LEGISLATIVE COUNCIL

Wednesday 18 August 1993

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

PAPER TABLED

The following paper was laid on the table:

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

Department of Recreation and Sport—Report, 1991-92.

LEGISLATIVE REVIEW COMMITTEE

The Hon. M.S. FELEPPA: I bring up the eleventh report 1993 of the Legislative Review Committee.

TAXATION, WINE

The Hon. C.J. SUMNER (Attorney-General): I seek leave to table a ministerial statement relating to the sales tax on wine being given today by the Premier in another place.

Leave granted.

QUESTION TIME

SENIOR SECONDARY ASSESSMENT BOARD OF SOUTH AUSTRALIA

The Hon. R.I. LUCAS: I seek leave to make an explanation before asking the Minister representing the Minister of Education, Employment and Training a question about the Senior Secondary Assessment Board of South Australia.

Leave granted.

The Hon. R.I. LUCAS: Almost a year ago to the day I asked questions in this Chamber about concerns that had been expressed to me regarding the integrity and security of the Senior Secondary Assessment Board of South Australia's computer system. One teacher had contacted me about SSABSA's computer system, called SASO, which had been put out to schools, which had had problems from the outset and which contained material that schools had not bargained for, in the form of a virus.

I was informed that investigations indicated that the virus had been introduced by unauthorised access of the SSABSA system by a family member of one of the SSABSA staff. In fact, I was told that during the clean-up process investigators found a pirate copy of a computer game which had evidently imported the virus.

Subsequently, I received a reply from the Minister of Education, Employment and Training dated 11 September 1992 which acknowledged that a virus was detected in SSABSA's computer network in May 1992. However, it was assessed as a minor problem and corrective action was prompt and straightforward. The Minister said that there was no evidence to support allegations of illegal access relating to the loading of a computer game.

I have now received a copy of a submission which I am told was given to the Industrial Commission early last month. The submission was made by an analyst programmer employed by SSABSA for more than two years and who was with the board at the time the virus was detected. The submission states:

> In about April 1992 a virus was detected in the SSABSA computer system. There was no system in place for protection against viruses. . . When the virus struck it turned out that the scanner software was not sufficiently up to date to deal with the virus which had struck and a more up to date version had to be obtained from the company which provided us with the hardware support.
>
> I was one of the people delegated to check machines and disks for viruses and clean them. Towards the end of this process an infected diskette was discovered which contained a pirate copy of a computer game. This turned out to be the property of one of [a staff member's] children (they were often in the office at weekends and used the machines for games) and she removed it from the premises. This does not imply that this disk infected the system—it could have been infected by the system, but no other cause of the virus was ever established.

The submission later comments on the security of the SSABSA computer system, as follows:

> Although passwords were needed, nearly all peoples' passwords were the same as their user names and these were typically their first name. Due to a technical hiccup users were unable to change their passwords. So I knew that to log on as Bob I typed Bob as the user name and then typed Bob as the password and I was into the system with a high level of privilege (that is, I could see and manipulate most files on the system). This is not a satisfactory security regime by modern standards.

Finally, the submission also states:

> After the 1991 assessments the database for the 1991 results became corrupt to the extent that for many months it was impossible to recover data from it for the necessary statistical reports. Corruption and failure of the databases was an ongoing problem throughout 1992, and considerable time was lost on this account.

Mr President, the above extracts from this analyst programmer's submission to the Industrial Commission are clearly at odds to the reply supplied by the Minister of Education last year. My questions are:

1. Will the Minister now admit that the extent and nature of corruption of SSABSA's computer system throughout 1992 was more widespread than previously admitted, and will she give specific details of what measures have been put in place since late last year to guard against such corruption?

2. How can the Minister now justify her statement that 'the allegation that the SSABSA network is vulnerable to illegal entry is unfounded', given the recent submission to the Industrial Commission?

The Hon. ANNE LEVY: I will refer those questions to my colleague in another place and bring back a reply. I may have misheard the honourable member, but I thought he was quoting from a submission that, although recent itself, was referring to matters that occurred further in the past. But I will certainly bring back a reply from my colleague.

ALICE SPRINGS—DARWIN RAILWAY

The Hon. DIANA LAIDLAW: I seek leave to make an explanation before asking the Minister of Transport Development a question about the Alice Springs—Darwin railway.

Leave granted.

The Hon. DIANA LAIDLAW: One good announcement in the Federal Government's horror budget last night was the allocation of $3 million to survey the last 300 kilometres of the 1 400 kilometres of the proposed Alice Springs—Darwin railway. This good news honours an election promise made by both the Liberal and Labor Parties at the last Federal election. I note, however, that the Minister for Transport and Communications, Senator Collins, is reported in today's *Advertiser* as stating that while the Government would finish the survey the project's future remained in the hands of the private sector.

This statement defiantly ignores the Commonwealth's legal and moral obligations to South Australia made in 1910, and repeated in subsequent amendments to the Act when South Australia agreed to cede—

The Hon. C.J. Sumner interjecting:

The Hon. DIANA LAIDLAW: It is. It is in the Act.

The Hon. C.J. Sumner: There has been a case about it.

The Hon. DIANA LAIDLAW: I know that there was a case during the Playford years, yes, but it did not say that the Federal Government was not bound 'to construct or have constructed'. It simply said that there was no time limit.

Members interjecting:

The PRESIDENT: Order!

The Hon. DIANA LAIDLAW: I have seen the judgment. It is still legally and morally bound by the Act of 1910, when South Australia agreed to cede to the Northern Territory—

Members interjecting:

The PRESIDENT: Order!

The Hon. DIANA LAIDLAW:—and the property of the State therein, to the Commonwealth in exchange for a commitment by the Commonwealth—and this was upheld in the court case about which the Attorney interjected—'to construct or cause to be constructed' a transcontinental railway from Adelaide to Darwin. Does the Minister agree with Senator Collins's assessment that once the Commonwealth has paid for the final survey of the Alice Springs—Darwin railway the Commonwealth can wipe its hands of any further financial commitment to this important railway project? If not, will she and/or the Premier write to the Prime Minister and Senator Collins reminding them of the Commonwealth's obligations under the terms of the Northern Territory Acceptance Act 1910?

Also, following the budget decision last night to establish a committee headed by Mr Neville Wran to investigate options to establish Darwin as Australia's 'Asian capital', is the Minister aware whether or not a South Australian will be appointed to this committee, and whether or not the committee's terms of reference will address the construction of the Alice Springs—Darwin railway? If decisions have not been made on either matter, will she also make representations to the Federal Government on both matters as both initiatives would be in South Australia's long-term economic interests if Darwin is in fact to be the 'Asian hub' within Australia?

The Hon. BARBARA WIESE: Along with many people in the South Australian community, I welcomed the decision that was announced in last night's budget that the funding would be made available by the Federal Government to complete the remaining 300 kilometres of surveying work that is required to commence the construction of the Alice Springs—Darwin rail link. This was promised during the Federal election campaign and, at the time this promise was made by the Prime Minister, he also made clear that it was the position of the Federal Government that this would have to be a project which had private sector involvement. He announced at that time that the Federal Government would be prepared to assist the private sector in completing the building of the rail line by way of various taxation incentives. Last night's statement repeated that promise as well.

So, the Federal Government is interested in supporting any private sector proposals by way of taxation incentives that may come forward for the construction of the railway. As was indicated by Senator Collins last night, it is rather difficult at this time to assess accurately what the cost of building and operating this railway will be in the absence of the remaining survey work being undertaken. So, the completion of that project will provide much more accurate information for anyone who will be providing detailed costing of the building project.

The honourable member referred to the 1910 agreement, and there was some interchange across the Chamber between the Attorney-General and the honourable member with respect to the legal status of that agreement. One of the most extraordinary parts of the court case that was undertaken some years ago, it seems to me, was that the court found that agreements between Governments are not really agreements: they are just political arrangements. Politics does not count, and agreements between politicians do not seem to count with respect to whether or not something is a binding agreement.

Members interjecting:

The PRESIDENT: Order!

The Hon. BARBARA WIESE: So, South Australia does not have the sort of standing we might have thought we had under that court judgment. The legal situation is certainly not as strong as might be suggested, and we can but use our persuasive talents, I suppose, to achieve some of the things we are looking for from the Federal Government.

The honourable member should be quite well aware that the South Australian Government has invested a lot of time and money in putting forward proposals and financing consultants' studies, along with the Northern Territory Government, in the process during the past few years to encourage the Federal Government to take this project seriously. We have continued to press the Federal Government for funding for this project. That has been our position. I presume it will continue to be our position in the absence of any change to the contrary. Whether or not we will be successful, time will tell. My understanding of the Federal Government's position is that it believes this should be a private sector proposal, and I cannot see that its position will change.

The Hon. Diana Laidlaw interjecting:

The Hon. BARBARA WIESE: I certainly do not think that the South Australian Government will be in a position to provide financial support for this so, in the absence of Federal Government funding, it will have to be a private sector proposal.

Whether it is a proposal that stacks up may be more readily assessed once the work that is proposed has been undertaken and, perhaps with the economy picking up and some of the other moves to boost the Northern Territory, then the position of the Federal Government will change as well. As to the composition of the committee to which the honourable member referred, I have no information about that as to whether a South Australian will be represented, but I will make some inquiries about that and seek further information about the terms of reference of that committee.

CONVEYANCING

The Hon. K.T. GRIFFIN: I seek leave to make an explanation before asking the Attorney-General a question about conflicts of interest for conveyances.

Leave granted.

The Hon. K.T. GRIFFIN: The Law Society of South Australia has recently enacted an etiquette ruling which limits the opportunity of legal practitioners to act for more than one party in a conveyancing matter. The circumstances where a solicitor may act for both the vendor and the purchaser are limited by that ruling and relate, among other things, to family-type transactions. This ruling comes into effect when a similar ruling is made to apply to landbrokers. I know that the now Australian Institute of Conveyancers in South Australia has been considering this issue but is of the view that such a

provision may be put in place only to cover brokers and business agents through a regulation or some other amendment to the law.

While there really can be no quarrel with the principle of the etiquette ruling and the proposal in relation to landbrokers, I have received representations from some country legal practitioners who have expressed concern about the problems which the Law Society ruling will create for longstanding clients of those practitioners, where, at least in non-controversial cases, clients on both sides of a transaction wish to have the one firm to act for them. There is also the problem of country towns where only one legal firm—and perhaps no landbroker—operates within the town, and in those circumstances the concern has been expressed that at least one party to a transaction may have to travel long distances to arrange a representation.

I know that over the past couple of years the matter of resolving these conflicts of interest issues has been a subject of discussion within the Government but, as I understand it, it has always been put to one side, finally as a result of it being too hard to address and to take into account the problems of those persons living in rural areas or for other reasons. I recognise that the Law Society makes the etiquette ruling, although, of course, from time to time the Attorney-General has been involved in making representations to the Law Society in relation to other etiquette rulings, particularly in relation to access to QCs. My questions to the Attorney-General are:

1. Has the Attorney-General or the Government been involved in the move towards requiring the conflicts of interest issue to be resolved in the manner determined by the Law Society and, if so, can he indicate the extent of that involvement?

2. Also can he indicate whether either he or the Government has been involved in a discussion with landbrokers in relation to either a regulation under the Land Agents, Brokers and Valuers Act or some other amendment to the law to bring landbrokers and business agents acting for vendors and purchasers into the same category of etiquette and conflict of interest provisions as applies to the legal profession?

The Hon. C.J. SUMNER: There have been discussions. The matter is not resolved within Government, as far as I am aware. The situation is that the Law Society takes a purist view of this matter and believes there should be separate representation for people involved in land transactions no matter how simple. On the other hand, there are those who take a more practical approach and say that the system has worked very, very well for many years without evidence of major problems and that, therefore, there is no case for change and that the change as envisaged by the Law Society would increase the cost of transferring land because the two parties will be represented, whereas now it is quite common for one broker to carry out the transaction on behalf of both parties. So there have been discussions. I will ascertain where they are, Mr President, and bring back a reply for the honourable member.

The Hon. K.T. GRIFFIN: I have a supplementary question, Mr President. Is the Attorney-General able to indicate whether there is a Government view on the matter?

The Hon. C.J. SUMNER: Mr President, I will take that on board as well and bring back a reply.

PARLIAMENT, TELEVISING

The PRESIDENT: Members will recall that last week the Hon. Mr Gilfillan asked whether it would be possible for the television cameras to film from the side at the top of the Chamber and I said that I would canvass the members. At present I do not have all the replies in but at this stage the majority of the members in the Council have indicated that they do not want the television cameras down the side. So at the moment they will not be coming down the side.

WATER RESOURCES

The Hon. M.J. ELLIOTT: I seek leave to make a brief explanation before asking the Attorney-General, representing the Premier, a question about water resources.

Leave granted.

The Hon. M.J. ELLIOTT: I recently received a copy of a letter sent to the Premier by the Hydrological Society of South Australia Incorporated, a professional body with some 200 members in this State. The society represents mainly professional and technical staff from educational, research and consulting groups across the State, as well as from a number of Government and local government agencies. The society represents the most significant accumulation of expertise in water resources management in the State. In that letter the society recognises that the water resources of South Australia will be a significant and in many cases the most critical constraint to economic growth. If I can quote from that letter, the society gives some examples of problem areas they see coming:

> . . . although the wine grape industry is seen as being an important player in the future economy of the State, there is not one premium wine grape growing area that is not already under threat due to limited water availability. Expansion in this industry will require careful management of the available resources and consideration of the constraints that limited water availability will impose on the planning process.
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> Similarly, the development of industrial and tourism activities outside the greater metropolitan area inevitably is dependent on the availability of suitable water supplies and often may have significant impacts on existing users of local resources or on the local environment.
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> Unless adequate consideration is given to the constraints imposed by water quality and quantity and the options available to modify or mitigate these constraints, the future for the development necessary for the economic recovery of the State is bleak.

The society notes some of the confusion currently being created by the impending merger of E&WS and ETSA, the formation of an EPA and major reorganisation of several key Government agencies. The society goes on to say:

> Although the main question being asked is where the water resources management function should reside, the society believes that the most important issue is the profile of this function within Government. It is considered that water resources management lacks an adequate administrative and political profile in this State, despite the significance of water to the South Australian economy.
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> Unlike other States, there is no Minister of Water Resources or Department of Water Resources. Despite the significance of water to the continued growth and prosperity of this State, there is not even a Director of Water Resources, which means that there is no executive level officer within Government with the sole responsibility to represent water resource issues.

They also note:

> In addition, responsibility for various aspects of water resources management is disseminated across a variety of agencies, including the E&WS Department, the Department of Road Transport, the Department of Mines and Energy, local government and the MFP. However, there is no clear understanding of any responsibility for overall coordination, particularly in relation to some of the emerging

issues such as stormwater management and conjunctive use of resources.

Finally, the letter states:

> The essential requirements can only be met by establishing a high profile, reasonably autonomous unit within Government to coordinate and oversee all water resources policy development and management activities. It is recognised that a new agency may not be appropriate but the establishment of at least a division of water resources within the existing agency would meet most of the critical requirements. Importantly, if this were promoted widely it would provide a clear message to the community that the protection and management of water resources is vital to the future prosperity of this State.

I ask the Attorney, representing the Premier: has the Government lost sight of the importance of water resources in South Australia with the restructuring that has occurred across a whole series of departments and the spreading of responsibilities, in a State that faced severe drought and almost no water as little as a decade ago and could again face that at any time, a State which has continual problems with algal blooms? Will the Premier act to rectify this horrendous situation?

The Hon. C.J. SUMNER: The answer to the first question is 'No'. As to the honourable member's second question—will the Government act—I will refer it to the Premier. As the honourable member knows, there is some more restructuring to occur following the Economic Statement in April this year, and I will draw this matter to the Premier's attention.

FEDERAL BUDGET

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 the impact of the Federal Budget.

Leave granted.

The Hon. L.H. DAVIS: The Federal Budget introduced last night has a devastating impact on a typical South Australian family. I have examined the budget and calculated the impact on a typical family of four with the parents in their early 40s and two children living at home, and they have a dog. One of the children turned 16 in early 1994 and the other is 18. The husband works and earns $30 000 and will save $8 a week as a result of the tax cuts. This is a saving of $416 a year. The second stage of tax cuts promised by the Keating Government will now not take effect until at least 1998. The family has an older car, which uses leaded petrol. In the 12 months from 1 November the increase in petrol excise will cost them $150 a year. At the end of that 12 months they buy a new car for $26 000. The increase in wholesale sales tax means that they will pay an additional $180 for the car.

The husband and wife both enjoy South Australian wine and buy two bottles a week at around $5 a bottle. The 55 per cent hike in tax on wine now puts it in the luxury goods bracket and costs the family an extra $2 a week, or $104 a year. During the year the husband has a consultation with an optometrist. He needs reading glasses, as many Australians do once they reach the age of 40. The Medicare rebate of $42.10 on the consultation with the optometrist has been eliminated by the Federal Budget. The family has been saving for two years to fly to New Zealand to stay with friends in the Christmas holidays. The increase in departure tax of $5 each will cost them an additional $20. During the year the 10-year-old fridge needs replacing. The increase in wholesale sales tax from 10 per cent to 11 per cent will, arguably, add at least $20 to the $800 price tag for the fridge by the time the flow-on effects of increased petrol prices and wholesale sales tax feed through to the retail price.

The increase in wholesale sales tax from 20 per cent to 21 per cent on detergents, greeting cards, pet foods, shampoos and soaps, soft drinks, toilet paper and toothpaste will add to the family's weekly expenses. An estimate of $1.50 a week seems conservative; that is $78 a year. The 16 year old previously would have been eligible for $30 a week Austudy. That benefit no longer exists for 16 year olds in 1994. The cost to the family is $1 560 in 1994.

So the scoreboard shows: a gain of $416 in tax cuts; and losses of $150 for petrol, $180 for a new car, $104 for wine, $42 on spectacle consultation, $20 extra on departure tax, $20 for the fridge, $78 extra for groceries and other household items, and a $1 560 loss on Austudy payments, a total of $2 154. After deducting the $416 tax cut benefit, our family will be $1 738 worse off. That represents $33.42 a week.

I suggest that there are thousands of South Australian families who have been blown away financially as a result of last night's anti-family Federal budget. It would appear that the only winners from last night's budget are families with no students close to 16 years, no teeth, no pets, no car, perfect eyesight, constipation, teetotallers, who do not watch television or listen to CDs or go on overseas holidays. My question is: does the Government agree that the Federal budget will devastate not only key South Australian industries such as the wine industry but also, and equally importantly, thousands of South Australian families?

The Hon. C.J. SUMNER: The honourable member has had last night and this morning to study the Federal budget and he has diligently put together these figures. I cannot comment off the cuff having just heard his list of what he says are imposts on a family that he has constructed for the purpose of his question. However, I can comment on one or two matters raised by the honourable member, without as I say being able to verify exactly what he has said in the short time about the impact of the matters that he has specified.

The honourable member accepts, as does the Liberal Party (or it certainly talks about it), the need to reduce the Federal Government deficit. There seems to be a bipartisan approach to that, namely, that there is a need to reduce the Federal budget deficit over the next few years. The Labor Government has set out a target for that; that has been announced in the budget, and that is one of the major factors that had to be taken into account in the formulation of this budget.

I am sure that is something with which the honourable member would agree. If the object is to reduce the deficit, basically there are two alternatives: increase taxation or reduce expenditure. In this budget both those things have occurred. Some taxes have been increased; some taxes have been reduced; and I understand that in broad terms there has been about a $2 billion reduction in Federal Government outlays.

So, the honourable member must decide what he would do in relation to cutting the Federal Government budget deficit, given that his Party (the Opposition in Canberra and in this State) all agree that the Federal Government budget deficit must be cut. The Federal Labor Government has set its targets on this, and this budget is the first stage in reaching that target. The honourable member and, no doubt, the South Australian Government can argue about some aspects of this package that was contained in the budget last night.

I have already tabled a ministerial statement that the Premier made today in another place on the increase in the wine tax and the opposition expressed by the South Australian Government to that and the action that it intends to take in protesting to the Federal Government about it and reconvening the wine industry forum. If the honourable member reads the

statement that I tabled and distributed he will see that the Premier wrote to the Federal Treasurer urging him to consider carefully the impact that any proposed increase in tax on wine would have on the South Australian industry.

Members interjecting:

The PRESIDENT: Order!

The Hon. C.J. SUMNER: So the State Government has made its view known on that topic.

Members interjecting:

The PRESIDENT: Order!

The Hon. C.J. SUMNER: Well, they may be. I am not sure what the honourable member expected the State Government to do as it does not have the taxing power in this area, but it has made its views known to the Federal Government. It made them known before the budget was brought down, and the Premier has indicated in his ministerial statement that he objects to the increased tax on wine and that he intends to reconvene the wine industry forum.

On the question of leaded petrol, I understand that the South Australian Government through its Minister (Mr Kym Mayes) objected to the proposal to place a further impost on leaded petrol and that this was the view taken by the States, namely, that it was inappropriate at this stage to do that, despite the need to reduce lead levels in petrol. However, I can check that aspect of it and bring back a reply if necessary.

The honourable member has raised other matters. I am not in a position to comment on them. Suffice to say that the South Australian Government has taken issue with some of the matters that have been raised and dealt with in the Federal budget.

CHILDREN'S SERVICES

The Hon. CAROLYN PICKLES: I seek leave to make a brief explanation before asking the Minister representing the Minister of Education, Employment and Training a question about children's services policies.

Leave granted.

The Hon. CAROLYN PICKLES: The provision of affordable child care is a priority issue for this Government. Last month an extra 668 outside school hours care places were made available in new and expanded programs in 34 South Australian primary schools. These additional programs will be jointly funded at a cost of $420 000 by the Federal and State Governments. I would also like to remind members of this Government's commitment to the national child care strategy announced by the Minister last December for the provision of an additional 4 300 child care places in South Australia by 1996—there was mention of the provision of child care places in the budget yesterday—including long day care, family day care and year round places for school age children in outside school hours care programs.

I mention this because the Liberal Party's 'Policy Directions' document is completely silent on the provision of children's services. Perhaps a later policy document will try to outbid the Government's programs. On the other hand, perhaps this is where the cost cutting will occur. This might be one of their fresh ideas. The Liberal policy document is full of motherhood but it forgot the children.

Is the Minister aware of the Liberal Party policy on children's services and, if so, how does it compare with the Government's policies?

The Hon. ANNE LEVY: I was not aware that the Liberal Party had a policy on children's services, but I will certainly refer the honourable member's question to my colleague in another place and bring back a reply.

CAR PARKS

The Hon. J.C. IRWIN: I seek leave to make a brief explanation before asking the Minister for Arts and Cultural Heritage, representing the Minister of Local Government Relations, a question about car parks.

Leave granted.

The Hon. J.C. IRWIN: The Adelaide City Council is operating a ticket dispensing machine in some of its car parks, and the definition of the device requires a parking time limit which the signs do not indicate. For some time I have observed the Glenelg council's open car park which is adjacent to the Magic Mountain and which had some of the first ticket dispensing machines that I saw. That open car park did not have a time limit. I understand now that the city of Glenelg has past resolutions and the appropriate motions to give this car park the appropriate time limits and correct an earlier error.

Mr Gordon Howie's letter to the Editor of the *Advertiser* of 13 September continues his argument that the Adelaide City Council, like any other council, can at any council meeting establish a parking zone by resolution, fixing a time limit with a fee being payable if desired. Regulation 5 of the Local Government Act provides in part:

> The council may by resolution establish in any public place a parking zone; a resolution establishing a parking zone may impose a specified time limit; and a specified fee must be paid in a specified manner including by way of a ticket dispensing device.

Mr Howie argues that it is not sufficient for a council simply to adopt a committee recommendation with no details set out by the council agenda item. This matter was taken up by me with the present Minister of Local Government Relations in December last year, and I have never received an assurance from the Minister as requested that the Adelaide City Council is complying with regulation 5 of the parking regulations.

Further, the Ashford Community Hospital is charging the public wrongly for parking, and they have a dollar per hour parking requirement under the Private Parking Areas Act. They have two ticket dispensing machines. The signs do not comply with the code of practice and the area is not lawfully marked. There is no mention on the ticket from that machine of any payment amount. It may be a continuing pedantic point about councils and others complying with the provisions of various Acts emanating from this place, but will the Minister ensure that those mentioned in my question comply with the various parking regulations so that the public can at last be assured that any fine they may receive is not an illegal fine?

The Hon. ANNE LEVY: I will refer that question to my colleague in another place and bring back a reply. The honourable member speaks of members of the public at last being able to do something. I suggest that, while Mr Howie is keeping his vigilant watch on parking matters, there will always be something which needs to be attended to and about which he will be able to make suggestions to the honourable member. I will bring back a reply to that particular question.

BUDGET

The Hon. CAROLINE SCHAEFER: I seek leave to make a brief explanation before asking the Attorney-General, as Leader of the Government in the Council, a question about the Federal budget.

Leave granted.

The Hon. CAROLINE SCHAEFER: An article in today's *Advertiser* States:

> A joint statement by Primary Industries Minister Mr Crean and Resource Minister Mr Lee said the budget recognised the continuing difficulties being faced by the rural community, and was a positive response to the situation.

It seems to me, Mr President, that they have positively responded by kicking rural South Australia and rural Australia in the economic teeth once again. Nowhere will the increase in fuel prices—

The Hon. ANNE LEVY: I rise on a point of order. I think the honourable member was quoting an opinion, and under Standing Order 109 no opinion can be used in putting a question.

The PRESIDENT: That is true. I did not hear it myself, but I would have to uphold it if that is the case.

The Hon. CAROLINE SCHAEFER: I beg your pardon, Sir.

The PRESIDENT: Would the honourable member rephrase her question?

