested.

It is not Bank practice to prosper the business of any particular land broker, nor is it practice to provide land brokers' names to customers when instructions to a land broker have already been given.

With the North Adelaide transaction referred to by the honourable member, the question was asked 'whether it was best to have a broker acting for both parties or separate brokers' and the advice given was that, to avoid any possible conflict of interest, it was considered best to have a separate broker for each party. The land broker in this matter was recommended because of his past good service to customers. No commission, reward or any other remuneration was received by the bank or its staff from the land broker.

The Treasurer understands that business between the customer and the land broker took place at the land broker's private address.

STATE BANK

In reply to **Hon. J.F. STEFANI** (4 March 1993).

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

The State Bank has no subsidiary called Southgate Insurance Pty but did, however, have an interest in Southstate Insurance Pty Ltd.

1. Beneficial Finance was the sole shareholder and paid $656 200 for shares in Southstate Insurance Pty Ltd on 18 May 1988. Beneficial paid insurance premiums to Southstate between 1988 and 1990 as follows:

	$
1988	2 382 430
1989	5 489 564
1990	1 486 075

The company was placed into members voluntary liquidation on 25 July 1991 and was dissolved on 22 November 1992.

2. Audited accounts from 9 June 1987, the date of incorporation, disclose the profit after tax as follows:

	9.6.87 30.6.88 $	30.6.89 $	30.6.90 $	30.6.91 $
Net profit after tax	45 505	1 002 231	1 991 393	6 946 817

No audited accounts were prepared for Southstate from July 1991, the date of voluntary liquidation. The liquidator's final account of receipts and payments from 25 July 1991 to 3 August 1992 and notice to shareholder, discloses a distribution in cash of $1 083 040 and a distribution in specie of $10 079 397. Both these distributions were made on 29 June 1992.

3. Beneficial Finance Corporation Ltd, in the 1988 year, took out with Southstate an extortion insurance policy and personal accident and sickness policy and paid a premium of $41 380. Both policies were for the benefit of Beneficial Finance Corporation Ltd. These policies were not renewed in 1989.

4. No payments were made by Southstate Insurance Pty Limited to any Senior Executives employed by the State Bank or Beneficial Finance Corporation Ltd.

TRADE MISSION

The Hon. BERNICE PFITZNER: I seek leave to make a personal explanation.

Leave granted.

The Hon. BERNICE PFITZNER: Mr President, I am aware that yesterday in the other place the Minister of Business and Regional Development made the allegation that my remarks made to the overseas media whilst on a trade and cultural mission were 'an incredible act of traitorous behaviour by the Liberal Party in this State'. I would like to respond to such allegations, as they are misplaced, inappropriate and exaggerated. Let us dissect the Minister's response. He says that overseas we are 'patriots' and 'ambassadors for their State and nation'. This is true and it is for this very reason that we went overseas, so that we might be more in tune with the cultural aspects of the Asian nations.

The Hon. T. Crothers: The spoken word can sometimes be misinterpreted.

The PRESIDENT: Order!

Members interjecting:

The PRESIDENT: Order!

The Hon. BERNICE PFITZNER: These words were printed in *Hansard* and I do feel that it is not a misinterpretation. It is noted that the delegation was not only a trade delegation but a cultural delegation. The Minister himself has stated this, but unfortunately he has the time frame wrong: it was not a four-day trip but a 14-day trip. It would be quite superhuman to cover Singapore, Malaysia and Vietnam in four days. Perhaps he meant flying time.

In all our time as a trade delegation we promoted Australia to the hilt, in particular South Australia, a very little known place there. We promoted its clean air, its fresh meat, fruits, seafood, wines, wide open spaces, golf courses, friendly people, etc., but there was one aspect that on direct questioning we could not hide: we could not justify and we could not ameliorate our work practice. The reported remarks by the overseas media were, in part:

. . . Australia would first have to set its house in order—

and—

Australia faced a restrictive labour union situation and a high labour cost in production.

Let me set the scene in which those remarks were reported. It was in Kuala Lumpur in Malaysia. As one person to another from an Asian background, the journalist was very relaxed, and he made the statement that he was aware of the restrictive labour union situation and high labour costs.

Members interjecting:

The PRESIDENT: Order! The honourable member has the floor.

The Hon. BERNICE PFITZNER: On being pressured on this point—

Members interjecting:

The PRESIDENT: Order! This is not a debate; it is a personal explanation by the honourable member.

Members interjecting:

The PRESIDENT: Order! The honourable member.

The Hon. BERNICE PFITZNER: On being pressured on this point I had to concede that he said it, not I. I was reported to have said it, but anyone who knows my interests would know that I do not use words such as 'unions' or 'labour costs'. Yes, I did say that we had to set our house in order.

Mr President, if you had been there you would not have been in doubt about their thoughts on our work ethics. If you had been watching the latest television programs on Asia and if you had been in Kuala Lumpur you would have heard the constant questions of the Asian people saying rhetorically, 'What's wrong with Australia?' and proceeding to give the answer that it is our poor work practice. If one tries to deny that this is so, one can observe the disbelief on their faces. I did not need to validate this perception; it is an accepted fact in that part of the world. It was not I who was acting incredibly.

Of greater significance is the 'two Wongs' episode, to which I alluded during Question Time. Such comments are inexcusable and the Asian grapevine is vibrating to that sound.

Members interjecting:

The PRESIDENT: Order!

The Hon. BERNICE PFITZNER: Those comments are the factors that undermine the integrity of our State and nation. Finally, we note the plaintive cry of the Minister of Business and Regional Development who asks: 'What sort of message is that to send overseas?'

The PRESIDENT: Order! A personal explanation relates to the honourable member and a wrong that he or she feels has been done to them. What the honourable member is doing is debating what the Minister has said.

The Hon. BERNICE PFITZNER: The Minister asks of me: 'What sort of message is that to send overseas?' and I am explaining what kind of message that is. The message is already known and the first step in fixing a problem is the recognition of it. Our neighbours now appreciate that we recognise our shortcomings, and I suggest that the Minister should remedy the problem and not go about looking for scapegoats to cover our inadequacies.

MEMBER'S LEAVE

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

That one week's leave of absence be granted to the Hon. R.R. Roberts from 10 August 1993 on account of absence on Commonwealth Parliamentary Association business.

Motion carried.

EMPLOYMENT AGENTS REGISTRATION BILL

Second reading.

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

That this Bill be now read a second time.

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

Leave granted.

The aim of this Bill is to set basic licensing and recording requirements for employment agents, to safeguard the interests of both agents and users of agencies. In doing so it will facilitate the effective functioning of the employment agency industry.

The previous legislation, which this Bill replaces, was dated and contained many anachronisms which hindered its effective operation. Both agents and clients have called for continued regulation of the industry, thus necessitating an update of the legislation. To do this the Employee Registry Offices Act, 1915-1973 needs to be repealed and a new Act, Employment Agents Registration Act, 1993 established.

The changing industrial environment has meant that many different work arrangements have proliferated. The legislation does not seek to encroach on this development, but does set standards of conduct to ensure those seeking employment through agents are fully informed of their rights and obligations and can rely on their interests being served. The increased trend toward casual work and award deficit work has made a degree of regulation in this industry even more relevant.

In specifically addressing the major aspects of the proposed legislation, the new requirements to be placed on the industry need to be separated from the functions which have been in place since the legislation was first established and will continue to be required.

The first change is that the scope of the Act has been increased to cover all employment agents in South Australia who find work for people for a fee. Previously, the Act only covered agents in the metropolitan area and only those who found work for 'employees', leaving many who did not fit this definition without an agency standard. Thus, 'freelance' personnel and contractors are now within the scope of the Act, with the exception of contracts which involve companies (as opposed to individuals) and contracts where the supply of labour is only incidental to the work, for instance the supply of equipment. Charitable organisations are also not subject to this Act.

Another change is a tightening of the issuance of licences. Previously the procedure required only a nominal payment and the signature of six ratepayers and a Justice of the Peace. The representative agency body has requested the criteria be strengthened to require two character references and prospective agents to publicise their intent to commence business, with time for objections to be raised. The licence fee will be increased to $100 to reflect cost recovery considerations and in the future will be determined by the regulations.

An extra requirement on agencies will be to issue a standard schedule of information to each worker, the details of which will be determined by regulation, the required information will include rates of pay, the award covering the worker (if relevant), the responsibility for tax and insurance payments, who the employer is (if applicable), expense reimbursement details and leave arrangements.

Such information is necessary as many in the 'care industry' in particular have found the work arrangements to be complex due to the number of parties involved.

Further changes include prohibiting agents charging fees to their own employees and to workers for just being listed. Client companies cannot be charged without notice.

The new legislation also incorporates many of the requirements of the previous Act, namely that the office premises must be registered, the licence and fee schedules must be displayed in the office, and the agent must be a 'fit and proper' person with knowledge of the appropriate industry.

The intended legislation does not impose any additional costs on the employment agency industry, other than the increased yearly licence fee, which previously did not recover costs. Penalties have been increased to be consistent with the Acts Interpretation Act. This of course will only have an impact on unscrupulous agents who breach the Act. The administration of the legislation, with these more realistic fees and penalties, will also become cost effective.

Generally this Bill sets minimum standards on employment agencies appropriate to current licensing and industrial requirements, without impinging on sound business practice. It fosters the credibility and security of employment agencies and acts as a preventive mechanism for misunderstandings and exploitation. The legislation can be viewed as a compromise between self regulation and statutory compliance needed for the protection of workers using agencies, who are often not covered by awards or the Industrial Relations Act.

Accordingly, the Bill is commended to Parliament.

The provisions of the Bill are as follows:

Clause 1: Short title

This clause is formal.

Clause 2: Commencement

This clause provides for the commencement of the measure.

Clause 3: Interpretation

This clause sets out various definitions required for the purposes of the Bill. An 'employment agent' is a person who, for monetary or other consideration, carries on the business of procuring workers for persons who desire to employ or engage others in work, or procuring employment for persons who desire to work. However, the definition will not extend to charitable or benevolent organisations which work on a non-profit basis, or to other organisations or associations excluded by the regulations. The concept of employment will encompass work by a 'worker' under a contract of service, and other forms of remunerated work, subject to various exceptions set out in the definition of 'employment contract'. A 'worker' will, by definition, be a natural person who performs work under a contract of employment.

Clause 4: Exemptions

The Minister will be empowered to confer exemptions from specified provisions of the Act on specified persons, or persons of a specified class, or in relation to specified premises, or premises of a specified class. An exemption may be granted on conditions determined by the Minister.

Clause 5: Non-derogation

The provisions of the Act are to be in addition to the provisions of any other Act and will not derogate from any civil remedy at law or in equity.

Clause 6: Requirement to be licensed

This clause will require a person who carries on business as an employment agent (or holds himself or herself out as an employment agent) to be licensed.

Clause 7: Application for a licence

This clause sets out the procedures to be followed in relation to an application for a licence. A person who applies for a licence will be required to cause the application to be advertised in the prescribed manner. Persons will be able to lodge written objections against licence applications. The Director will be required to grant a licence if the specified criteria are satisfied.

Clause 8: Term of licence

The term of a licence will be a period, not exceeding two years, stated in the licence.

Clause 9: Application for renewal of a licence

This clause sets out the procedures to be followed in relation to an application to renew a licence.

Clause 10: Licence conditions

A licence will be subject to prescribed conditions, and conditions imposed by the Director

Clause 11: Appointment of a manager

The business conducted in pursuance of a licence must be managed under the personal supervision of an appointed manager if the holder of the licence is not directly involved in the management of the business, or is a body corporate.

Clause 12: Transfer and surrender of licences

This clause provides for the transfer of licences.

Clause 13: Cancellation of licences

The Director will be empowered to cancel a licence in specified circumstances. However, the Director will be required to notify the holder of the licence of a proposed cancellation and to allow the holder to make submissions in relation to the matter before taking any action.

Clause 14: Person not entitled to fees, etc., if acts as agent in contravention of Division

This clause provides that a person who acts as an employment agent in contravention of a provision of the Division is not entitled to recover a fee for so acting.

Clause 15: Appeal against a decision

A right of appeal will lie under this clause to the Magistrates Court against a decision of the Director on a licensing matter.

Clause 16: Registered premises

The holder of a licence will be required to register any premises used for the purposes of his or her business as an employment agent.

Clause 17: Notice to be displayed

This clause requires that a person carrying on business as an employment agent will be required to display a notice clearly showing the name of the agent (or a registered business name), and the name of any manager of the business.

Clause 18: Death of licensee

This clause provides for the continuation of a licence in the event of the death of the licensee.

Clause 19: Display of information at registered premises

An employment agent will be required to clearly display at any business premises his or her scale of fees.

Clause 20: Responsibilities to workers

This clause regulates various matters relating to persons who have engaged an employment agent to find them employment. In particular, an employment agent will not be permitted to demand a fee by virtue only of the fact that a person is seeking employment through the agency. No fee will be payable if the employment agent becomes the employer. If employment is procured for a person, the employment agent will be required to provide the worker with a statement in the prescribed form which sets out relevant information as to the employment arrangements.

Clause 21: Responsibilities to employers

This clause regulates various matters relating to persons who have engaged an employment agent to find workers for them to employ or engage. A fee will not be payable in certain cases. A fee must not exceed the scale of fees displayed at the agent's registered premises.

Clause 22: Records, etc., to be kept

An employment agent will be required to keep various records under this clause, including the name of each client, details of deposits and fees paid to the agent, and details of employment contracts arranged by or through the agent.

Clause 23: Inspections

This clause sets out the powers of inspectors under the Act.

Clause 24: Prohibition against assisting a person falsely to pretend to be an employment agent, etc.

It will be an offence to supply or lend a document, or to assist a person, for the purpose of allowing a person falsely to pretend to be an employment agent.

Clause 25: Liability of agents for acts or omissions of employees, etc.

This clause provides that an act or omission of a person employed by an employment agent will be taken to be an act or omission of the agent unless the agent proves that the person was acting outside the course of employment.

Clause 26: False or misleading information

It will be an offence to provide any information under the Act which is false or misleading in a material particular.

Clause 27: Offences by bodies corporate

This clause relates to the responsibility of each member of the governing body of a body corporate to ensure that the body corporate does not commit an offence against the Act.

Clause 28: Commencement of prosecutions

Proceedings for offences against the Act will need to be commenced within three years after the date on which the offence is alleged to have been committed.

Clause 29: Delegation by Director

This clause allows the Director to delegate his or her powers or functions under the Act to any other person engaged in the administration of the Act.

Clause 30: Regulations

This clause sets out the regulation-making powers of the Governor for the purposes of the Act.

Clause 31: Repeal and transitional provisions

This clause provides for the repeal of the Employers Registry Offices Act 1915. A licence under that Act will become a licence under the new Act. Other transitional arrangements will apply.

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

CORRECTIONAL SERVICES (CONTROL OF PRISONERS' SPENDING) AMENDMENT BILL

Second reading.

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

That this Bill be now read a second time.

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

Leave granted.

The purpose of this Bill is to amend the Correctional Services Act so as to provide a more flexible and appropriate prisoner pay scheme and to ensure that those prisoners who refuse to work are not able to have access to monies brought into prison from outside for the purchase of tobacco and other personal goods. At the direction of the Government, the Department of Correctional Services has for some time been working to improve the relevance, culture and productivity of its prison industries. The aim is to maximise the opportunities for the training of prisoners in good work habits and educational skills and so as to enhance opportunities for prisoners to obtain paid employment upon release from prison. The revenue generated will also assist the Department to maintain various prisoner programs. The Government has decided that as a matter of policy it will support appropriate joint ventures between prison industries and some private sector entrepreneurs.

The Government has made it clear to the Department of Correctional Services that the development of prison industries must occur in a way which is sensitive to the needs of South Australian industries, and employment in the private sector. A differential pay system which recognises security classification and location would act as an incentive to encourage prisoners to behave and earn lower security classification ratings.

The proposed amendment will allow the Minister to provide a scheme of prisoner allowances which rewards effort and productivity and which is tailored to the needs of the new industries shortly to be established in South Australian prisons.

The aim is to provide a financial incentive for prisoners to work by ensuring a significant difference in the income of prisoners who work and those who choose not to work. That would mean very little if the Manager of the prison could not lawfully control the spending of trust funds by those prisoners who choose not to work. Prisoners' purchases of tobacco and other personal goods must be limited by the amount earned in prison industries, regardless of the funds paid into trust from outside sources.