The Hon. CAROLINE SCHAEFER: It has been suggested to me, Mr President, that they have positively responded by kicking rural South Australia in the economic teeth once again.

The Hon. Anne Levy: It is still an opinion.

The PRESIDENT: Yes.

Members interjecting:

The Hon. CAROLINE SCHAEFER: Nowhere will the increase in fuel prices have a more devastating effect than in rural areas. Nothing comes into or leaves a country area without being affected by freight costs. Who will bear the brunt of extra freight costs caused by higher fuel costs? It will be the end users, rural people. Country people use more fuel because they have further to drive for facilities that are taken for granted by urban dwellers. Many small engines such as water pumps use leaded petrol, and of course many impoverished farmers and small businesses cannot afford to trade in their cars for models that use unleaded petrol. When they do purchase a new vehicle they will be hit by additional sales tax. Few will benefit from the income tax reductions because they do not earn taxable incomes.

Quite a few alterations have been made to Austudy eligibility. However, one interesting change is that fringe benefits will now be included in income testing, so that, for example, a worker on an isolated station who may be provided with a rent free home will now have the value of that rent added to his assessable income, thereby affecting the eligibility of that person's child to receive Austudy. My questions are:

1. Will the Minister approach the appropriate Federal Ministers in an attempt to redress these additional imposts on country people?

2. Will the Minister assure me that his Government will show some real understanding and compassion for country people in the State budget?

The Hon. C.J. SUMNER: The honourable member will have to wait for the State budget to come down, although the broad parameters of that budget were announced earlier this year in the economic statement. The reality is that, whether it is in the State or at the national level we, as a country, have to ensure that we are not spending beyond our means, and with respect to the State budget it is known that we have to have a debt management strategy; it is known that we must get our recurrent expenditure into kilter with our revenue. In other words, we cannot continue forever to run a recurrent deficit at the State level.

So, they are the facts, Mr President. Whether you are on this side of the Chamber or on the other side of the Chamber, the reality is that those two things have to be done in the State. But I will certainly make the Treasurer aware of the issues raised by the honourable member relating to the State budget.

As to the Federal budget, the honourable member is entitled to make her comments about it and to give her assessment of its impact on rural people. I have not got the full details of the budget and its impact on rural people before me. I will draw it to the attention of the Premier, to see whether, in his response to the Federal budget, he intends to make representations in relation to matters beyond those that I have already mentioned—the wine industry, in relation to which representations have been made and will continue to be made.

Mr President, again at the national level, as I said in answer to the question raised by the Hon. Mr Davis, there is a Federal budget deficit running into billions of dollars which has been caused in particular by the recession, because the Hawke Government, during the 1980s, took strong action to get the Federal budget into surplus. However, the recession has put it into deficit. It cannot keep increasing and Australians, whether they are Liberal, Labor or Democrat, obviously have to cope with the fact that we have to deal with a significant Federal Government budget deficit, and that means increasing revenue or reducing expenditure. This budget changes the tax mix to some extent and also, as I indicated previously, has a $2 billion component of reduction in expenditure.

The honourable member is entitled to make her comments about the rural community and to make her representations to the Federal Government on that topic, but in the final analysis the overwhelming imperative for the Federal Government has been to ensure that the Federal Government budget deficit does not continue to expand, to get it under control, and the commitment has been made to bring it down to 1 per cent of GDP by 1996, if my memory serves me correctly. But whatever it is, there is a target, and this budget starts the process of redressing that problem which is something that we just cannot continue to live with forever.

TAXATION, WINE

The Hon. M.J. ELLIOTT: I seek leave to make a brief explanation before asking the Attorney-General, representing the Premier, a question about the wine sales tax in the Federal budget.

Leave granted.

The Hon. M.J. ELLIOTT: In the Premier's statement released today, he makes some partial note of the damage that will be done to South Australian industry. The South Australian Farmers Federation today predicted a 5 per cent reduction in employment in the industry, 500 grape growers leaving the industry and 150 wineries closing. There is no doubt that the wine industry agrees with the Premier that this will be an unmitigated disaster. According to the Premier's own statement, what he will do is reconvene the wine industry forum. He notes that it was first formed after the 10 per cent sales tax was introduced. Of course, it is worth noting that, after the wine industry forum was introduced, the sales tax subsequently went to 20 per cent.

I ask the Premier: Does he really believe the action of reconvening the wine industry forum will really do anything, or is it simply window dressing? If the Labor Party in South Australia is serious, will it instruct its senators, because after all the Senate is a State House, to either reject the wine sales tax increase or support a move for a phasing in of the tax over

a period of several years, something which Democrat senators tried to do on the last two occasions but which on each occasion was rejected by both Labor and Liberal?

The Hon. C.J. SUMNER: I think the notion of the Senate being a States' House is somewhat oldfashioned. I do not know that the Senate has voted on States' lines in recent times, whether it has been a Federal Liberal Government—

The Hon. M.J. Elliott interjecting:

The Hon. C.J. SUMNER: I do not know; I am not a Labor senator. They will have to make up their own minds as to what they will do. All I was trying to do initially was respond to your comment that the Senate was a States' House and therefore the State senators—

The Hon. M.J. Elliott interjecting:

The PRESIDENT: Order!

The Hon. C.J. SUMNER: —would vote in a particular way. I do not know in recent times, under either Liberal or Labor Governments, of circumstances where senators have voted on State lines. I think it has happened occasionally, but very rarely. The honourable member knows as well as I do that Liberal senators, Labor senators, National Party senators, and even Democrat senators generally vote on Party lines in the Senate. So, I suspect that representations to senators to vote not on Party lines but on State lines will probably fall on deaf ears.

However, what the Premier has said is that he will continue to make representations to the Federal Government. The State senators are part of the Party of the Government in power, and no doubt can make their own assessment of the Premier's representations on this topic. The Premier or the South Australian Government or Parliament does not have jurisdiction to deal with this matter. It is a decision taken by the Federal Government. We can make our views and our protests known. That has happened, and that will continue to happen.

HOUSING TRUST TENANTS

The Hon. J.F. STEFANI: I seek leave to make a brief explanation before asking the Minister for the Arts and Cultural Heritage, representing the Minister of Housing, Urban Development and Local Government, a question about Housing Trust properties.

Leave granted.

The Hon. J.F. STEFANI: I have received information from a concerned Housing Trust tenant indicating that some Housing Trust properties remain empty for up to five weeks when a changeover of tenants occurs. It has been suggested that the Government bureaucracy is not able to respond more quickly to the placement of people in empty flats and housing units, resulting in longer waiting periods and loss of rental revenues to the trust. Will the Minister investigate the procedure presently adopted by the Housing Trust when a changeover of tenant occurs? Will the Minister advise the average time taken between the changeover of tenants for the period 1991-92 and 1992-93? Finally, will the Minister advise the loss of rental reflected by the changeover of Housing Trust tenants during the financial periods 1991-92 and 1992-93.

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

INTELLECTUALLY DISABLED

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

The Hon. C.J. SUMNER: I refer to your letter of 8 January 1993 and your parliamentary question asked on 25 March 1993 about the handling of intellectual disability in the justice system.

Initially your letter was referred to the Director of Public Prosecutions, the Commissioner for Equal Opportunity and the Minister of Health and Community Services for comments. The Director of Public Prosecutions responded on 19 January 1993 advising that:

'The defendant is charged with four counts of indecently assaulting a 22 year old fellow worker at a sheltered workshop. The alleged offences cover a period from November 1991 to March 1992 and involve a range of conduct in the work environment. There is clearly a *prima facie* case and a reasonable prospect of conviction if the girl (sic.) is accepted.

I have considered the question of whether the public interest requires a prosecution in accordance with my guidelines. (Guidelines 2.7—2.11). While I am reluctant to take cases involving the intellectually disabled to criminal court, I am of the opinion that it is appropriate in this case.'

As a result of your parliamentary question, further comments were sought from the Director of Public Prosecutions who has advised that:

'Whilst the defendant is intellectually disabled, he does have the ability to perform many functions above his intellectual capacities. He is, for example, the holder of a SA drivers licence and lives independently with his defacto wife and their young son.

He appeared to have an understanding of the trial and the system. Everyone involved in the trial made every effort to ensure that he had an understanding of procedures and his role within the trial.

The majority of witnesses called were intellectually disabled. However, all were screened carefully by the prosecutor to ascertain their level of functioning. The defendant chose to call two witnesses who appeared to be quite disabled. They purported to support his version. The jury quite clearly rejected their evidence and that of the accused.

The psychologist report was not ordered by the court. It was arranged by defence counsel with no intervention by the court.

A report has now been ordered by the court from the Management Assessment Panel (MAP). It is hoped that they will institute a behavioural modification program—so that in the future a trial of this nature will no longer be a necessity for this man.'

On the 26 May 1993 the defendant was sentenced to 20 months imprisonment with a non-parole period of 12 months. The sentence was suspended on the defendant entering into a good behaviour bond of $1 000 with two sureties of $1 000 each and agreeing to perform 275 hours of community service.

The Commissioner for Equal Opportunity has informed me that in July 1992 the defendant's mother contacted the Commission to express her concern over the allegations. The defendant's mother stated that her son was having difficulty understanding the issues involved, and that criminal charges had been laid against him of sexual assault. The comments were noted, and at her request, no further action was taken at this point whilst the Commission awaited advice from her regarding the next most appropriate step in the investigation process.

In July 1992, the Legal Services Commission contacted the Equal Opportunity Commission on behalf of the defendant and requested that no further action be taken in relation to the investigation of the allegations until the sexual assault matters had been addressed in the criminal jurisdiction.

The Equal Opportunity Commission agreed to suspend action on the complaint pending the outcome of the court proceedings.

The Commissioner for Equal Opportunity has further informed me that:

'In the course of the investigation of this matter, let me assure you that my Conciliation Officers will be sensitive to the issues involved with the defendant's intellectual impairment and that this will be taken into account in the process of investigation. If the defendant requires an advocate to be present during any interviews conducted, in addition to his legal adviser, this would be supported by this Commission in order that he have every opportunity to understand and address the allegations put as well as the process of investigation and conciliation.

The role of the Commissioner for Equal Opportunity is to be impartial and if possible, resolve the complaint through conciliation. My Conciliation Officers will be pleased to discuss with the defendant, his parents or an advocate any questions they might have regarding any perceived conflict in relation to this matter.

There is a separate complaint against the sheltered workshop, as employers of both parties which concerns these allegations. With the cooperation of the employer, some investigation has been undertaken, and there are currently negotiations underway in an attempt to conciliate the complaint. Part of the conciliated agreement has been an undertaking by the employer to enter into a consultation process regarding their

sexual harassment policy and grievance procedures, targeted for persons with intellectual impairment, as well as the training of contract officers, and supervisors in relation to their responsibilities under the Act.'

A report has now been received from the Minister for Health, Family and Community Services concerning the involvement of the Intellectual Disability Services Council Incorporated and in particular Mr Bruggemann. The Minister has advised me that Mr Bruggemann did write to the defendant about his recent behaviour and other matters. However, all the letters that Mr Bruggemann wrote to the defendant have been explained to him over the phone. Mr Bruggemann wrote letters as he wanted these things to be on record and wanted the family to understand the issues that had been discussed with the defendant.

In respect to support in court for the defendant, he was given clear instructions about where he could get support from IDSC. However, IDSC did not know that the case was being pursued at that time as no requests for support had been received and consequently support could not have been arranged for him or others. Officers from IDSC do support clients in court and as they are not the legal representatives for the clients, the issue of conflict of interest does not arise if staff members support both the defendant and the victim.

Mr Bruggemann does not believe this particular case can be used as an example for the way in which a person with an intellectual disability is treated in the criminal justice system.

However, the IDSC and the Court Services Department have already begun discussions to address the general concerns about appropriate support for people with an intellectual disability when they enter the court system and the support required.

IDSC have offered to the Court Services Department a list of psychologists who could assist the courts to determine intellectual disability.

BUSINESS ASIA CONVENTION

The Hon. BERNICE PFITZNER: I seek leave to make a brief explanation before asking the Minister representing the Minister of Business and Regional Development a question about Business Asia Convention.

Leave granted.

The Hon. BERNICE PFITZNER: I understand there is to be a convention to attract trade and investment focusing on Asian countries. This convention is called the Business Asia Convention to be held on 8 and 9 November this year. I also understand there is to be a media launch of the convention this Sunday by inviting certain business people on a jet aircraft flight 146 seating 71 people for a flight over the city, during which time refreshments will be served.

Concern has been relayed to me from senior members of the Chinese Chamber of Commerce and from the Asian community that they are unsure whether the Government has invited the right people to attend these two functions, as they have been only peripherally consulted. Further, there is concern from the Asian community that the expense of a plane flight launch and the expense of inviting approximately 300 overseas Asian delegates with varying benefits of complimentary air fare, complimentary accommodation and complimentary grand prix corporate box facilities is a waste of taxpayers' money and will not necessarily obtain the outcome that our State desires—an increase in interest and an actual increase in trade and investment in our State.

It was further put to me that, whilst the aim is laudable, the strategy to achieve the aim is flawed and a waste of funds. The Asian people will only invest, not because of these freebies, but because of good work ethics and good economic incentives which are widely publicised. My questions to the Minister are:

1. With regard to the launch, what is the business or community status of the invited guests, and how many will there be?

2. How much will the launch cost?

3. With regard to the convention, how many people have been invited, what countries are they from, and what is their business and community status?

4. What is the cost of the component relating to the funding for the invited overseas guests?

5. What procedure is in place to evaluate whether this convention will be a success?

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

GARBAGE REMOVAL

Notices of Motion: Private Business, No. 1: Hon. M.S. Feleppa to move:

That Corporation of Mitcham bylaw No. 3 concerning garbage removal, made on 15 April 1993 and laid on the table of this Council on 22 April 1993, be disallowed.

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

That this Order of the Day be discharged.

Order of the Day discharged.

PENSIONERS

The Hon. L.H. DAVIS: I move:

That the Legislative Council—

1. As a matter of urgency, expresses its grave concern at the adverse financial impact on thousands of South Australian pensioners holding certain financial investments resulting from Federal Parliament's amendments to social security and veterans affairs legislation, and calls on the Federal Parliament to enact repealing legislation.

2. Directs the President to convey this resolution to the Prime Minister and the Leader of the Federal Opposition.

3. Resolves that a message be sent to the House of Assembly transmitting the foregoing resolution and requests its concurrence thereto.

I want to say straight away that I believe this is a matter of urgency. I know that the Australian Democrats have been very vocal and very consistent in their opposition to this draconian legislation. I am calling on this Council to reject unanimously this Federal legislation, which will cause financial devastation to and have harsh consequences for thousands and thousands of South Australian pensioners. So, I want to make quite plain that I am seeking the Government's response next week for a vote on this matter, because time is of the essence. This legislation is due to come into force on 23 September 1993.

Currently, a Senate Standing Committee of Community Affairs is examining this matter, and this committee has been taking evidence around Australia. It is a tripartisan committee with representatives from the Federal Government, the Liberal Opposition, the Liberal and National Party Opposition and the Australian Democrats. I appeared before this committee last Monday in the meeting hall in Pirie Street. I was stunned by the number of pensioners present at this meeting. There were over 300; the meeting was packed. There was extraordinary and vociferous action against the proposals. There is not, to my knowledge, any proposal that the committee has received that is in favour of the legislation—certainly from South Australia.

The arrogance of the Federal Government and particularly the parliamentary Under Secretary to the Department of Social Security, Mr Con Sciacca, has to be heard to be believed. Mr Sciacca told ABC radio in Canberra that the Government wanted

to make sure that people who invested for their retirement spent that money instead of trying to preserve their capital, that people could no longer live off their incomes from their capital and, when they eventually died, pass their capital onto the children. That is not the idea of savings for retirement, he said. He added that people who accessed the social security system should look to their own resources before coming to the taxpayer for assistance through the pension scheme. He argued that the Government wanted people to invest in shares on the intrinsic merit of the investments.

That shows total ignorance and total arrogance in relation to the impact of this legislation, as I will demonstrate shortly. Not only is this legislation financially devastating for pensioners but also it is my view—and this is backed up by the view of financial investment advisers in South Australia and also it is a judgment of some general practitioners to whom I have spoken—that it could be life threatening; it could result in the early death of Australian pensioners. That may sound a dramatic statement, but the Chamber would understand that for a long time I have had a special interest in this important area of retirement investment. In 1978, before I entered Parliament, I was a State manager of a national share broking firm, and I introduced into South Australia public seminars for people preparing for retirement.

The Hon. Diana Laidlaw: You were ahead of your time.

The Hon. L.H. DAVIS: We were ahead of our time; we were the first firm to do this in South Australia, certainly. We provided—

The Hon. Anne Levy: How much did you charge?

The Hon. L.H. DAVIS: It was free; it was a free service without pressure.

The Hon. Anne Levy interjecting:

The Hon. L.H. DAVIS: No, I'm just responding. At that seminar we had a well qualified psychologist, an accountant to discuss the taxation matters associated with retirement and also a lawyer to discuss wills and other family matters. The psychologist talked about the personal adjustment factors necessarily involved in retirement, where often a wife found she had twice as much husband on half as much income, and the other family adjustments—

The Hon. Anne Levy interjecting:

The Hon. L.H. DAVIS: That is a saying, Minister, that is meant to be jocular: if you don't understand it, I'll explain it to you later. Of course, other important adjustments take place in preparing for retirement, and also we gave investment advice. I have continued to act as an investment consultant over the years, and many of the people whom I first counselled in the late 1970s are still my clients. So I can speak with some experience, knowledge and expertise of the impact of this legislation.

The most polite thing I can say about Mr Con Sciacca is that he is talking out of the back of his neck. In less polite company, I would suggest that he is talking out of the back of something else. He simply has misunderstood how devastating this legislation is, and the Government and certain sectors of the media continue to misunderstand that this legislation will not only impact on pensioners with portfolios of $100 000 but also discriminate heavily and unfairly against pensioners with share portfolios of $10 000, $20 000 and $30 000. Let me provide some background to this legislation—

The Hon. Anne Levy: How many of them are there?

The Hon. L.H. DAVIS: I am going to discuss that now—which was introduced by the Federal Government as a budget measure in 1992. It passed the Lower House, and the Senate—it has to be said with Liberal Party support at the time—although the Australian Democrats opposed it. The Liberal Party, in supporting it in the Senate, added a caveat to its support. It put the legitimate argument that the package of measures in this Bill, which was amending veteran affairs and social security legislation, contained many important and attractive features which it supported, but it did express doubts about the practicality of this legislation, which sought to penalise pensioners for unrealised capital gains on their shares. The Australian Democrats, to their credit it would seem from a reading of the Federal *Hansard*, did certainly appreciate the devastating consequences that would flow from the introduction of this legislation.

In March this year, managed investments were affected by the formula which is about to come into force for shares, namely, that increases in prices over a 12 month period will be calculated, together with income received on those investments, the formula applied, and that unrealised capital gain, together with the income, will be deemed to be assessable income, and examined. As a result that assessable income will be used directly to adjust the pensioners' fortnightly pension entitlement. In other words, we are taking an unknown concept in the western world, namely, an unrealised capital gain as income, and applying this illegitimate, illogical basis to penalise pensioners for shares which in some cases they may have had for 10, 20 or 30 years with no intention of selling them.

How many people are likely to be affected by this legislation? Well, it would appear that the number is in the order of a quarter of a million, if we include those people on managed investments who were affected by similar legislation already introduced in March this year. It is said there are about 86 000 pensioners in Australia, including Veterans Affairs pensioners, who have share investments that will be affected by the legislation to be introduced in September this year.

The Hon. Anne Levy: Eight thousand in South Australia.

The Hon. L.H. DAVIS: One would imagine the figure would be in the order of 7 000 to 8 000 in South Australia. If one adds the number of pensioners who have managed investments, some 170 000 to 180 000 people, I understand, that makes the total figure in Australia 250 000—a quarter of a million people. That would represent in the order of 20 000 to 21 000 people in South Australia.

I should explain what I mean by 'managed investments'. They are products that may not necessarily be listed on the Stock Exchange, products such as property trusts and equity trusts, managed by groups such as BT, AMP, Legal and General, MLC and so on. But the point that has to be emphasised about this legislation is that it is iniquitous in every way. I have found only one advantage in favour of this legislation and it is this: if you happen to buy shares in a new float, such as Woolworths or Channel 7, which have both been recent floats to the Stock Exchange, the cost of those shares is not deemed to be the price you paid for the shares in the float—$2.45 in the case of Woolworths and $2 in the case of Channel 7—but it is deemed to be the price at which they were first listed. So pensioners taking up Woolworths shares at $2.45 are deemed to have paid $2.84 for them, which was their first listing price and remains their price at this day. That is a quite extraordinary aberration. It is quite inconsistent.

Similarly with Channel 7, you are not deemed to have had a cost price of $2, which was the float price, but the price on the first listing, which was $2.73. So straightaway one can see that that is bizarre and inconsistent. One might say, 'Well, that is just one aberration; it is impossible to have legislation which is going to be consistent,' but let me dispel that belief. If a pensioner, not knowing of the draconian consequences of this

legislation, bought shares in a company such as the Advance Bank—a very successful listed bank on the Stock Exchange, headquartered in Sydney and very strong in the Canberra region and, increasingly, in Queensland—any time between now and 23 September 1993 when the legislation is deemed to take effect and if they paid the going price of, for example, $9.40, they are not said for the purposes of calculating the assessable income to have bought them for $9.40. What are they said to have bought them for? They are said to have bought them for the price of $5.40, which was the price on 23 September 1992 when the legislation first took effect.

In other words, they are deemed straightaway to have had an assessable income of 50 per cent, which is the maximum amount that can be placed on any gain in one year, and that gain has just been cut back from an unlimited gain to 50 per cent very quietly in the past two weeks by a desperate Government and a flummoxed Department of Social Security. So think of the inequity of that situation, Mr President. Let me spell it out. A pensioner buys 1 000 Advance Bank shares for $9.40 on 22 September 1993, the day before the legislation takes effect. Those shares will have been deemed to have a cost price of $5.40, the value of the shares on 23 September, the base point for the legislation, and so for an outlay of $9 400, with no capital gain and with no income, the annual pension will be slashed by $2 250. In other words, the pensioner will lose over $40 a week for a purchase of shares where there has been no capital gain and no income in a period of a few days. That is obviously in sharp contrast to the example that I gave about the Woolworths float.

Let me also make the point that the formula for assessing shares is from 23 September 1992. That is the base point for calculating the total rate of return. But on 23 September 1992 the all-ordinary share price index stood at 1 505. That was the lowest point for 15 months—it was the lowest point in the all-ordinaries share price index since June 1991. Now, the index today stands at 1 870, which is an increase in the index of over 24 per cent—an average movement in share prices of 24 per cent in the past 12 months. Again, this formula is inequitable because, unlike the capital gains tax legislation, it makes no adjustment for inflation whatsoever. At least if you sell shares, which you have held for one, two, three or four years, you are allowed to make an adjustment for inflation over that period before you calculate the capital gains. But in this legislation there is no adjustment whatsoever. Also, losses cannot be carried forward to set off against future gains, as is the case with income tax legislation. So it is quite clear that a pensioner with paper gains gets slugged and a pensioner with paper losses gets mugged. Again, unrealised capital losses do not count. They are not part of the formula. A negative result is deemed to be zero.

Yet another punitive aspect of this pensioner legislation is that many pensioners, particularly those holding managed products, are still showing a loss on their original investment. If they had bought shares, or managed products particularly, before the great crash of October 1987, they will in some cases be showing a value of their portfolio that may be well below what their outlay was. But over the past 12 months most share prices, most managed product prices, have increased sharply in value. Even though they may have outlaid, say, $1 for a property trust, which today might only be worth 40¢, because that property trust price has moved from 25¢ to 40¢ over the past 12 months, which is the period for the calculation of the formula, they will have been deemed to have made a 50 per cent gain, a 50 per cent rate of return.

So if they had $10 000 worth of this investment 12 months ago, it would now be worth $15 000, which means they are deemed to have a $5 000 assessable income—we know it is not really income; it is just a gain—and they will automatically lose a pension of half that gain of $5 000. They would lose $2 500, or around $50 a week, even though that investment might be selling at only 40 per cent of what they originally outlaid. Is that equitable? Is that fair? Is that the stuff of which clever countries are made? My answer to those questions is a resounding 'No'. Also, I give the following example, to show just how iniquitous and how wicked this legislation is. Members will not believe it: it is so bad. A pensioner with share increases of $40 000, which do not alter in value over a 12-month period, could have his or her fortnightly pension slashed from $317.30 to only $125.

In other words, over a 12-month period there is no alteration in the asset value of the share portfolio. Let us assume that that is all they have: $40 000 worth of shares. They are their only assets apart from their house. Their fortnightly pension will be slashed from $317.30 to $125 in the following circumstances. Let us assume they have only two share holdings of $20 000 each totalling $40 000, on 23 September 1992. Over the 12-month period through to 23 September 1993 one holding increases in value by 50 per cent to $30 000 and the other holding halves in value to $10 000 over that same 12-month period. Because the formula operates in such an illogical way it magnifies the gains and minimises the losses in that situation and they are deemed to have had an assessable income of $10 000. That is a fictional income of $10 000 and the fortnightly pension is slashed from $317.30 to just $125.

The legislation is flawed because it misunderstands totally the nature of the share market. The essence—the essential ingredient—of the share market is volatility. There are wild gains on occasions when the market is running, when there is a bull market, and there are savage falls in the case of a bear market, where prices are plunging. But this formula is tilted to magnify the gains and minimise the losses. Taking the situation that I have just given, where the shares have remained the same over a period of 12 months at $40 000—with one lot going up by 100 per cent and the other lot halved—if that situation continued in the future, again, we would have that situation magnifying itself and repeating itself and a pensioner would remain unable to claim the pension.

Let me give the Council some real life examples, because there is nothing to replace a real life example. The Federal Government is very scared to listen to real life examples, but it cannot hide from them. Let me provide some: I have a client who in 1977 was forced to retire at the age of 50 because he had multiple sclerosis. His retirement lump sum was invested in his shares in his and his wife's names. He is now 65 years of age. This couple has tried hard to minimise their reliance on the pension. They pay $2 000 per annum for private health cover because they have an extraordinarily high level of health care—they have a mechanised wheelchair; an hydraulic lift to get this person in and out of the car; they have expensive pads for health purposes; and there is equipment in the bathroom. Certainly, they do get some Government assistance, but it is pretty minimal. But they have taken a deliberate and conscious step to try to keep this person, who is now in a severe stage of multiple sclerosis, living in the home rather than moving him away from the home environment where he has the love and care of a very committed wife. Although this person's disability is severe and the cost is steep, he is still living at home.

Under this legislation this couple's pension will go from around $400 a fortnight to nothing. Their income will be halved. They are devastated because unrealised capital gains have been called income. I have admired this couple; I know them well. In fact, the woman appeared on television last week as a result of the Senate hearing. She came out to add her small protest and went on television to say, 'This is not good enough; I can't take it any more.'

I will give the Council another example, again with the permission of my client, just to indicate exactly how bad the situation will be for people with small assets. In other words, I want to spell out to both the State Government and the Federal Government that this is punitive legislation that will hurt small people. Mr President, I seek leave to have inserted in *Hansard* a table of a purely statistical nature.

Leave granted.

THE FORMULA - INDECENTLY EXPOSED

A widowed pensioner's $35,000 portfolio*—a $14,305 unrealised capital gain slashes the fortnightly pension from $295 to nothing

SHARE INVESTMENTS

Current Holdings	23-9-92 Share Price	23-9-92 Value	Dividend Yield	17-8-93 Share Price	17-8-93 Value	Annual Dividend	% Gain in Value 23-9-92—5-8-93
8,300 Co-op Building Society	$2.15	$17,845	(1)9.2%	$3.30	(3)$27,390	$1,643	(2)53.5%
10,000 Colonial Mutual Property Trust	$0.82	$ 8,200	(1)12.8%	$1.10	(3)$11,000	$1,050	(2)34.1%
4,000 Westfield Trust	$2.36	$ 9,440	(1)8.0%	$2.85	(3)$11,400	$ 751	(2)20.8%
		$35,485			$49,790	$3,444	

THE FORMULA APPLIED

	Co-op Building Society	Colonial Mutual Property Trust	Westfield Trust
RATE OF RETURN	(1)9.2% + (2)53.5% = 62.7%	(1)12.8% + (2)34.1% = 46.9%	(1)8% + (2)20.8% = 28.8%
ASSESSABLE INCOME	(3)$27,390 x 50%	(3)$11,000 x 46.9%	(3)$11,400 x 28.8%
TOTAL ASSESSABLE INCOME	= $13,695	= $5,159	= $3,283
TOTAL ASSESSABLE INCOME	= $22,137		

THIS REDUCES THE SINGLE PENSION TO NOTHING.

NOTE: If the same share investments were held by a married couple the pension would reduce from the maximum pension of $525.80 per fortnight ($13,670 per annum) to only $176 per fortnight (or $4,576 per annum).

*This is the actual share portfolio of a widowed pensioner but excludes some other investments which do not impact greatly on the pension level.

The Hon. L.H. DAVIS: This table sets out an example of a widow with a portfolio of $35 000 as at 29 September 1992. The portfolio has grown to $49 000 over the past 12 months, almost, because of the strong gains that she has had in the three shares and trusts that she holds, namely, Co-op Building Society, Colonial Mutual Property Trust and Westfield Trust. She has had a $14 305 unrealised capital gain. She has had no intention of selling the shares; that is her nest egg; that is her security blanket. She has been receiving a pension in the order of between $250 and $300 a fortnight. The formula applied creates an assessable income for this single pensioner of $22 137. So, she goes from having a fortnightly pension of $295 to nothing. That will be the first assessment made on 23 September 1993, remembering, of course, that there will be quarterly assessments. So, this person, with assets of only $35 000 last year, which have enjoyed strong gains because of the share market surge, has gone from a total pension of $295 a fortnight to nothing. Her total pension income as fallen from $7 670 annually to nothing. That is extraordinary. All she will receive, unless she makes an adjustment to this, is $3 444 in annual dividend income. In other words, instead receiving a total annual income of $11 114, which was made up of $3 444 annual dividend income and $7 670 annual pension, her income slumps to just the dividend income of $3 444. If that were a married couple with a portfolio of only $35 000 in September 1992 that has increased to more than $49 000 in September 1993, their pension similarly would be slashed from the maximum pension of $525.80 per fortnight, which is $13 670 per annum to only $176 per fortnight or $4 576 per annum. In other words, they lose $9 000 in income on a $35 000 portfolio last year, and Con Sciacca has the gall, the ignorance and the effrontery to say that it is a good deal. Let me just underline how monstrous this legislation is with yet another example.

If a pensioner had an investment of $100 000 sitting comfortably in the bank or a building society earning interest of, say, 5.2 per cent, which would be about the mark, the annual income on that investment in fixed interest would be $5 200 and the annual pension income for a single pensioner would be $6 793 80. So, that person would receive a total income of $11 993.80. Someone with a $100 000 investment in the bank would receive $5 200 investment income and roughly $6 800 in pension: a total of $12 000. So that person would receive an income from a pension of $6 800 even though they had $100 000 in assets in the bank, whereas my constituent with only $49 000 in shares receives no pension income at all. How can the Government look the pensioners of Australia in the face and say that that is a fair and equitable system?

We can look at another example of a pensioner with an investment of $100 000 in a home unit. Some pensioners are not comfortable with investing in shares and prefer to invest in other assets. If they had a home unit worth $100 000 they could net about $5 200 a year in income from that investment and, again, they would be eligible for $6 800 in pension income, with a total annual income of about $12 000. That pension income would remain untouched by the application of this new formula.

Similarly, if a pensioner took out an annuity of $100 000, which admittedly is his money and which he will receive back, together with a rate of return on that investment made on his behalf by a life office, that annual investment income would be $10 400 and the pension income would be $7 500, making a total annual income of nearly $18 000. That pensioner would

benefit because some of that investment income would be deemed to be the repayment of his own capital. So, before and after the application of the formula he is well off. I seek leave to have inserted in *Hansard* without my reading it a table of a statistical nature.

Leave granted.

THE FORMULA AT WORK
SINGLE PENSIONER
Assume only investments are in Shares

	A	B	C
Value of Shares Held 23/9/92	$10 000	$20 000	$30 000
Annual Income	700	1 400	2 100
Maximum Rate of Return	50%	50%	50%
(Capital Gain from 23/9/92 to 23/9/93 and annual dividend income as per formula)			
Assessable Income for Pension Purposes	$5 000	$10 000	$15 000
Fortnightly Pension before Introduction of New Formula (*Maximum Pension)	$317.30*	$317.30*	$317.30*
Fortnightly Pension with New Formula	$265.15	$169.00	$72.85
Loss in Fortnightly Pension	$52.15	$148.30	$244.45
Annualised Loss in Pension	$1 355.70	$3 855.80	$6 355.70

The Hon. L.H. DAVIS: This table sets out how the formula works for a single pensioner. It is assumed that the annual investments are in shares and the value of the shares at 23 September 1992 is: for pensioner A $10 000; for pensioner B, $20 000; and for pensioner C, $30 000. In each case those pensioners, before this formula is applied, receive the maximum fortnightly pension of $317.30, because their annual income from the shares is below the $2 288 maximum annual income allowed for single pensioners before the fortnightly pension rate starts sliding. So, they are all on the maximum pension.

However, if we assume, as can be reasonably done, in view of the strength of the share market over the past 12 months, that each of these pensioners is deemed to have had a 50 per cent rate of return on their investment, the effect on their pension is absolutely devastating. In the case of the pensioner with the only asset outside their house of $10 000 in shares, the assessable income for pension purposes will be deemed to be $5 000, which is a 50 per cent gain. Their pension slumps from $317.30 to $265.15 per fortnight. There is a loss in the fortnightly pension of $52 and an annual loss of $1 355.

For pensioner B with assets of $20 000 at September last year, the assessable income is deemed to be $10 000, and the pension slumps by almost half from $317.30 maximum to $169, a loss in the fortnightly pension of $1 48.30 and an annual loss of almost $4 000.

For pensioner C with only $30 000, the 50 per cent maximum rate of return means that assessable income for pension purposes will be $15 000. The pension is savaged from $317.30 to $72.85 per fortnight, a fortnightly loss of $244.45 or an annual loss of $6 355.

Is that the intention of the legislation at a time when Australia is desperately short of savings, when the recent Fitzgerald report said that the one thing we must do is lift our productivity? To do that we need to lift our savings and investments. Is that the time to be saying to pensioners, 'You're a mug if you invest in shares. You should sell up the shares.' As one person to whom I have spoken said, 'The buggers have beaten me. I'm selling up and going on a cruise.' Is that the attitude to instil in Australians who have tried to do the right thing by themselves and their country, who have tried to plan for retirement, who have taken the care and the professionalism deliberately to provide themselves with a safety net so they are not solely dependent on the Government?

Why is this legislation being introduced? For the very reason that it is designed to effect savings in the Federal Treasury. Those savings are estimated at $60 million. I tell members this: that simply will not occur because the impact of this legislation, apart from being death threatening, financially devastating and stressful for pensioners, will mean that pensioners will take measures to keep their safety net of their pension and the fringe benefits that go with it.

The absurdity that we face is that the Federal Government removed the income test and the assets test limit for fringe benefits for pensioners in only April this year. So anyone, whether they were on a pension of $1, $100 or $400, was eligible for fringe benefits. Those fringe benefits encompass the health card, concessions on electricity, gas, motor vehicle registration, licence fee, council rates, telephone and entertainment. For a pensioner who is not in particularly good health that pension card is an anchor. It is a necessary thing, a safety net and a comfort.

Fringe benefits can amount to at least $30 a week. This measure will force pensioners to assess whether they want to remain on the pension and thus on the fringe benefit card or say, 'To hell with the Government, I'm going to stay with my shares.' When you look at those examples honestly and carefully you see that my constituent had a portfolio of only $35 000, which has gone to $49 000 because of a strong surge in the market over the past 12 months. This lady, who has taken the care to get professional advice, has become quite excited about having a piece of Australia and of helping to build this nation of ours. If she is financially crippled, with her pension going from $295 a fortnight to nothing, what do you say to that?

What can you say to that woman? That woman does not sleep at nights. She is desperately frightened. She is devastated by this legislation and she just does not know what to do. My advice to my several clients and the dozens of people who have rung me since this matter became of public moment in mid-May of this year when I put out a press release on this subject, has been 'Hang on and hope,' because if this Government has a shred of decency, and if Paul Keating has one vestige of that mantle that made him the world's greatest Treasurer many years ago, it will repeal this legislation because it will recognise that it is iniquitous, inequitable and just wicked in every way.

There is not a shred of equity or fairness about a system

that penalises someone who has had no movement in the value of their assets over the past 12 months and yet can lose $5 000 in pension. There is no shred of fairness or equity in a system that penalises someone with only $30 000 of equity shares, but leaves someone with $100 000 in the bank or someone with a home unit totally untouched, or a system that penalises a shareholder or a holder of managed products who has a portfolio below its cost value of some years ago but who will still lose all or part of the pension as a result of the inequitable nature of this formula.

Mr President, I am passionate about this measure, with good reason, and that is that the new rules which have been law since late last year and which will take effect next month will be the worst piece of legislation that I have been able to discover not only in Australia or in Australian States but in the Western world in terms of its downright inequity. It is clear that the Government just does not want to know, at this stage at least, that the pensioners of Australia, the stock exchanges of Australia, the pensioner support groups of Australia, the RSL, Legacy, the councils for the ageing, ACOSS—a whole body of people with expertise in this area—have increasingly come to recognise that this legislation is confusing, frightening and unfair.

I understand that the Senate standing committee, which was due to present its report to Parliament today, has been delayed because key Government departments from which it wanted to take evidence have understandably had difficulty in meeting with the committee because of the Federal budget which was announced last night. However, there is a further hearing of this Senate committee on 20 August, and it is important that this Legislative Council expresses a view—hopefully a unanimous view—next week when we again debate this matter.

The Australian Stock Exchange, which obviously would have some expertise in this area, makes the fundamental point that unrealised capital gains are not income and should not be assessed. It says that the formula is quite unfair and inconsistent, and I, of course, have given examples of that. It has also been concerned that pensioners will sell or reduce their holdings rather than suffer reduced pensions. So, in other words, the Government is saying to pensioners through this legislation, 'We do not want you investing in Australian companies: you should become passive investors; move into something safe that is not volatile, something that is not building the country. Put your money under the bed; go on a overseas trip; or gift it off to your relatives at the rate of $10 000 a year; spend some more money in building up your assets in your house; go and buy a new car; or go and put $5 000 in a funeral benefit bond, which is outside the operation of this formula; but for goodness sake do not do something sensible such as invest in Australian shares.'

And, at a time when we are being starved of capital, at a time when there is privatisation of both State and Federal instrumentalities, and at a time when there are wonderful opportunities for sensible investment, this Government turns pensioners into financial lepers. It is absolutely disgraceful, and I am astounded that this legislation was ever passed. However, that is history. We now have to make sure that it does not remain law. That is what this motion is designed to do.

Also, unbelievably, the Government has announced an extension of the assets test for pensioners. It has lifted quite dramatically the threshold limits for single and married pensioner couples, to take effect from 20 September this year, because it says that it must take account of the lower levels of interest rates now available from investments. That is remarkable: that we have seen a dramatic increase in the assets test which has just been announced and which is to benefit people on the assets test when, of course, as members will understand, this formula triggers off the incomes test. This Government is absolutely shot on this issue: it is all over the place.

I also make the point that the Department of Social Security, which has to administer this legislation, not surprisingly is running rabid; it is running in a most disorganised fashion. If you ring up for advice now they take your phone number and say 'We will ring you back because we want to have someone who understands the situation to answer your questions.' That is what is happening.

Some pensioners who have rung have been told, 'Sell your shares, the game is up; it is hopeless. We agree that you will get blown away; you had better sell your shares now.' Others are saying, 'You should sell some of them.' Others are saying, 'Well, hang on and hope,' so the Department of Social Security is like a dog's breakfast on this matter.

Let me also say that the Department of Social Security has been unbelievable in its approach to what is always a sensitive matter, because a pensioner recently received a letter one Friday asking her to attend the Department of Social Security office on the next Monday with all the original documents of investments, all the original papers sent to her by the companies concerning the investments, any papers about any withdrawals of investments made, all the details about bank accounts—everything. The letter arrived on Friday saying, 'Come and see us on Monday.' This lady was petrified. She rang me asking for advice. She rang her accountant asking for advice. She was weeping. She said, 'This is outrageous. How can they do this?'. I said, 'Well, that is the way it is; that is how this Government works.'

That is disgraceful and unacceptable treatment of the people who have helped to build this nation. It is extraordinary. So, quite clearly not only is conflicting advice being given to panic stricken pensioners about this legislation but also DSS is under enormous pressure and just cannot keep up with this legislation.

So, Mr Acting President, I want to say from the bottom of my heart that this Council must next Wednesday unanimously support the motion to view its grave concern at the extraordinarily adverse financial impact on thousands of South Australians holding financial investments as a result of this draconian legislation, which has been introduced by the Federal Government, and also of course most importantly calling on the Federal Parliament to enact repealing legislation.

My estimate is that there are probably 20 000 to 22 000 South Australians directly affected by this legislation. There are many other intending retirees who have been making plans to perhaps invest in shares and who will now be pulling back as they see the consequences of this. If we are to be a nation we have to have rational investment decision making. We must have proper and equitable laws which do not discourage pensioners from having some degree of self reliance. Most importantly of all, we must not have legislation which penalises one section of the community unfairly, unjustly, and in such a wicked fashion. I urge support of this motion.

The Hon. I. GILFILLAN: I support the motion and will be moving amendments in due course. It is a pity that the very eloquent speech we have heard introducing this measure to relieve pensioners of the fear and impact of this iniquitous imposition was not available to the Hon. Legh Davis's Federal colleagues when the matter was passed through the Senate by

both the Liberal and National senators without so much as a squeak. It is an iniquitous measure, and I do hope that our combined forces here will roll back the position, but it is important to set some facts clear in the record so that, when one is sheeting blame home, it is sheeted home to the guilty parties that were involved.

I will quote from a media release put out on 12 August this year by the Democrats Federal Deputy Leader, Senator Lees, which states:

> The Australian Democrats say Liberal Leader John Hewson has made an 'inauspicious debut' in his new incarnation as "Honest John". Democrats' Deputy Leader Senator Meg Lees says the man who yesterday preached about honesty has landed his foot right in his mouth on his first day in the job, with comments about changes to the treatment of shares owned by pensioners. Senator Lees says she wonders how Dr Hewson can reconcile the statements. . .

She then quotes him from the National Press Club on 11 August 1993:

> I think the Government ought to listen because the people out there don't think that it's a very sensible idea at all. They think it's particularly unfair and so do we.

Comments from a media release on 12 August 1993 are:

> This move is unfair and ill-conceived. It deters older Australians from providing for their own retirement. . . This Government must recognise the error of its ways and drop this proposal.

She asks how he reconciles that with the following fact:

> That the measure which he attacks is now law because the Coalition Parties, under his leadership, voted with the Government for it in the Senate on 16 December last year.
>
> 'The simple fact is the only Party which voted against the measure when it counted was the Australian Democrats.'

I think most Australians have been stunned by the insensitivity of who is in effect the assistant to the Minister for Social Security, Hon. Con Sciacca, and he was reported by AAP on 11 August as follows:

> Australians would have to change their mentality about the pension system and rely more on their savings to finance their own retirement, parliamentary Secretary for Social Security Con Sciacca said today. Mr Sciacca warned the days when people could save up a nest egg to pass on to their children were gone, as taxpayers expected only those without an income to rely on the pension.

Further on, in the AAP report, the AAP reporter says:

> Changes to the pensions test to allow unrealised capital gains on shares to be treated as income were passed into law last year with Opposition support as part of the 1992-93 budget.

Further in a bulletin of news from AAP on 12 August, Senator Lees is quoted as saying:

> The Fitzgerald report showed that Australians as a nation spent too much and saved and invested too little of their income. Treating unrealised capital gains as income would encourage pensioners to pull their money out of the stock market and instead invest in non-productive capital investments. 'Not only is the new law unfair, it is in almost every sense completely counterproductive', Senator Lees said. 'Surely we should be creating a climate of support for Australian companies and discouraging non-productive investment.'

So, it is clear that the Democrats have opposed this measure steadfastly, relentlessly through the whole of the time it has been before the people of Australia and certainly since it has been before the Parliament.

The Hon. Anne Levy interjecting:

The Hon. I. GILFILLAN: No, it does not, nor to Senator Alston and the whole pack of the Liberal and National senators who were in the Senate at the time this measure was considered. That is why I want to move amendments to the original motion. I move:

> Paragraph I—Leave out the words 'and calls on the Federal Parliament to enact repealing legislation'.
>
> After paragraph I—Insert new paragraphs IA and IB as follows:
>
> IA. Condemns the Federal Government for introducing, and the Federal Opposition for supporting, the amendments.
>
> IB. Calls on the Federal Parliament to enact repealing legislation.
>
> Paragraph II—After 'Leader of the Federal Opposition', add the words 'and Leader of the Democrats in the Senate'.

Members interjecting:

The Hon. M.J. Elliott: You guys voted for it.

The Hon. I. GILFILLAN: Without a squeak. There was a committee's report into this matter, and I want to read from the *Hansard* dated 16 December 1992, page 5230, dealing with the Social Security Legislation Amendment Bill, second reading. Once again, I quote my Federal colleague Senator Lees, Deputy Leader, Australian Democrats, dealing specifically with this particular shares measure, as follows:

> The last two measures I want to mention were examined by the Senate Select Committee on Superannuation and appear in its fourth report entitled Super—Fiscal and Social Links. My colleague Senator Kernot submitted a minority report on these particular provisions and her report recommends that both measures be rejected. These measures relate to the changes in the way unrealised capital gains on listed shares and allocated pensions will be treated.

I will not go through the formality of her seeking to incorporate it into *Hansard*. I intend to read a portion of the minority report, the part that relates to the unrealised capital gains on listed shares. This is the minority report as prepared by Senator Kernot, the current Leader of the Democrats:

> A. Unrealised capital gains on listed shares.
>
> The Government is proposing to change the way in which pensioner investments in shares will be treated. At present, only the dividends paid to shareholders are taken into account for the purposes of the income test for social security payments while the actual capital value of the shares is included in the assets test. Until now the capital growth on listed shares has been disregarded. Amendments to the Social Security Act 1990 contained in the Bill provided for net unrealised capital gains on listed securities (other than bonds and debentures) to be taken into account under the income test. Losses accrued on listed shares or similar investments can be offset against the capital gain over the same assessment period, but cannot be carried forward. The Government says this brings listed shares into line with managed investments where capital growth on the investment is treated as income.
>
> Several aspects of this proposed change are highly unsatisfactory.
>
> It continues the questionable practice in the Social Security area (which is at odds with taxation practice) of treating an unrealised accretion to capital as income, rather than assessing it under the assets test.
>
> It discriminates against shares as an investment, as similar treatment is not meted out to other investments (such as antiques, art work, collectables and other less liquid investments upon which there could also be an unrealised capital gain which is not to be treated as income).
>
> Shareholder pensioners in similar assets and income positions will be treated differently because of the type of share asset owned. In a submission made to all Senators, the Chairman of the Australian Stock Exchange, Mr Laurence Cox, has argued that, under this proposal, shareholders in a publicly non-listed company (such as Linfox) will not be affected by the change, but investors in a listed company (such as TNT) will be. It is possible that investors will be encouraged to invest overseas and not in Australia, as those investments are unaffected by the proposed change. For example, Mr Cox—

and Mr Cox is the Chairman of the Australian Stock Exchange—

> has suggested investors may elect to invest in IBM shares listed on the New York Stock Exchange purchased through an Australian broker rather than invest in BHP. Accordingly, this move may well discourage small scale investment in Australian companies at a time when such investment is desperately needed.
>
> The likely outcome of the Government's move is that many, if not all, of the 85 000 pensioners presently holding share portfolios will sell their shares. I note that Mr Michael Heffernan, the Stock Exchange's chief economist, believes a 'significant number' of pensioners will sell, adding that he doubts the Government's ability to reach its projected savings of more than $85 million a year, 'because no-one will have the shares'. (The *Age*, 5 December 1992).

Once again, it makes little sense to be discouraging investment in Australian companies at the present time. The flawed nature of the formula to be used in assessing gains and losses (set out in clause 116 of the Bill) combined with the volatility of the share market will result in inequities, as illustrated by the following examples. A share portfolio increases in value from $10 000 to $12 000 over the 12 month period prior to the day of assessment and pays a dividend of $500. The return (for social security purposes) is $2 500; the increase in capital value ($2 000) plus the distribution ($500). The return expressed as a percentage of the value of the asset at the start of the review year is 25 per cent. Under the formula, the past rate of return is applied to the current asset's value. So the past percentage value is applied to the asset value on the day of assessment—that is, 25 per cent of $12 000 or $3 000. So, we end up with the situation where the DSS calculated income figure of $3 000 is $500 more than the actual return.

Where share prices fall, the dollar amount of the loss relates to the value of the assets at the start of the review year and the resulting percentage is applied to the lower closing price. For example, in the situation above, if—in the subsequent year—the asset value reverts to $10 000, the $2 000 capital loss is related to the $12 000 opening value and the result is a negative rate of return of 16.67 per cent. That percentage is applied to the closing value of $10 000 and a negative return is calculated ($1 667) which may be offset against gains on other securities, but not on other source of income.

These examples demonstrate that the formula magnifies gains and minimises loss. In the example above, a $2 000 gain was assessed at $2 500; however, a $2 000 loss attracted a credit of only $1 667. This becomes a problem where a shareholder has two parcels of shares, one of which rises is value and the other falls in value. If the shareholder's two parcels are each valued at $10 000 and one goes up by $2 000 and the other falls by $2 000 (assuming no dividends are paid), the shareholder's DSS calculated income will be $800 ($2 400 income offset by a $1 600 loss), despite the fact that there was no capital gain across the entire portfolio. The greater the variation in the price, the greater the calculated income (irrespective of whether or not any actual gain has accrued). In other words, pension losses caused by share price increases cannot be fully offset by the same drop in share prices. This particular problem in the formula also demonstrates the inequity in the treatment between a person with an 'individual' share portfolio and a person who has invested in a managed investment with an identical shareholding. Each gain and loss on the individual shareholdings are going to be separately assessed and (as pointed out above) will result in assessable income even if there is no overall net change in the asset value. But the managed investment will have no assessable income where there is no net capital gain.

It is also quite clear that, unless DSS reviews are all carried out on the same day (and there has been no suggestion this will occur), pensioners with identical shareholdings and the same dividend income could have markedly different pension outcomes. The ability to offset losses is not as positive as it initially appears. This is partly because of the magnification of profits and minimisation of losses already mentioned and partly because of the requirement that losses can only be offset within the same time period against income from other shares or managed funds (not against income from other sources). This makes a mockery of statements by the Government that the move is 'fair' because reductions in share values will be able to be offset against gains. The measure has the potential to result in significant administrative costs for the Department of Social Security as it will be extremely difficult to keep track of market fluctuations.