Under the Act as it stands at present, it is possible by regulation to limit expenditure (from whatever source) by all prisoners in a prison. However the Manager of a prison cannot validly be given a discretionary power by regulation to restrict expenditure of a particular kind by some prisoners (those who refuse to work) while continuing to permit other prisoners (who are prepared to work) to have access to accumulated funds for the same type of expenditure.

I commend this Bill to the Council.

Clause 1: Short title

This clause is formal.

Clause 2: Amendment of section 31—Prisoner allowances and other money

This clause makes a number of amendments to section 31 of the principal Act.

Subsection (1) of section 31 provides for the payment of an allowance to prisoners in a correctional institution at a rate fixed by the Minister with the approval of the Treasurer. Under subsection (2) an additional allowance (at a rate fixed by the Minister with the approval of the Treasurer) is payable to prisoners who perform work. Subsection (3) empowers the Minister to vary the rate of the work allowance according to the class of work performed. This clause substitutes new subsection (3), which retains that power to vary the rate of the work allowance according to the class of work performed, but adds a power to vary the rate according to the correctional institution concerned or the security classification of the prisoner (or according to any combination of these factors).

This clause also inserts new subsection (5a) into section 31. New subsection (5a) provides that where a prisoner in a correctional institution receives money (other than allowances paid under section 31) that is to be held in trust for the prisoner, the manager of the correctional institution must establish an account in the name of the prisoner into which all such money will be paid.

This clause also inserts new subsection (7) into section 31. New subsection (7) provides that, subject to the principal Act, withdrawals from an account held in the name of a prisoner, and the purposes for which withdrawals are made, are at the discretion of the manager of the correctional institution. The new subsection then specifies that, without limiting this discretion of the manager, withdrawals may be refused where the manager thinks that the refusal is justified in the interests of the good management of the prisoner or of the correctional institution generally.

Clause 3: Amendment of section 32—Purchase of items of personal use by prisoners

This clause amends section 32 of the principal Act. Section 32 requires the manager of a correctional institution to make available for purchase by prisoners such items of personal use or consumption as may be prescribed and empowers the manager to make available for purchase such other items as the manager thinks fit. This clause amends section 32 to make it clear that the withdrawal of money by prisoners to purchase the items made available under section 32 remains at the discretion of the manager in accordance with section 31 (as amended by clause 2).

Clause 4: Amendment of section 89—Regulations

This clause amends section 89 of the principal Act, the regulation-making power. Section 89(2)(k) of the principal Act empowers the Governor to make regulations prescribing the purposes for which and the manner in which money held to the credit of a prisoner may be applied, or limiting the amount that may be drawn by a prisoner at any one time or during a specified period. This amendment repeals section 89(2)(k).

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

CONSENT TO MEDICAL TREATMENT AND PALLIATIVE CARE BILL

Second reading.

The Hon. Anne Levy, for **Hon. BARBARA WIESE (Minister of Transport Development):** I move:

That this Bill be now read a second time.

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

Leave granted.

This Bill seeks to implement the legislative recommendations of the Select Committee into the Law and Practice Relating to Death and Dying.

The objects of the Bill are threefold:

(a) to make certain reforms to the law relating to consent to medical treatment to allow persons over the age of 16 years to decide freely for themselves on an informed basis whether or not to undergo medical treatment and to provide for the administration of emergency medical treatment, in certain circumstances, without consent;

(b) to provide for medical powers of attorney under which those who wish to do so may appoint agents to make decisions about their medical treatment when they are unable to make such decisions for themselves;

(c) to allow for the provision of palliative care, in accordance with proper standards, to the dying and to protect the dying from medical treatment that is intrusive, burdensome and futile.

It is within this framework that the law will operate.

As Hon. Members would be aware, spectacular advances in science and medicine have introduced an era in health care which a short time ago would have been characterised as science fiction. Nonetheless we must all confront our mortality. Healthy lifestyles and modern medicine can do much to postpone death and improve physical well-being during life, but neither exempt us from the inevitable. While we are concerned about dying, we are equally, if not more, concerned with the manner of our dying.

How we die is now very much influenced by modern technology and patient management. Terminally ill people can be kept alive for long periods, even though there may be no prospect of returning to a reasonable quality of life or even, in some cases, consciousness.

Such technology can be highly invasive and inconsistent with our beliefs in human dignity. In these circumstances, the family and friends of the patient, and society in general, are faced with a moral dilemma:

- Should every known technique be used to maintain life, whether recovery is possible or not, and at considerable discomfort to the patient and anguish to the friends and relatives of the patient?
- Should there be agreement to a request from the patient that life be terminated painlessly and prematurely so as to avoid the suffering and loss of dignity which can be associated with a slow, lingering death?
- Should the above options be rejected, but every opportunity be taken to maintain the comfort and dignity of the patient as the inevitable approaches?

The Select Committee found virtually no support in the health professions, among theologians, ethicists and carers, or indeed in the wider community, for highly invasive procedures to keep the patient alive, come what may and at any cost to human dignity. Clearly, moral and legal codes which reflect such practices are inappropriate.

However, at the other end of the spectrum, the Select Committee firmly rejected the proposition that the law should be changed to provide the option of medical assistance in dying, or 'voluntary euthanasia'. Its Report deals at some length with the reasons why it believes the concept of intent, and distinctions based on intent, should be maintained in the law.

The Select Committee endorsed the widely supported concept of good palliative care—that is, measures aimed at maintaining or improving the comfort and dignity of a dying patient, rather than extraordinary or heroic measures, such as medical treatment which the patient finds intrusive, burdensome and futile.

A fundamental principle inherent in such an approach, and indeed, an underlying tenet of the Bill before Hon. Members, is patient autonomy. The concept of the dignity of the individual requires acceptance of the principle that patients can reject unwanted treatment. In this respect, the wishes of the patient should be paramount and conclusive even where some would find their choice personally unacceptable.

The Bill deals with this matter in several ways. Firstly, it essentially restates the provisions of the Consent to Medical and Dental Procedures Act 1985, since that Act is to be repealed. That Act provides for the treatment and emergency treatment of children (who are defined as any person under 16 years of age) and adults and those provisions are repeated in identical terms except that the format has been modified to make it more understandable to those who are not legally trained.

The Bill also enshrines the requirement that a medical practitioner must explain the nature, consequences and risks of proposed medical treatment; the likely consequences of not undertaking the treatment; and the alternatives. In other words, the important notion of 'informed consent' is maintained. Obviously, this process occurs now as a matter of good medical practice. However, the Committee believed an issue of such importance should be prominently canvassed in the Bill, and provision is made accordingly. Protection from liability is provided for medical practitioners where they act with the appropriate consent or authority; in good faith and without negligence; in accordance with proper standards of medical practice and in order to preserve or improve the quality of life.

The Bill introduces the concept of a medical power of attorney. Clause 7 provides that a person over 16 years of age may appoint a person, by medical power of attorney, to act as his or her agent with power to consent or refuse to consent to medical treatment on his or her behalf where he or she is unable to act. An appointment may be made subject to conditions and directions stated in the medical power of attorney. The agent must be 18 years old and no person is eligible for appointment if he or she is, directly or indirectly, responsible for any aspect of the person's medical care or treatment in a professional or administrative capacity. A medical power of attorney may provide that if an agent is unable to act, the power may be exercised by another nominated person. However, a medical power of attorney cannot provide for the joint exercise of power.

Clause 8 makes it an offence to induce another to execute a medical power of attorney through the exercise of dishonest or undue influence. A person who is convicted or found guilty of such an offence forfeits any interest in the estate of the person who has been improperly induced to execute the power of attorney.

Hon. Members will recall the Natural Death Act 1983. That was pioneering legislation for its time. It confirmed the common law right to refuse treatment, and expanded upon it. It enabled adults of sound mind to determine in advance (by declaration) that they would not consent to the use of extraordinary measures to prolong life in the event of suffering a terminal illness.

The medical agent provisions of this Bill seek to build on to those foundations and to move beyond the limitations of the current Act, in light of experience over time. For example, advances in medical science mean that decisions a person took at the time of completing a Natural Death Act declaration may no longer be relevant. Indeed, the person's wishes may have changed over time and he or she may have neglected to change the declaration. The Bill enables a person to appoint an agent who can make decisions regarding medical treatment on behalf of that person. Clearly, a person will choose to appoint as an agent someone with whom there is a close, continuing, personal relationship. People will choose agents who understand their attitudes and preferences and in whom they place trust and confidence.

The medical agent can only act if the person who grants the power is unable to make a decision on his or her own behalf. However, the circumstances are not restricted to terminal illness—the patient may, for instance, be unconscious; the patient may be temporarily or permanently legally unable to make decisions for himself or herself.

The medical agent simply stands in the place of the patient and is empowered to consent or refuse consent in much the same terms as can the patient.

Obviously, the person one selects to be one's agent will be a person in whom substantial trust and confidence resides. It will most likely be a person with whom one moves through life, sharing common experiences and like responses to medical questions. The whole purpose of the medical agent provisions is to give the patient whatever flexibility he or she requires and chooses to take. An agent can be appointed for a specified period; can be given specific instructions; or can be left with a free hand, perhaps with personal or private instructions. The agent must agree to act in accordance with the wishes of the patient in so far as they are known and act at all times in accordance with genuine belief of what is in the best interests of the patient. One action the agent cannot take, however, is to authorise refusal of—the natural provision or natural administration of food and water or the administration of pain or distress relieving drugs. The Committee believed such a refusal requires a level of self-determination which can only be exercised by individuals acting consciously, in all the circumstances, on their own behalf.

The appointment of an agent also removes the uncertainty which can be created by a family situation where several people claim to represent the true wishes of the patient. To whom is the doctor to turn? Such situations are resolved by medical practitioners every day, and will continue to be even after this Bill becomes law, but where an agent is available, the choice is in effect made by the patient, which is the only certain solution.

There is no legal appeal mechanism available against the decision of a patient who grants or refuses consent to medical treatment. In the interests of certainty and good medical practice, it is appropriate that the same situation should apply where an agent is involved. This is not an area in which the law, through the Courts, should have a significant role. These are quality of life decisions, not financial or legal issues, and the best person to determine who should resolve those matters is the person on whose behalf they are being made i.e. the patient. The agent after all only acts through the medical practitioner, unlike a legal power of attorney where agents act as they see fit and therefore are properly and necessarily subject to greater review.

The Bill contains specific provisions which deal with the care of the dying. It should be noted that the prohibition against assisted suicide remains in the Criminal Law Consolidation Act (Section 13a). Nothing in this Bill reduces the force either of that prohibition, or of the law against homicide.

What the Bill does seek to ensure is that a medical practitioner responsible for the treatment or care of a patient in the terminal phase of a terminal illness, will not incur liability if he or she acts—

- with the appropriate consent;
- in good faith and without negligence; and
- in accordance with proper professional standards of palliative care even though an incidental and unintended effect of the treatment is to hasten the death of the patient.

The Select Committee was made aware of the broad community acceptance of measures taken to provide for the comfort of the patient. Drugs designed to relieve pain and distress commonly prolong life, but they may have the incidental effect of accelerating death. The medical profession is understandably concerned about the

risk of prosecution, however small that risk may be. The hallmark of a humane society is one which recognises the right to die with dignity, in circumstances which are not needlessly distressing, and as free of pain as medical and scientific knowledge permits. The law should reflect that community attitude.

It should be emphasised, however, that the protection afforded by Clause 13 applies if, and only if, the conditions set out in the Clause are satisfied. The Bill needs to be read in the context of the general criminal law of the State. If the acceleration of death is the intended consequence of the 'treatment', then the Bill offers no protection and the person administering the 'treatment' would face prosecution for homicide or assisted suicide depending upon the circumstances.

The Bill also makes it clear that, where a patient is in the terminal phase of a terminal illness, with no real prospect of recovery, and in the absence of an express direction to the contrary, a medical practitioner is not under a duty to use, or continue to use, medical treatment that is intrusive, burdensome and futile in order to preserve life at any cost.

The non-application or discontinuance of extraordinary measures in the circumstances defined in the Bill is not a cause of death under the law of the State. This provision ensures that the true cause of death is recorded. For example, a person who is dying from a gun shot wound must be recorded as having died from the gun shot and not from the withdrawal of the ventilator that was artificially keeping him or her alive. The Bill simply ensures that the real cause of death (that is, the underlying cause of the person's terminal illness) is shown as the actual cause of death. It does not provide medical practitioners with a legal device to avoid the consequences of their negligent actions or with a means to implement euthanasia legally. Any such attempt would lead to prosecution under the criminal law.

The Select Committee has in a sense been both a pathfinder and trailblazer. The scope and complexity of issues before it required consultation with the community in the broadest sense. The law must move at a pace which reflects community attitudes, but it should not be allowed to gather speed and overtake the clearly expressed opinion of the community. It is a matter of balance and the Select Committee believes it has struck the right balance. The Committee's Report lays the foundations for South Australia to be at the forefront of care of the dying. The Bill will help to enhance and protect the dignity of people who are dying and will clarify the responsibilities of doctors who look after them.

I commend the Bill to the Council.

The provisions of the Bill are as follows:

Clause 1 provides that the short title of the measure is to be the Consent to Medical Treatment and Palliative Care Act 1993.

Clause 2 provides for the commencement of the measure.

Clause 3 sets out the objects of the Act.

Clause 4 includes various definitions that are necessary for the purposes of the measure.

Clause 5 provides that the new Act will not apply to medical procedures directed towards research rather than towards therapeutic objects.

Clause 6 provides that a person over 16 years of age may consent to a medical treatment as validly and effectively as an adult. The provision is similar in effect to section 6(1) of the Consent to Medical and Dental Procedures Act 1985.

Clause 7 provides that a person over 16 years of age may appoint a person, by medical power of attorney, to act as his or her agent with power to consent or refuse to consent to a medical procedure on his or her behalf where he or she is unable to act himself or herself. An appointment may be made subject to conditions stated in the medical power of attorney. A person is not eligible to be appointed as an agent if he or she has not attained the age of 18 years, or if he or she is responsible for any aspect of the person's medical care or treatment in a professional or administrative capacity. A medical power of attorney may provide that if an agent is unable to act, it may be exercised by another nominated person. However, a medical power of attorney cannot provide for the joint exercise of power. The medical agent must observe any lawful directions included in the power of attorney.

Clause 8 makes it an offence to induce another to execute a medical power of attorney through the exercise of dishonest or undue influence. A person who is convicted or found guilty of such an offence forfeits any interest that the person might otherwise have in the estate of the relevant person.

Clause 9 relates to the medical treatment of children. Provisions of similar effect appear in the Consent to Medical and Dental Procedures Act 1985.

Clause 10 relates to the performance of emergency medical treatment. A provision of similar effect appears in the Consent to Medical and Dental Procedures Act 1985. If a medical agent has been appointed and is available, a medical procedure cannot be carried out without that agent's consent. If no such medical agent is available but an appointed guardian is available, the guardian's consent is required. Subsection (5) relates to the situation where a parent or guardian refuses consent to a medical procedure to be carried out on a child. A comparison may be drawn with section 6(6)(b) of the Consent to Medical and Dental Procedures Act 1985. In such a case the child's health and well-being are paramount.

Clause 11 places a duty on a medical practitioner to give a proper explanation in relation to the carrying out of a proposed medical procedure. This clause sets out the principles of 'informed consent'.

Clause 12 provides immunity for a medical practitioner who has acted in accordance with an appropriate consent or authority, in good faith and without negligence, in accordance with proper professional standards, and in order to preserve or improve the quality of life. A similar provision appears in the Consent to Medical and Dental Procedures Act 1985.

Clause 13 relates to the care of the dying. A medical practitioner will not incur liability by administering medical treatment for the relief of pain or distress if he or she acts with the consent of the patient or of some other person empowered by law to consent, in good faith and without negligence, and in accordance with proper standards of palliative care, even though an incidental effect is to hasten the death of the patient. Furthermore, in the absence of an express direction to the contrary, a medical practitioner is under no duty to use extraordinary measures to treat a patient if to do so would only prolong life in a moribund state without any real prospect of recovery. Subclause (3), relating to the identification of a cause of death, is modelled on a provision of the Natural Death Act 1983. Directions as to taking, or not taking, extraordinary measures can only be given by the patient or the patient's medical agent or, if no medical agent is available, by a guardian or, in the case of a child, by a parent.

Schedule 1 sets out the form for a medical power of attorney. The appointed agent will be required to endorse his or her acceptance of the power and undertake to exercise the power honestly, in accordance with any desires of the principal, and in the best interests of the principal. The attorney must be witnessed by an authorised witness (as defined).