Recommendation 3—Senator Kernot

It is recommended that the proposed amendments in the Bill relating to unrealised capital gains on shares, as set out in division 18, be rejected and the Department of Social Security be advised to reexamine the proposed formula.

How clear it is that that lone voice as the minority report on that committee clearly identified the flaws, inequities and the cruelty that can be and will be imposed by this measure. Where were the joint voices of protest from the Opposition benches then? The silence was deafening. One of the aspects of this worthy Opposition in this State—

The Hon. R.I. Lucas interjecting:

The Hon. I. GILFILLAN: Now I hope this is not going to be spoilt by ridiculous interjections. Unfortunately, it is at risk. I have always admired this Opposition's capacity to cut itself loose from the fools that at times lead its Federal Party. I am optimistic that on this occasion they will show that independence and recognise that those hot-shots up there in Canberra boo-booed. Not only that, they were insensitive. They did not come and ask the people whom they should have asked, the grass roots politicians, such as the Hon. Legh Davis, how this measure would work. What effect would it have on the little people, the pensioners of this country? That is why I am looking forward to a characteristically bold and individual stand taken by the State Liberal Party to be able to join with me and condemn the Federal Coalition's acquiescence in this iniquitous measure as it came down and as it has been so succinctly and logically demolished by the Hon. Legh Davis.

The Hon. R.I. Lucas: You're grandstanding.

The Hon. I. GILFILLAN: Well, if I am grandstanding, it is a hardly a unique activity in this place. It is unfortunate that the Leader is not able to show a smidgin of Statespersonship in this matter. It is far more important that we demolish this move than your scurrying around trying to protect those idiots who sat, mute, listening to this outrageous proposal and voted for it.

Members interjecting:

The PRESIDENT: Order!

The Hon. I. GILFILLAN: Voted for it, Mr President.

Members interjecting:

The PRESIDENT: Order! There is a point of order. The Hon. Ms Laidlaw.

The Hon. DIANA LAIDLAW: I ask the honourable member to withdraw his remarks that have reflected in such a poor way on Federal members.

The PRESIDENT: Order! The remark must be specific. I understand the honourable member should withdraw the remark. It is a reflection on a member of Parliament, and it is not allowed under Standing Orders.

The Hon. I. GILFILLAN: I am very pleased to comply with your instruction, Mr President. In agreeing to comply with your direction, Mr President, I would like to say that there was such a lot of noise by way of inane interjection that I quite understand how you did not hear what I said.

The PRESIDENT: Order! I did not hear what you were saying. I was trying to call for order.

The Hon. I. GILFILLAN: It is a pity that other members do not comply with Standing Orders while I am speaking. If they did, then you, Mr President, would have been able to hear the words I used. To continue with my contribution to this motion—and a very worthy motion it will be when amended—I would like also to quote Senator Lees' contribution in the Senate Chamber on this matter, dealing with this minority report. She said:

> I will speak very briefly to that minority report.
>
> In relation to the unrealised capital gains on shares, the Democrats believe the Department and the Government need to go away and take another look altogether at this proposal. I understand the Opposition will not oppose this measure despite the comments that Senator Alston and Senator Watson made in the Senate Committee's minority report. They said:
>
> 'There are many problems associated with the proposal to include unrealised capital gains in the Social Security income means test and we are disturbed that this was not the subject of a coordinated review to ensure equity of treatment.'

There was not any review and there certainly is not equity of treatment. Senator Lees goes on:

> I also remind Senator Alston of his comments on this particular measure not long after the budget on 9 September as reported in the *Age.* The report states:
>
> 'The Opposition spokesman on retirement incomes, Senator Richard Alston, said the Government's tough line against pensioner investments

contrasted with the tax-free capital gain made by the Prime Minister through his share in a piggery.'

'The changes proposed will mean that many thousands of pensioners will face reduction in pension incomes because of unrealised capital gains on their hard-earned investments,' Senator Alston said.

I can only ask the Opposition to think again because absolutely nothing has changed since Senator Alston made that comment. I point out that Mr Tim Fischer, the Leader of the National Party, has made comments in this area as well. He issued a press release on 25 August from which I will quote very briefly. He said: 'Pensioners along the Murray Valley will be hard-hit by a new Budget proposal which involves a form of non-realised capital gains tax. . . Labor's pensioner special tax is wrong.'

I ask again, particularly of the National Party senators: what has changed? I would argue that absolutely nothing has changed. Unfortunately, I think that later today we will see them voting with the Government. Presumably this is another example of a 'Clayton's Opposition'—the Opposition you have when you really are not having an Opposition. It really is most unfortunate. What about those people who are disadvantaged with all this political game-playing? What if honourable Senators opposite do not actually get into office in order to be able to take off these restrictions?

That is an interesting question. She continues:

It is political game-playing of the most cynical kind. It is not fair to those people who will be affected—indeed, those people who are placing some reliance on the public statements that the Opposition has made.

Mr President, I believe that it is an important subject to have been brought forward in this Chamber. I hope most fervently that the motion will affect the decisions and determinations of the Federal Government and the way this matter is dealt with in the Federal Parliament. I urge support for our amendments, which do reflect more accurately the way the measure has been dealt with, and I believe that, as amended, it should be supported by all members of this Chamber.

The Hon. CAROLYN PICKLES secured the adjournment of the debate.

ENVIRONMENT, RESOURCES AND DEVELOPMENT COMMITTEE

Adjourned debate on motion of Hon. T.G. Roberts:

That the first annual report for the Environment, Resources and Development Committee for the period February 1992 to June 1993 be noted.

(Continued from 11 August. Page 99.)

The Hon. PETER DUNN: I rise to speak briefly on the first annual report of the Environment, Resources and Development Committee. If there was one thing I wished to say about this committee it is that it severely lacks resources. In order to support that statement I will quietly go through why I think that is the case. Let me say, first, that the staff we have work very diligently and very hard and I think they are very talented. Malcolm Lehman, Anthony Murphy and Geraldine Sladden, who has been our research assistant, have served the committee extremely well. Their job is not an easy one, because we have a great variety of witnesses who come in with all sorts of points of view and sometimes with little relevance to the matter at hand. However, they have been able to distil what essentially have been the facts of the cases. Some of these cases become very emotional, as we have seen in recent days regarding the bridge to Hindmarsh Island.

It is interesting to note in the Chairman's foreword that he refers to a matter that I for some time have been complaining about, and that is that we now have to deal with SDPs, which do clog up the actions and the work of the committee. As the Chairman of the committee says, the SDPs need re-examining. They are time-consuming and are sometimes of doubtful benefit. I concur with that view. A lot of these SDPs that come in sometimes do not even have an accompanying letter from the member whose area the SDP involves and it is very difficult for us to determine whether that SDP contains any matters of importance that we need to look at. Then, on the other hand, we will get one or two that are very contentious and the public believes that we are the last bastion to which they can appeal, so we get very emotive arguments put forward.

If it has something to do with determining whether your house is in this area or that, or whether the area that you live in will be upgraded, or there will be more houses put in the area and therefore the value of your property may decrease, these are very emotive issues and they create a lot of heartburn for the people who give evidence to the committee. Fortunately, we stand back and endeavour to look at these issues with an eye for judging whether or not the case is legitimate. A perfect example of that was the SDP for the Adelaide Hills. That SDP certainly caused huge problems for the people living in the Adelaide Hills, for those who would like to live in the Adelaide Hills and for those who have lived in the Adelaide Hills for many generations.

That SDP was brought in very rapidly, because there was a necessity to have a management plan for the Adelaide Hills for the control and good use of the water that we catch in that area. A number of different points were made about it, but one of the most significant things that the report endeavoured to do was to fix up transferable title rights. I think it did that. From the response that we have had from local government, the report that we presented to the Government was one that was well accepted by the general public in the Adelaide Hills and by local government.

Some of the other things that we have looked at have been relatively important. I refer to matters such as the oil spill at Port Bonython, a reference that came from the Hon. Diana Laidlaw in this Chamber. I think it is an important issue, but it highlights the fact that we do not have enough resources. We have not even reported and that issue has been going for some eight or nine months now. That report should have been brought into this Parliament and we should have reached a conclusion. We should have been able to say that it was caused by A, B or C and we should make suggestions that might stop another oil spill happening again in that area. It is important that we go and look at these areas. We did go to Whyalla. Subsequently we went to Geelong and looked at the Australian Marine Oil Spill Centre and the Port Authority to get some feeling as to how oil spills were to be dealt with around Australia. At the time it was thought that we may not be able to afford to go and look at that. If Parliament is going to be restricted because there is not enough money for Standing Committees, or for that matter select committees, to look at what other people are doing, then we will never achieve anything.

The Hon. Anne Levy: Haven't you got a travel allowance?

The Hon. PETER DUNN: Yes, I have, and I use it more than any other member in this Chamber, I suspect. If the Minister really wants to know: when doing my tax a few days ago I noticed that I have spent $36 000 on travel since I have been in this Chamber.

The Hon. Anne Levy: I am not talking about travel from home.

The Hon. PETER DUNN: No, but a lot of that money I take out of my travel allowance because I need to travel to places like Coober Pedy, Oodnadatta, Moomba and all points

in between, and very few others can do that. Let me say there is not a lot left at the end of the year. It is the role of the Parliament to see that all members are able to get to those places and have a look at them, whether it be the oil spill in the mangroves at Port Pirie or the Oil Spill Centre at Geelong.

The Hon. Anne Levy: Did you go to Alaska?

The Hon. PETER DUNN: Don't be ridiculous, Minister. You do come out with the most ridiculous statements at times. Why would we want to go to Alaska?

The Hon. Anne Levy: I am asking a question; it is a reasonable question.

The Hon. PETER DUNN: I would expect a question from you. That's how I believe you operate in Caucus, too. I think that is how you make your decisions half the time. All we needed to know was whether there were adequate facilities in Australia to handle big oil spills or small oil spills, or whatever. We did that—we went to Geelong—and I thank the Government for allowing us to do that. But there are restrictions within all the committees of this Parliament. The fact that they are staffed by the Table staff of both Houses and from other parliamentary departments means that they must also be under pressure, because we are using up some of their staff as well. Another perfect example is the issue of the 'bridge to nowhere'—the Hindmarsh Island bridge. We were at one stage allocated a research officer, but for some reason that funding was withdrawn or the person fell over and was never replaced. The report should have been done by now but it has not been, purely on that basis. The resources to the committee are limited and they need to be improved. If these committees are to work properly then they have to have proper resources.

When the committees were set up, we determined that there were a couple of matters that we did need to look at in the long term. They were big issues. One of them is the environment and management of the Riverland and the use of water, because this city relies so heavily on that area. It relies on the grapes and the fruit that are grown in the area. However, we have not been able even to get near that because we have not had sufficient resources to be able to get through the work that has been referred to the committee. We also wanted to look at the interstate transfer of electricity, the use of power generation grids and the generation of power within the State. We have not been able the spend one meeting looking at any of those issues, purely because we do not have the funding.

They are some of the issues that I think it is very important to raise when addressing the annual report of this committee. If the committee is going to work effectively and properly then it needs to be resourced properly. I will refer to a couple of other matters. Some of the reports we have brought down have been quite good, such as the Adelaide Hills SDP and the report on the Waite Research Centre. I must admit that the Minister did not give a lot of effect to these reports, but who knows, in the future the Minister may. The Craigburn Farm issue generated more smoke than heat and it is now at the stage where we have a motion before Parliament that is trying to resolve the issue in another manner. Had the Government taken the advice of the committee, the issue would have been relatively well cleared up. However, Craigburn Farm will be a sore that will fester for some time in the southern areas of this city and it will not be resolved very quickly.

The MFP is an area that I believe will also cause problems in the long-term. It is our role to review the MFP twice a year and for it to refer its reports to us so that we can look at them. We have looked at one report and we have had a look at the site, and that is about as far as it has gone at this stage. An awful lot of money is being spent there and I suspect that in the long-term, if something goes drastically wrong, we as a committee will have to wear that. There are other issues that we have not reported on such as the Port MacDonnell breakwater and the Southend erosion. That is purely because we have not had the staff to be able to complete our work on those.

In conclusion, I think that the committee has worked extremely well. We tend to come down with bipartisan reports; we have not at this stage had any minority reports. I will conclude my contribution by reading from the report:

> If the standing committees of the Parliament of South Australia are to do their job properly it is essential that they are supported by proper resources and commensurate with their workloads.

Whether that is this committee or the other two committees does not matter: they all need proper resourcing. I know Governments of both political persuasions will want to starve those committees at times, but they do work extremely well in the Senate and they work in the American system and I think they have an important role to play in this area. They can be extremely productive if they are properly resourced and properly used.

The Hon. DIANA LAIDLAW: I wish to contribute to this debate and in doing so commend all members of the committee for the excellent work that they have undertaken over the past year, although I appreciate that there have been frustrations at times due to limited resources and also because the Government has so readily rejected the recommendations that have been made by the all-Party committee. Those recommendations have been bipartisan in nature and on subjects that have been most controversial.

I have been a member of select committees in the past and I have a great deal of confidence, faith and regard for the process. It is often when members are outside this Chamber in the committee system that so much common ground can be reached. It is my view that the South Australian people are looking for such an approach on more and more occasions. So, I strongly support the committee system, whether it be a select committee system or this system of standing committees.

In my view it is important that, no matter the complexion of the Government of the day, these committees must be strongly resourced because they provide—if properly resourced—an important check and balance on the Executive Government of the day. I also believe that it is increasingly important that members of Parliament take more control over this process and do not simply leave it to executives, political Parties and powers within the bureaucracies to make decisions for South Australians. I hope that members of Parliament do not abrogate their responsibilities as elected representatives and do ensure that this committee system works for the benefit of the Parliament and South Australians in general.

I have been disappointed in one regard with the Environment, Resources and Development Committee. It was my understanding when the Bill passed that the committee would be responsible for taking over much of the work of the former Public Works Committee. If it had done so we could have anticipated that all capital works over $2.5 million would have been automatically referred to that committee. Certainly, the Public Works Committee worked well in the past, although I again acknowledge that the Government of the day did not always take note of the reports, nor should it actually have to. However, I believe that the Government of the day did thumb its nose at the Public Works Committee. I cite the example of the report on the Art Gallery. Members may recall that the

Public Works Committee held a huge public meeting at the Art Gallery and later found in favour of the proposal to extend stage one of that facility.

However, on the same day on which the committee produced its report in this place the Government decided to defer those extensions. There was more controversy about that matter. I think it is an enormous pity if the Executive Government moves in such a way because it further reduces the standing of the Parliament and the committee system in the public eye.

The Hon. Anne Levy interjecting:

The Hon. DIANA LAIDLAW: No, but it was quite clear that the Minister, notwithstanding what the Public Works Committee might say, had decided beforehand—

The Hon. Peter Dunn interjecting:

The Hon. DIANA LAIDLAW: Yes, the committee approved it, and it was quite obvious that the Government of the day decided that, notwithstanding what was contained in the committee's report, this project would be deferred.

The Hon. Anne Levy interjecting:

The PRESIDENT: Order!

The Hon. DIANA LAIDLAW: It certainly would. As I argued then and as I argue now, there should have been time for the Government to assess the committee's report.

The Hon. Anne Levy interjecting:

The Hon. DIANA LAIDLAW: Well, you did not even bother to give it five minutes because you had already made up your mind that it would be deferred.

The PRESIDENT: Order! The honourable member will address the Chair.

The Hon. DIANA LAIDLAW: It brings this whole system into disrespect, and that is what I am arguing.

The Hon. Anne Levy interjecting:

The Hon. DIANA LAIDLAW: You promised it, you proposed it and then you deferred it.

The Hon. Anne Levy interjecting:

The Hon. DIANA LAIDLAW: And now, just before—

The PRESIDENT: Order! The Council will come to order. The Hon. Miss Laidlaw will address the Chair.

The Hon. DIANA LAIDLAW: It is interesting that the money was found just before the election.

Members interjecting:

The PRESIDENT: Order!

The Hon. DIANA LAIDLAW: Anyway, this Government will never see it implemented.

The Hon. Anne Levy interjecting:

The Hon. DIANA LAIDLAW: You didn't even have regard—

Members interjecting:

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

The Hon. DIANA LAIDLAW: —for the processes of the Parliament or respect for the committee system. That same process has continued with this committee in terms of the Waite redevelopment—

The Hon. Anne Levy interjecting:

The PRESIDENT: Order! The Minister can enter the debate if she chooses.

The Hon. DIANA LAIDLAW: —the Craigburn Farm SDP and the Mount Lofty Ranges management plan. I hope that the Government will not thumb its nose—

The Hon. Anne Levy interjecting:

The PRESIDENT: Order! I cannot hear a thing; I do not know how anyone can.

The Hon. DIANA LAIDLAW: The Minister says that it is not relevant to the motion. The Minister cannot read.

The Hon. Anne Levy interjecting:

The Hon. DIANA LAIDLAW: Exactly. That is right.

The PRESIDENT: Order! The Council will come to order. If I could hear I would understand.

The Hon. Anne Levy interjecting:

The Hon. DIANA LAIDLAW: It was meant to take over the work of the Public Works Committee. I hope that the way in which the Government thumbed its nose at the Public Works Committee in terms of the Waite redevelopment and the Mount Lofty Ranges management plan, etc., will not happen in respect of the Hindmarsh Island bridge. That is one motion that I moved in this place, and the Legislative Council subsequently passed it and referred it to the committee. Another involved the Port Bonython oil spill issue. Neither matter has yet been reported on by the committee to this place.

I note that the Chairman of the committee and the Hon. Mr Dunn have expressed concern about the Port Bonython oil spill issue, because evidence on that matter was received long ago, and it is time that the committee reported. I have, however, spoken with officers of the committee. They are under stress and highly frustrated because they are not receiving copies of *Hansard* within a reasonable time. At least members of Parliament receive *Hansard* extracts of speeches on the following day. However, evidence given before the ERD Committee—

The Hon. Anne Levy interjecting:

The Hon. DIANA LAIDLAW: I am sorry that the Hon. Mr Sumner did not take up the suggestion that the Minister leave earlier because she wanted to be relieved from the front bench so that she could have a cup of coffee or a cigarette. It seems that she has nicotine withdrawal and has become quite tense and grumpy.

The PRESIDENT: Order! The honourable member will address the Chair.

The Hon. DIANA LAIDLAW: I am sorry, but perhaps a cigarette will help her calm down, or perhaps she has given up smoking since they again increased in cost.

The Hon. Anne Levy interjecting:

The Hon. DIANA LAIDLAW: I have more to come, so just hang on.

The PRESIDENT: Order! The Hon. Ms Laidlaw would do better to address the Chair.

The Hon. DIANA LAIDLAW: I am sorry, Mr President. The Hindmarsh Island bridge is another controversial matter that the committee is addressing. I was pleased to learn that the committee had written to the Minister of Transport Development seeking the Minister's concurrence so that there would be no letting of contracts until the committee had reported. I hope that will remain the case. The very fact that the committee has had evidence from Mr Lindner and advice about legal matters, which was a consideration in the Government's decision to build this bridge, with full up front costs paid by the Government already proves the value of this committee system.

Members would be aware that that advice was never provided to this place until the parliamentary system was established. So, again I indicate my faith in the system of committees that we have in this place. However, they must be fully resourced and they must not only be able to travel, as the Hon. Mr Dunn mentioned, but also, surely, they should be able to receive within a period of three weeks copies of evidence that has been presented to the committee. Surely our State has not become so bankrupt because of this Government, the State Bank and other financial disasters that we cannot provide to the committee copies of evidence.

The Hon. Anne Levy interjecting:

The Hon. DIANA LAIDLAW: I am referring to copies of evidence taken three weeks ago. How will the committee possibly be able to make a report based on committee evidence if it does not even have the transcript of that evidence? I hope and trust that at least with a change of Government we will see the ERD Committee's charter change so that matters of public works can be brought before the committee and in future important checks and balances on the Government of the day can be provided by this committee.

I commend the committee for its work on some very controversial projects which to date have produced bipartisan reports, and I wish the committee well with its work in the future.

The Hon. T.G. ROBERTS: I take into consideration the comments made by the Hon. Mr Dunn and the Hon. Diana Laidlaw regarding criticisms about resourcing the committee, but I remind the Hon. Ms Laidlaw that the transfer of the powers of the committee from the Public Works Committee, which had a different operating charter, to that under which the Environment, Resources and Development Committee now operates prevents the committee from looking at a public works style project in the manner of the old Public Works Standing Committee. Because the terms of reference are now quite different there is an inherent weakness in the new system, so that a reference before the committee might have proceeded to the point where the recommendations were no longer relevant.

I think that is something that needs to be looked at in relation to the operating charter of the committees. The resources that have been available to the committee for individual references are adequate. A problem arises only when the parliamentary references overload the committee when the committee has its own references referred to it by individual members of that committee. So, there is a competition for priorities, and if those who were affected by the decisions of those committees—

Members interjecting:

The PRESIDENT: Order! The Council will come to order. The Hon. Mr Roberts is on his feet trying to address the Chamber.

The Hon. Diana Laidlaw interjecting:

The PRESIDENT: Order! Order! The Hon. Ms Laidlaw will come to order.

The Hon. T.G. ROBERTS: The problem is the build-up and overload of work on the committee and its officers, when you have competing priorities of references made by the Parliament which must take priority over the references made by individual members, groups or community organisations that want the committee to look at a reference. It is on those occasions that we get build-ups and overloads, and it is then up to the committee to determine in relation to those references from Parliament what its priorities are for drawing those references together and making final reports.

It is almost impossible to have the references from Parliament running alongside our other references, because the resources available just are not adequate to be able to do that, and the times allocated by members to those committees are indeed inadequate. It is a matter of being able to work through those priorities and to utilise the resources that are allocated to those committees in the best possible way, and we are now finding that it would be very helpful if, when those build-ups and overloads started to occur, the staff who are servicing those committees were given extra support from time to time to enable the backlog to be cleared.

The broader issues, and particularly economic development, which is one of the programs that was listed for the Riverland—we were looking at the South-East and the North—just have to go on to the backburner, and the priorities of those references made from Parliament must take precedence.

Motion carried.

PETROL

Adjourned debate on motion of Hon. Diana Laidlaw:

That this Council—

1. supports a differential in the price of leaded and unleaded petrol as a means to encourage more motorists to use unleaded petrol in their vehicles and to reduce both lead emissions and airborne lead levels;

2. deplores the Federal Government's proposal to impose an extra tax on leaded petrol recognising that such a move will disadvantage people who are least able to afford the tax or who cannot afford to replace their older vehicles, namely young people, the unemployed, low income earners, struggling small business and farmers and people living in outer metropolitan areas who do not enjoy access to a strong network of public transport services; and

3. urges the Commonwealth Government to pursue alternative environmental strategies which also take account of social justice issues, for example, reducing the excise on unleaded petrol or cutting the sales tax on the purchase of new cars and do not simply amount to another revenue raising tax.

(Continued from 11 August. Page 101.)

The Hon. DIANA LAIDLAW: I want to indicate that never in my wildest dreams when moving this motion last week did I believe that the Federal Government would introduce such a vile tax as it did last night in respect of petrol which will see the price of leaded petrol rise by up to 10 cents a litre over a period of some 18 months. As my motion indicates, I call on the Council for its support in seeking a differential in the price of leaded and unleaded petrol, because I believe strongly that it is a means to encourage more motorists to use unleaded petrol in their vehicles and to reduce both lead emissions and airborne lead levels, and both those goals are desirable.

However, the Government has introduced a differential of the most extraordinary proportions of up to 5¢. It will do so by increasing over the period of two years the price of leaded petrol by 10¢ and the price of unleaded by 5¢. Not surprisingly, motoring organisations and petrol companies have called this tax an astonishing tax grab, but it is interesting also to see the number of youth groups, groups representing students at universities and at schools, groups representing less financially advantaged people in our community and groups representing the aged which have come out loudly damning the Government's move to introduce a differential of the proportions that Dawkins and Keating will impose upon the Australian people.

This is an odious tax and it is even more foul when one recalls that in March of this year the Liberal National Coalition offered Australians the opportunity of a 19¢ cut in the price of each litre of petrol by reducing by 19¢ the Federal Government excise on a litre of petrol. That excise at the moment is 26¢: if reduced by 19¢ it would have meant that the excise would be 7¢. The ALP, by contrast, is to increase the excise from 26¢ to 36¢ within 18 months, and that is a 23¢ difference between the proposal of the Liberal National Party Coalition in March and what the ALP will have imposed upon us in 18 months time.

This tax is, as my motion, suggests—although at the time I did not know it would be such a huge tax increase—is a

discriminatory tax, not only on poorer people, younger people and people who own older vehicles but also people with families who must run kids around to all sorts of tennis, netball, cricket and football matches as well as to and from schools because public transport is inadequate or they are too scared for their kids to ride their bikes on our streets. It disadvantages and discriminates against those people.

It also disadvantages and discriminates against the farming community because of their distances from not only regional centres in Adelaide but also from domestic markets interstate and overseas markets. We had this debate in respect of road cost charges when the Federal Government was proposing to increase heavily the charges through registration fees and mass distance fees for heavy vehicles, and at that time the State Labor Government led by Transport Minister Blevins fought strongly and well to disassociate the State Government from any move that the then Hawke Government would have made to provide such a heavy impost upon heavy vehicles which would have flowed not only to the price of goods in all country areas of South Australia but also to that of the goods that we export interstate and overseas.

I hope that, just as the member for Whyalla, Mr Blevins, argued when he was Minister of Transport at the time of the road cost charges issue, he will again argue now in his capacity as Treasurer to reject the Federal Government's move to impose such a heavy tax increase and such a large differential between leaded and unleaded petrol.

There is a range of other options that the Government could introduce if it was really genuinely concerned about social justice and environmental issues and not simply about raising revenue. There are moves that the Government could have taken to reduce the sales tax on new vehicles to encourage people to buy vehicles that use only unleaded petrol. Instead, the Government has increased by 1¢ the sales tax on such vehicles, and that will mean that the price of the average family car will jump by $180 from last night.

So, I think this motion is important, particularly from a State such as South Australia where we are such a distance from markets and where we are so heavily dependent upon our rural community to provide us with income earning dollars. We must give a strong indication from this Parliament that we do not support the price differential and the increases in taxes that the Labor Party has proposed in this budget announced last night. I urge all members to support the motion.

The Hon. R.I. LUCAS (Leader of the Opposition): In speaking to and supporting this motion by my colleague the Hon. Diana Laidlaw, I move an amendment to insert new paragraph IV as follows:

IV. Directs the President to convey this resolution to the Prime Minister and the Leader of the Federal Opposition.

I intend only to speak briefly in support of this motion. I do so strongly. I have to indicate an interest in this matter, as the driver of a 1969 Volkswagen.

The Hon. J.C. Burdett: You've still got it?

The Hon. R.I. LUCAS: I've still got it and it still goes! It is almost a vintage car now. Obviously I have some personal interest in the differential between the price of leaded and unleaded petrol. Putting that aside, as members of Parliament, we are obviously in a more privileged position than many thousands of other less fortunate South Australians in relation to the financial resources available to those families and individuals.

I want to indicate my very strong opposition on behalf of a relatively small group, I guess, but they would number many thousands of students at the senior levels of secondary school, and at our universities and TAFE colleges, many of whom are struggling at the moment in relation to getting through not only their studies but also surviving at the moment with a combination of part time work, perhaps help from their families, and also some measure of Government assistance if they happen to be fortunate enough to be in that position.

But it is a struggle for those many thousands of students in our schools, colleges and universities, and this sort of impost is the last thing that those students would want at this stage of their studies, at this stage of their careers. They are just not in the position to be able to afford extra imposts like this particular impost. Yet when the Hon. John Dawkins and the Prime Minister were asked last evening on national television, 'What do you say to the poor and disadvantaged who will have to pay up to 10 cents a litre extra for leaded petrol?', the only response that Messrs Keating and Dawkins could come up with was, 'Well, this was an environmental matter, and it will hasten the move from cars using leaded petrol to new cars which use unleaded petrol.'

The arrogant response from this Federal Labor Government was: Well, they can move out of these old petrol burners, the 10, 20 and 30 year old cars that these students and many others of the poor and disadvantaged sectors of our community are using, and go and buy a new car that uses unleaded petrol, and that would be better for the community as a result of those decisions.

It might be news to the Prime Minister, and it might be news to the Federal Treasurer, but many of these people, in fact virtually all of these people, are just not in a position to find $20 000 or $25 000 to buy a new average size car at the moment. They may well not be in that position for many years to come, given the unemployment position that exists at the moment and the unemployment position that will exist even after this budget has had 12 months to operate on the economy.

One of the lesser publicised aspects of the Federal budget is that, whilst John Dawkins started his Federal budget speech off with, 'This budget is about jobs, jobs and jobs,' the simple fact is that, buried within that budget was the prediction that by the end of this fiscal year, by the end of June next year, the unemployment situation in Australia and in South Australia would in fact have worsened, and be at the average level of 10.75 per cent estimated for June next year. This budget, which was meant to be about jobs, jobs and jobs, in fact will lead to maintaining the current levels of high unemployment in South Australia and Australia at the moment.

So, many of these young students, as I said, whether at school, TAFE college or university, will not be in a position of finding employment in this recessed economy, a situation that is obviously likely to continue for at least a year or two yet. So, there is just not an option for them to listen to the Prime Minister and the Treasurer indicating that the best response to this question of leaded petrol costing more than unleaded petrol is for these students in effect to go out and buy a new car at $20 000 so those new cars will be using unleaded petrol.

I might say there was an equally unconvincing answer by the Treasurer and Prime Minister when the similar question was put in relation to a statement made by the National Farmers Federation as to that federation indicating it could understand the arguments about leaded and unleaded petrol in the big eastern cities of Sydney and Melbourne, but where was the similar environmental argument in relation to leaded petrol being used by rural communities and struggling farmers, and

again there was a blank stare from the Federal Treasurer, and the response was no more than, 'Well, we are doing the right thing and environmentalists will be supporting this particular initiative.'

As I said, I intend to voice a protest on behalf of that section of the community with which I have continuing contact, and I know already from contacts that I have had, small in number yet but I am sure they will grow over the coming days and weeks, that there are a good number of students out there who are outraged at this particular decision by the Federal Government and, as a result of this decision, further difficulties will be placed in front of them in the pursuit of their further study, whether it be at school, at a TAFE college or at university. I congratulate my colleague the Hon. Diana Laidlaw for introducing the motion and urge members to support the motion, together with the amendment that I have moved this afternoon.

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

EVIDENCE (PROTECTION OF CONFIDENTIAL INFORMATION) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 11 August. Page 106.)

The Hon. I. GILFILLAN: I was pleased to receive leave to conclude last time, so I will briefly conclude by sharing with members a couple of comments and opinions that have come to me in the past week regarding the Bill as to this question of journalists' confidential sources. I have referred it to some senior people in the media profession, not currently hands on, and it is fair to say that there are varied views of the question whether journalists should have totally privileged protection from contempt by not revealing their sources. I think it is an issue which does need to be looked at on all sides so that in fact the decision that we come to in this place is balanced.

So, I would like to read some comments about the Bill, but unfortunately I cannot name the author, as I have not had his permission to do so. However, if I get that permission I will let the Council know later. He raises the following questions about the Bill:

> Does this cover safely, or should it cover, a case in which an identified third party stands between journalist and confidential source? Let us say the third party is quoted in the journalist's report, and is clearly in possession of confidential information of whose origins the journalist is unaware. The journalist's position is unassailable, but is the third party vulnerable? Can the definition in 25a(2) stretch far enough to include the third party as a 'professional journalist'? Could it, for example, be argued that the third party was not someone 'engaged in collecting information for publication in the print or electronic news media' but had acquired the information in the ordinary course of employment and only incidentally used it through the newspapers? Would the writer of a published letter to the editor be sufficiently protected by the draft Bill? Is the definition sufficient to protect anyone in any walk of life who contributes a revelatory article based on material received in confidence? The Bill may not be intended to stretch beyond 'real' journalists, but if it were so intended then something along the following lines might be considered:
>
> > 25a(1) If a professional journalist or any other person receives information or documentary material in confidence, in relation to a subsequent publication in the news media, the person concerned cannot be required, in proceedings before a court, to breach. . .

Then the text would go on as it is in my Bill. It is important to indicate that my consultant in this case does have a different view to the shield laws from mine, and I put in this comment because once again it is important that debate be as broad as possible and as many respected views as possible should be taken into consideration. My consultant's comments continue:

> I am opposed to shield laws of this nature, and doubly opposed to any law that would establish journalists in any class separate from their fellow citizens.
>
> Equally important, I believe the media are already so powerful that their power should not be enhanced by giving their journalists a privileged position in law. Rupert Murdoch, for example, controls every daily and weekly newspaper in Adelaide. To give his journalists a longer rein than they have now would allow him even greater scope.
>
> Finally, I don't believe that journalists can be trusted always to deal honestly. To absolve them of all accountability in this way would be a leap of faith. It would encourage doubtful practices and, not for the first time, invention.

He went onto give me another possibility:

> We must certainly try to improve the present State. I have long thought that it should help if it were made mandatory for judges to try to avoid any impasse involving journalists and their sources. The journalist could be given statutory protection except when the evidence is required for certain stated purposes—if possible something more explicit than, 'in the interests of justice'. The British have gone in this direction . . . the New Zealanders have I understand followed them; Queensland seemed likely to do so in recent times. The New South Wales Opposition has come out with something similar in a discussion paper (see *Sydney Morning Herald*, 9 August. A report in the *Australian* begins with a gross error but seems OK thereafter).
>
> If the journalist were nevertheless charged with contempt, I would hope that the case would have to be heard by a different court, and that the decision of the original judge in insisting on an answer could be fully tested.

So, I am listening to points of view other than mine. I say quite clearly that, although I respect the observations made here, I am not persuaded to step back from the Bill that I have introduced. There is an important role for legislative reform to protect the confidentiality of sources to journalists, and I argued that at some length in the earlier part of my second reading contribution. I also remind the Chamber that at that same time I indicated that I had prepared a draft of a Bill to propose some form of media regulatory structure independent of the media itself. I want to assure the Chamber that I am proceeding with that and seeking opinions from others whose contribution I would value before formally introducing the Bill into this place.

I conclude my second reading contribution to this Bill by urging all members to consider seriously the problems that have arisen through the current situation. I believe that my Bill is appropriate. It is certainly a very clear, unequivocal granting of privilege. I sought to argue that exhaustively in my second reading contribution, but obviously other members may feel that there is scope for amendment to the Bill, and I am prepared to look at and give consideration to any amendments that are brought forward in good faith in an attempt to correct what I see as a stark injustice at this stage where a person can be thrown into prison for just honouring and undertaking confidentiality to a source of information. I commend the Bill to the Council.

The Hon. R.R. ROBERTS secured the adjourned meant of the debate.

CLASSIFICATION OF FILMS FOR PUBLIC EXHIBITION (ARRANGEMENTS WITH COMMONWEALTH) AMENDMENT BILL

The Hon. C.J. SUMNER (Attorney-General) obtained leave and introduced a Bill for an Act to amend the Classification of Films for Public Exhibition Act 1971. Read a first time.

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

That this Bill be now read a second time.

In July 1983 the Commonwealth, State and Territory Ministers with responsibility for censorship matters agreed that the Chief Censor should classify films, videos and publications on behalf of the States and Territories to achieve a uniform system of classification.

Currently, the classifications assigned by the Chief Censor are received into South Australian law by way of 'corresponding law' provisions in our Acts.

Both the Acts dealing with censorship matters prescribe certain Acts as 'corresponding law' in the Regulations made under those Acts. The Regulations made under the Classification of Publications Act, 1974 provide that the Classification of Publications Ordinance, 1983 is corresponding law for the purposes of that Act. Similarly, the Regulations under the Classification of Films for Public Exhibition Act, 1971 provide that the Ordinance, the Theatres and Public Halls Act 1908 (NSW) and the Films Act, 1971 (Victoria) are corresponding law for the purposes of that Act.

The Chief Censor has recently taken advice from the Office of General Counsel, Commonwealth Attorney-General's Office, that as the classification assigned by the Chief Censor is received into South Australian law by way of a 'corresponding law' it is not classified under our legislation. Therefore, the Chief Censor is not performing a service on behalf of South Australia and cannot charge a fee for such service.

The Chief Censor has been collecting fees on behalf of South Australia for classification of films, videos and publications. The express power to collect fees has not been granted in either Act. The Chief Censor has advised that fees will cease to be collected in respect of South Australia from 1 August, 1993. Currently, the fee for classification in South Australia is set at $35.00 as it is in each other State and Territory. Under existing arrangements, $15.00 is retained by the Chief Censor and $20.00 is returned to each State.

Most of the other States have legislative provisions which empower the Chief Censor to classify films, videos and publications on behalf of their State and to collect a fee for that service.

The Classification of Films for Public Exhibition Act, 1971 ('the Act') has been amended to empower the Chief Censor to classify films, videos and publications on behalf of South Australia and to collect fees in respect of that service.

Further, prior to amendment of the Act the offence of exhibiting a film classified 'MA' was included in the Regulations made under the Act. The opportunity has been taken to include the offence in the Act and to increase the penalty to $500, in line with the penalty attached to exhibiting an 'R' classified film to a person under 18 years of age. I seek leave to have the explanation of the clauses inserted in *Hansard* without my reading it.

Leave granted.

Clause 1: Short title

Clause 2: Commencement

Clause 3: Amendment of s. 3—Interpretation

The current Act provides that a film must be classified under a corresponding law or by the Minister. The Bill removes this mechanism for automatic classification under a corresponding law and instead provides for classification by the Commonwealth pursuant to an arrangement. The definition of corresponding law is consequently removed.

Clause 4: Insertion of s. 3A—Arrangements with Commonwealth with respect to classification

The new section provides for an arrangement whereby the Commonwealth classifies films on behalf of the State under the Act and collects fees on behalf of all States and Territories. The Minister may override a classification assigned by the Commonwealth.

Clause 5: Amendment of s. 4—Film not to be exhibited unless classified

As well as substituting references to the arrangement for references to the corresponding law, this amendment updates the references to classifications.

Clause 6: Amendment of s. 5—Alteration of classified film prohibited

This amendment substitutes references to the arrangement for references to the corresponding law.

Clause 7: Insertion of s. 6A—Admission of persons to 'MA' films

The new section makes it an offence for an exhibitor to allow a child between 2 and 15 to attend an MA film if not accompanied by a parent or guardian. The offence is equivalent to that currently in the regulations except that the penalty is increased from $100 to $500.

Clause 8: Amendment of s. 8—Advertisements

This amendment is consequential to the updating of the classifications in section 4(1).

Clause 9: Amendment of s. 9—Illegal publication of advertisement, etc.

Clause 10: Amendment of s. 10—Evidentiary provision

Clause 11: Amendment of s. 11A—Film to which classification has been assigned may be lawfully exhibited notwithstanding law of obscenity, etc.

These amendments substitute references to the arrangement for references to the corresponding law.

Clause 12: Amendment of s. 14—Regulations

This amendment makes it clear that the fee for classification fixed by the regulations applies to classification by the Commonwealth as well as classification by the Minister.

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

CLASSIFICATION OF PUBLICATIONS (ARRANGEMENTS WITH COMMONWEALTH) AMENDMENT BILL

The Hon. C.J. SUMNER (Attorney-General) obtained leave and introduced a Bill for an Act to amend the Classification of Publications Act 1974. Read a first time.

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

That this Bill be now read a second time.

In July 1983 the Commonwealth, State and Territory Ministers with responsibility for censorship matters agreed that the Chief Censor should classify films, videos and publications on behalf of the States and Territories to achieve a uniform system of classification. Currently, the classifications assigned by the Chief Censor are received into South Australian law by way of 'corresponding law' provisions in our Acts. Mr President, as this relates to an issue similar to the previous Bill that I introduced but with respect to publications, I seek leave to have the remainder of the second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

Both the Acts dealing with censorship matters prescribe certain Acts as 'corresponding law' in the regulations made under those Acts. The regulations made under the Classification of Publications Act 1974 provide that the Classification of Publications Ordinance 1983 is corresponding law for the purposes of that Act. Similarly, the regulations under the Classification of Films for Public Exhibition Act 1971 provides that the Ordinance, the Theatres and Public Halls Act 1908 (NSW) and the Films Act 1971 (Victoria) are corresponding law for the purposes of that Act.

The Chief Censor has recently taken advice from the Office of General Counsel, Commonwealth Attorney-General's Office, that as the classification assigned by the Chief Censor is received into South Australian law by way of a 'corresponding law' it is not classified under our legislation. Therefore, the Chief Censor is not performing a service on behalf of South Australia and cannot charge a fee for such service.

The Chief Censor has been collecting fees on behalf of South Australia for classification of films, videos and publications. The

express power to collect fees has not been granted in either Act. The Chief Censor has advised that fees will cease to be collected in respect of South Australia from 1 August 1993. Currently, the fee for classification in South Australia is set at $35 as it is in each other State and Territory. Under existing arrangements, $15 is retained by the Chief Censor and $20 is returned to each State.

Most of the other States have legislative provisions which empower the Chief Censor to classify films, videos and publications on behalf of their State and to collect a fee for that service.

The Classification of Publications Act 1974 has been amended to empower the Chief Censor to classify videos and publications on behalf of South Australia and to collect fees in respect of that service.

Clause 1: Short title

Clause 2: Commencement

Clause 3: Insertion of s. 10A—Arrangements with Commonwealth with respect to classification

The new section provides for an arrangement whereby the Commonwealth classifies publications on behalf of the State and collects fees on behalf of all States and Territories. The State board may override a classification assigned by the Commonwealth.

Clause 4: Amendment of s. 13—Classification of publications

Clause 5: Amendment of s. 14—Publications deemed to have been classified or to be unclassified in certain cases

Clause 6: Amendment of s. 15—Review

Clause 7: Amendment of s. 17—Notice

Clause 8: Amendment of s. 18—Offences

The current Act provides that if a publication is classified under a corresponding law it will be deemed to have been classified by the board. The Bill removes this mechanism for automatic classification under a corresponding law and instead provides for classification by the Commonwealth pursuant to the above mentioned arrangement. The amendments in clauses 4 to 8 remove all references to corresponding laws, substitute references to the arrangement where appropriate and make other consequential alterations.

Clause 9: Amendment of s. 22—Regulations

This amendment makes it clear that the fee for classification fixed by the regulations applies to classification by the Commonwealth as well as classification by the board.

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

ADDRESS IN REPLY

Adjourned debate on motion for adoption.

(Continued from 17 August. Page 161.)

The Hon. M.J. ELLIOTT: Mr President, I rise to support the motion to adopt the Address in Reply to the speech of Her Excellency the Governor. In so doing, I express my condolences to the families of Mr Hugh Hudson, Sir Condor Laucke, Richard Geddes and Bert Teusner. Hugh Hudson was the only one that I knew personally and he was a man of great ability. Indeed, his loss will be greatly felt, as I am sure is also the case with the others, whom, as I said, I did not know personally.

This will be the last opportunity I have to make an Address in Reply contribution in this Chamber and I thought that I might look at some of the issues that I raised back on 12 February 1986 in my first Address in Reply speech. Looking back, I must say that I am very saddened because virtually all the matters of concern to which I alluded have deteriorated since that time. But I think those matters are worth revisiting to see whether or not we have learnt anything at all since then.

I made a comment that the total wealth of the community of Australia has never been greater, yet in the last seven years the number of people in poverty has increased by 50 per cent. I do not have the figures now, but over the last 7½ years Australia has continued to become wealthier. Our GDP has continued to rise, albeit very slowly, yet never have we had so many people in Australia in so much difficulty, and the disparity between the well-off and those not well-off has increased, as well as the total number of less well-off being much greater. It is quite plain to me that the economic direction that has been adopted for the past 20 years has been an abysmal failure and it is beyond my comprehension that neither the Government nor the Opposition, Federal or State, appears to have stopped long enough to assess where the current economic policy is taking us and sought to find another direction.

When I made my first Address in Reply speech I referred to the Jubilee Point project, which I am sure most people in this Chamber recall reasonably clearly. That project was a failure. Since that time we have seen a number of similar projects fall over or threaten to fall over. I am not sure that we need to remind people about Wilpena, the Mount Lofty development, the Tandanya development and a host of others—and I am not sure as yet whether or not the MFP might fall into that category as well. We have to ask: why did Jubilee Point fall over, why did some of these other projects fall over or threaten to fall over and what can we learn from them?

The Government has tried to set itself very much in the role of developer. It has become the proponent itself. Although it is not the investor in these projects, it has attempted to come up with what it thinks are good ideas for projects and to facilitate them. In the process, a lot of developers have ended up getting their fingers burnt. I believe that there are other ways of getting developments up, and this is a debate that I entered quite strongly when we were debating the Development Bill during the last session, and I attempted to get amendments into the Development Bill to rectify the problems as I saw them. I was unsuccessful, although I must admit there were at least one or two people in the Liberal Party who were conceding privately that changes were necessary and they were a bit embarrassed about the position that their Party had taken.

The Wilpena development, for one, could have got up on a different site. A site perhaps as little as five kilometres south of the proposed site would have raised almost none of the ire that the Wilpena development produced, and it may well have been completed by now. I will not go into the details of the reason for failure, but it is my earnest belief that had the proposed development been outside the national park in a different location most of the heat of the opponents would not have been there.

The Tandanya project on Kangaroo Island, by being moved as little as 400 metres to the east onto vacant farm land, rather than being in an area that would require clearance of a significant amount of native vegetation, again, would have seen far less resistance. However, come hell or high water there has been an insistence that the site is the correct one. It was the cable car proposal that caused the Mount Lofty development to fail. Had the development not incorporated the cable car—which was the greatest of the environmental impediments—again, I am sure that the resistance to that project would have been far less and it would have been constructed by now, perhaps in a slightly different form.

Unfortunately, what has happened is that too early developers and the Government together have decided that this is the project they want to get up and it will be in a particular form. There has been a total failure to take into account what some of the problems are with the project. I proposed during the debate on the Development Bill that we really need to look at the way these major projects are handled. It is my belief—and I have had the opportunity to speak with major developers in this State both before and since that time and they agree with me—that perhaps there is another way to go. What we need to do very early on with a project is to identify what the potential difficulties are—whether they are site-related, whether they are with the scale or form of the development and whether or

not the project is capable of modification to address the major problems.

At that point, having identified those problems—and I argue that that could be done in a period as short as two months—one would then enter a procedure much more like our standard development procedure of going through the environmental impact statement processes. However, one is working not with the original project but with one that has already been modified after receiving submissions. The developers spend a lot of money on environmental impact statements and other parts of the feasibility process. Once they spend a lot they are very loath to change the form, which is understandable. I think too many developers have been given the wrong messages by Government: 'Don't worry, we'll get it through.' The major problem with the old Planning Act was that ministerial discretion was too strong. The Development Bill repeated that mistake and, in fact, exacerbated it by giving the Ministers even more discretion.

People have to realise that the public of today is very different from the public of 30 years ago. The public now actually expects to have a say in what happens in their State. The reason we have got ourselves into this so-called development/anti-development debate is not that people are anti-development; they have simply wanted to have a say on the form of development that occurs. Unfortunately, people have been forced and painted into corners and put into boxes they did not want to be in. Governments of whatever persuasion are going to realise that the way of working with the public has to be very different. It is not only with these major developments that I have seen this failure to recognise these difficulties. In respect of the Mount Lofty Ranges Review, Craigburn Farm and many other matters that have been before the Environment, Resources and Development Committee I have seen this same failing by Government to understand that the community now expects to be involved and it fails to give the community meaningful involvement.

We will be debating the EPA Bill in the not too distant future. Already the signs are out that both the Government and the Opposition are again failing to understand that the public insists upon and demands a role. The challenge for us should be to come up with a way of giving the public a real role and participation that does not frustrate reasonable development at the same time. It is my belief that that can be achieved. But instead we are retreating from that. We are retreating from third party appeals and everything else. With the sort of legislation we are passing we are moving back to Executive Government; back to Government by two or three Ministers and a couple of senior bureaucrats. I have been absolutely stunned that both Government and Opposition have continued to push in that direction, despite the very clear messages coming from people in the community that they have had enough of it, that they want it to change. I do not know how much longer it will take before that message sinks in.

As I said, at the time I came into this place I raised the issue of Jubilee Point and since then there has been a saga of further events of a similar nature and no lessons have been learnt. The most recent legislation, passed only a few months ago, shows a complete failure to address that problem. I predict that we will have another decade of these sorts of problems until a Government comes to its senses and realises what the real problems are and how to solve them.

On 12 February 1986 I raised in Parliament my concerns about deregulation and I argued that this whole notion of the free market is a wonderful notion but that in fact it does not work. We have just continued on down that path and the evidence is all around us that deregulation is a failure. It does not matter whether one looks at the banking industry or wool marketing. One can look at more recent cases such as the egg industry. I was very active in the debates on the egg industry. The Egg Board is now totally gone. We were told at the time that consumers in South Australia would get cheaper eggs and that all things would be rosy and wonderful.

I can tell the Council what has happened in South Australia since the Egg Board went: the price in shops has gone down, on average, about 5¢ and the price to the producer has gone down 70¢ to 80¢ per dozen. I believe the average price that egg producers are getting now is 82¢ a dozen, while the average real price of production is $1.34 a dozen. The only reason producers are surviving at this stage is simply that they are not replacing and updating equipment. One cannot run a business for very long that way and, unfortunately, egg producers are not the only primary producers in that situation at the moment. It can be done for a certain time but they cannot continue to do it.

Another example of deregulation that we have seen in this place—but I do not think the chickens have come home to roost yet—involves grape pricing. We have passed legislation in this place for indicative pricing. Indicative pricing really has been a failure, but perhaps it has been disguised until this time only because of a booming export market for wines. Let us consider the sorts of prices that the Riverland grapegrowers are being paid for their grapes. Although there was a shortage of grapes and the wineries could not get enough grapes because of both demand and a bad season and although the primary producers have spent an absolute fortune in keeping their crops free of mildew and so on by quite expensive spraying, the price last season had barely moved on the season before, and that price was a poor one. Thus one must see that indicative pricing is a failure. I will touch on the reasons for its failure in a little while.

Another example that was causing concern to me at the time was the issue of petrol pricing. We have a petrol price war still occurring at the moment. One need only look around Adelaide to see the consequences of the price war; that is, a loss of service stations. The other part of the equation—something that is not much mentioned—is that the remaining service stations, which are getting larger and larger, are owned by the petrol companies themselves. The private operator is being forced out of business, with a few exceptions of quite large operators. On an almost weekly basis, even now 7½ years later, we are seeing the remaining small independent stations being forced out of business because we have Governments, both Federal and State, that do not have the courage to stand up to the multi-national petrol companies and some of their practices. The price war is not a war between the different petrol companies for market share: it is primarily a contrived war which prices the small retailers out of the market. Indeed, that is the multi-nationals' major goal and they are being successful and the Government does not have the guts to do anything about it.