Schedule 2 provides for the repeal of the Natural Death Act 1983 and the Consent to Medical and Dental Procedures Act 1985. A direction under the Natural Death Act 1983 will continue to have effect. Enduring powers of attorney granted before the new measure and purporting to confer relevant powers on the agent can have effect under the new legislation.

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

TOBACCO PRODUCTS CONTROL (MISCELLANEOUS) AMENDMENT BILL

Second reading.

The Hon. Anne Levy, for **Hon. BARBARA WIESE (Minister of Transport Development):** I move:

That this Bill be now read a second time.

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

Leave granted.

Illness and death attributable to cigarette smoking constitute the largest man-made epidemic of our time. Smoking is recognised as the largest single preventable cause of disease and premature death in Australia. There is no known safe level of consumption of tobacco products.

It has been estimated that approximately 16 per cent of all deaths in Australia are due to smoking (Holman et al, 1988). Translated into 1991 figures, that equates to an estimated 20 000 lives lost in Australia that year.

Doll & Peto (1981) estimated that one in four smokers would die prematurely because of smoking. A follow-up study reported in the press recently indicates that the hazards of long-term smoking are far greater than previously thought—prolonged smoking is now thought to cause the premature death of every second smoker. And smokers are three-times as likely as non-smokers to die in middle

age. Those who start to smoke in their teenage years will be at a particularly high risk of death from tobacco in later life.

At last count, there were 13 225 twelve to fifteen year olds who were smoking regularly in SA. By age 14, one in five schoolchildren are regular smokers and by age 16, the percentage equates with the adult prevalence rate (1990 SA Schoolchildren Smoking Survey—Devenish—Meares et al 1991).

According to the US Surgeon General's Report, 1982, a child who begins smoking aged 14 years or younger is 16 times more likely to die of lung cancer than someone who never smokes. Australian research (Hill et al, 1990) shows that early adolescence is the developmental stage at which most experimental smoking and much uptake of the practice takes place.

Thus, as Hill et al relate, it seems clear that 'by the time children are ready to leave school, the stage is set for the rapid acquisition of adult smoking prevalence and consumption levels'. Although it is now well established that tobacco smoking is addictive (US Surgeon General, 1988), children frequently underestimate the likelihood of their continued tobacco use. (Leventhal et al 1987; Oei, et al 1990). Experimentation with cigarettes often leads to dependency, resulting in many teenagers eventually becoming long-term smokers (Russell, 1990; O'Connor, Daly, 1985).

The message is clear—our children are at risk—at risk of an early death from a cause which is completely preventable.

Strategies to reduce tobacco use must be comprehensive and long-term. The 1988 amendments to the Tobacco Products Control Act and their progressive implementation to ban tobacco advertising and sponsorship, broke the nexus between smoking and images of sophistication, social success, wealth and sporting prowess. Obviously, the full effects of that initiative will not be realised immediately.

The next stage is two-fold—to target access or availability of cigarettes to children; and to ensure that the general principle of 'informed choice', which is demanded and accepted for goods and services almost universally in Australia, applies equally to tobacco products.

The sale or supply of tobacco products to children under 16 years of age is illegal. Similarly, it is an offence for an occupier of premises to allow a child to obtain tobacco products from a vending machine situated on the premises.

However, recent research in SA (Wakefield et al, 1992) shows that the legislation in fact rarely prevents children from purchasing cigarettes, either over the counter or from vending machines. For counter sales, a random sample of 98 tobacco retail outlets in metropolitan Adelaide was selected, and for vending machine sales, a random sample of 29 retail outlets was selected. Ten children, aged between 12 and 14 years, visited the premises in January 1991 with the intent to purchase cigarettes. They did so successfully over the counter at 45.6 per cent of the retail outlets and at 100 per cent of the vending machines. Older children had a higher purchase success, with 56.9 per cent of attempts by 14 year olds being successful, compared with 15.4 per cent of 12 year olds.

Clearly, action is necessary to make cigarettes less readily available to children and to make sellers aware of the seriousness of illegal sales.

The Bill therefore proposes a three level approach:

- the minimum age for sale or supply is to be increased to 18 years;
- as from 1 January 1994, vending machines are to be restricted to licensed premises under the Liquor Licensing Act;
- penalties for sale to children are to be increased five-fold, to a maximum of $5 000; in addition, a person who is convicted of a second or subsequent offence within a three year period may be disqualified by the court from applying for or holding a tobacco merchant's licence for up to 6 months.

The message is clear—sale to children is simply not on.

The general principle of 'informed choice' is widely accepted in Australia. The consumer's right to know has underpinned much of the legislation found on the Statute Books today. For example, ingredient labelling, nutritional information and coded additive details on packaged food; content information, directions for use and warnings on pharmaceuticals; directions for use, safety precautions and first-aid measures on household poison containers—the consumer is provided with a plethora of information on what is in it; what it does; and what effects it may have.

By contrast, the warnings on cigarette packs merely advise the consumer that 'Smoking Causes Lung Cancer'; 'Smoking Reduces Your Fitness'; 'Smoking Damages your Lungs' and 'Smoking Causes Heart Disease', with limited information being provided on tar, nicotine and carbon monoxide levels.

The 1989 US Surgeon General's report states that there are over 4 000 chemicals in tobacco smoke, including 43 carcinogens and numerous other toxins. The link between tobacco smoking, illness, disease and death is well established. The principle of informed choice must be extended to tobacco products.

The Ministerial Council on Drug Strategy established a Task Force in March 1991 to consider health warnings and content labelling. Research was commissioned on current health warnings, which have been in place since 1987. An extensive literature review was carried out and surveys were conducted. Studies concluded that, to be effective, health warnings need to be noticed, persuasive and provide guidance for appropriate action. They need to stand out from the surrounding design, be understood and personally relevant. The Ministerial Council agreed at its April 1992 meeting that all tobacco products must carry stronger health warnings and detailed health risk information to try to reduce the harm caused by smoking.

They agreed that States and Territories would introduce uniform regulations to ensure that from July 1993 all cigarette packs would carry:

- health warnings printed on the 'flip top', occupying at least 25 per cent of the front of the pack;
- detailed explanations for consumers of each health warning, together with a National QUIT line telephone number, taking up the whole of the back of each pack; and,
- information—on one entire side of the pack—to help consumers more readily understand the tar, nicotine and carbon monoxide content of that brand.

Western Australia was the first State to implement the national agreement, having gazetted its Regulations in December 1992. ACT had indicated a similar intention and South Australia intended to follow suit as soon as possible after the passage of this Bill.

The Ministerial Council on Drug Strategy met again in July 1993 and considered progress on implementation of the new warnings. The Council confirmed its commitment to introducing a strengthened system of health warning labels on tobacco products. The importance of maintaining a tobacco package labelling system which is uniform nationally was recognised, and some variations to achieve that end were agreed upon.

The proposed uniform regulations will ensure that from 1 April 1994 cigarette packs will carry:

- health warnings printed on the 'flip top', occupying at least 25 per cent of the front of the pack;
- detailed health information for consumers, including a national QUIT line telephone number, taking up the top third of the back of the pack;
- information—on an entire side of the pack—to help consumers more readily understand the tar, nicotine and carbon monoxide content of the cigarettes.

Studies indicate that early adolescence is the stage at which most experimental smoking takes place. A primary target group must therefore be young people. Those contemplating giving up smoking must be the other main target group. However all smokers and potential smokers have the right to know and must be afforded the opportunity to consider, the range of health effects before they decide to smoke a cigarette.

The Bill therefore revises the head of power for labelling of tobacco products and ensures that the regulation-making powers are broad enough to accommodate the enhanced consumer information proposed in the new warnings.

Turning to other matters covered by the Bill, Hon. Members will be aware that retailers of cigarettes are currently required to display a notice prominently, setting out tar, nicotine and carbon monoxide content of a range of brands. The proposed labelling regulations will require such information to appear on the side panel of packets, in relation to that particular brand of cigarettes. In order to make the requirements on small business less onerous, but at the same time, ensure that consumers who wish to compare brands are accommodated, the Bill proposes that retailers be required to produce tar, nicotine and carbon monoxide content information on demand by a customer. This will also enable the information to be more readily updated without the need to produce new display posters.

The other feature of the Bill is that it enables limits to be placed on various forms of point of sale advertising. The principal Act allows for point of sale advertising of tobacco products (i.e. inside a shop or warehouse adjacent to where tobacco products are sold; or outside a shop or warehouse, so long as the advertising relates to tobacco products generally or prices of particular products).

Members of the public have drawn instances to the Health Commission's attention which indicate that this form of advertising has been expanded beyond the spirit of the legislation. A power is inserted which will enable limits to be set on various forms of such advertising.

The Bill before Hon. Members today is part of a comprehensive strategy, consistent with the overall goal of the National Health Strategy on Tobacco—'to improve the health of all Australians by eliminating or reducing their exposure to tobacco in all its forms'.

The Government is under no illusion that the legislative response, in isolation, is the solution. There has long been recognition amongst those concerned to reduce smoking that the resolution of the problem lies not in a piecemeal approach, but in the adoption of a carefully planned, comprehensive, long-term approach, encompassing education and information, legislation and cessation services.

A number of initiatives have been taken at the State and Federal level. The 1988 amendments to the Tobacco Products Control Act set the framework for a comprehensive approach in SA. The banning of advertising and sponsorship; the establishment of Foundation SA with its charter 'to promote and advance sports, culture, good health and health practices and the prevention and early detection of illness and disease related to tobacco consumption'; the setting up of the SA Smoking and Health Project—QUIT—and its encouraging results to date; community involvement; the work across Government agencies, and with industries and organisations, are all important and integral parts of a comprehensive strategy.

The reduction or eradication of the health consequences of smoking in Australia will do more to promote health, prevent disease and prolong life than any other action which governments and communities could take in the foreseeable future.

The impetus must not be lost. The lives of young Australians are too important—those lives are at stake.

I commend the Bill to the Council.

The provisions of the Bill are as follows:

Clause 1: Short title

This clause is formal.

Clause 2: Commencement

Clause 2 provides for the commencement of the Bill. Clause 7 (which bans tobacco vending machines except on licensed premises) will come into operation on 1 January 1994.

Clause 3: Amendment of s. 3—Interpretation

Clause 3 amends the definition of child in section 3 of the principal Act by increasing the age from 16 years to 18 years. Paragraph (b) amends the definition of 'health warning' to recognise that a health warning may be prescribed by direction of the Minister under the regulations. Paragraph (c) inserts a definition of 'label' that extends the normal meaning of the word to include information that is included in, but not printed on, a package. Paragraph (d) makes a technical amendment which accommodates the intention to prescribe health warnings in two parts.

Clause 4: Amendment of s. 4—Sale of tobacco products by retail

Clause 4 amends section 4 of the principal Act to cater more precisely for the promulgation by regulation of the proposed packaging and labelling requirements.

Clause 5: Amendment of s. 5—Importing and packing of tobacco products

Clause 5 makes similar amendments to section 5 of the principal act which deals with the importing of tobacco products.

Clause 6: Amendment of s. 6—Tobacco products in relation to which no health warning has been prescribed

The purpose of this amendment is to recognise in section 6 of the principal Act that a health warning may be prescribed by direction of the Minister.

Clause 7: Substitution of s. 8

Clause 7 replaces section 8 of the principal Act. The new provision requires a retailer of cigarettes to provide information to a customer on request instead of requiring the information to be permanently on display.

Clause 8: Insertion of s. 10a

Clause 8 prohibits the sale of cigarettes or other tobacco products by vending machine except in licensed premises. Section 15 of the principal Act provides a general penalty of $5 000 for contravention of a provision of the Act. This penalty will apply to a contravention of section 10a.

Clause 9: Amendment of s. 11—Sale of tobacco products to children

Clause 9 amends section 11 of the principal Act. Paragraphs (a) and (b) remove the penalty from subsections (1) and (2). The result of this is that the general penalty of $5 000 prescribed by section 15 will apply to these offences. The expiation fees are also removed. These were inserted by Act No. 71 of 1992 which came into operation on 1 March 1993. In view of a court's discretion to disqualify an offender under new subsections (5) and (6) on a second conviction, the expiation of the offences is no longer appropriate.

Clause 10: Amendment of s. 11a—Certain advertising prohibited

Clause 10 amends section 11a of the principal Act. The purpose of the amendment is to enable the distance within which advertisements are allowed and the kind of advertisement allowed under subsection (3)(c) and (d) to be prescribed by regulation. This will give certainty to the operation of these provisions.

Clause 11: Amendment of s. 16—Regulations

Clause 11 amends section 16 of the principal Act by expanding the regulation making power to cater for the new packaging and labelling requirements.

Clause 12: Insertion of schedule 3

Clause 12 inserts a transitional provision that will give retailers the opportunity to dispose of stock that has ceased to comply with the Act or regulations after amendment.

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

MURRAY-DARLING BASIN BILL

Second reading.

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

That this Bill be now read a second time.

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

Leave granted.

On 24 June 1992 the Prime Minister and Premiers of South Australia, Victoria and New South Wales signed a new agreement as the basis for cooperative and coordinated planning and management of the water, land and other environmental resources of the Murray-Darling Basin. This agreement consolidates and replaces the River Murray Waters Agreement of 1982 and its subsequent amendments as well as adding some further provisions.

This new agreement, the Murray-Darling Basin Agreement 1992, is still to be ratified by the Federal Parliament, the Parliament of Victoria and this Parliament. A Bill ratifying the agreement has been passed by the New South Wales Parliament. The Bill now before the House approves and provides for the carrying out of the new agreement, and repeals the Murray-Darling Basin Act 1983.

The new agreement is an extension of the current agreement. Although it retains most of the existing provisions as they are, it modifies the current agreement in six important areas:

- it broadens the role of the Murray-Darling Basin Ministerial Council and Commission in the measurement, monitoring and investigation of water, land and environment resources
- it provides for other States, such as Queensland, to become parties to the agreement
- it provides for the implementation of specific strategies such as the Natural Resources Management Strategy and the Salinity and Drainage Strategy to become schedules to the new agreement
- it provides for a more business like approach to the management of the financial resources of the Murray-Darling Basin Commission, including flexibility for the Ministerial Council to determine alternative cost sharing formulae if that is thought to be appropriate in any particular instance
- it overhauls the water distribution clauses so that water used by NSW and Victoria is accounted for on a continuous basis
- it provides for the appointment of an independent President of the Murray-Darling Basin Commission, in lieu of the current arrangement whereby a Commonwealth Commissioner automatically becomes President.

I commend the Bill to the Council.

The provisions of the Bill are as follows:

Clauses 1 and 2 are formal.

Clause 3 sets out the purpose of the Bill.

Clause 4 defines terms used in the Bill. Words used in the Bill have the same meaning as in the new agreement (see subclause (2)).

Clause 5 provides for Parliament's approval of the agreement.

Clause 6 sets out the basis on which Commissioners and Deputy Commissioners are appointed by South Australia.

Clause 7 provides that a State member holds office on the terms and conditions determined by the Governor.

Clause 8 ensures that the appointment of a State member is not invalidated by a defect or irregularity in the member's appointment.

Clause 9 provides for remuneration and allowances for State members.

Clause 10 enables a State member to resign in accordance with clause 29 of the Agreement.

Clause 11 provides for removal of a State Member by the Governor.

Clause 12 provides the Commission with its powers, functions and duties.

Clause 13 enables the Commission to authorise a person to enter and occupy land for the purposes of the Act and the agreement. The Commission must provide the authorised person with a certificate that complies with subclause (3).

Clause 14 provides for notice before entry onto land. Subclause (4) places restrictions on the exercise of this power.

Clause 15 makes it an offence to obstruct or hinder an authorised person or Commissioner.

Clause 16 authorises the construction, maintenance, operation and control of works and the other acts and activities set out in paragraphs (b) and (c).

Clause 17 gives the Minister power to acquire land.

Clause 18 gives the Minister power to construct works and undertake other acts and activities set out in the clause on behalf of the Commission.

Clause 19 authorises the Minister to pay compensation.

Clause 20 gives the Minister power to sell or lease land acquired under clause 17.

Clause 21 provides that land dedicated under the Crown Lands Act 1929 for the purposes of the agreement may be used and occupied by a contracting Government.

Clause 22 provides for the resumption of land that is subject to a Crown lease for the purposes of the agreement.

Clause 23 provides for the imposition of tolls at locks.

Clause 24 gives the Supreme Court jurisdiction in relation to the Commission and the Commissioners.