Certainly, there is a case for some deregulation in many industries. However, the form of deregulation that we have adopted in Australia at this stage is to take away all the rules. That is a nonsense and a stupid thing to do and we are paying a heavy price for it. It is worth looking at the few industries where Governments, both State and Federal, have involved themselves in developing plans. Perhaps the most famous are the Button car plan and the Kerin plan for dairying. They are two industries which at this stage in Australia are continuing to flourish. In neither of those industries has the Government overnight withdrawn all support or removed all the rules. What

it has done is tell each of the industries what the rules will be in so many years, so the industries can continue to restructure towards them.

I understand that the dairy industry has been achieving efficiency increases of 10 per cent a year. It has done that through the 1980s and into the 1990s. An efficiency increase of 10 per cent a year is amazing, and that is being done in an industry that is regulated. It is regulated but it does not coddle the operators. There are still many dairy farmers who are finding it very tough, but at least the rules are being changed in such a way and with such predictability that they can decide whether or not they want to stay in the industry, and they can leave the industry with the clothes on their back and with a certain amount of pride which, unfortunately, many other primary producers and people in other industries are not left with.

Why do we not have a plan for the dairy industry or the car industry, which would operate successfully within a system of regulation? Why is there not a citrus industry plan, a grape industry plan or a telecommunications plan? Clearly, they have been successful, yet we have abandoned most industries to the theory of deregulation.

I mentioned earlier and in February 1986 my concern about the role of multi-nationals in the wine grape industry. Once again, the situation has deteriorated, although to some extent Australian multi-nationals have been buying back the farms, if you like. The number of operators in the wine industry crushing most of the crop has reduced and essentially there are four wineries crushing the majority of the crop. There is no way known that the so-called free market works when there are so few buyers in the market.

We are supposed to have trade practices and other legislation to tackle these questions, but Governments have had no courage with which to tackle them. When you have very few buyers and they are private buyers the primary producer becomes a price taker. One could ask the wool producers about that right now. One could ask wheat farmers whether, despite all the problems they are having, they would like the Wheat Board to go. That almost happened at one stage, but the wheat farmers would say that they would not because at least Australian primary producers are not competing with other primary producers on the international market. The market is bad enough as it is, yet we are asking many of our producers to do that sort of thing: to have a few buyers and a large number of sellers. They are played off against each other in circumstances which more often than not involve matters of surplus, and they do not have a hope.

In 1986, I raised my concern about interest rates, which continued to deteriorate after that time. Interest rates were high, partly because of Government policy. The Government wanted high interest rates to keep dollars coming into Australia for, it said, the purpose of investment. At that stage, some of that investment was happening, but look where that was taking place. Our State Bank was part of that game. With very high interest rates one must invest in high risk business. Most solid businesses, whether they be farms or small businesses or whatever, do not have spectacular returns on an annual basis. They give a fairly modest return on capital. However, if you become involved in a high interest rate situation, those sorts of businesses do not have the capacity to give returns that the high interest rates demand. In fact, you find yourself in the rather peculiar position at that point where investors go looking for risky businesses, because it is only those businesses that have any chance of getting a high return. At the end of the day most of those businesses fell over and we suffered.

As I said, those high interest rates at the time were a matter of Government policy and also the result of deregulation of the financial system. Nothing has happened since that time. No new restraint has been put in place to stop the same sort of speculative game starting again.

In recent weeks I have seen a few articles in newspapers which have noted that with low interest rates speculation is starting to occur in the housing market. The people are starting to invest again. Some people see that as a good sign, but unfortunately it is non-productive investment. What Australia needs is investment in things that grow and are manufactured, not houses, shops, shopping centres and those sorts of things or in marinas, which are not tourist attractions but places where people go to spend money. It is a non-productive drain.

The Hon. Diana Laidlaw interjecting:

The Hon. M.J. ELLIOTT: That is largely the case. I am not saying that there are not any jobs, but if you have a few hundred million dollars and you build a factory with it that factory manufactures things.

The Hon. Diana Laidlaw: Boats have to be manufactured.

The Hon. M.J. ELLIOTT: But that is an end point: it is the other end of the chain. I am saying that if you are trying to build an economy you must build it at the end which is not consumptive but productive. Eventually you need consumption, but it happens as a consequence, not as a result. It is a bit like the money that we ploughed into the Remm development, which happened after my arrival in this place. I remember having a very lengthy argument with a leading *Advertiser* journalist about the Remm development. I am sure that he has forgotten that argument, but the Remm development was never going to be productive for South Australia.

It does not put more money into your pocket so that you can buy things in shops, but it gives you other shops to go to. At the very least, it gets people to spend their money in a different shop. Another shop, which might have been working very well and which had capital investment in property, suddenly loses its value, and some people lose their money in that deal. You can call that free enterprise if you like, but the argument I was putting—

The Hon. Diana Laidlaw: That is true when your economy is not growing.

The Hon. M.J. ELLIOTT: Well, it was not. The argument I am putting is that right through the 1980s—and we are in danger of doing it again—Australia invested in the wrong things. The Coles-Myer chain is talking about building more shops and creating new jobs. That is a load of nonsense. They will not create new work. Every potato they sell through their shops is not sold through another shop. Every item of clothing which is usually made in Taiwan and which they sell through their shops does not get sold through another shop.

If Australia and South Australia are genuine about getting out of the recession, then our investments must get away from the Remms and the East End developments and those sorts of things. I am not saying that they should not occur as well, but they should not be our first priority. Our first priority must be things that actually produce, but that has not happened. We must look at ways of trying to encourage investment in productive enterprise away from houses, shops and offices and those sorts of things. That is where we blew it in the late 1980s, and I am afraid that we are likely to do it again.

The compulsory superannuation schemes that we have in place will mean that a lot of money will be slopping through our economy during the next decade. That is a good thing in

one sense, but if that money goes back into a property boom we will go for another dive. As I said, I think the early warning signs that that will happen are already there. The turnaround in the economy that the Government is telling us about is not happening in the real areas, the productive sectors, and that is an incredible worry. The warning signs were there 7½ years ago. They were ignored, and I have a feeling that we have not learnt our lessons at all because we have not changed anything in response.

I was talking previously about farming and I deviated into talking about non-productive investment. I noted at the time that it was important that we started exploring alternative crops for South Australia. I said that I would particularly like to see attention being paid to our marginal wheat lands. I believe we need alternative crops. In the higher rainfall areas there are alternative crops such as lupins, peas and other pulses, but when you get into the marginal wheat lands the choices offered at this stage are limited. I believe there are alternative crops worth developing. I have heard the head of the Waite Institute, Professor Harold Woolhouse, talk about some alternative crops which he believes deserves exploration. Frankly, I think we have so many eggs in the wheat basket at the moment that we have set ourselves up.

The fact is that we are so dependent upon wheat that, if there is a deterioration in that commodity, from which we are suffering at the moment, the alternatives simply are not there, and I think it is most unfortunate that more effort has not been put into those. Crops such as guayule and several others are well worth consideration.

Back in 1986 I raised concern about the grapevine pull, and I recall asking the Government not to insist that the grapevine pull occur in one season, but that it should happen over a couple of seasons so that wrong decisions were not made. Outside of this place I was attacked rather vigorously by the Minister of Agriculture at the time (Hon. Kym Mayes) for not knowing what I was talking about, and he said that what the Government was doing was wonderful. I had warned the Government that the old uneconomic vines would stay in, while many younger vines would come out. Unfortunately that is precisely what happened. Some of the worst effects were felt in places such as Clare and the Barossa Valley. Two of our premium wine producing areas lost vines they should never have lost because the Government's vine pull was carried out with indecent haste. Now we are in this ridiculous position where the wine industry cannot get enough grapes. In fact, the growth of our export market—

The Hon. Diana Laidlaw interjecting:

The Hon. M.J. ELLIOTT: That is another nonsense that has only come forward in the past couple of days. I do not think that there is any real suggestion that, as a health matter, wine drinking is generally abused. Spirits certainly are, and beer seems to be, but wine has not been. The industry is making a real recovery, but I suggest that the recovery is fragile and to simply hike another 10 per cent on now seems to be a great mistake. It will not affect exports. However, they are only about 25 per cent of sales. Domestic sales are already dropping by 1 per cent or 2 per cent a year, and I imagine that this latest hike will make that decline more dramatic.

I had only just come from the Riverland at that time, and I raised the question whether or not the Government should look at buying people off their blocks in some parts of the Riverland. There was a need for restructuring. I suggested at the time that the Government might consider using its vine pull money to buy people off their blocks, restructure them into larger blocks that they could then re-sell and then recoup most of the money that they had invested in the first place. The growers would have been able to leave their properties with money in their pockets, and we would have had a more viable industry. That opportunity was missed. It would be far more difficult to do it now due to the current economic circumstances in which the Government finds itself, but I still believe that a system of Government intervention to restructure some of the properties in the Riverland would be an investment that, in time, would be well worthwhile.

[Sitting suspended from 6 to 7.45 p.m.]

The Hon. M.J. ELLIOTT: The next matter which I wish to look at and which was of great concern to me some 7½ years ago is the question of decentralisation. This issue has received lip service over many years from various Governments, but indeed in South Australia the drift to the city has continued, and over the last 7½ years has continued unabated with very few country towns and cities managing to maintain their population. In fact, in South Australia I suspect that possibly Mount Gambier, Murray Bridge and perhaps the Riverland are the only areas that have achieved real population growth over recent times, and even then their growth has been, generally speaking, at the expense of surrounding areas.

It is an area where there has been some small progress. Particularly over the last couple of years, the Government has begun to put some money into regional development structural arrangements through country areas, something which came following pressure from the Regional Development Association, an organisation that I was pleased to be involved in setting up in my early years in this place. It was not set up within the Parliament, but not long after I entered Parliament I helped in the forming of that organisation, and it turned out to be a useful pressure group on the subject of decentralisation.

While it is pleasing that the Government has given some assistance now to some of those regional structures, a lot more needs to be done. However, I think that I have already dwelt on some of the problems in rural areas and I will not do it further at this stage.

The penultimate matter that I raised 7½ years ago was the question of education. At that stage I had just left the teaching profession, and I was gravely concerned at the cut-backs that education had been having to cope with. That was some 7½ years ago. I must say that I was a person who, until two years prior to that time, had not been active in the teachers union—the Institute of Teachers—but as I watched what was happening to education I joined the Institute of Teachers and became a local branch and council representative, because I could see that the time was near when we would have to fight to maintain standards.

To my horror over the last 7½ years things have deteriorated rapidly, and the only thing that is holding education together in South Australia at the moment is the professionalism of teachers. I am not sure that they can keep it up for much longer. Quite frankly, they are fighting less than they were 7½ years ago because they are simply physically and emotionally exhausted, and I do not believe that we can see the system hold together much longer unless there is a real attempt to give some relief to those people.

In fact, they have suffered not only cut-backs in resources and staffing levels but now they have had all sorts of uncertainties by the very poorly applied 10-year scheme. When I came into Parliament 7½ years ago, I knew how the system worked and I was very cynical about Parliament. It is always very unfortunate when your cynicism turns out to

be well placed. I sometimes wish I was wrong about some of the things I was cynical about, but Parliament has turned out to be every bit as bad as I expected—in fact, in many cases, worse. Most political decisions are not made in Parliament. They are made outside by the Government and in particular by the executive of Government and its senior bureaucrats.

What I have seen in my time in this place is quite frequently abuse of the position of trust which Government, the Executive and senior bureaucrats are given. It is a position of trust. It is a power which I believe, whilst it has come from the people at an election, should still have an accountability back to the Parliament from which the Government comes, the Government being the majority Party in the Lower House. But Parliament has deteriorated to a game where Government in fact tries to be unaccountable to Parliament, and therefore unaccountable to the people.

We see a Question Time when the game is not to answer the questions, and if something is going wrong you do everything to cover it up. I suppose the biggest abuse of that was when questions were raised in both this Chamber and the other place, in this place by the Hon. Ian Gilfillan and in the other place by the Hon. Jennifer Cashmore, in relation to the State Bank. The reaction of the Government was not to investigate the questions but to avoid the questions and say there was no problem. When he made comments outside the Council, the Hon. Ian Gilfillan was sued so that he would shut up. He was told not to raise the matter again or he would go to the cleaners and be done over considerably. When you have the power of the State Bank and all its lawyers lined up against you, then you do not stand much hope. I believe that Executive Government has abused its power in recent times, and I could give many more examples, but I simply make the point.

We have, I believe, a Government with a majority in the Lower House, just barely by way of favour of some so-called Independents, which uses its numbers simply to crunch legislation through the Lower House, rarely amended, and any amendments are trivial because Parliament is treated with contempt. There is no real debate. The only reason we have any debate in the Upper House is because one Party does not have the numbers to crunch things. If the Government had a majority in the Upper House, I am quite certain we would see Bills move as rapidly through the Upper House as they do through the Lower House. There is no doubt about that in my mind, and many useful amendments that should be passed would not get through. Also, if the Opposition Party had total control alone, I suspect that we would have that position somewhat abused as well. There are some major attitudinal problems within the political system as well.

One of the real potential areas of progress in recent times has been the setting up of the Standing Committees. Rather than being set up on an *ad hoc* basis as are the select committees, you have a group of individuals from all Parties and both Houses, developing over a period of time I think some specialist knowledge and abilities to look at particular matters, be they financial, social, environmental, developmental or legal matters. From what I have seen of the standing committee in which I have been involved, the Environment, Resources and Development Committee, members are behaving in a non-Party political fashion. I believe they offer some hope that the Parliament may start behaving in a more accountable fashion.

Perhaps the one reason for my cynicism to return is to see the way the Government has reacted to recommendations that have been coming from the committees. For the most part, they have said: You do not really have any power; it is nice of you to make these recommendations, but we will ignore them. In time, I think we may have to look at further parliamentary reform.

There are a couple of matters which I think are worthy of consideration. One I have raised in this Chamber on a previous occasion relates to the way Parliament is run in Germany, where no piece of legislation comes straight into Parliament. Legislation first goes to a parliamentary committee, and all members of Parliament are involved in one of their many standing committees. The German Parliament is structured in such a way that one day of the week is for Party meetings—I think that is the Monday; the Tuesday is committee day, where they look at the various pieces of legislation and other matters of importance; and then Wednesday and Thursday they actually go into full debate on legislation in the Houses. But they are essentially looking at Bills that have already been examined in a non-Party way, one would hope much of the time, through committees.

The Germans also very sensibly have a very different sitting pattern. We tend to sit in two solid batches with very long breaks between them. Invariably, in each of those spring and autumn sessions, we handle an awful lot of legislation in the last couple of weeks, and we handle it by debate by exhaustion, sitting ridiculously long hours night after night, and I believe not handling legislation all that adequately. The Germans have much shorter breaks, one at Christmas and one in June, but they are of about five to six weeks maximum. They sit a pattern of two weeks on, two weeks off continuously.

Legislation is handled in a more continuous fashion, rather than in these big batches that we try to handle. I believe that both their pattern of sitting through the year and the way legislation is handled via committees both make a lot of sense and would make for, I believe, a less Party partisan fashion, allowing for the fact that at the end of the day all people arrive with their own philosophical beliefs which are closely aligned to their Party, but even within Parties you will find variation.

I also suggest that the time has come to consider a radical change of the structure of the Houses in South Australia. I would like to see the Lower House change to a PR system and the Upper House to be abolished. What I would like to see is a single House which looks quite similar to the Lower House in Tasmania, which is elected on a multi-member electorate basis, where they have five or seven members per Federal electorate. The fact is that in Tasmania the great bulk of people who are elected will come from the two major Parties but from time to time other members from other Parties can be elected. I understand that the ACT is about to adopt exactly the same system, and there has recently been a poll in New Zealand, and I believe New Zealand is about to move to a PR system.

In fact, if you go through Europe, the only nation not using PR now is Britain. Every other European nation uses PR. People say PR does not work: look at the Italian system. I would suggest the single member electorate system does not work: look at Australia. We have a system where a Government with 38 per cent first preference ends up with a majority of seats in a Parliament and then has total control of the Executive and can do what it likes, largely, for the next three years. That is not democracy. If you want genuine democracy, then the Government should at least be representing a majority of the people. That is what happens in all European nations but not what happens in Australia.

The Hon. Carolyn Pickles: Ask the Italians; I don't think they would agree with you.

The Hon. M.J. ELLIOTT: You can ask the Germans, the French and every European nation. As I said, the reasons why

things are not working so well in Italy do not involve PR. If you make an examination of the Italian system, you will see that while Governments change they do not always change by way of election. The fact is that their elections are probably less frequent than ours. What can happen in nations elected under PR is that, if a group abuses its power, it will find that it will lose some of its support, and the combinations of parties may alter.

To conclude, I find it very distressing that we should have gone through the last two sessions of Government between two sets of elections and see the State in a worse situation than we started. As a member of Parliament, that grieves me greatly. I have seen very little to suggest that we will see change in the short term. I would suggest that many of the things that have gone wrong were totally predictable, and virtually every matter that I raised back 7½ years ago has only deteriorated, and that does not leave me at all satisfied. I believe that it reflects the way Governments and Parliaments are run, and ultimately we need to tackle those questions. I support the motion.

The Hon. DIANA LAIDLAW: I, too, support the motion. On opening day I recorded my condolences to the family of Sir Condor Laucke. Today, I will briefly mention my respect for Mr Hugh Hudson, who was a Minister in the other place during the time of the Dunstan Government. I knew him as an enthusiastic golfer, but I also recall a day when I was working in the office of Senator Don Jessop. I received a phone call, and at the end of the phone was a man who told me that he was Hugh Hudson. That gave me quite a surprise, because I did not understand at the time that Ministers would do their own phoning, let alone ring me direct. But it was not me he wanted: it was my father, because he was just about to introduce a Bill relating to SANTOS. However, my father was overseas at the time, and I facilitated that contact. A lot of trauma followed that phone call, but it was also a decision that was made in the best interests of this State. I often think about those times when we look at the trouble Mr Alan Bond is in today and what would have happened to our gas supplies if he had ever got his hands on them.

I want to make a few references to matters that were referred to by Her Excellency when opening this session of Parliament. Her Excellency referred to the Women's Suffrage Centenary which will be celebrated in 1994. As members may recall, this initiative was first proposed by the Hon. Jennifer Cashmore some 2½ years ago.

The Hon. Carolyn Pickles: I'm not sure whether that is quite right; the Hon. Ms Levy raised it before that.

The Hon. Anne Levy: I didn't raise it publicly.

The Hon. DIANA LAIDLAW: Right. Ms Cashmore raised it publicly and wrote to the Premier at the time proposing that a committee be established, and it took a year for the then Premier, Mr Bannon, to reply to that correspondence and establish the committee. I make that point because I suspect that it was indicative of his style of decision making, but I also emphasise that it has placed a great deal of pressure upon the committee, including the members of this and the other place who have served the State so well on this committee over the past 18 months. I commend the efforts of Ms Carolyn Pickles, who I know from my colleague Ms Cashmore has worked extraordinarily hard and with enthusiasm at times that have been most taxing. The committee has raised an enormous amount of money, and I think all of us in this place should commend the committee for those efforts.

I wish to refer to the women's suffrage tapestries which are currently being woven at the National Bank. The National Bank held a cocktail party earlier this week, and the facility was also the base for the media launch. However, the tapestry has been well supported by private sponsorship, including that of the Frank and Hilda Perry Charitable Trust, a trust with money given by my grandfather, who happened to be a member of both the House of Assembly and the Legislative Council. I am thrilled that my family can be associated with this Women's Suffrage Centenary in this manner.

The tapestry has been designed by Kay Lawrence. The coordinator of the project is Elaine Gardener, and she is being assisted by Lucia Pichler. The historical adviser is Helen Jones. The tapestry will hang in the House of Assembly Chamber and will be a permanent reminder of the outstanding achievements of the women and men who have fought for women's suffrage in this State and for the men of vision at that time who agreed to pass the legislation on 18 December 1894. I indicate that they are men of vision, because this legislation was the first in the world to provide an opportunity for women to stand for Parliament, and the first in Australia and one of the first in the world to allow women to vote.

It is also important to recognise that that legislation gave Aboriginal men and women the right to vote—a move that was later repealed through Commonwealth legislation, and only about 25 years ago was that right reinstated. So, they were men of vision who passed that legislation. They were also men and women of courage, resolve and enlightenment who fought so hard for such legislation. It will be fantastic to see next year the centenary of this event. Also, we will have a permanent reminder in the House of Assembly of that historic occasion. I hope all members will go and view the tapestries and also that they will do a 'pass', which is the technical term for passing the wool between the threads of the canvass.

The Hon. Anne Levy: The warp.

The Hon. DIANA LAIDLAW: The 'warp'; that's the word I was looking for.

The Hon. Anne Levy: The warp and the weft.

The Hon. DIANA LAIDLAW: Yes, the warp and the weft. Thank you, Minister. I did think that the Minister had great promise as a tapestry weaver, so if we lose her from time to time she may well be at the National Bank in future.

The Hon. Anne Levy: I'm not planning on it as a career.

The Hon. DIANA LAIDLAW: No, but certainly it is tremendous fun, and one of the most exciting parts about this project is that South Australians in general will all be able to do a pass, and it will be fabulous to think that, when people enter the Chamber in future as either members or visitors, they will be able to identify their contribution to this tapestry.

I am not sure that the President has yet participated in this tapestry, but I know that the Speaker certainly performed extremely well at this task the other day. Her Excellency's speech also refers to extensions to the Art Gallery. These are long overdue extensions and I am pleased to see that a commitment of $16.5 million has finally been made for the commencement of stage 1 and stage 3. The fact that stages 1 and 3 will be constructed at the same time will ensure that there are considerable cost savings in this project. I am concerned, however, about stage 2, which involves extensions to the space for the permanent collections. It is a fact that the permanent collections have not enjoyed additional space since 1937, and one can therefore see that the need for space is urgent.

This is an indication of the decline in our wonderful cultural institutions along North Terrace that so little work has been done for so long on these buildings. I recall that Donald Horne

made a very pertinent comment when undertaking a commission on North Terrace about 18 months ago, when he reflected as follows:

> The history of this site (that is, North Terrace) after its ambitious beginnings has been a history of short-sightedness.

Professor Horne went on to say:

> The exception was the Edwards report in the beginning of its implementation, but the failure to continue that implementation is turning the precinct into an endangered area.

That statement was made in April 1992. It is important, Mr President, that we recognise that the Edwards report referred to by Donald Horne was commenced as recommended in 1982, the last year of the Tonkin Liberal Government, and the following year the Bannon Labor Government put the whole project on hold for 10 years. So nothing—absolutely nothing—has happened at the South Australian Museum over the past 10 years to ensure that the concepts and visions outlined in the Edwards report have been implemented, and the Museum continues to languish. That is an enormous shame and an indictment on our community in terms of our regard for our cultural heritage. It is also reprehensible in terms of our Aboriginal heritage, because the South Australian Museum houses the biggest and best collection of Aboriginal artefacts and cultural material in the entire world.

When we are fighting for tourism in Australia and also fighting to work out some reconciliation with Aboriginal people we should ensure that this fantastic collection of artefacts and cultural material is well housed and also well shown for many people to enjoy and to learn. In my view it would do a great deal to help white Australians learn about Aboriginal history and it would do a great deal to help restore some pride and dignity to those amongst the Aboriginal population of Australia who argue that these factors must be addressed by the rest of Australia.

The Library is also a cultural institution that has been long neglected. In 1947 the Bastyan wing was built during the Playford era. At that time it was planned that there would be six storeys: only two were built. I suspect it would be inappropriate today and it would not be acceptable for that site to occupy six storeys, but even two additional storeys—and the foundations would tolerate two additional storeys—would be absolutely excellent on that site and would provide long overdue and much needed additional library space. So a lot of work can be done to present and preserve our cultural heritage, and such initiatives would also be tremendous for tourism.

I want to mention also the issue of consultants. The Economic and Finance Committee presented its seventh report into the use of external consultants by Government departments and statutory authorities. In the foreword the Presiding Member stated:

> During the five-year period considered by this inquiry, July 1987 to June 1992, an amount of $146 million was spent on consultancies by Government departments and statutory authorities in South Australia. There can be little doubt that some of this was effectively spent on purchasing services not readily available in the public sector. Likewise, from the evidence, there is little doubt that a vast amount of money was expended without a thorough analysis of the available services within the public sector.

The report goes on to argue:

> The Committee is concerned that some agencies consider it necessary to employ external consultants to make important and often controversial decisions. This is an abrogation of responsibility, and in many instances executive officers are paid and are empowered to make these decisions and should do just that.

I earnestly hope that the Government has taken note of the recommendations in this important report referring to external consultants, because it is alarming that this figure of $146 million has been spent on consultants, when the Government has been employing more policy advisers and has been paying people more and more money at higher executive levels within the Public Service.

I wish to specifically refer to the portfolios that I shadow, and they are: transport, the arts, marine and women. It is of interest that in this report on external consultants, 30 departments spent more than $1 million in the five-year period under review. Of those 30 departments, four are within my area of shadow responsibility: the Department of Road Transport $8.870 million; the State Transport Authority $4.475 million; the Department of the Arts and Cultural Heritage $1.171 million; and the Office of Transport Policy and Planning $974 000—nearly $1 million.

I would be very interested, as would the arts and cultural heritage industry in this State, to know where the $1.171 million has been spent in relation to arts and cultural heritage consultancies. I have been asked this question many times over recent weeks since the report was released. The arts community in this State has been suffering badly from Government cutbacks in recent years—both the companies and the artists themselves—and it came as somewhat of a surprise at a time when the Department for the Arts and Cultural Heritage has increased so dramatically in size to find that the Government has, in addition, been spending $1.171 million on external consultants. I hope the Minister for the Arts and Cultural Heritage, who is in the Chamber at the moment, will be prepared to provide an outline of those consultancies, for the benefit of the Parliament and also for the interest of all the people in the arts and cultural heritage sector in South Australia.