Clause 25 provides that money to be contributed by the State under the agreement must be paid out of money appropriated by Parliament for that purpose.

Clause 26 exempts the Commission and its operations from State taxes.

Clause 27 is an evidentiary provision.

Clause 28 requires the Minister to lay the documents referred to in this clause before Parliament.

Clause 29 provides for other States to become parties to the agreement.

Clause 30 provides an offence in relation to the destruction of, or damage to, any works.

Clause 31 provides for the making of regulations.

Clause 32 repeals the Murray-Darling Basin Act 1983 and enacts transitional provisions.

The Hon. PETER DUNN secured the adjournment of the debate.

LOCAL GOVERNMENT (VOTING AT MEETINGS) AMENDMENT BILL

Second reading.

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

That this Bill be now read a second time.

As the Bill has previously been introduced into this Chamber, I seek leave to have the second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

This Bill seeks to amend section 60(3) of the Local Government Act 1934 to make it clear that the mayor or presiding member is excluded for the purpose of calculating the number of votes required to constitute a majority in a council meeting.

Section 60(3) of the Local Government Act 1934 currently provides that:

'Subject to this Act, a question arising for decision at a meeting of a council will be decided by a majority of the votes of the members present at the meeting.'

Also relevant are s. 60(4) and s. 60(5) of the Act. Section 60(4) requires each member present at a council meeting, unless there is provision to the contrary, to vote on a question arising for decision at a meeting, while s. 60(5) provides that the mayor or presiding member does not have a deliberative vote but, in the event of an equality of votes, has a casting vote.

The issue at question is whether the mayor or presiding member must be taken into account when determining the number of votes needed to constitute a majority, despite the fact that he/she does not have deliberative vote. (This issue does not arise in relation to councils with Chairs, and not with mayors, given that s. 60(6) provides that the Chair has a deliberative but not a casting vote.) There is a difference of legal opinion as to the interpretation of section 60(3).

The Crown Solicitor's view is that under the current provision, the mayor or presiding member should be taken into account when determining a majority while the LGA's legal advisers consider that only those members present and able to vote should be included.

The need for clarification of s. 60(3) of the Local Government Act has been recognised since mid-1990 when the matter was raised by the City of Burnside with the then Department of Local Government. Following discussions between State officers, the Local Government Association and others, the LGA suggested that the matter be let lie to enable consultation with councils.

In the latter part of 1991, the LGA surveyed local government on the issue and on the basis of responses received from councils asked that s. 60(3) be amended to indicate that the mayor is excluded from the calculation of the number of votes required to constitute a majority in a council meeting except when the vote is tied and the mayor exercises a casting vote. This would reflect the current practice in the majority of councils with mayors.

The amendment before this Council will make it clear that the mayor is excluded from the calculation of the majority, except in situations where he/she is exercising a casting vote.

The provisions of the Bill are as follows:

Clause 1: Short title

This clause is formal.

Clause 2: Commencement

This clause provides for the commencement of the measure.

Clause 3: Amendment of s. 60—Procedure at meetings

This clause provides for the enactment of a new subsection (3) of section 60 to clarify that a question arising for decision at a meeting of a council will be decided by a majority of the votes cast by the members present at the meeting and entitled to vote on the question.

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

ADDRESS IN REPLY

Adjourned debate on motion for adoption.

(Continued from 4 August. Page 46.)

The Hon. R.I. LUCAS (Leader of the Opposition): I rise to support the motion for the adoption of the Address in Reply to the Governor's speech on the opening of this session. Again, I express my sympathies to the families of Mr Hugh Hudson and the Hon. Sir Condor Laucke on the sad occasion of the deaths of both gentleman during the recent sessional break in the Parliament. The Address in Reply debate is a unique opportunity for members of Parliament in this Chamber and in another place. It is the only occasion on which members have the freedom to range widely across a whole variety of areas and to discuss matters of personal interest to those members and perhaps to some other members in the Chamber. One cannot say that it is always of interest to all members, but certainly it is the opportunity for an individual member of Parliament to be able to tackle a range of issues or offer thoughts on matters of public or political interest that is not otherwise allowed for under the rather strict Standing Orders in relation to debate.

It raises the question, which I am sure a Liberal Government will at least consider—and I have expressed a personal view before in relation to this in this Chamber—that we ought to look in a bipartisan way at the notion of a grievance procedure in this Chamber to allow members to get certain matters off their chest rather than having to manufacture circumstances, whether that be through lengthy explanation, through a notice of motion or perhaps using a Supply Bill or Appropriation Bill debate, with the good graces of the President or the Acting President in charge of the Chamber at the time. So this is really the only opportunity for members to express in this Chamber a personal point of view on a matter of public interest.

The Hon. C.J. Sumner: You do it every day in Question Time.

The Hon. R.I. LUCAS: As the Attorney indicates—and I have already acknowledged it—on occasions all members have to manufacture that opportunity to get their views on the record in some other way. We have the opportunity at the start of this final session as we would understand it prior to the next State election to debate the economic and financial circumstances that confront South Australia, during the coming Appropriation Bill and Supply Bill debates and, for those members who have the opportunity, through the Estimates Committees. Therefore, I intend to leave my comments on the parlous state of our economy and State finances and budget for those important debates which will come in the next month or so.

Today I want to place on the record my views on some aspects of the Labor record of the past 10 or 11 years. Then, importantly, I want to look at the state of the Labor Party, the Labor Government, the policy paralysis we see at the moment within the Cabinet and within the Government and explore some of the reasons why there is this policy paralysis and the factional upheaval that is occurring within the Labor organisation, within the State Labor Party Caucus and within the trade union movement as well as Left, Centre Left and Labor Unity wrestle for control of key unions to try to control important convention votes in the pre-election period. Certainly my individual views on that matter may or may not be of interest to some of the key faction brokers who confront the Liberal Party here in the Chamber, representing the Centre Left and the Left as they do. Let me quote from a recent article, and I will indicate the author of the words in a moment:

> Premier Lynn Arnold should call an election as soon as possible. This will be in the best interests of all South Australians. It will also be in their interests as well as the interests of the ALP in South Australia for the Government to lose. . . The State Party—

that is, the Labor Party—

> has reached such a point of political and policy bankruptcy that only a stint in Opposition can provide it the opportunity of undergoing the course of deep analysis it so obviously needs.

When one looks at that very damning critique and analysis of the Labor Government and the Labor Party at the moment, one could be excused for thinking that it has obviously been penned by some ideologue from the Right, perhaps writing for *Quadrant* or some Right Wing conservative magazine, or perhaps the views of a conservative journalist, if there are a few of those, wanting to see the end of the Labor Government, or perhaps it might be from the pen of a Liberal Party member or Liberal Party supporter or some big business person here in South Australia.

The sad fact for the Labor Party and Labor Government at the moment is that those two paragraphs come from the pen of a former senior adviser to one of the most senior Cabinet Ministers here in South Australia, the Attorney-General. Those paragraphs and many more were penned by Mr Tony Nagy, a former press secretary to the Attorney-General and to the former Deputy Premier. He was a Labor Party insider up until recent months, a person who has seen the innermost workings of the Government, the Cabinet and the Party and who is so appalled by what he has seen that he chose to leave and has now, in what is obviously a courageous move for someone who has obviously been so closely associated with the Attorney-General and the Government, put pen to paper under the heading of 'Dear Lynn', with the wonderful Groucho Marx quote at the start of his article:

> Either this man is dead or my watch has stopped!

The Groucho Marx quote and the two paragraphs that I have quoted are just a small part of a three page clinical critique of the operations of this Government and the problems that this State faces as a result of the ineptitude and inability of this Government to be able not only to control itself and its factions and its members but, more importantly, to put that behind it and get on with the business of tackling the fearsome economic and financial problems with which we are now confronted as a result of the Labor Government's ineptitude over matters such as State Bank, the SGIC, the South Australian Timber Corporation and a whole variety of other excesses of a financial and economic nature that this Government has entered into.

In examining the Labor record I am reminded of the immortal words of that noted political commentator, Paul Keating, who referred to a Liberal opponent and said that he was like a political carcass swinging in the breeze awaiting to be cut down. Indeed, the views of Tony Nagy and other commentators could equally be summarised in that fashion: that South Australia has before it a Labor Party and a Labor Government that is a political carcass swinging in the breeze awaiting only to be cut down, hopefully, for South Australia's sake, by an alternative Government with a plan and a vision for the future to try to correct some of the problems before us at the moment.

In my Address in Reply speech I want to examine only one aspect of the Labor record before turning to the second part of my contribution, that is, as I said, an analysis of the reasons for the policy paralysis and the factional problems that exist within this Party in Government. But I want to examine the Labor record in relation to key policy promises, because there is no doubting, as we lead into the next State election (whenever it is that Premier Arnold is courageous enough to call it), that we will be confronted with a long list of open-ended promises of a costly nature from the Premier and from other Ministers in a final desperate effort to win Government irrespective of the cost.

It is important from South Australia's viewpoint that voters pause to remember the record of this Government over the last three or four parliamentary terms, and to remember what the key promises were at the three elections of 1982, 1985 and 1989 and what the Government's record is as to whether or not it kept its word and implemented the promises. All through 1982, 1985 and 1989 there are countless quotes—and I do not intend to list them all—from Premier Bannon and other senior Ministers about turning the economy around and about solving the unemployment problem in South Australia. Of course, we have seen the simple reality in 1993 of a State that has had, over a long period of time, the worst unemployment record of all States and certainly the worst

performance in relation to youth unemployment for many years. I just remind members of the 1982 election policy speech:

> Today we lag behind. Record unemployment threatens more and more people in our community. At the same time the number of jobs available is shrinking, even though work is being created throughout the rest of the nation regardless of hard times.

We know that since 1982 South Australia's rate of job creation has been lower than that of every mainland State, with the exception of Victoria, that our share of national employment has declined and that, had South Australia maintained its 1982 share of national employment, another 27 700 South Australians approximately would be in work today. Clearly, the broken promises in relation to turning the economy around and providing more jobs for our young people are the most significant in the past 10 or 11 years.

Let me turn to my own portfolio interest of education. In every election—1982, 1985 and 1989—the Government has made a key policy promise in the education area and within 18 months of each election that key promise has been broken. Members will remember the famous words of Premier Bannon and his Minister in 1985 that teacher numbers would be maintained here in South Australia despite declining enrolments. The Premier acknowledged that there were declining enrolments here in South Australia but nevertheless maintained that teacher numbers would be retained and that those teachers who could be freed up from the classroom would be used in those extra areas, such as special education and working with children with learning difficulties—in all those areas of unmet need in the community and in schools at the moment that are currently not being tackled by the Government.

The record is that since 1985 we have now seen a reduction of some 1 500 teachers in our schools in South Australia. In recent years we have seen the closure of over 50 schools in South Australia, so much so that the Institute of Teachers' leadership was moved recently to say in the *Advertiser*, that journal of accurate record as referred to so often by the Attorney-General, that this Labor Government has already adopted 'Kennett policies on education'. This is from a leading section of the Left movement within South Australia, admittedly sort of torn between Maoists and Trotskyites fighting for the leadership of the Institute of Teachers at the moment. I am not sure, Madam Acting President, on which side you happen to be at the moment but noting your views on gender equity I would be surprised if I could not guess. But I will not explore that at the moment.

The Institute of Teachers has accurately summarised the frustration that exists in schools. So it falls on hollow ground for the Minister of Education or the Premier to be trying to frighten parents, teachers and principals in South Australia that a Liberal Government would hack, slash and burn in the education sector, when the Government's record already indicates that 1 500 teachers and over 50 schools have been cut, at the last count. There has been a question on notice from me to the Minister for the last five months seeking the latest total of the number of schools, kindergartens, child care centres and TAFE colleges that have been closed or amalgamated or rationalised within DEET (SA), and there is an ominous silence coming from the Minister's direction, which for this particular Minister is indeed ominous. So the numbers are obviously much greater than 50 schools and kindergartens that we have already identified, and perhaps that number is now heading towards 75 or 100, and that is why the Minister is desperate not to release that information prior to the 1993 or 1994 State election.

The 1989 education policy promise that featured was the curriculum guarantee—a $50 million curriculum guarantee which would offer a guaranteed curriculum to all students in South Australia, irrespective of where they lived. My colleagues the Hon. Caroline Schaefer and the Hon. Peter Dunn will know only too well the nonsense that has eventuated as a result of that particular promise of 1989 and the fact that soon after the 1989 State election this Government and the previous Minister of Education flagrantly broke that particular election promise when they introduced the cut of 800 teachers and the cutback in non-instructional time soon after the 1989 election.

There is no doubting that on all those occasions the Premier of the day, the Government of the day and its key Ministers knew that, in making those promises prior to the election, they did not intend to deliver them to the South Australian community. But they took the view that they were prepared to promise anything, irrespective of the cost, on the basis of trying to buy their way into an electoral victory.

I now look at some of the other promises that the Government has made in those three elections, as follows: reducing the child/staff ratio in preschools; establishing a maximum class size of 25 for junior primary and 27 for the remaining levels of primary schooling—parents would laugh at that particular promise—creating school payments for funding the cost of materials in schools and maintaining the fund in real terms; promoting excellence by increasing advisory services to ensure teachers can effectively implement curriculum advisory services; guaranteeing no funding cuts to schools; providing extra staff for special schools; progressive improvement of school buildings and grounds; curriculum guarantee for every student; and retaining at 20 per cent the non-instructional time for secondary teachers. The list could go on in education and in a whole variety of other portfolio areas.

I will instance only two examples from other areas: the interest rate relief package that the Labor Government promised at the death knell during the 1989 election campaign, only to snatch it away from home buyers in South Australia soon after the election, and the free student transport scheme, again which was promised at the death knell in 1989 and which was soon found to be too costly. Again, that promise was broken.

In relation to the latter point, that promise was made during the 1989 election campaign. The Liberal Party came under great pressure from parents and the community to match that promise which had been made by the Labor Government. I am proud of the fact that John Olsen and I, as shadow Minister for Education, as well as other shadow ministers at the time, resisted that temptation. We said frankly that we had a costed program; we made commitments; but we promised cost savings; and we and the State could not afford another costly promise such as the free student transport scheme.

We did not bow to the pressure that came upon us during that election period to meet that commitment. It gives us no comfort to be able to say, 'We told you so' soon after the election, when the Government threw up its hands and skirts and said, 'Shock horror! We have just found that we can't afford this particular promise; we can't afford the interest rate relief scheme; we can't afford the curriculum guarantee; we can't afford all these other promises that we made during the

lead-up to the 1989 election campaign. Shock horror, we are going to have to break all those promises.'

I issue a warning to the voters of South Australia that this Government, this Premier and these Ministers cannot be trusted. They will look you in the eye and promise you the world, but should in the unfortunate event they be re-elected they will deliver nothing. They will do as they did in 1982, 1985 and 1989: they will break those promises without shame, because they have had a lot of practice after three elections at breaking promises. Let the voters beware of Labor Ministers and a Labor Premier promising on a bankcard budget major and costly policy initiatives during this election campaign, as I said, in a desperate attempt to gather support and to fight off an impending electoral loss.

We have before us, as I said, a Government and a ministry that is confronted with policy paralysis—a Government that at the moment is not prepared to take a number of key decisions. One has only to look at Ministers like the Hon. Kym Mayes in the marginal seat of Unley. Senior bureaucrats within his departments are throwing up their hands in horror at the moment because they cannot get access to the Minister, as they are freely telling anyone who is prepared to listen to them. They are saying that all the Minister is interested in at the moment is his own personal survival. All he is interested in is going out into the electorate of Unley because he confronts a superb election campaign being organised by the Liberal candidate, Mark Brindal, and he knows that he faces electoral defeat.

The sad fact is that the Hon. Kym Mayes wants to put his own personal future ahead of the future of the State and basically ahead of the future of his colleagues and his Government as well. He is saying that his own personal security and future out in the electorate of Unley is more important than getting on with the business of trying to get South Australia out of the mess it is in at the moment. So, as I said, key bureaucrats are unable to get access to that Minister and decisions are not being taken and will not be taken in the dying months of this Government.

We see some Ministers who clearly have not worked within their electorate for donkey's years all of a sudden becoming extraordinarily active at the local level, for example, the current Minister of Education, the Hon. Ms Lenehan. Having visited a school in her electorate only a few weeks ago, I was told by the principal of that school what a refreshing treat it was to have a member of Parliament visit that school.

When I indicated a little surprise at that, saying that this particular school was right in the middle of the Education Minister's own electorate, the principal said, 'Well, I have been here for eight years and I haven't seen the Minister of Education at this school at all.' What a tragic circumstance that a local member, a Minister of Education purporting to represent schools and her electorate here in this State, has so neglected them that a key education figure in her own electorate is able to say to the shadow Minister of Education, 'Good on you for coming to this school and bringing the Liberal candidate, Mr Robert Brokenshire. We have not seen the local member or the Minister of Education in eight years.'

That is only an indication of the problems that exist within the Labor Party and the Government at the moment. As I said, the Hon. Ms Lenehan at last is now starting to visit a few areas within her electorate. We also find the circumstance of safe ALP seat members—members whose margins at the moment are between 10 and 15 per cent—actually out doorknocking, with some having to go through the process of sending letters to electors and preparing leaflets and electoral material because they are concerned at what might be a relatively significant swing at the next State election.

I want to turn now to the second part of my Address in Reply contribution, and to try to analyse the reason why this Labor Government currently is lurching about in policy paralysis with nothing occurring. The simple fact is that the key faction brokers within the Labor Party and within the Labor Caucus have taken a collective view that this Labor Government faces certain defeat at the next State election.

Secondly, they have taken the view that they must therefore prepare for the future—for the post-election period—to ensure that their faction is best represented and best prepared for seeking the important positions within the Labor Caucus and the Labor Party after this electoral loss. So, the factions and their leaders have taken control of the Labor Party and the Labor Caucus.

We have only to see the humiliating treatment of Premier Arnold by all the faction leaders over the Napier preselection to understand the accuracy of that statement. Never before has a leader, a Premier such as Premier Arnold, been so humiliated by his own members and factional heavies in such a public way as Premier Arnold has been in this instance.

So, we had to have Premier Arnold feebly pleading to the media that the untenable had now become tenable. Premier Arnold always maintained it was untenable to have a sitting Cabinet Minister contesting an election against an endorsed Labor candidate out in Napier. But as a result of the Labor factional heavies snubbing their noses at Premier Arnold, he was forced into that humiliating backdown publicly in front of all the media with that phrase, 'Well, the untenable has now become tenable.'

I know that some Labor members might not always agree with the accuracy of some statements that I make in this Chamber, but I want to place on the record some statements made by their own colleagues in relation to the problems that exist within the Labor Party. This involves not just some of the statements that Mr Tony Nagy has placed on the record but some of those of their Labor Party Caucus colleagues or some members of the Coalition Government. Let me quote first the Hon. Terry Groom from the *Australian* of 8 July this year:

> The factions are a curse on the Labor Party. I think what is occurring with regard to the parliamentary Labor Party is that you are seeing South Terrace running North Terrace.

Terry Groom, again on the channel 10 TV news the same day—it is just fortunate that these transcripts are available to members—said:

> The factions hate one another more than they do the Liberals. They are Parties within Parties.

The Hon. R.R. Roberts: That is not true.

The Hon. R.I. LUCAS: The Hon. Ron Roberts says that that is not true, but he says that with a smile on his face, because he knows the accuracy of that particular statement.

The Hon. R.R. Roberts: That wasn't a smile.

The Hon. R.I. LUCAS: It was a grimace, evidently. Mr Groom continued:

> They have slush funds. They require levies from people who are members of the factions. They are always fighting one another.

I might just be permitted an aside, namely, that one of the reasons perhaps why the Hon. Mr Groom was keen to get out of the Labor Party was all these levies he was being levied and the amount of money he was having to pay to the Labor Party Caucus, but that is just my wicked sense of humour.

On 2 February 1992, Terry Groom was reported in the *Sunday Mail* as saying:

> The Party has simply lost its way. It has forgotten that it is there to serve people and to promote causes and issues rather than the factional bosses who are concerned only to maintain their power. The rank and file has to act to regain control of the Party. It has been hijacked by a bunch of thugs who are using it to do nothing more than to serve their own ambitions.

The Labor Party has been hijacked by a bunch of thugs, according to a member of this Labor Government, a coalition Government—someone whom the Hon. Ron Roberts has warmly embraced back into this coalition Government and against whom he has certainly never spoken publicly.

On 30 January 1992 in the *News*, Terry Hemmings was quoted as saying:

> The Labor Party is not the Labor Party I joined. Two or three people persist in putting pressure on everyone else. They use scare tactics and they bully them into towing the line. I am just reflecting the view of thousands of people who are heartily sick of this appalling situation.

That is one of the Hon. Ron Roberts's colleagues, one of his union mates, the Hon. Terry Hemmings, and I am sure that even by way of interjection not a harsh word will come from the Hon. Ron Roberts about Mr Hemmings in this Chamber, and he would therefore understand the feeling that the Hon. Mr Hemmings has when he is forced to speak about his own Party and colleagues in that dismissive way.

Let us turn to Mr Colin McKee, someone who wants to be promoted to the Legislative Council, as part of another arrangement to which I will refer in a little while. On 1 February 1992, a plea by Mr McKee to the State Labor Convention went as follows:

> There is a perception within the community, among the voting public, that the Labor Party is now run by a handful of bovver boys—

with due exception, Ms Acting President, to gender equity, as I am sure there must be bovver girls within the Labor Party as well, and you would be the first to point out that it should not just be bovver boys—

The Hon. R.R. Roberts interjecting:

The Hon. R.I. LUCAS: Or women's mafia, whatever phrase the Hon. Ron Roberts would like to use for his bovver girls. If the Hon. Ron Roberts wants to refer to them as the women's mafia, then I will use that phrase. I will use that phrase, the female mafia within the Labor Party, rather than 'bovver girls'. Let us return to Mr McKee and his view of his colleagues and the Labor Party:

> The Labor Party is now run by a handful of bovver boys and factional hacks. You, the representatives of the rank and file of the Labor Party, today can either confirm or destroy that perception.

And guess what? They confirmed it. The Hon. Mr Weatherill sat on the edge of his seat and asked, 'What happened?' I am able to confirm to the Hon. Mr Weatherill, if he is still unaware, that they confirmed it. The bovver boys, or the bovver girls, the factional hacks within the Labor Party, confirmed it. They were running the Party. They have made the decisions and, irrespective of what the McKees, the Arnolds or the others within the Labor Party might want to suggest, they were going to dictate the preselections, because even at that stage they had made a judgment about the future of this Government, and even at that stage they were preparing for the post-election period to ensure that they were in the strongest position.

When one looks now at the makeup of the factional power base within the Labor Party and within the parliamentary Labor Party Caucus, one always has to be wary of varying faction representatives' estimates of their relative strengths within the convention. I can certainly provide to members here a range of estimates and indicate—

The Hon. Carolyn Pickles: They'd all be wrong.

The Hon. R.I. LUCAS: They can't all be wrong, because they do cover a fair range. It is probably fair to say that the Centre Left view of the convention vote is obviously that they are the most significant group and they seek to portray their vote at about 40 per cent, that the Left vote is about 35 to 38 per cent and that Labor Unity struggles away down at about 18 per cent. If you push them, they might even grudgingly admit that they are up to about 22 per cent. Labor Unity obviously believes that they are much stronger than that and will claim that their vote is about 25 or 26 per cent in the convention and that the Left and Centre Left share approximately 37 per cent of the convention vote at the moment.

The bottom line, of course, is that on most decisions the Left, even though it has been growing and doing well in recent sub-branch battles earlier this year, still have not improved their position enough to challenge the authority of the Centre Left and Labor Unity within the Labor Party.

There are varying other small groupings of unions, persons and individuals within the Labor Party convention, a small grouping which was whimsically referred to by one power broker as the black widow group. The reasons for the name of that will become obvious, involving as it does the group that surrounds Mr Paul Dunstan—the furnishing trade, the meaties, and previously used to include the bakers, I understand.

I understand that in recent weeks the bakers have moved over to the mizzos, or so I am told, and that Mr Dunstan's black widow group which, as members will know, mates with anyone but kills anyone with whom they mate, controls perhaps, on some convention votes, around about 7 000 votes out of a bit over 200 000 convention votes, so approximately some 3 to 4 per cent of some convention votes and also controls within that voting block two sub-branches. That particular group is wandering around and I understand Mr Dunstan is keen for a Parliamentary seat but the left will not have a bar of him so the Centre Left of the mainstream are not prepared to tolerate too much negotiation with that particular black widow group. Nevertheless that was just a sidetrack; the Centre Left and the Labor Unity still, at the moment, maintains control of the convention in the Labor Party organisation and therefore those pre-selections as we saw—the redistribution controlled through Terry Cameron and others of the Centre Left within the Labor Party organisation. They controlled those factional carve ups for the redistribution. But the Left is fighting back. As the Hon. Mr Weatherill will know, and as I said, it improved its performance considerably in some areas in the sub-branches during the early part of this year.

If we move that power block of the Centre Left and Labor Unity across to the Parliamentary Labor Caucus, I want to now turn to an analysis of the Labor Party Caucus at the moment, but then more importantly turn to what the construction of the Labor Party Caucus might be after the next State election. Now, Mr President, it is easier to look at the smallest group first, the Labor Unity group, currently comprising Mr Atkinson and Mr Holloway and hoping to add Ms Wight from Wright and Ms Hurley from Napier to double its numbers from two to four in the post-election period.

If we then look at the Centre Left grouping we have some luminaries as Crothers, Roberts of the R variety, Gordon

Bruce, Barbara Wiese, Mrs Hutchison, Mr McKee, Mr Bannon, Mr Crafter Mr DeLaine, Mr Ferguson (although he does claim to be non aligned), Mr Gregory, Mr Hamilton, Mr Hopgood, Mr Klunder, Mr Quirke (a man of some substance according to his own legends), and Mr Trainer, comprising 16 members of the current Caucus of 31. Four persons who claim to be non-aligned although generally wobble around between the Left and the Centre Left are: Mr Sumner, Mr Arnold, Mr Rann and Mr Hemmings.

Finally the Left, the hard core Left faction within the Labor Party, compromising both the Bolkus and Duncan factions, are: Ms Levy, Ms Pickles, Mr Feleppa, Mr Roberts of the T variety, Mr Weatherill, Mr Heron, Mr Mayes, Ms Lenehan and Mr Blevins and the Left is hoping to add Mr Achfield, who is a Bolkus devotee I am told, to their numbers, after the next election. So, it currently comprises some nine members. I seek leave to table a purely statistical breakdown of the State Labor Party Caucus factions at the current time, post-election period in two particular circumstances.

The PRESIDENT: I presume it is factual.

The Hon. R.I. LUCAS: It is always factual.

The Hon. Carolyn Pickles: It is not factual.

The Hon. R.I. LUCAS: It is statistical.

Leave granted.

State Labor Party Caucus Factions

	Current	Post election (3% swing)	Post election (5% swing)
Centre Left	16	10	8
Labor Unity	2	4	3
Left	9	9	7
Claimed non-aligned	4	3	3
Totals	31	26	21

The Hon. R.I. LUCAS: I will explain the table. The current breakdown to the State Labor Party Caucus factions is, as I said, Centre Left, 16; Labor Unity, 2; Left, 9; and claimed non-aligned, 4. I want to look at the post-election Caucus on the basis of two swings: a 3 per cent swing and who will be left, and a 5 per cent swing and who will be left. I am delighted to see the Hon. T. Roberts arriving because the Left will be well positioned post-election.

The Hon. T.G. Roberts interjecting:

The Hon. R.I. LUCAS: You will have everything; you are going to have whatever you like. On a 3 per cent swing the Centre Left component of the Caucus will be decimated. They will drop from 16 to 10 in the post-election Caucus on a three per cent swing because, coupled with retirements and election losses, on that sort of a swing one can eliminate, if I can use that term kindly, Mr Bruce, Mrs Hutchison, Mr McKee, Mr Ferguson, Mr Gregory and Mr Hopgood who is retiring. So, the numbers within the Centre Left will drop from 16 back to 10.

The Hon. Carolyn Pickles interjecting:

The Hon. R.I. LUCAS: He will not win number 5 in the Legislative Council on a 3 per cent swing. That is why he was given number five in the Legislative Council. That is why Labor Unity gave up number five in the Legislative Council for Ms Sutherland because they did not want it. Labor Unity on a 3 per cent swing would still hold those two new seats and therefore would double their numbers from two to four.

The Left is well positioned for the post-election period, which is a worry for the economic future of South Australia, I might say, but they are well positioned to take control of the Labor Party because on a 2 per cent swing they only lose Mr Mayes, which is not much loss frankly from our side of the House, and they gain Mr Achfield, so they maintain their numbers at nine. On a 3 per cent swing at the next State election the Caucus make up is Centre Left, 10; Labor Unity, 4; Left, 9 and the claimed non-aligned, 3. They drop back from four to three because Mr Hemmings would have retired. When one looks at that, the position of the Left is significantly strengthened within that post-election Caucus.

They will have nine members out of only 26, and if one looks at potentially trying to do deals with claimed non-aligned persons of three, one is getting almost close to half the numbers within that Caucus. If one looks at a 5 per cent swing and the effect that might have on the Labor Party Caucus after the next election one sees an even stronger position for the Left because on a 5 per cent swing at the next election the Centre Left is further decimated. In fact its numbers are cut in half from 16 back to 8 and they would lose Mr Trainer and Mr Crafter on that further swing away from the Labor Government. The Labor Unity would lose a seat on that sort of a swing; they would lose Mr Holloway and drop back to three. The Left holds on to most but they lose Mr Achfield and Mr Heron on a 5 per cent swing and the claimed non-aligned grouping would still retain their three.

So on a 5 per cent swing in post-election the Centre Left would have 8; Labor Unity, 3; Left, 7; and the claimed non-aligned, 3. The added position there with the Left and the claimed non-aligned is 10 votes out of a Caucus of 21. That is why the Centre Left and the Labor Unity power grouping at the moment, which controls the Caucus and the Party, is basically on a knife's edge potentially within the Labor Caucus. That is why it is so important for each of the factions to grab every vote that they can for this post-election period, and that is why Labor Unity has fought so hard to ensure that Annette Hurley remains within the Labor Party and within the Caucus after the next election. On a Caucus of that size, of the low twenties, every vote that a faction can control within that Caucus could be the difference between getting your factional person up in the leadership position, or the deputy leadership position, or in shadow ministries or on the committees or on the various other groupings within the Labor Party.

Sadly, after the next election if there is a 5 per cent swing against the Government—and I put all this on that premise—we will have an Opposition that is deeply divided, with increased power for the Left which, as I said, would be to the future detriment to the State of South Australia, bearing in mind the economic attitudes of the Left in this State and nation. We would have a Labor Caucus which, as I said, would be deeply divided and increasingly dominated and controlled by key people from within the Left and the fellow travellers of the Left within the Labor Party Caucus. For the first time in many years the domination of Labor Unity and the Centre Left would be threatened by the new groupings and the new make-up of a post-election Labor Caucus.

That is why Labor Unity is desperate to hold on to Annette Hurley and to get Martyn Evans not only back into the Party but as a member of the Labor Unity faction within it, because they see in Martyn Evans a prize, someone who, if he were encouraged to rejoin the Labor Party and not head off to Bonython to replace Mr Blewitt early next year when he retires, may well be a Leader or Deputy Leader of the Labor Party in the post-election period. Labor Unity sees a kindred spirit in part with Mr Evans and is therefore keen to entice him to join its particular faction. Mr Evans, as the canny politician, is playing hard to get. The Centre Left want him as well. I am not sure about the Left, Mr Weatherill, whether

you could tolerate Mr Evans, but the other two factions are pursuing him keenly. Of course, Mr Evans is making no commitment at this stage.

So, in that post-election period if there were to be a big swing against this Government, we would be confronted with a deeply divided Labor Party wrought with leadership tensions. Mr Arnold might stay on for a caretaker period of a few months. Mr Rann is already annoying his colleagues of all factions by clearly taking the decision that he thinks the Government is lost. He is indulging in and engaging in leadership speculation. He is ensuring his personal profile with cobras or pythons or other slithery substances wrapped around his neck in Samela Harris' column and other soft and newsy items, stuff that will not help him win Government for the Labor Party or hurt the Liberal Party. Nevertheless, it is good for the profile of the Minister.