The Hon. J.C. Irwin: Do we know who did the consultancies?

The Hon. DIANA LAIDLAW: I know of some of the consultancies and I am aware that none of them was actually put to tender. This is one other alarming aspect in terms of the consultancies let by the Department for the Arts and Cultural Heritage. However, I am not entitled under the rules of the committee to receive the evidence, or so I have been told by Liberal members on that committee. However, I know the Minister has the information and that she could readily provide it to the Parliament if she wishes and I do hope that she will be prepared to do so.

The Hon. Anne Levy: Only got to ask.

The Hon. DIANA LAIDLAW: Well I have asked now; I am asking now.

The Hon. Anne Levy: Put it as a question on notice and then you will get the answer.

The Hon. DIANA LAIDLAW: I am asking now. Surely this forum is sufficient during the Address in Reply debate to ask the Minister, especially as she is present and can hear my request?

The Hon. Anne Levy: I'm trying not to listen.

The Hon. DIANA LAIDLAW: You may be trying not to listen to me, but the fact is that it is on public record and it is also on public record that you do not want to listen to the fact that arts people in South Australia are very keen to know why the Government has been spending $1.171 million on consultancies and what on earth it has spent the money on, because certainly they have not seen the reforms that they have been crying out for to revitalise the arts in this State. At the same time as all this money has been spent and at the same time that the Government has been cutting back funds to arts

organisations and artists and has been increasing the size of the department—

The Hon. Anne Levy: It has not; it has been cut considerably.

The Hon. DIANA LAIDLAW: Let's put some of these facts on the record then. If you can hear that part of my speech you could certainly hear the question that I asked earlier. I will repeat it: will the Minister please provide in response to this Address in Reply debate the list of the consultants employed by the department over the past five years—the years that were the subject of the inquiry by the Economic and Finance Committee? I would like to know which organisation won the consultancy; the purpose of that consultancy; the name of the actual person who undertook that consultancy; whether or not it was open for competitive tendering; and the cost of the consultancy. Perhaps the Minister would also provide the terms of reference. The other issue I wish to refer to briefly is one that is also of tremendous concern to people in the arts community at the present time, and that is the changes by the Australia Council to funding guidelines. I have raised this matter with the Minister in the past.

The Hon. Anne Levy: In private conversations, again. Don't you observe the convention that private conversations are not discussed in Parliament.

The Hon. DIANA LAIDLAW: I am not discussing it: I am just reporting that I have raised it with the Minister before.

The Hon. Anne Levy: In a private conversation.

The ACTING PRESIDENT (Hon. Carolyn Pickles): Order!

The Hon. DIANA LAIDLAW: Well, does it matter in what form it is taken? I understand that the Minister shares my concern. I would not have thought it mattered in what form—

The ACTING PRESIDENT: Order! The honourable member will address the Chair.

The Hon. DIANA LAIDLAW: I am sorry, Ms Acting President. I would not have thought it mattered in what formed I had raised it with the Minister. If she had been patient she would have realised that I was about to say that I am pleased she shares my concern about what might be the fate for South Australian arts companies as a consequence of this Australia Council policy.

The Hon. Anne Levy: I also have concerns about the conventions of this Council, which are that private conversations are not repeated in the Parliament.

The ACTING PRESIDENT: Order!

The Hon. DIANA LAIDLAW: Private conversations have not been discussed—simply the subject of the conversation.

The Hon. Anne Levy interjecting:

The Hon. DIANA LAIDLAW: I would have thought that that was an issue that would not be a fuss to the Minister. Of more concern surely is what the fate of South Australian companies will be as a consequence of the Australia Council's guidelines proposed from January of next year—and they are horrific. I would be very interested if the Minister, in response to this debate, would be prepared—

The Hon. Anne Levy interjecting:

The Hon. DIANA LAIDLAW: Well, you certainly interject, if you don't respond. It would be very interesting—

The Hon. Anne Levy interjecting:

The ACTING PRESIDENT: Order! Interjections are out of order. The honourable member.

The Hon. DIANA LAIDLAW: I am not sure what she had for dinner, but she is certainly very excitable tonight. But it is important—

The Hon. Anne Levy interjecting:

The Hon. DIANA LAIDLAW: It is most important that the arts community in South Australia have on the public record some idea of what the Government's position is in relation to this policy by the Australia Council to change the funding guidelines. The Australia Council proposes that from January 1994 it will be funding companies on a project-by-project basis. This will have tremendous impact on companies that have a full year's program, such as the State Theatre Company or the Australian Dance Theatre. The Red Shed, I suppose, would also be another company that would be dramatically affected by this policy. In future, these companies will be required to submit their programs and it will be the Australia Council that acts as artistic director, because it will decide what project by what companies will gain Commonwealth funds. So, an artistic director of the State Theatre Company, for instance, can design a project and publicise that project to the community and to the subscribers and sponsors and then put in a funding application to the Australia Council only to find that the council decides that one, two or three of these projects only will be funded.

This is a tremendously dramatic change for a company that is established as a statutory authority within South Australia. If the Australia Council decides not to fund two, three or four of the projects—it could even be half of the company's season—that company will either come begging to the State Government for additional funds or it will have to cancel part of the program that it has advertised to subscribers and sponsors. I am aware that there are legal ramifications for companies concerned, because if they have advertised their programs to sponsors and to the general public for subscriptions there is some legal obligation upon them to perform that advertised program. If they cannot then perform it because the Australia Council has not assisted with the funding, we as a State—as these companies are responsible to the Minister—are in a dreadful dilemma about what we are going to do.

I hope that the Minister will continue her push for the Australia Council to change its guidelines, and it is critical that there is a change to these guidelines. In South Australia in the years since Don Dunstan's Government we have spent a great deal of time, effort and money in ensuring that we were known Australia-wide as the 'Festival State', and much of the basis for that reputation has been the excellent quality of programs and the standing of our statutory authorities in the arts arena. Today it appears that that could all be at risk. I therefore have considerable alarm about a paper released by the Arts Finance Advisory Committee, which is a committee appointed by the Minister to look at financial issues with the major arts companies in South Australia. This paper was released in July 1993 and it is entitled 'Issues in Arts Development in South Australia'. Both the Minister and I attended a public meeting on 12 August at which this paper was discussed. I suspect the Minister—although I have not discussed this with her, so it is not a matter of relating a private conversation—has shared my concern that there is such disquiet amongst those who attended this meeting.

People generally were most concerned because they were unaware that this major project was being conducted. They felt insulted that the paper had been released when just one week earlier the department had held a meeting with representatives of performing arts companies in South Australia and no reference had been made to this paper, which will have such a major impact on their future development and programming. At the meeting, because there was such concern about the ramifications of the directions outlined in this paper and the short timeframe allowed for feedback, the decision

was made on the spot to extend the time for feedback by two weeks to 15 September. That brought a sigh of relief to all who attended.

The matter that continues to nag me in respect of this paper is that in my view it fails to take any account of the major changes that have been proposed by the Australia Council for the arts in this State. It appears to have been developed in isolation of these major and potentially traumatic changes proposed by the Australia Council. I hope that the Minister, when she assesses this report and the responses to it by the arts community of South Australia, will take into account the changes proposed by the Australia Council, changes which I indicated earlier I hope will be overturned. If they are not overturned, this paper cannot be addressed in blessed isolation from a South Australian perspective without taking into account the Australia Council's recommendations. So that is my plea in relation to this report.

I wish briefly to reinforce the remarks I made earlier about infrastructure. Over the years we have invested a lot of money in building up an outstanding infrastructure in South Australia. Certainly, money must be spent in future on the maintenance of that infrastructure, but in my view it would be a tragedy if as an outcome of the dire financial times that face this State the infrastructure that was so painstakingly built up was now to be squandered. This is an emotional issue because so many people in the arts, at this time when funding has been squeezed and when they feel that their artistic endeavour and their job opportunities are being squeezed, argue that the policy of maintaining what we have is not good enough for the future and that we must be more creative.

It is a fine line, but coming down on either side of that line I would push for maintenance of what we have rather than squandering our artistic heritage, because what we lose at this time will be very hard to regain in the future, and that includes our reputation in the arts. I support the motion to adopt the Address in Reply to Her Excellency's speech.

The Hon. R.R. ROBERTS: I, too, rise to support the motion to thank Her Excellency Dame Roma Mitchell for the speech with which she opened the Parliament on behalf of the Queen of Australia. I also offer my condolences to the families of the honourable members who passed away during the past few months. It is not my intention tonight to speak at great length. I find myself in some agreement with the opening remarks of Rob Lucas.

The Hon. Anne Levy: Watch it!

The Hon. R.R. ROBERTS: Sometimes that worries me, and I see that it causes worry to my colleague. I agree that at times it is lamentable that we do not have a grievance debate in this Council. Some members would probably disagree and say that that is a good thing, but Opposition members lament that they do not often get the chance to air issues of importance and that they have to be quite entrepreneurial to introduce those things. I assure them that, as a member of the Government team, where you are responsible to Ministers it is more difficult to get into those matters.

I want to address a couple of issues. First, I would like to pay a tribute to the Hon. Bob Ritson, who has retired from the Council. I did not have the opportunity to do so during the session when the Hon. Bob Ritson was still here because my colleagues on that occasion allowed me during that late sitting the luxury of a pair so that I could travel back to Port Pirie. I was grateful for the opportunity to do that, and events of today have reinforced my thanks to my colleagues for being caring enough to allow me to leave early that night. However, I did not have the opportunity to talk about Bob Ritson, my fellow Whip, before he retired.

My experience of Bob was that he was always a man of complete honesty. He was the type of bloke who always took up the challenge for the underdog. His action on behalf of people with intellectual disabilities and the work that he has done in setting up legislation to provide support for those people is commendable. Bob Ritson is probably one of the last of the true believers in the parliamentary system and the Legislative Council in particular.

Because I represented the South Australian Parliament last week at the CPA conference in Sydney, I did not also have the opportunity to attend the celebration of the Hon. John Burdett's attainment of 20 years service in this place. I congratulate him on that achievement. Unfortunately, John is not here tonight because he is ill, but in relation to both those gentlemen—I think the Hon. John Burdett is about to retire also—when they have both left the Parliament it will be the end of an era. I cannot imagine Legh Davis, for instance, or the Hon. Mr Griffin attending the opening of Parliament in a morning suit. I think it is a tradition which, while somewhat quaint, was a stamp of the respect that those two gentlemen had for the parliamentary process, and I congratulate them. I understand that Bob has not only retired but has remarried. I hope that he is out of the frying pan and into a bed of roses, and I wish him and his good wife all the best in the future.

I also want to talk about issues that affect country people. Members will be aware that I am a country delegate. I was elected to represent all country people, not just men or women but both parties. When the Hon. Caroline Schaefer was introduced to the Parliament, Dean Brown said that she was the first woman to be elected to any Parliament, especially to represent women in the electorate of Eyre. I found that a little amusing. I reflected that the Hon. Mr Dunn, the Hon. Barry Wakelin and Mr Graham Gunn live in that area. I can only assume that one Liberal woman is probably better than three Liberal men, and I suppose that is the explanation for that. Without going into any more depth—

The Hon. K.T. Griffin interjecting:

The Hon. R.R. ROBERTS: 'Specifically elected to represent women in the electorate of Eyre' were his words.

The Hon. K.T. Griffin: That does not say that the others were not represented.

The Hon. R.R. ROBERTS: I don't know that it does not. We have heard in this place the concerns of country people. I can assure you that they are real concerns and that there is a great deal of hurt out there. The concerns we often hear about relate to farmers, and there is an absolute truth in that: that farmers are hurting. I have a great respect and affection for farmers. My daughter, whom I love dearly, married a farmer earlier this year, and I am very aware of some of the problems that farmers face.

I also want to talk about the aspect that does not get talked about in country areas, where most of the real suffering that takes place does not happen necessarily on the farm, because farmers, by their nature, are very versatile and they can at least feed themselves in times of hardship. However, the people who are living in small country towns are hurting ever bit as badly, and in country towns in particular they are suffering from the recession and the actions of the economic rationalists, and the restructuring of industries is having a dramatic effect.

The Hon. K.T. Griffin: Economic rationalists—there is nothing wrong with that.

The Hon. R.R. ROBERTS: I live in Port Pirie, which is probably the best area that I am versed to talk about, and we

have a situation where the people have been devastated by the run-down of the railways. Pasminco Metals BHAS has been a victim of the recession and has had to restructure, and we have suffered 162 job losses just from that industry alone. Of course, there is great concern about the reduction in Government services in country areas, and that causes disproportionate hardship to that occurring in metropolitan areas. It seems to me that, whilst there is some loading for it, the provision of service is generally done on a per capita basis, and the problem is that to get 20 000 people in the country area you have to cover a couple of hundred square miles in some instances, and that is much easier to achieve in the metropolitan areas.

I was particularly concerned to read in the *Recorder* newspaper in Port Pirie the other day a contribution by a Liberal spokesman, Mr Bob Such, M.P., who was commenting on the high unemployment figures in the area. I think 'commenting' is probably being very kind, as it appeared to come over, and it was accepted by most people in the area, as gloating at the misery that was being suffered. Mr Bob Such suggested that my colleague Colleen Hutchison and I ought to be knocking on the doors of Ministers and complaining about it. We have not been knocking on doors and complaining about it: we have been pushing the doors down. We have not been jumping up and down and screaming about it: this South Australian Labor Government, and indeed to a lesser extent the Federal Government—although I would suggest that the funding in many instances has come from the Federal Government—has opted to act in consultation and cooperation with the Port Pirie council and other groups in that area.

One of the achievements has been the complete restructuring of the Port Pirie Hospital. I am delighted to say that only a fortnight ago that regional hospital received its maximum accreditation for three years. That has been achieved by sensible cooperation of the board, and I congratulate the Port Pirie Hospital board on the way in which it has cooperated with the Health Commission. It has now reached a point where it can provide comprehensive regional services which are greatly appreciated, and the standard of service has now received the highest accreditation.

We now have in Port Pirie a facility of such a standard that specialists are quite prepared to come to Port Pirie. In fact they are now complaining because they cannot get enough operating time at the hospital. Only three or four weeks ago I received a letter from a constituent of mine who has been to see me on a number of occasions about getting access to public hospitals, and operations for elective surgery in Adelaide. He rang me and wrote me a letter to say that he wanted to congratulate the Port Pirie Hospital on the standard of its services. In fact, a fortnight after his knee replacement he was walking around, and he espouses nothing about praise.

Another achievement of the State Labor Government in cooperation with the Port Pirie City Council is the lead decontamination unit, which goes back some time. About $30 million has been spent in Port Pirie on a greening program and decontamination, and that has increased the amenity and outlook of Port Pirie, and has done a wonderful job of containing lead levels in children in particular, a subject which is fairly sensitive today.

When the present Premier (Hon. Lynn Arnold) was the Minister for Regional Development, he set up, with the cooperation of the Port Pirie City Council, the Regional Development Board. This was the first of these boards that was ever set up in one city. Most of them have been set up in regions, but with the foresight of the Port Pirie City Council and the Government the Regional Development Board was set up and it has been going for some years now.

One of the problems one experiences in country areas is not necessarily the creation of new jobs: in many cases the task is to maintain the jobs that we have. We were facing a situation last year where the export abattoir that operates from Port Pirie looked like closing through financial debts, but with the cooperation of the Regional Development Board and the Government and the good work of Ken Madigan and his team in the Regional Development Board a program was constructed which resulted in the consolidation of the abattoir, which is expanding and things are now looking very good out there.

Another exciting development that is occurring in Port Pirie is the pursuit of a container construction facility. We have had delegations from Indonesia and Malaysia and we have also had British inquiries, and I am told by the Chairman of the board that those negotiations are looking good and that there is better than a 50-50 chance of achieving that goal. You, Mr President, will understand why I was delighted last night to hear in the Federal budget that a task force was being set up to look at Darwin as a major port, and if indeed that is to go ahead, and the Alice Springs to Darwin railway is completed, and those investigations go on, it augurs well for Port Pirie. It would be well placed to capitalise on industry, especially if it has a container construction unit on site.

Another initiative that has occurred in Port Pirie relates to tourism. My colleague, the past Deputy Mayor of Port Pirie, Mr Allan Aughey, was the Chairman of the tourism committee, which has worked extremely hard in Port Pirie to concentrate on eco-tourism and events-based tourism around the city. Some of the successes they have had are the Country Music Festival, go-cart racing and cycling.

A recent initiative with which I am extremely pleased, Mr President, comes about as a result of the setting up of a crime prevention committee in Port Pirie run by a Mrs Debbie Devlin. She has harnessed the youth of Port Pirie, and one of their projects involves the setting up of drag racing club. A few weeks ago they put on a show and shine event which attracted some 15 000 people, and I am certain that that event will occur every year and will bring tourists and visitors into Port Pirie and create wealth.

The latest initiative of the tourism and arts centre which was a board setup, chaired again by Allan Aughey, was to reconstruct the old railway station which was unfortunately closed down with the rationalisation in the railways. Between tourism and arts and the Federal and the State Governments, $400 000 has been put into that project. It is looking extremely well, and they are taking on a whole range of things.

On Saturday night I attended a youth concert in Port Pirie, the first of its kind in South Australia, where the youth of that region were given the opportunity to perform in the northern cultural arts centre, the Keith Michell Theatre, following a generous grant from the Minister of Arts and Cultural Heritage who paid for the hire of that magnificent cultural forum. I was extremely delighted to see the confidence that was shown and I was told by the organisers of the workshop that they had bloomed tremendously in just 24 hours of workshops.

The other initiative that the councils are taking in Port Pirie is the beachfront development, which is changing the whole structure of the waterfront. That development is absolutely magnificent. The facilities in Port Pirie are so good that they have now attracted the Australian speedboat championships which will take place in Port Pirie in late September or early October. What is occurring here is not the harping and political grandstanding, and this almost delight at the misery that is going

on by some politicians, for cheap political gain. What is happening with the State Labor Government, in cooperation with the Federal Government and the people of Port Pirie and that region, is that they have understood that only by cooperation and joint political effort will we be able as a Parliament to help those people in country areas.

I finish on the point of Government services because this is something which is extremely important. In Government areas in Port Pirie there have been reductions in Government services. When one considers the question of the services of the Department of Family and Community Services (FACS), the region from Port Pirie goes right down Yorke Peninsula and far north of Peterborough. There is an enormous area that has to be covered by that facility. That requires in many instances people having to travel great distances just to access the services. Any reduction in those services is intolerable.

What has happened is that Government services have been cut to the bone in country areas, and it is my intention, whatever Government is in power, to resist reductions in Government services in country areas, because the situation has just gone beyond what is reasonable. People in country areas are deserving of the same sorts of standards that are expected in Adelaide.

Now that this budget has been brought down, I did intend to expand at some length on the petrol issue. However, I will confine my remarks on that, because it is my intention to speak on the motion put forward by the Hon. Diana Laidlaw with respect to petrol. It would be remiss of me if I did not say I was absolutely appalled at this petrol tax. What has happened in my view is that the Federal Government has made a commitment, and rightly so, to give relief to middle income earners from taxation. In the past it has given relief to low income earners, and that is to be commended. We have also given taxation relief to companies. We have lowered company tax from 39 cents to 33 cents, and the Federal Government did give a commitment to give taxation relief to middle income earners.

But it seems to me on any assessment of the budget considerations last night that, in an endeavour to maintain faith, if you like, with middle income earners, the Government has in fact put these imposts on petrol, and I will not go into any detail, as other speakers have spoken about the severe impact on country dwellers. But by imposing this tax, the Government has taken back part of the tax cuts it gave to lower income earners to pay to middle income earners.

If this was the budget where we were going to do the decent thing, in the Australian context, especially in the Australian Labor Party context, it has always been in my view the policy of the Australian Labor Party that in times of hardship those who are most able to carry the load should carry most of the load, and in fact I think we have it wrong in this situation, where we have put the burden onto those who are least able to carry it. It would have been much better in my view to take the hard decision, make the decent decision, and say to Australians, 'We did promise you these tax cuts. Unfortunately, we are unable at this time to do it.' I am certain that most people would have accepted that the decent thing would be to put the tax cuts off and take the burden off the lower income people. The petrol issue is something that we will hear much more about when it goes to the Senate.

In concluding my contribution, it is my sad duty to bring to the attention of members the tragic death of Mrs Vivienne Crisp, wife of the mayor of Port Pirie, as a result of a car accident near Red Hill in the north of South Australia on this day. His worship the Mayor, Mr Crisp, and Mrs Crisp, who were very proud and supportive parents, were returning from Adelaide after attending a graduation ceremony of their son Martin when their vehicle struck a cow. Vivienne Crisp was a devoted mother and wife who supported her family in all their pursuits, especially his worship the Mayor, Mr Denis Crisp, of whom she was extremely proud and loved most dearly.

Mrs Crisp was a dedicated educator who loved the craft of teaching and had great affection for her school at Napperby, just outside Port Pirie, and often praised it and the school community to me on social occasions and at functions when we met. Vivienne Crisp had a great social conscience and strongly held views and convictions about many social issues, and had the courage and was prepared to debate and defend those views with anyone anywhere. In short, she had the guts and the strength to support her convictions.

On the election of Mr Denis Crisp to the mayoralty, Vivienne introduced her own style as mayoress to the people of conservative Port Pirie, who were at first surprised by her forthright approach and willingness to challenge, with grace, conventions and norms if she did not agree with them, often sparking debate and discussion, which is, when one thinks about it, the role of any educator. Port Pirians had come to respect and love her as only Port Pirie people love 'their own'. Vivienne Crisp had become, in the parlance of Port Pirie, 'our mayoress'.

I am sure that the thoughts and sympathies of all members of the Port Pirie community, all South Australians, and all members of this Parliament who knew the Crisps, are with Mayor Denis Crisp today, and they would offer their deepest sympathy and sincere condolences to him and his family, especially Tracey and Martin, on this saddest of days for them. I record in *Hansard* my own and my wife's special sorrow and sympathies in this time of grief for his worship the Mayor Mr Denis Crisp. I support the motion.

The Hon. K.T. GRIFFIN: Mr President, I draw your attention to the state of the Council.

A quorum having been formed:

The Hon. BARBARA WIESE secured the adjournment of the debate.

ENVIRONMENT PROTECTION (SEA DUMPING) (CONSISTENCY WITH COMMONWEALTH ACT) AMENDMENT BILL

In Committee.

Clauses 1 to 4 passed.

Clause 5—'No time limit for prosecution.'

The Hon. BARBARA WIESE: When last we debated this matter, the Hon. Miss Laidlaw raised questions concerning section 32 of the principal Act which relates to time limits for prosecutions for offences under the Act, and I undertook to seek further information about this matter. The information I have gathered is as follows. Clause 32 was inserted at the request of the Commonwealth for the sake of consistency. The Commonwealth Act, section 37a, provides:

> A prosecution for an offence against this Act may be brought at any time.

The no time limit referred to does actually mean there is no time limit on prosecution for an offence against the Act. In relation to the question asked by the Hon. Miss Laidlaw last evening as to whether there was some embracing power in some other legislation, the answer is, 'No, there is not.' What it says is what it means. I am advised that this provision was introduced into Commonwealth legislation in 1989 to overcome problems which may arise should a ship leave Australia and not return

for a number of years. This principle is embodied in international sea dumping and MARPOL conventions.

I raised further questions as to whether there were examples of cases where prosecutions have been held up under this legislation as a result of any time limits that may be in place, and I was advised that at least in South Australia (of course there has not been any prosecution under this legislation because it has not been proclaimed; other pieces of legislation have been used to pursue prosecutions) there was no knowledge within the department of prosecutions under the Commonwealth legislation, either. Prosecutions that have taken place over the past few years have usually occurred using some other legislation. It is interesting but, for the purposes of consistency with the Federal legislation and in accordance with the provisions that exist in international legislation, it is appropriate that there should be no time limit in case a situation arises where a ship does not return to Australia for a number of years, which would, in fact, thwart any prosecution attempts should there be a time limit.

Section 37 of the Commonwealth Act lists specific fines for indictable offences. It was not necessary to include similar provisions in the South Australian Bill as the classification of offences has recently been overhauled in this State, with section 5 of the Summary Procedures Act 1921 now setting out the usual classification of offences. The Magistrates Court hears and determines both charges of summary and minor indictable offences. Clause 5 of the Bill repeals section 32 of the South Australian Act and leaves the matter of classification of offences in the Act to the Summary Procedures Act.

The Hon. DIANA LAIDLAW: I thank the Minister and those from whom she sought advice for responding so promptly to my questions last night. Also I thank the Minister for holding over the Bill for those answers to be incorporated in *Hansard* before the Bill goes to the other place. Will the Minister confirm that she intends that this Bill be proclaimed? It is my understanding from what she indicated that this legislation, while introduced in South Australia in 1984, has never been proclaimed, notwithstanding the amendments that we put through in 1991.

The Hon. BARBARA WIESE: It is my expectation that this Bill will now be able to be proclaimed, but further discussion must take place with the Federal Government about that matter before it will agree to proclamation of this legislation taking place in South Australia. My understanding is that there are no outstanding issues that would prevent proclamation of this legislation since we have now brought it up-to-date with the current provisions in the Commonwealth legislation and the outstanding issues, particularly relating to off-shore reefs, etc., have now been resolved after many years of toing and froing. My understanding is that there are now no outstanding issues and we should be able to proclaim it some time in the near future.

The Hon. DIANA LAIDLAW: I think many people will be relieved, if only in a technical sense, that nine years after this legislation was first passed in the Parliament, and we are now into our second amending Bill, it may well be proclaimed. But one of the outstanding issues noted in the Minister's second reading speech related to the placement of artificial fish reefs. I know this has been an issue of debate with many fishers keen to see tyres placed on ocean beds for building artificial fish reefs, and I was wondering, while I had not raised this matter with the Minister earlier, whether in this place or in another place advice can be provided as to how that issue has been resolved and whether it has been resolved in favour of those who actually wish to see tyres or other objects placed in the sea for this purpose of artificial reefs?