That is the state into which this Government and Party has descended. It is every man, woman and dog for themselves at the moment. Mr Rann has taken that decision. He wants to be Leader. He is working on his voice modulation at the moment, because he has been told that people cannot stand his voice and his accent. He is taking lessons, and has been for some time, to try to slow his speech pattern down to get rid of some of the worst excesses of his accent so that he can be more leadership like for the post-election period. The other contenders are Mr Blevins and Ms Lenehan. There is no doubt—

The Hon. Carolyn Pickles interjecting:

The Hon. R.I. LUCAS: The Hon. Mr Weatherill would stand no chance at all of leading the Labor Party after the next election; not only because of his accent, I might add. Ms Lenehan or Mr Blevins would obviously have the inside running for a deputy leadership position within the new leadership structure because of the increased power of the Left within that Caucus. They both come from the Left. That, of course, depends on the attitude adopted by Mr Blevins if there were to be a loss by the Labor Government.

Certainly, what we should see in the Labor Party after the next election is what has been described inside as a generational change. We would see the leaving of politics by people such as Mr Sumner and potentially Mr Blevins, and the consideration that Ms Levy and Ms Wiese would have to take in relation to their political future. They have been around for long enough and they do not want to spend four, eight or 12 years in Opposition. They have had a long period in Government, and they have all reached an age and period of service within the Parliament that would ensure that they could retire comfortably. In the Lower House, Mr Hopgood and Mr Hemmings are already going, and other Government Ministers such as Mr Mayes, Mr Gregory and Mr Crafter would all lose their seat if there were a 3 to 5 per cent swing. So, we would be seeing a generational change within the Labor Government.

The sad fact is that the Labor Party has not been regenerating itself through its preselection process, unlike the Liberal Party, which has preselected some outstanding talent for the Upper House and for the Lower House. We have the Hon. Caroline Schaefer. We will have Mr Robert Lawson, QC and Mr Angus Redford who will add to our talents. Mr Angus Redford is a very active member of the legal fraternity in South Australia and he has won preselection for the Legislative Council. In another place we have between five and 10 talented new members who will move potentially into a Liberal Party room after the next election.

What has happened within the Labor Party? I quote again from a Labor Party insider about that talent—

The Hon. G. Weatherill interjecting:

The Hon. R.I. LUCAS: I will tell you in a minute—who states:

> Similarly, the selection to date of those earmarked for safe seats cannot exactly be said to have produced a crop of outstanding candidates for Executive Government.

The Hon. G. Weatherill interjecting:

The Hon. R.I. LUCAS: No, we are talking about the Labor Party. The article continues:

> The Labor Party has to ensure it gets quality candidates into office, and holds them accountable for their performance. Time serving as a basis for promotion is being progressively removed throughout the economy and it has no place in a twenty-first century Labor Party.

The Hon. G. Weatherill: Is that the *Advertiser*?

The Hon. R.I. LUCAS: No, that is Mr Tony Nagy, a senior adviser to the Attorney-General.

The Hon. Carolyn Pickles interjecting:

The Hon. R.I. LUCAS: The Hon. Ms Pickles can attack Mr Nagy, if she chooses, but he is a former Press Secretary to the third most senior member of the Labor administration, the Attorney-General of this State. That is his insider's view of the quality of candidates that have been preselected for the Labor Party. That adds to the quality of candidates that came in in 1989. As the older and tired members like the Attorney-General move on to other pastures, such as the institute of victimology or to Italy or wherever—the Hon. Mr Sumner might choose to go after the next State election—there will be the opportunity for generational change within the Labor Party. However, as Mr Nagy and others on the inside of the Labor Party acknowledge, in 1989 and now in 1993 the Labor organisation has been more interested in time serving and rewarding that. The factional hacks, the John Hills and the Michael Wrights of this world who have worked their way up through their particular organisations and factions, have been rewarded with seats and others have been thrown to the wolves.

Members opposite know that to be true; they say it to each other in their Caucus. That is a problem that confronts this State at the moment. It is one of the reasons for the policy paralysis that we now have and it is one of the reasons if the Labor Party loses at the next election why it will be a Party and an organisation racked by division and unable to provide any sort of solid opposition to a Liberal Government.

In concluding, I will now just turn briefly to the other aspect of the infighting that is occurring at the moment and look at some of the battles within the trade union movement between the various factions to try to wrest control from various key unions to increase various factions' votes within the convention for the post-election period. I intend to return to this topic at a later stage as more information becomes available, but I want to turn briefly to the raging battle which is occurring within the Automotive Metals and Engineering Union at the moment and which has now descended into a quite vitriolic battle between the varying groups within that amalgamated union.

As you, Mr President, and others will know, the Automotive Metals and Engineering Union is an amalgamation and, although it has not registered yet in the State jurisdiction, I am advised that the documents will soon be signed. It is an amalgamation of the old Metalworkers Union, as I knew it but it had a different name, and the Vehicle Builders Union (VBU) to form this new super union, the Automotive Metals

and Engineering Union. They have amalgamated and registered in the Federal jurisdiction, but the Industrial Registrar has confirmed this morning they have not yet registered here in the State jurisdiction, although the individual unions say that marriage is nigh, and they maintain that the organisation, for all intents and purposes, has merged.

I have been advised by a number of contacts within both unions that there is a great deal of concern from the old metalworkers section of that marriage, from Mr Mick Tumbers and others in particular, who are concerned about large amounts of money that are unaccounted for within the old Vehicle Builders Union. I am advised that it is alleged that the Vehicle Builders Union conducted a political fund from its union sources, and it was used as the engine for takeover bids of a number of other key unions in South Australia. I hope the Hon. Mr Weatherill and co. can keep a straight face as all this is revealed to the Council.

As I said, this political fund was used to attempt takeovers of other unions, and members will know that it was used to fund the Les Birch campaign against the Centre Left powerbrokers in the AWU. As it turned out, a lot of money was spent unsuccessfully in that takeover bid. It has been used to fund various Left campaigns to take over other Centre Left unions. Now I am advised that some legal opinion has indicated that not only is this contrary to union rules in relation to the use of union funds—and this is VBU funds that we are talking about—in a political campaign in other unions but that it also creates a number of offences under Federal legislation, although that matter is still being investigated.

I am advised that, at recent council meetings within this amalgamated or soon to be amalgamated union, a number of allegedly defamatory statements were made and that the minutes of that meeting have been circulated widely within the union. I am further advised that Mr Paul Noack from the VBU has claimed to have been defamed by Mr Mick Tumbers in the circulation of those minutes and has taken legal action against Mr Tumbers and is using that well known firm of Mr Peter Duncan and Co., and whatever other names he happens to have appended to his own at this time, and that legal action is still proceeding.

I am also advised that a number of questions have been raised, although at this stage I do not intend to go over all the detail. A number of questions have been raised about the operations of a Ms Vicki Argirov within that union. As members will know, Ms Argirov formerly worked for Mr Mick Young, then went to Mr Peter Duncan's office and worked there for a while and then took up a position within this new amalgamated union—or the forerunner to it, the VBU.

As I said, I have been provided a good amount of detail about some claims in relation to Ms Argirov and others within the union. I do not intend to place it on the public record at this stage, but if I could just state that one of the concerns that some people within the union have is in relation to a payment to Ms Argirov in the order of $30 000 to $40 000 made out of VBU funds. That has attracted some attention from other union heavies within the soon to be amalgamated union, and people want some answers in relation to the background of that payment. I have been advised further that Mr George Campbell from the Federal body has been called in to try to referee, arbitrate or consider the growing problems within the union as a result of just some of these claims that I have placed on the public record this afternoon.

As I said, I do not have time this afternoon to list a number of other examples of where the various factions, in particular the Left and the Centre Left and also the Labor Unity, and so on, are tearing each other apart within the unions at the moment to try to gain control of those unions to influence the convention votes for the post-election period. Some of the campaigns and allegations are vicious, and that is why I have chosen not to place those allegations on the public record, at least until the stage that something has been proved one way or another. Certainly, where there is smoke there is fire. There are major problems within that union and within a number of others.

One could look at the South Australian Institute of Teachers but at the moment I will not. However, there are some major problems at the moment; there is some quite vicious infighting and members of those unions are quite freely talking not only to each other but obviously to members of the Liberal Party, such as myself, as well as journalists who have been advised of the goings on within some of the unions, because some of them are outraged at what they see going on within their unions, and they believe that the best interests of workers are not being protected within those unions at the moment. They believe the role of the unions was to protect the interests of workers, to work hard for their interests and not to worry too much about the factional and political power plays that are currently being indulged in by many within the union movement.

I conclude by saying that the Labor Party, in its organisation, within its industrial wing within the unions, within Caucus, within its Cabinet, is in turmoil. It is wracked by division, we are confronted by policy paralysis, nothing at all is occurring and all the various groups are doing is preparing for the post-election period. The simple fact is that South Australia has to have an election sooner rather than later. We cannot allow this policy paralysis to go on; we cannot allow the important problems of the economy and the budget to rumble on as they have been allowed to rumble on under this Government without tough decisions being taken.

The sooner we can have an election the better. The sooner the people of South Australia can make a decision as to whether they want more of the same as I have outlined here this afternoon or whether they want a new, alternative Government with a vision and a plan for the future and with a Leader such as Dean Brown who has indicated the direction in which he will take the South Australian economy and the direction in which the Liberal Party would like to head for the future, the better.

The Hon. J.C. IRWIN: Mr Acting President, I, too, support the motion and I would like to thank Her Excellency for the address that she gave on opening the Fifth Session of this Forty-Seventh Parliament. One never knows, but it will be the last Address in Reply speech that I will have to make before the next election. I agree with my Leader, the Hon. Rob Lucas, that the sooner that election is held the better. I pledge my loyalty to the Queen and Her Excellency the Governor who is her representative in South Australia.

It gives me great pleasure also to welcome our new colleague the Hon. Caroline Schaefer to join our ranks on this side of the House, to join the ranks of the Legislative Council and—if I can put it this way—as part of the team which in many ways has a lot to do with the governing of this State. That probably is an odd statement, but I have made it before: that after a while I certainly felt that in here I was part of a team, whether I was Opposition or not. Ninety per cent of the

legislation that goes through this Chamber, or whatever that percentage is, is supported by the Opposition and in fact is strengthened and bettered by the Opposition working with the Government and the Democrats in producing better legislation for the State. So, while I am very sad to see my old colleague and friend the Hon. Dr Bob Ritson leave us, it is a great pleasure to have Caroline join us.

It is also sad that the Hon. John Burdett, our friend and colleague, is not here at the moment, but I wish John and his wife Jean a speedy recovery from their illnesses and hope that John will be back with us, as he hopes to be next week, to celebrate his 20 years of service in the Legislative Council.

I also join with Her Excellency and others in the Parliament in paying my respects to the late Sir Condor Laucke. I did not know Sir Condor very well, but I certainly knew him over the years and had enormous respect for him as a person and what he stood for and for the very quiet, unassuming manner in which he conducted himself as a member of Parliament in this State and federally and as President of the Senate.

Similarly, I did not know the Hon. Hugh Hudson very well, but I have great respect for his contribution to his electorate and to the people of South Australia in the community that he served, as well as the wider State, and I was one who did see his rather enormous intellectual power. I am certainly saddened by their passing and I pass on my condolences and respects to their wives and their families.

Mr Acting President, last weekend I took the opportunity to go to Melbourne to attend a Samuel Griffiths Society meeting. You may know that Samuel Griffiths was one of the writers of the Constitution back in the late 1800s and partly responsible for having it ready for this century. This body, the Samuel Griffiths Society, honours him and it is set up under Sir Harry Gibbs, the former Chief Justice of the High Court of Australia, to defend the present Constitution and provide a balance to what will be a long and complicated public debate about the move to a republic and any proposed rewrite of the Constitution which necessarily would have to go with any sort of a change to the present status.

It may be that the Australian community will be ready to accept a republic and a major rewrite of the Constitution by the year 2000. I know that is the fondly held view of a number of leading people in this country and others, and I respect the views of those who have arrived at that decision, but I doubt if a republic will become a reality by the year 2000. I believe it has as much chance as the Maastricht Treaty has now, after the monetary debacle of recent days and months with, first, the British pound and then the French franc recently, of being implemented in the foreseeable future.

The example of the Maastricht setback to me—and for those who are not familiar with it, the Maastricht Treaty is to do with Europe—is that it shows to those who want to see (and there are many who do not and will not) that markets cannot be formally organised or they cannot be manipulated for any more than a short period of time. If anyone wants any recent experiences of that, ask some of our colleagues in this place who are woolgrowers, or the general wool-growing population of Australia, if they have any opinion about trying to organise the wool market to suit themselves, which worked for a while but certainly was a disaster in the end.

As the ABC *Lateline* program highlighted the other night, The Treaty of Rome can be successful because it addresses the general principles of European organisation, but Maastricht cannot succeed because it seeks to formalise market forces, and not just the monetary forces but many other forces that some people are trying to organise by legislation through European Parliaments and various old country Parliaments throughout Europe. It is way beyond my capabilities in this area, but I believe it is very difficult to see the Maastricht accord ever succeeding, the way it is structured at the moment. There will be some work at the edges, which will be of benefit, because there is no doubt that there is pretty well universal acceptance of the principle of trying to get Europe opened up and working together—and I will make some more comments about Europe, and particularly the UK, later in relation to the subsidisation of farm products, and hopefully they will disappear when the GATT rounds are successful, and there is some hope that they will be. However, I still believe, as others do, that we will never be able to formalise those market forces.

Mr Acting President, much has already been said in this motion about Mabo. I listened to you intently yesterday when you were addressing that subject, and it is not my intention to go into it in any great detail. There has already been much informed and ill-informed public debate about the implications of that Mabo decision by the High Court of Australia. I want to take time now to refer to a recent article in the *Financial Review* of last Friday, written by one J.T. Ludeke, QC, formerly a Deputy President of the Australian Industrial Relations Commission. These comments are not specifically directed at Mabo itself but there is a very strong link to be aware of. The article states:

> Recently the High Court of Australia was described as 'a leading institution of governance'. Governance? This will come as a surprise to many.
>
> It is the view of Professor Brian Galligan, of the Department of Political Science at the Australian National University. In a recent article, he provided an outline of the court's functions that most people would find absorbing. However, some might be surprised to learn that the court is 'a leading institution of governance' and others will think twice about the Professor's conclusions that 'the court is now. . . developing the Constitution to suit the needs of the Australian people in modern times'.
>
> 'Developing the Constitution' is another way of saying 'altering the Constitution' and that responsibility is not vested in the court. It is a democratic feature of the Australian Constitution that it may not be altered in any respect except by a vote of the people at a referendum.
>
> Alteration by the present constitutional process has proved to be complicated, but five years ago the Constitutional Commission closely examined the alternatives and made 12 recommendations relating to the procedure for alteration. The Commission devoted 43 pages of its final report to discussion and analysis of the submissions put to it and came up with a range of proposals, including one that constitutional referendums be initiated not only by the Federal Parliament but also by State Parliaments.
>
> The commission certainly did not find that the question was all too difficult for the Australian people and should therefore be left to the High Court. And yet this is what is happening. The judges of the High Court are altering the Constitution by the process of interpretation of the external affair power of the Constitution.
>
> The modern series of cases began with the Koowarta's case in 1982 when the court upheld the validity of the Racial Discrimination Act (1975) enacted by the Commonwealth Parliament. The Act was held to be a discharge of Australia's obligation under the international convention on the elimination of all forms of racial discrimination.
>
> There followed in 1988 the Tasmanian dam case in which the court approved Commonwealth legislation founded on the Convention for the Protection of the World Cultural and Natural Heritage; the result was to stop the Tasmanian Government from proceeding with its decision to build a dam in the south-west of the State.

The present count, as I am advised, is that there are 1 400 international treaties already signed by the Commonwealth Government. The article continues:

Bear in mind that authority to enter into a treaty or convention, otherwise known as an external affair, is vested in the Executive, not the Parliament. Parliament then legislates on the subjects covered by the treaty or convention, even though there may be no constitutional power on those subjects. These and later cases where the external affairs power has been used to resolve domestic issues raise questions about the Federal balance of our Constitution, and particularly the matter of the erosion of State powers. The possibility of diminished State responsibilities is very real, as Sir Robert Menzies pointed out in a lecture at the University of Virginia after he had retired. He warned that by relying on the external affairs power constitutional change could be introduced '. . . without altering one line of the Constitution'. More recently, both Sir Harry Gibbs when he was Chief Justice, and Sir Ronald Wilson when he was a member of the court, have expressed their concern in dissenting judgements. As Sir Ronald put it in the Tasmanian dam case: 'Of what significance is the continued formal existence of the States if a great many of their traditional functions are liable to become the responsibility of the Commonwealth?'

Despite these warnings, the response of the States has been muted, to say the least. Nor have we seen bands of concerned citizens marching on their Parliaments, but perhaps public interest will be aroused when the implications of Mr Laurie Brereton's new legislation become known.

In the Budget session of Federal Parliament, he will introduce new labour legislation dealing with a whole range of matters affecting employer/employee relations. There is nothing new about that, but what is novel is that the legislation will not be based on the traditional conciliation and arbitration power of the Constitution, but on the external affairs power. Over the years Australia's ratification of conventions in the International Labour Organisation has provided enough material to compile a large book on labour conditions and this is the source of the new legislation.

In Accord Mark VII, the Government has undertaken '. . . to legislate under international conventions to guarantee award rights', to minimum award wages, equal pay, protection against unfair dismissal and unpaid parental leave. In addition, the Government 'will give consideration to legislation to protect other internationally recognised standards'. The purpose is 'to ensure that all Australian workers are protected by this safety net, regardless of the State or Territory they live in.

If the Government initiative succeeds it will also be regardless of State laws and awards that deal with these matters at present. There is not much doubt that the opening up of this new province of labour law will be successful as the only forum for testing it is in the High Court and the majority of judges there have not so far been particularly sensitive to the rights of the States and those rights in cases concerning the external affairs power.

I believe that this State has never had a representative on the High Court bench. The article further states:

In a speech in 1988, the Chief Justice, Sir Anthony Mason, acknowledged that the founders of the Constitution probably did not foresee the vast expansion in international action and cooperation that has taken place; but he said, '. . . the failure to foresee this development is not a reason for decreasing the content of the (external affairs) power by reference to vague and unmanageable criteria such as the need to preserve the "Federal balance". Rather, the power must be interpreted generously so that Australia is fully equipped to play its part on the international stage.'

Largely as a consequence of the powerful arguments that the Chief Justice has developed and the strong leadership he has shown in extending the reach of the external affairs power, the doctrine now established in the High Court holds out the prospect of constitutional change by a process not provided for in the Constitution and on a scale that raises questions about the preservation of the States as constituents of the Federation.

You may think it would be a good idea for uniform conditions of employment to apply across Australia. You may also believe that State responsibilities should be reduced and the influence of State institutions be curtailed, particularly if you happen to believe that power should be exercised from the centre, but that is not what our Constitution provides. We have a Federation made up of the Commonwealth and the States and federalism is the fundamental theme of the Constitution. There is a process for alteration of the Constitution, and difficult though it may be in practice the process enshrines the essential democratic feature of a vote of the people at a referendum.

It is our right and privilege as Australian citizens to be involved in the alteration of our Constitution. We should not acquiesce in that right being assumed by the Government and the High Court.

As I said earlier, I have some concerns about the Mabo decision in particular. Although it is not mentioned, there are flow-on effects from the Mabo decision in relation to the Constitution and, indeed, the external affairs powers. Briefly, my concerns are about how the High Court of Australia arrived at its decision on Mabo. Again I make the point that there is now no appeal to the High Court. There is an unknown flow-on effect. I think it is understood that although Federal Minister Tickner and others, the Attorney-General and others and the Premier make noises about there being no problem in many areas, saying that no-one has anything to worry about, it is not until something is tested in the court that these unknown flow-on effects can be tested.

Whether it has been responsible or irresponsible, reference has already been made to the Indonesian claim to off-shore fishing rights to the north-west of Western Australia. There were some other newspaper articles about Aboriginal people claiming fishing rights as part of that flow-on of the Mabo decision. I do not know whether it is right or wrong and no-one will ever know until it is tested by the court, as no doubt it will be.

My other worry is that normally the taxpayers of Australia are funding both sides of the process in that the matter is taken to the court by the Aboriginal people and the courts are funded by taxpayers. It has the potential to intrude into the area of States' rights and present long-held practices with the complete bypassing of the people when the Commonwealth Government adopts an international convention. I have previously pointed out that 1 400 such conventions have been adopted so far and, although I am familiar with a couple, not one I can recall has been approved by the people of Australia.

The accusation is that the High Court is now legislating and usurping the Commonwealth and State Parliaments. It is all very well to fantasise about the benefits of a republic for this country—and there are good and proper arguments on both sides—but Australia has already thrown away a great deal of its own sovereignty. The people must come to see, if they do not already, that great chunks of the sovereignty of this country have been thrown away with many decisions now being made by other countries and they are coming through the Commonwealth and affecting the States. I certainly support, as far as I possibly can, the right of the States—right back to people in local government—to make decisions about what they want and not having them imposed on them by other people, certainly those from far flung countries.

I sincerely hope that the debates in relation to the Constitution, the republic and many other issues will highlight some of the facts to the people of Australia. When those facts are highlighted I am certain that the so-called polling that has been done on this issue—which still does not prove to me that the majority of people are in favour of the republic—we will see a different picture. I want to be part of an organisation that is considering at least putting the other side of the argument. It will take a hell of a long time—excuse the terminology—for us to achieve a republic or to make major changes to the Constitution. My belief is that it will not happen by the year 2000.

I do not want to say any more on Mabo and the Constitution at this stage, but I do want to make a more detailed contribution on some of these matters in the debate that will be before this Council before this year is out—I hope.

As Her Excellency outlined in her address, it is the Government's intention to have legislation this session as complementary legislation to a national approach on the Mabo decision. It is in the lap of the Government, of course. There is no movement at the moment. They are waiting on the Federal Government to see what it will do in legislation. There will, no doubt, be some battles there before this Parliament is asked for some complementary legislation for this State.

I want now to make some brief comments on one other item mentioned in Her Excellency's speech before going onto other things. I certainly support the words of Her Excellency when she stated:

> It is a priority of my Government to achieve significant improvements at Adelaide International Airport.

To some that is not a very big deal, I suppose, but if we are going to make any inroads as far as being good people in the tourist industry I suggest that something very rapidly has to be done at the Adelaide International Airport and the domestic airport; otherwise, we will see people put their nose in here once and never come back again.

I have recently been overseas at my own expense, and I say that it once again confirms my view that the Adelaide Airport, both domestic and international, has some of the worst aspects of any airport I have ever visited. The passenger loading and unloading facility of open staircases and open walkways is dreadful, even in an ordinary winter. I managed the other day to go domestically in South Australia, and we know it has not been a terrific winter with respect to the amount of rainfall, but both my wife and I managed to get saturated going to the plane and again on our return two days later. In my limited experience of overseas travel, I have not found this condition at any other airport.

With respect to our domestic arrangements, one still has to mess around and buy one's luggage cart. At Heathrow, I notice it is free, and in many other areas that I visit I see that those carts are free. My friend the Hon. Mr Davis has long highlighted the lack of baggage carriers at the airport. Maybe we should now go on a campaign to see if it can be opened up to see a free use of that facility.

It still rankles me that I have to pay parking dues at either the international or the domestic airport, because parking fees to me are for the turnover of carpark spaces for merchandising use in the city of Adelaide and some of the other metropolitan cities, but I do not see that it has any part at all to play in people being put on or taken off a domestic or international flight. If there needs to be a fee for the use of the airport and to upgrade its facilities, then maybe I would not mind paying another dollar or whatever in my fee for buying a ticket to fly on an aeroplane which can be refunded to the commission for it to develop and maintain the airport or, better still, get rid of it and sell it to private enterprise.

You still cannot get on or off an aeroplane without getting soaking wet and absolutely blown to pieces. The new arrangements for the Australian Airlines car/taxi pickup and set-down area at the domestic terminal now under cover is commendable, but at the other end of the terminal, when entry is gained to Ansett, where new work has been undertaken with pavements outside, there is no overhang of the roof structure to give even a modest protection to people getting in or out of cars or taxis. It is an absolute shame that when they did the renovations they did not extend the overhang to give some protection.

There should be an extended covered walkway to the edge of the public carpark so that those of us who have wives who like to be reasonably presentable at an airport and are off to a function or holidays can be dropped where at the very least they can stay dry while the car is parked and their luggage is brought across. We might get a tourist to come to Adelaide once, but they will not bother to come back. The tourists' word of mouth will inevitably have a multiplier effect. Whenever will we learn to attract and not to repel tourists?

My recent short visit to the United Kingdom has similarities to a visit I made to the USA in 1990 in that many of the problems we suffer are exactly the same as in other countries. As well, in many cases, the signposts are very clear in pointing out the sorts of problems and challenges we will have inevitably in Australia. We can see things happening now in those larger countries with larger populations, and it is inevitable that in one or two years we will get the same problem.

To illustrate this, I will quote briefly from some articles that took my attention when in London for just one week. It might be wise for me to let the articles speak for themselves, and not put any comment to them, although I will clarify some points. The first one is headed 'No pay fathers slip net'. The article states:

> Errant fathers are avoiding action by the Child Support Agency—the Government body set up to collect maintenance payments—simply by denying paternity of their children.
>
> Child support groups say the agency is failing to push claims against fathers. The agency at present does not use simple DNA tests that would prove paternity.
>
> They also argue that the agency, which was created to fix and collect child maintenance for all lone parents, is concentrating too much on families receiving benefit.
>
> The claims will embarrass the Government, which has just launched a campaign to reduce the number of single-parent families.
>
> Last week John Redwood, the Welsh Secretary, criticised women for becoming single mothers and expecting the State to support them.

Although I could not find the direct quote to show the magnitude of that, I well remember the Government's worry is that the public bill will be in excess of £2 billion for just what the Welsh Secretary said there, when he criticised women for becoming single mothers and expecting the State to support them. That £2 billion will be too much of a burden for the UK budget by the year 2000, if it is not already. It continues:

> He said that runaway fathers should be pursued vigorously for maintenance before the Government handed over a penny.

The second example is headed, 'EEC makes sure chaps won't feel the pinch'. It states:

> Europe's men can breathe more easily—the EEC is at work to save them from sex pests, writes Boris Johnson from Brussels.
>
> It has produced a 93 page onslaught on sexual harassment, spotlighting the 'Potiphar's wife syndrome', or threatening sexual advances to men from a powerful female figure. Snappily entitled *Guide to implementing the European Commission Code of Practice on the Dignity of Women and Men at Work*, it says that 19 per cent of German males and 21 per cent of young Frenchmen have suffered unsolicited sexual advances.
>
> 'Men can be sexually harassed by women and by other men,' warns the guide.' These findings are so persistent that they cannot be dismissed.' National courts are bound to take the commission's recommendation into account when settling disputes. The new guide is mainly concerned to stamp out offensive behaviour towards women, and supplies a new 'European commission' definition of sexual harassment for both men and women.

The third example is headed 'Court supports right to smack', and the article states:

> A childminder won a legal battle yesterday for the right to smack a child in her care. Mrs Anne Davis, 33, was told Sutton borough

council had been wrong to strike her off its register of childminders. She had refused to sign an undertaking not to use any physical discipline on the children. Social workers and child care organisations are now seeking an urgent meeting with Mrs Bottomley—

that is a rather well named person for this sort of thing—

the health care secretary, to clarify the position of councils who insist on a no smacking policy. Council cited Government guidance that child minders and other child care workers 'should not inflict corporal punishment' as the basis of its policy. But Sutton magistrates agreed with Mrs Davis that the council had attached a 'disproportionate importance' to that guidance. Mrs Davis, of Danescourt Crescent, Sutton, was backed in her case by Miss Anne Forman, of Tewksbury Road, Carshalton, Surrey, 34-year-old mother of Luke, the 4-year-old boy she looks after five days a week. Both women said that they were 'obviously thrilled' by the decision. 'This is a victory for traditional wisdom and values,' Mrs Davis said. 'It also shows the practical and realistic approach to discipline taken by the vast majority of parents has been legally accepted as valid and workable in preference to the academic theories of so many high-minded but nevertheless inexperienced professionals.'

The final quote is to do with agriculture in general and is headed 'Cash crop breeds confidence down on the farm'. This article says:

[UK] Farmers will earn an estimated £1 billion extra this year in subsidies, taking the total to about £2.8 billion by next March.

It makes the Hon. Mr Dunn, Caroline Schaefer, myself and other farmers envious, although I think we would be quick to say that we do not particularly want it; we would rather have some other things done for our benefit so far as input costs and reductions, than have our hand out for subsidies, but there we have £1 billion more for subsidies in the UK taking the total to £2.8 billion. The article continues:

Farmers are also benefiting from EC single market, which came into force in January. Grain exports to Europe are booming and demand is high for British lambs. Even EC sheep quotas, imposed by last year's EC farm reforms, are proving a valuable asset—with some of the quota—

valuable asset is an amazing way to put it—

trading between farmers at up to £40 a ewe.

That is about $90 Australian. The article continues:

Mr John Hole, a dairy and cereal farmer from Ashover, near Chesterfield, Derbyshire, said: 'There is no doubt things are better this year. We were told the EC reforms would cut cereal prices to £80 a ton—but we're getting more than £100 a ton.

That is around $240 Australian a tonne, whereas a ton is slightly lighter. Again, I think the Hon. Mr Dunn would be rather envious about that. The article continues:

Arable area payment for cereals alone under the EC set-aside system are now worth £102 an acre in England, and are poised to rise to £130 an acre from 1994 onwards.

If you are part of a set-aside arrangement in the European Community, you get paid the quoted figure, which is up to £130 an acre, to plant nothing and grow nothing on it and graze nothing on it, and that is what they call their set-aside. The article states:

One big cereal farmer in East Anglia admitted that out of a total expected income of £600 000 this year, more than £120 000 would come from set-aside.

That is growing nothing. The article continues:

In addition, after the pound left the ERM last year, farmers have enjoyed higher guaranteed prices under the EC 'green pound' exchange rate system. Two-thirds of farmers polled yesterday at the show by the land agents Strutt and Parker said that they expected EC subsidies to be substantially cut within 10 years. One-third believed they would go altogether.

I would be one that would totally support that if they were able to achieve it.

I do not have a specific cutting of the other subject that I will refer to briefly because it is one that is on the public record and is debated in Australia and South Australia at the moment. It is a matter that was also addressed in the United Kingdom papers while I was there. There is rising concern of many people at the de-institutionalisation of people with mental illness. While I was there there were something like six murders attributed to people who had come out of institutions and had either not taken their medication or were not properly prepared for being in the public arena. Although I may be treading on dangerous ground by saying there were six murders attributed to that for that reason alone, you know what I am getting at—that people in Great Britain and the United Kingdom are getting worried about how that is working. Again, it is something we are doing here and there are people here who are expressing some concern about it.

Finally, I want to relate a story which is related to the rural areas and it just illustrates what is going on and what can potentially go on with the rural sector and the calibre of the people who are on the land and leaving it. I heard this recently and I believe it highlights the absolute severity of the plight of our farmers, brought on to a large extent by the incompetence of our present Governments. The farmer I would like to tell you about started out as a jackeroo, straight out of school, 30 years ago. This was the standard training for young people interested in working on the land in those days, and still was until the last few years. Although a certain amount of jackerooing is still going on, there is probably more tertiary education now. I will come back to this later. The farmer married and he and his wife started out on their own small property with meat-producing sheep and a small herd of stud cattle. It was obvious from the start that this person was going somewhere with his life.

Thirty years later, with 30 years of training under his belt, the farmer is now considered to be one of the most innovative and progressive men in the cattle-breeding business in Australia and possibly the world. He has imported and exported cattle to a number of overseas countries. He has initiated programs to boost the breeding and marketing of beef in Australia. He has judged in every major city in Australia and countries overseas. He is respected and listened to by other farmers world wide and his knowledge is sought out by schools, agricultural colleges, field day organisers, seminars and other groups and individuals. In short, he is a person the farming industry cannot do without, yet this week I hear he is seriously thinking of pulling the plug and finding something else to do. The reason for this is that he is sick and tired of working 18 hours a day and financially going backwards. And 18 hours a day generally means some Saturday and Sunday work as well, and it definitely means if there are seasonal jobs to do.

In the mid-80s life on the land was starting to get tough. Banks all around the country told their clients to borrow and get bigger—'buy out the next-door neighbour and we will finance you'. The farmers of Australia listened to the experts and many took this advice. Suddenly, in the late 1980s these people were confronted with declining market prices, escalating costs and an interest bill from their banks of 22 per cent on borrowed money. There were some farmers having to pay even more than this. We cannot do much about international market forces where agricultural products are concerned but we can do, and should do, something about increasing Federal and State Government related costs and we can do something about interest rates. Thank goodness something has been done about interest rates, belated as it is,

but they are now coming down. So is inflation and I give credit to the Federal Government for achieving a lower inflation rate and lower interest rates, but there is a lot of work to do on the real interest rate area and a lot of work to do with what you would call the trade-off area of unemployment. There is still a long way to go to get input costs down to reasonable world equivalent levels.

There are two recent examples of Government bungling that were referred to recently, and I take it from a release by the Deputy Leader of the National Party, John Anderson, who said:

> The Australian Quarantine and Inspection Service (AQIS) has stopped exports of mung beans at the height of the shipping season, simply because the sheds, which have been satisfactorily packing these exports for 15 years, had not passed a new bureaucratic test by June 30.
>
> AQIS has refused to inspect and issue. . . certificates for the beans packed in July, until the sheds meet what appears to be unnecessarily high standards set by AQIS. If our customers were happy with the beans packed in these sheds on 30 June, why would they reject those packed on 1 July? Mr Anderson said the Queensland Produce Seed and Grain Merchants' Association had told him that AQIS inspection rate of $172 an hour could add between $8 and $14 a tonne to the cost of exporting. 'We are simply pricing ourselves out of world markets. When the cost of AQIS inspections is added to our high shipping rates, it is not surprising that China is now killing us with millet sales to Japan.I am told that even when . . . certificates are not required by the importing country it will still cost up to $25 000 per shipment for inspection which is not really needed.

They do not really need an inspection at the other end and we impose a fee of up to $25 000 per shipment. The release continues:

> Mr Anderson said another example of the damage that was being done by AQIS was the recent decision by the Darling Downs bacon factory to withdraw from exporting due to high inspection charges.

Later on 19 July Mr Anderson said in relation to sales tax hitting farmers:

> The Federal Government has now admitted it made an error in its sales tax legislation which is costing farmers millions of dollars a year, but seems in no hurry to fix it. Mr Anderson said an error in the Government's so-called 'streamlined sales tax' legislation was estimated to be costing farm machinery dealers $10 million a year. This $10 million is then passed on to their consumers, our cash strapped farmers, because the tax department has no way of tracing the parts.

Those are just two of many examples that one could use. They are not the normal sort of example that one would use to highlight the terrible position regarding input costs, but I will refer to a few more later. I return to the plight of the farmer. He expanded as he was advised to do. He bought more country to accommodate his expanding cattle breeding enterprise. He was able to pay the interest, employ people, develop the land and progress. That was until he was hit with the plans of then Treasurer Keating. Interest rates skyrocketed to 22 per cent. At the same time, home loan interest rates were 17 per cent. Costs went up and their income went down.

The farmer worked harder, sacked good men and thought, 'It won't last; we will hang on and pull through.' But that was some years ago. They are still trying to hang on and still trying to pull through. The farmer has hung on, but today he is still paying 17.5 per cent interest on the money he borrowed. He was one of the unlucky ones who had money locked on fixed term loans. He has some money in the bank on interest and he is currently getting 5 per cent on that money. This leaves a huge gap of 12.75 per cent between lending and borrowing. Even so the current average interest rate for farmers depending on a number of factors is about 12 to 13 per cent; now it is slightly lower.

Treasurer Keating when he lost out to his Party on introducing the GST decided that he would introduce other ways of taxing people. One of those brilliant ideas was to bring in a fringe benefit tax. Our farmer has four workmen's cottages on the property and when they are occupied he has to pay a fringe benefit tax to the Government based on the value of the cottage. The better the cottage, the more he has to pay. What sort of incentive is this to maintain a house in any sort of condition? This farmer at the moment is paying over $6 000 a year in fringe benefits tax, just on the cottages for the workmen. This, of course, does not include other fringe benefit taxes that have to be paid.

The Hon. C.J. Sumner interjecting:

The Hon. J.C. IRWIN: Sometimes it is a bit hard to do that. I have two cottages that I can rent out, but they are 20-odd miles out of the town and they are not very sellable at the sort of rents that one would need to charge. It would be better to have someone living in the house so that it does not degenerate. That is what taxmen and Governments do not think about. If you leave a house unoccupied it will deteriorate badly. If it is a wooden house it will probably get white ants. If you have people rattling around in there at least it will not deteriorate as badly.

This farmer's telephone and facsimile cost were over $7 000 a year, a massive amount compared to the average city dweller. The fuel bill is $2 000 a month. One can understand why this farmer wanted a Liberal Government knowing that for every litre of fuel purchased he would be 26 cents better off; that is just for the cost of the fuel that he used on his own property and not counting all the other services that would have reduced costs because of the lower fuel price.

Our farmer lives in country that needs to be fertilised in order to maximise production. The catchcry of the last decade has been to increase production, become more efficient, and farmers have been forced into squeezing every last bit out of the land in which they live. Our farmer lives in a watershed area, and it has hurt him deeply knowing that the fertiliser that he is putting on will eventually cause problems to the creeks that flow through the property. But what option does he have?

Three years ago our farmer supered the whole property by plane. Due to some steep country on the property this area cannot be supered by truck. The cost was $93 000. Last year he could not afford to fertilise the whole place by plane, only the country that could be covered by truck, and the cost was $63 000. Ten years ago the cost of supering the whole property was $56 000. So, the cost has increased from $56 000 ten years ago to $93 000 last year.

When unemployment started to rise and our farmer was forced to sack experienced men because he could no longer afford them, he inquired about employing young people under the trainee scheme. He wanted to help young people to build up their skills as he was able to do. He wanted people who at least knew how to drive a tractor and who knew the difference between a bull and a cow. The ideal was a student at an agricultural college on holiday or someone who had just left. He was constantly inundated by requests from young people wanting a position on his farm. He made inquiries about employing these students under the trainee scheme, but he was turned down. He could not afford to pay the award wage, so he and his wife worked harder and did not employ those extra people who would have benefited by the experi-

ence of learning a work ethic from a person who is well recognised.

The farmer had some country that had never been developed and sown down to higher yielding pasture. He wanted to sow down 200 acres. Knowing that pasture renovation techniques have changed considerably in the past few years, he went to the Department of Primary Industries and got all the details of how they recommended he should go about it. Armed with all the information he then costed the project. The cost to sow down this 200 acres would be $22 500; that is, $112.50 an acre. This country when fully improved would run about three sheep to the acre. Ongoing costs to keep this improved country in top order would include $13 an acre to fertilise. There is much more to the story of this farmer but I will leave that now.

What is critical through this though is that Australia cannot afford to lose these highly trained and motivated rural technicians. He is an expert in his field, still full of life and capable of contributing to the industry for many years to come. He is years off the average age of the Australian farmer and, barring a miracle, we are going to lose his expertise. Who is to blame for all this? If you ask Prime Minister Keating he will tell you that the country does not owe the farmer a living and that it is his own fault for buying the place next door. This statement was made by Prime Minister Keating as recently as during the last election campaign on the John Laws show. If you asked former Prime Minister Whitlam he would no doubt tell you a story similar to the one he told farmers when he was Prime Minister at a Gippsland field day: that, as over 90 per cent of the population works in non-rural activities, the farmers can go to hell, or words to that effect. It is not only Labor politicians who ignore farmers. I quote from the April edition of the ABM magazine entitled 'Who's unravelling the Russian Wool Trade?' as follows:

> If a handful of Canberra bureaucrats called a press conference to announce they were abandoning $1 billion worth of Australia's commodity trade, and declared their refusal to discuss the recovery of $300 million in overdue trade debts, they would be thrashed by the press. In the rural electorates, Government members could expect to lose their seats. If a group of company executives did the same thing, they would almost certainly be sacked, but the men who are responsible for Australia's trade relations with Russia have done no less than this for more than a year now. The only Siberia they have been sent to is the one they have chosen for themselves—the cosy, freshly decorated carriage house in the *art nouveau* Moscow mansion that is the headquarters of Australia's diplomatic and trade mission to Russia.

The Australian Trade Commissioner, Mr Wing, has overseen exports from Australia to the former Soviet Union plunge from a greater height and faster than any other trade statistic in Australia's history—from $1.4 billion when he first took over in 1989 four years ago to a figure between zero and $40 million in 1992.

Since 1992, not a single senior Australian official has visited Moscow to discuss preserving existing commodity markets. Requests for trade link talks with the Russian Prime Minister, Deputy Prime Minister and Trade Minister were all rejected by Canberra. I took a person to see the now Premier Mr Arnold who was then Minister of Agriculture. He was representing Indian interests and who wanted to set up trade links between India, Australia and the Russian States (and the end product was to finish up in the people's stores of Russia). Although I had a hearing, I could not get past first base. These people could not get past first base. They went to Austrade and could not get past first base.

Not only does the Australian Government not want to hear about some income in dollar terms from trading but if it has anything to do with bartering that is a dirty word and it does not want to hear it. We should get off our backsides and consider such practices as bartering. If we have a product that Russia wants for its people's stores, even if it does go through Russia, and we can do some value adding through the chain, so much the better. I do not know what is going wrong with Austrade and the Commonwealth Government's mentality on bartering, but maybe the Hon. Mr Roberts and I can have a delegation to them to see whether we can get something going, at least to get that bartering trade going in order to get some products on the move in Australia. Plenty of people in this world are starving, and some can pay for some of their products and some can give us products or expertise in return and we should be looking at that.

The Russians ask why Australia has done less than any other major western commodity exporter to find a solution to these problems. The single largest market for Australian wool in 1988-89 was in Russia, worth $869 million. Everyone has to come up with new ideas for keeping trade going with Russia. Everyone understands that except for Canberra. This is also a major challenge for the State Government and Premier Arnold, whose budget certainly will not improve unless the rural sector is stimulated.

In the 1992-93 Program Estimates, the Arnold Government has been guided by ABARE figures predicting wool prices will increase—well, they did not. At the start of the wool sales last week, the market indicator was at 450¢ per kilogram clean, which is about 40 per cent lower than prices 26 months ago and lower than prices this time last year. One must ask what figures the Minister of Primary Industries will use when he starts picking winners for commodities as outlined in the organisational development review.

Current prices for wool are at an all time low, and we have a mountain of wool in a stockpile. Because the focus is on the wool, every expert is asked for their opinion on what we will do to save the wool industry. There is a mass confusion and a million ideas coming from every quarter. The suggestions range from destroying the whole wool stockpile, because it would be cheaper than trying to keep it for an indefinite period (and that information came from Bernard Florin, International Wool Secretariat) to Sir William Gunn calling for the immediate suspension of wool auction sales and raising $4 billion in Government guaranteed finance needed to bankroll his wool rescue plan.

If any other business declined in their terms of trade at an average rate of 4 per cent *per annum* since the 1950s they would not have lasted more than a couple of years at most. The rural industry has suffered this decline for 40 years, and it is still trying to survive. This is not a worldwide factor. The United States input costs have increased by only one-fifth the rate of the Australian rise in input costs yet prices received have risen at one-third of the rate of the United States. Despite a doubling of prices received by Australian farmers since the 1970s, prices have increased five-fold. High interest rates, the 1987 share market crash and the boom in wool prices followed by the collapse of the wool industry reserve price scheme, despite the Labor Government Minister Kerin stating that he would not dismantle it, dominated the latter part of the 1980s. The decline in agriculture's terms of trade slowed to 3 per cent *per annum* during this time.

In 1950, expenditure on production inputs represented 35 per cent of the gross volume of farm output. In 1992, these farm costs have increased to 95 per cent of the gross value of

output, leaving farmers a margin of only five per cent with which to repay loans, pay tax and support their families. The Australian agricultural and grazing industry survey, conducted by the Australian Agricultural Bureau of Resource Economics on a sample of 1 500 broadacre farms for 1990-91, revealed that a third of all broadacre farms had a farm cash income (total cash receipts less total cash costs) less than or equal to zero. Clearly, the margin between costs and returns for these farms is negative. I feel for my neighbours, both in my area and those in other rural areas who do not have an off-farm income, such as that which I am lucky enough to have, because I know they are finding it almost impossible to survive.

I would like to go back to the farmer I mentioned before, just briefly, to show his costs in 1982 compared to those of 1992, starting with fuel. You will remember that at the moment he is paying $2 000 a month for fuel; in 1982 he would have paid something like $1 176 a month. Had the Liberal Government won the recent election, our farmers would have looked forward to a reduction in fuel costs of 26¢, and that would have come out at about $1 286. The farm paid $93 000 for fertiliser three years ago; to spread the same amount today would cost $99 700 but 10 years ago, as I said, it cost $56 000. A farmer cannot do that now because he is only getting a return of $57 an acre for his sheep carrying country. That figure is the gross return: out of that has to come the cost of shearing, agents' fees, commission, wool sales, etc.

I am not sure of the farmer's wage bill for his fulltime staff, but I know that it has increased by 88 per cent between 1982 and 1992. If part of that increase involves shearing expenses, that is a good example of some of the problems. No farmer would have a great problem paying increased wages for shearing and associated matters during a wool boom. But when the prices drop by a third, two-thirds or a half and all those wage structures stay exactly where they are, something is wrong with the system. It is not fair for the productive people—and in this sense both the shearer and the farmer are productive and very hard working.

There is something very wrong with the system when the bargaining system, or whatever, cannot for example bring down the rate of shearing when the price they get for their product has come down by a half to two-thirds. To have the rate stuck up at boom time wages and for it to increase every year is quite frightening to contemplate. His chemical bill has increased 60 per cent, seed and fodder, 23 per cent, and repairs and maintenance, 22 per cent. The other major increase in farm costs during the 1980s was interest costs resulting from a combination of high rates and increased borrowings. In 1981, farmers paid an average of 8.6 per cent of their total costs in interest. Over the 1980s, this figure increased to a peak of 14.7 per cent of total cost in 1986 and the average broadacre farm in Australia June 1992 owed over $100 000 and paid $14 000 in interest. However, some care needs to be taken in interpreting this, since it is a financing cost and not a direct production cost.

Also, as a result of the high cost of capital during the 1980s, the lower returns to broadacre agricultural production, on-farm spending on new machinery and any capital intense projects are at historically low levels. The average age of farm machinery has increased dramatically as farmers are reluctant or are unable to afford to replace that machinery. An analysis of productive levels in industry sectors in Australia over the period 1967-70 to 1987-88 shows that agriculture had recorded both capital and labour productive growth rates that were higher than almost all other sections of the economy over that period. However, these long-term figures mask a dramatic shift from high labour productivity growth and lower capital productivity growth in the 1970s to the converse of this in the 1980s.

The 1980s saw very high growth rates in agriculture's capital productivity and very low growth in labour productivity. In 1990-91 capital expenditure on new plant, machinery, buildings and structures declined by an estimated 35 per cent. In other words, repairs, maintenance and new building work is not taking place, and it will not be long before these farm assets will be in as bad a state of repair as our State-run school buildings. Results from the 1990-91 AAGIS survey show that 80 per cent of farmers had a positive farm cash flow for that year. However, after allowing for returns to labour and management and capital replacement, 80 per cent of farmers had a negative income before tax and debt repayments.

The Australian Wool Council in a press release recently announced figures from the Australian Bureau of Agricultural and Resource Economics estimating that sheep specialists will experience a business loss of $33 600 this year, which means losses for the past three years amount to approximately $104 500. Further, ABARE forecast sheep specialists will be facing a loss of $34 800 in 1993-94. I am not saying I am a sheep specialist in any sense, but I am predominantly a sheep grower and producer of wool in the South-East, and I think that average of $34 000 is wide of the mark as far as I am concerned, unfortunately for me.

I ask: is this present Government listening to the call from the woolgrowers and other rural producers? I hope so, because in 1991-92 the wool industry alone contributed $3.7 billion to export earnings. It is little wonder that the number of farms has decreased by 30 per cent, from 204 400 in 1951 to 135 000 in 1990. They have been either swallowed up by other farmers, national parks or creeping suburbia, but it also means that there are now nearly 70 000 less families making a living off the land in Australia.

Mr President, as this State Government pork-barrels its way to the State election in a few months time, I hope it remembers the innovative and productive people of this State who as a result of their hard work have kept the State afloat and through their hard work have given those in Government the wherewithal to do the pork-barrelling and to make the terrible decisions that they have made over the last few years. As I said at the beginning, I support the motion and I look forward to the opening of the First Session of the Forty-Eighth Parliament, when South Australia will have made a change for the better.

The Hon. T.G. ROBERTS secured the adjournment of the debate.

SESSIONAL COMMITTEES

The House of Assembly notified its appointment of sessional committees.

ADJOURNMENT

At 5.41 p.m. the Council adjourned until Tuesday 10 August at 2.15 p.m.