The Hon. BARBARA WIESE: I understand that an agreement has been reached with the Commonwealth that this State Act will apply to the creation of artificial reefs, in respect of which regulations are to be drafted, which would allow for such reefs to be created and that they would be subject to a permit application.

The Hon. Diana Laidlaw: That is one of the issues for the permits.

The Hon. BARBARA WIESE: Yes. Once this legislation is passed the regulations can be drawn up, which hopefully will be undertaken in such a way that we will gain Federal Government approval and we can then move to proclamation.

Clause passed.

Remaining clauses (6 and 7) and title passed.

Bill read a third time and passed.

STATUTES REPEAL AND AMENDMENT (PLACES OF PUBLIC ENTERTAINMENT) BILL

Adjourned debate on second reading.

(Continued from 4 August. Page 37.)

The Hon. K.T. GRIFFIN: I indicate from the outset that the Opposition will be supporting the second reading of this Bill. I can indicate that there are a number of matters which will need some further clarification and I will endeavour to outline those during the course of this contribution in the hope that that will assist the Minister in obtaining responses and facilitate the consideration of the Bill during Committee consideration.

The Bill seeks to repeal the Places of Public Entertainment Act 1913. In repealing the Act, the Bill does provide for a limited number of sections in the Act to be incorporated in other legislation, or, if not in identical form, then in a form which meets certain issues raised in the course of the review of the legislation. The Places of Public Entertainment Act provides for the licensing of a place of public entertainment. The licence specifies the number of persons who may be admitted to each floor or tier of the place, the total number of persons who may be admitted and the period for which the licence is granted, and such licence extends to a variety of places of public entertainment, including drive-in theatres.

The Act also provides a rather comprehensive scheme for the approval of the construction or alteration of places of public entertainment and the plans which relate to such alterations or to the construction of a new place. It is the Government's intention, as I understand it, that those sorts of matters which relate to building will be dealt with under the Building Code of Australia. The regulation of amusement devices is proposed to become the responsibility of the Occupational Health and Safety Commission, and there are a range of matters which are proposed to be dealt with by that commission. It is in respect of that, in particular, that I will raise some questions shortly.

At present the Act requires the consent of the Minister for any public entertainment between the hours of 3 o'clock in the morning and 1 o'clock in the afternoon on a Sunday, and there are limitations on public entertainment in a licensed place of public entertainment on Christmas Day and Good Friday. Those restrictions are generally to be repealed, although there will remain a control over the Adelaide Showgrounds, and in that respect opening times are proposed to be addressed by regulation. I understand from the second reading report by the

Minister that in respect of the showgrounds no trading will be permitted before 10 a.m. on a Sunday.

The Hon. Anne Levy: It is the current agreement with the council.

The Hon. K.T. GRIFFIN: The Royal Agricultural and Horticultural Society does agree with that and indicates that it has been consulted with respect to that change and has no objection to the way in which that issue is to be addressed. It is interesting to note that in the submissions in respect of the Green Paper, one was received from the member for Unley, Mr Kym Mayes, who desires to have those time limitations in respect of the showgrounds maintained. One might well ask the question: well, what about other centres and venues where entertainment is held? They will no longer be subject to the constraints of the Act in respect of times. It may be that the sensitivity of the showgrounds in Mr Mayes'—

The Hon. Diana Laidlaw interjecting:

The Hon. K.T. GRIFFIN: Clipsal basketball or Football Park or a number of those facilities where large crowds gather will no longer be subject to the constraints imposed by the Places of Public Entertainment Act in respect of Sundays, Good Friday and Christmas Day.

The Hon. Anne Levy: Football Park would not classify; it is not a place of public entertainment under the Act. It is a sporting facility.

The Hon. K.T. GRIFFIN: I mention now in passing that some concerns have been expressed to me by the Law Society about the definition of 'place of public entertainment' in the Bill, because it suggests that Football Park will thereafter be a place of public entertainment for the purposes of the Tobacco Products Control Act. But I will deal with that in more detail when we get to that particular provision. The only other control which is to be maintained is a control over smoking in auditoriums, and that is to become the responsibility of the Minister of Health under the Tobacco Products Control Act. That Act provides that:

> A member of the public must not smoke a tobacco product in an auditorium of a place of public entertainment at any time before the entertainment commences, during the entertainment or after it has concluded.

In addition, 'a place of public entertainment' is defined as follows:

> A building, tent or other structure in which entertainment is provided for the benefit of members of the public and in which the audience is seated in rows.

As I just indicated, the Law Society has drawn attention to the fact that the definition may include, for example, the members' stand at Football Park.

The Hon. Anne Levy interjecting:

The Hon. K.T. GRIFFIN: There is no definition of 'auditorium'. It refers to a 'building, tent or other structure in which entertainment is provided for the benefit of members of the public and in which the audience is seated in rows.'

The Hon. Anne Levy: But smoking is prohibited in auditoria.

The Hon. K.T. GRIFFIN: 'In an auditorium of the place of public entertainment at any time before the entertainment commences, during the entertainment or after it has concluded.'

The Hon. Anne Levy interjecting:

The Hon. K.T. GRIFFIN: It is quite possible that it is because 'auditorium' is not defined and it is the 'auditorium of the place of public entertainment.' The place of public entertainment is 'a building, tent or other structure in which entertainment is provided for the benefit of members of the public and in which the audience is seated in rows.' All that I am saying is that this concern has been expressed.

The Hon. Anne Levy: Not all places of public entertainment have auditoria.

The Hon. K.T. GRIFFIN: No, but what I am saying is that the definition of place of public entertainment means 'a building, tent or other structure in which entertainment is provided for the benefit of members of the public and in which the audience is seated in rows'. But 'auditorium' is not defined, and it refers to the 'auditorium of the place of public entertainment'. All that the Law Society is saying is that it is possible, given the way that has been drafted, to say that the members' stand may well be caught by the drafting of the Bill. I think it is quite possible that it is. An auditorium could well be the whole of the football field, but not under the current definition of the Places of Public Entertainment Act. However, because there is no definition in this Bill of what an auditorium is then it is possible that it is caught.

All that I am doing is floating the issue. If the Minister disagrees, fine, she can wear it if it goes wrong later. However, I have an obligation to raise it; it has been raised with me. I sent the Bill out to a whole range of people for consultation and the Law Society came back with this view, which I am expressing. I think it is arguable and if it is arguable then let us address it before it becomes law; let us deal with that issue. It is an issue which does need to be addressed. If that is correct then, of course, under this provision in the Bill, smoking will be banned in such facilities. There is certainly nothing in the second reading speech which indicates that that is or is not the policy behind that proposition. But, if it is, then the Liberal Party suggests—

The Hon. Anne Levy: It is a no-change policy.

The Hon. K.T. GRIFFIN: If, as the Minister interjects, it is a no-change policy then I would suggest that the definitions do have to be looked at before the matter is finally resolved. I just want to relate a few issues which arise from the green paper and in the responses to that green paper. I did request copies of the responses from the Minister and she kindly made them available to me. Most of them are relatively uncontroversial. They do raise some issues which have not been addressed in the Minister's second reading speech and they are issues which I think need to be considered before the Bill is finally dealt with.

There is the proposal that, in relation to building requirements and safety measures, the building requirement will largely be dealt with under the building code. It is noted in the green paper that the Building Code of Australia devotes an entire section to theatres, stages and public halls. Specifically, that section deals with smoke control, seating, exits from stands, access to platforms and other associated matters. Open spectator or grandstands are included in the definition of assembly buildings.

The green paper does say later that there are no specific provisions in the Building Act and regulations in respect of regulation 66, relating to reports or alarm of fire, and regulation 73, relating to the safety of children under the Places of Public Entertainment Act. The requirements under section 13 of the Places of Public Entertainment Act for approval of plans for building work by the Minister could be obviated by the need for a certificate of classification to be obtained pursuant to the Building Act. It is not clear whether that is now provided by the Act and regulations or whether that is something that will require an amendment. I would like some clarification of that.

In relation to building fire safety committees, the green papers states:

> One of the most important aspects of the role of these committees is that their powers apply to any building or structure whether it was erected or constructed before or after the commencement of the Building Act and whether or not it conformed with the law of this State as in force at the time of its erection or construction.

However, in relation to that, there is an issue raised by the State Emergency Service in its response to the green paper. The letter from the service states that after its review of legislation, and particularly authority to enter premises—and particularly the authority by law to carry out a rescue function—it was found that only one organisation had the authority to do so, and that was the State Emergency Service. In that response there was also the following paragraph:

> With reference to statements in the review regarding the powers of members of the Metropolitan Fire Service, I question whether or not the powers are sufficient to cover all contingencies. The authority to enter the premises is only valid if the 'emergency' is related to the escape or possible escape of a dangerous substance or a fire (section 49(1)). The authority to enter does not, for instance, allow for inspecting scaffolding to see if it has been assembled properly, check first-aid facilities and equipment, etc.

I would like the Minister to clarify that issue to ascertain whether that matter was addressed prior to the Bill being introduced and, if it was, whether any change to the law was deemed necessary to accommodate that concern. South Australian Fire Services, the Fire Safety Department, in its response indicated that it agreed with the abolition of the mandatory requirement for a theatre fireman. That is one of the consequences of the repeal of the Act. It states:

> However, we do express concern at this time based on the reasoning for the deletion, provisions made under the Occupational Health, Safety and Welfare Act, Fire Safety.

This was back in August 1992, so events may have overtaken this observation. It states further:

> This Act and the code of practice. . . are currently out for public comment and could be subject to various changes which may influence a different response from this fire service.

It also raises the issue of evacuation, which is raised by the State Emergency Service, and suggests that this may be covered in a code of practice. However, if there is any inadequacy in the powers as a result of those two organisations in respect of premises previously licensed under the Places of Public Entertainment Act, that issue must be addressed.

In relation to occupational health and safety, the green paper states:

> It is currently proposed that these regulations should apply to machinery designed for use at work and to the maintenance of machinery designed for other purposes. This wording is intended specifically to exclude all but the safe maintenance of amusement structures because of the existing regulations under the Places of Public Entertainment Act. However, these regulations could also be utilised to provide the necessary safeguards relating to the construction and maintenance of amusement structures.

The issue that arises under that observation is whether in fact the Occupational Health, Safety and Welfare Act is adequate to address those issues where, for example, there may not be employees. The primary object of occupational health, safety and welfare legislation is obviously to provide a safe place of work, and it is probably difficult to envisage circumstances where what is presently a place of public entertainment may not at some time have employees engaged in those premises.

It would be helpful if the Minister could indicate whether the Government is satisfied that all those matters can now be dealt with under the Occupational Health, Safety and Welfare Act and appropriate regulations or whether some changes are necessary, and, if changes are to be made, what those changes are and when and by what means they are likely to be made.

Reference is made by the Adelaide City Council in its submission on the green paper to a number of matters referred to therein. It says that in its view some specific areas, which it details, warrant closer scrutiny. It talks particularly about inspections. I think that is more in the context of resources than in that of power, but it says that the powers of entry of building surveyors or building inspectors are limited by section 16 of the Building Act.

In that context, could the Minister give some indication as to whether she and her officers agree with that and, if they do, what impact that will have on the sorts of powers that are believed necessary to ensure proper and safe facilities in places of public entertainment?

The Adelaide Town Hall staff draw attention to a primary concern about the difficulty of policing overcrowding of public assembly buildings. Again, that is an important issue because both in Australia and overseas there are issues relating to overcrowding where situations of danger are created, and in the periodic tragedy persons are not able to get out of buildings which are set alight or where there is some other situation of danger.

The Adelaide Town Hall also refers to temporary structures and particularly to section 9a of the Building Act, which permits councils to approve temporary buildings or structures subject to reasonable conditions or circumstances. It goes on to say:

> However, the Building Code of Australia (BCA) does not contain specific requirements for temporary structures and it is not clear whether structures such as circus tents could be deemed to be 'building work' requiring application for approval under the Building Act.

I suggest that needs to be clarified. I raise these issues because I know that the Minister's officers will have more resources readily available than I. It would be helpful if they, who may have this information at their fingertips, would provide responses to those issues.

The Adelaide Town Hall staff go on to talk about other legislation and state:

> It may be inappropriate to expect that matters currently policed directly under the PPE regulations would be adequately addressed by the Occupational Health, Safety and Welfare Act 1986 or the Wrongs Act. Again, these are generally reactive (and punitory) approaches to issues that may warrant closer direct scrutiny on an ongoing basis.

They then draw attention to the issue of panic bolts as they do not appear to be addressed in the latest Australian standard, as well as to fire proofing of curtains, which again is not specifically addressed by the Building Code of Australia specifications. They state that the Building Code of Australia contains no requirements for securing rows of attached continental style seating to the floor of an auditorium. They are the specific issues raised by the Adelaide Town Hall. It may be that the Government has addressed those issues, but there is no indication of that in the second reading report.

I think it is important to make some observations about the responses which church groups and councils have made in relation to the removal of the time constraints on Sunday, Good Friday and Christmas Day entertainment. I can only rely on what is in the green paper, but in the green paper it is claimed that during the past five years 1 108 applications for entertainment on Sunday, Good Friday and Christmas Day were made. All the applications were approved: 762 applications related to Sunday entertainment; 322 to entertainment on Good Friday; and 24 to entertainment on Christmas Day, although only five of these were made in the past three years.

These statistics appear to support the opinion of the service providers that market forces determine the number and extent of applications made for entertainment on these days.

The figures suggest that there has been a diminishing demand for entertainment on Christmas Day and a growing community demand for Sunday entertainment. The church groups and councils that have responded to the green paper indicate that they believe that the religious significance of Sunday, Good Friday and Christmas Day should not be further eroded by an increase in entertainment, and therefore support some degree of Government regulation.

The Lutheran Church made a further submission to the Government on the green paper. It took the view that society did need to have some inbuilt legislative protection for Sundays, and particularly for Christmas Day and Good Friday. It does not agree that market forces will dictate the extent to which entertainment will be available on those days. It made the following point:

> The Christian religion is strongly represented in society and has such an influence in the expression of the Christian life ethic. Recognition should therefore be given to the specific days mentioned in the Act and they should be preserved as days free from unrestricted public entertainment.

I must say that the restrictions on public entertainment on those days do cause me some concern personally, because there seems to be a significant number of events now organised on Sundays, in particular, and it is very much a commercial day. I suspect, though, that it is not possible to turn the clock back, and in any event the way that the issue has been administered, at least in the past five years, suggests that when the applications have been made, whether it is for Sunday, Good Friday or Christmas Day, all those applications have in fact been approved by the appropriate Government agency. But I nevertheless do express some concern about the effect of the repeal of the Act in that respect.

The only other significant issue which has been addressed in the submissions and which is also addressed in the green paper relates to the abolition of the licence for cinematographers. The Media Entertainment and Arts Alliance has taken the view that the licensing obligations should not be removed. That is also the view of a licensed cinematograph operator who has written in quite strong terms about the need for expertise in operating machinery in cinema complexes. That machinery is complicated and the holding of a licence, it is suggested, is the first indication to owners and managers that a person has the necessary qualifications to operate that complex machinery. The green paper does make the point that originally the licensing of cinematographers was included in the Places of Public Entertainment Act because of the danger of highly flammable film—which has now been superseded—and by facilities which were largely built of timber with, at that stage, inadequate escape facilities for patrons. I understand that now the Occupational Health, Safety and Welfare Act and the regulations and policies developed thereunder deal with that issue in so far as it relates to conditions for employees, which will directly benefit patrons.

The fire service has safety obligations, and has imposed those upon owners of premises, and they are periodically assessed for fire safety. So, the only issue that remains to be addressed is the competence of the operators of the equipment in the projection room. The Government has taken the view, and we do not disagree with it, that the owners of such machinery are probably better placed than a Government agency to ensure competency. I should say that, in relation to that issue, the Federation of Film Societies has made a submission which is very much in favour of the abolition of the licensing requirement.

The green paper does address the issue of costs, and there is a cost to Government which is offset by the fees that are obtained from the various functions: the licensing, the issuing of permits and so on. However, in practical effect the legislation will be revenue neutral. The Opposition therefore indicates, as I said at the outset, that we support the second reading of this Bill, but it would be helpful for us to have some detailed responses from the Minister in respect of the issues to which I have referred, in particular safety, building obligations, and the way by which the occupational health and safety legislation is to pick up most of the problems that the Act presently addresses.

The Hon. G. WEATHERILL secured the adjournment of the debate.

EMPLOYMENT AGENTS REGISTRATION BILL

Adjourned debate on second reading.

(Continued from 17 August. Page 166.)

The Hon. I. GILFILLAN: The Employment Agents Registration Bill is in principle supported by the Democrats. There are some amendments on file, one of which I believe has been put on file in my name as an amendment to clause 20 in which some specific detail is spelt out as an obligation for the employment agent to inform any client who comes seeking employment about matters such as workers compensation, any arrangements for the payment of income tax, the name of an award which applies, superannuation, paid leave and detail of any kinds of expenses which would be reimbursed or otherwise paid for by the employer. I was and still am of the opinion that it is not good enough to leave that to regulations. I think they are important details for a potential employee to have before choosing whether or not to accept employment, and there should be no scope for misunderstanding or the disguising of some of that detail through non-obligatory disclosure.

I do not intend to take up more time going through the Bill. There are some amendments by the Opposition on file. I will look to its arguments. I do not believe that the ones that I have seen to any serious degree affect the Bill, whether or not they are passed. I would expect that, in general terms, especially as this is an updating of legislation which has been on the statute books for about 80 years, it is time that it is reviewed. I indicate the Democrats' support for the second reading of this Bill.

The Hon. C.J. SUMNER (Attorney-General): This Bill recognises the important role played by employment agents in facilitating employment in the economy and upgrades the previous Act. By establishing basic licensing and recording standards, the Bill ensures that both agents and clients have a responsible and fair climate to work within. The Bill is not regulation for regulation's sake, but recognises the importance of maintaining fair and clear guidelines when dealing with the important issue of finding work through third parties. It is heartening to see the Opposition acknowledge the need for such legislation, as do the Democrats.

I now turn to a number of points raised in the debate. The Opposition has indicated its support for the broad thrust of the Bill but has queried the need for display of the fees schedule at the agent's office. Job seekers and clients should be able to know very early in discussions with agents what the cost

of finding a job or worker will be. While the Opposition's amendment provides for agreement on the fee beforehand, it still allows for the possibility of arbitrary fee setting, possibly based on the perceived desperation of the job seeker.

Contrary to the assertion of the Opposition yesterday, many workers are charged a fee by agents, for instance, in the care, modelling and acting industries. It is the Government's belief that the fees information should be readily available, and the best way is for them to be displayed. It does not seem to be an onerous administrative requirement on agents, and is a standard procedure for many providers. This requirement, by the way, allows for more than one fee scale to be in existence. The suggested removal of the lodging of fee schedules with the Department of Labour flies in the face of procedures in other States. It will prevent a full understanding of the industry by Government, and will hinder compliance with section 23. The Opposition has also indicated that it opposes the over-reference to agents being held responsible for the actions of their staff which are taken in the course of their duties. This clause reflects the standard legal position which will be read into a situation in any case. As such, its removal at this stage seems to be an unnecessary procedure.

Lastly, in relation to the recording of employment conditions, I understand that the Hon. Mr Gilfillan proposes to move an amendment during the Committee stage which will incorporate into the Act standard schedule information to be provided by the agent to every job recipient. The Government supports this move which will considerably reduce confusion in the industry, subject to a check on the drafting. I thank members for their support of the second reading.

Bill read a second time.

In Committee.

Clauses 1 and 2 passed.

Clause 3—'Interpretation.'

The Hon. L.H. DAVIS: The Liberal Party understands that this definition of 'employment contract' is necessarily broader than the legislation which was set down first in 1915 and which, for some remarkable reason, limited employment contracts to the metropolitan area, so in the country anything went. This definition of 'employment contract', however, does puzzle me to the extent that I am not quite sure of how broad the scope of the contract actually is. It is quite clear that paragraph (a) provides for the straight contract of service in a traditional employer-employee relationship involving the employment of a stenographer, computer operator or accountant on a permanent or temporary basis, but with respect to paragraph (b), where there are a number of caveats on the contract, arrangement or understanding being entered into, I would be interested in knowing how far that employment contract reaches. For example, is it intended to cover a subcontracting arrangement, or is it really restricted to an employment contract?

The Hon. C.J. SUMNER: The definition is designed to cover subcontractors, where the person who is seeking the 'employment' is basically hiring his or her labour but where the labour is not ancillary to the supply of goods, etc. In other words, where the contracting out of the labour is the principal purpose, then the Bill covers subcontractors.

The Hon. I. Gilfillan: What does 'ancillary' mean?

The Hon. C.J. SUMNER: Where the substantial contract is for the supply of goods but the work, the labour component, is ancillary to it, that is, goes along with it, but is of lesser importance than the supply of the goods.

The Hon. L.H. DAVIS: Is the wording set down in paragraph (b)(i) incorporated in any other legislation or has this been drafted specifically for this legislation?

The Hon. C.J. SUMNER: I have a recollection that I have seen something similar to this, and the honourable member is correct if he had the same recollection because something similar appears in the Payroll Tax Act amendments which we passed recently and which were designed to stop the leakage from payroll tax. I understand that is also a definition that is used in interstate payroll tax legislation.

The Hon. L.H. DAVIS: I thought that I had seen that wording before. I must say that I have some unease about this definition reaching out and picking up subcontractors. I want to put that on the public record. I will walk the Attorney-General through each of those paragraphs to clarify our understanding of exactly what they do encompass. The contract does not cover a situation where the work is ancillary to the supply of goods by the person performing the work. An example of that is someone buying a stove, bringing it in and having it installed by the person who is supplying the stove.

The Hon. C.J. SUMNER: Yes.

The Hon. L.H. DAVIS: Subparagraph (B) provides that the work is ancillary to:

> the use of goods that are the property of the person performing the work;

Would this be a situation where, for instance, you have a building company that specialises in renovating houses and hires on, say, a part-time basis a sander who brings in a sanding machine to sand the floors? In other words, the use of the goods are the property of the person performing the work and that work is ancillary to the use of the goods. I can see some definitional problems, because obviously, although the sander is important, also the skill of the person operating the sander is important. Can the Attorney-General reflect on that example and advise the Council whether it is encompassed by the definition of subparagraph (B)?

The Hon. C.J. SUMNER: I am advised that that is the correct understanding.

The Hon. L.H. DAVIS: I put up that example because it seemed to me that it was a very good borderline example. You could argue that the sanding machine would not be skilfully operated in the hands of just anyone, that the work is not necessarily ancillary to the use of the goods and that the labour component is just as important as the machine itself. In other words, you just cannot make a judgment whether the machine or the labour is more important in that situation. That is what concerns me about reaching out and trying to broaden this definition.

In view of the lack of response from the Attorney, I will turn to subparagraph (C), which provides that the work is ancillary to:

> the conveyance of goods by means of a vehicle provided by a person other than the employer;

That obviously involves a situation where goods are transported and, therefore, is outside the arrangement. Subparagraph (ii) provides that:

> the contract, arrangement or understanding is of a class excluded from this definition by regulations.

Can the Attorney-General provide any examples of what will be excluded by the regulations?

The Hon. C.J. SUMNER: I did not respond earlier because I did not really have anything to respond to. The honourable member made some comments, and I was not really in a position to disagree with them. I think what he said is probably right.

The Hon. L.H. Davis: That is, it is a fine line.

The Hon. C.J. SUMNER: Yes, that is right, and there may be some difficulties at the margins, as there always are. I am advised that there is nothing in mind at the present time to be excluded from the definition.

Clause passed.

Clauses 4 to 9 passed.

Clause 10—'Licence conditions.'

The Hon. L.H. DAVIS: The Liberal Party does support this clause. I am interested to know whether the Government, in discussions with peak bodies such as NAPC, has in mind any specific conditions which it will prescribe by regulation with respect to the granting of licences.

The Hon. I. Gilfillan interjecting:

The Hon. L.H. DAVIS: I thought when you spoke you made a pretty good contribution, and I presumed that you had read my speech. That organisation was referred to on many occasions in my speech as the National Association of Personnel Consultants, with some 15 members in South Australia. Does the Attorney have in mind any conditions prescribed by the regulations as set down in clause 10(1)?

The Hon. C.J. SUMNER: No, nothing has been formulated on that yet.

Clause passed.

Clauses 11 to 18 passed.

Clause 19—'Display of information at registered premises.'

The Hon. L.H. DAVIS: The Opposition opposes this clause. I think I made the point fairly cogently in the second reading that this in many respects is out of step with commercial reality, because this clause seeks to require all employment agencies to exhibit in a conspicuous place at their registered premises a notice showing the scale of fees for the time being chargeable by the agent in respect of his or her business. The point I made was that personnel consultants, who are members of the peak body, NAPC, the Labour Hire Association and other mainstream employment agents simply do not charge fees of their potential employees, that is, the applicants for work. That fee is charged to the employer, and the employer simply does not come in to the premises for each contract of employment that is entered into. When I was making that point members of the Government were nodding in agreement. The Attorney has been nodding but in the wrong direction. He makes the point, which I accept, that there are—

The Hon. C.J. Sumner interjecting:

The Hon. L.H. DAVIS: Well, you are nodding the other way; you are nodding in the negative.

The Hon. C.J. Sumner interjecting:

The Hon. L.H. DAVIS: No, but you have expressed opposition to my proposition. That is what I am saying, fairly straightforwardly. The Attorney's only response was to say that in the care, modelling and acting industries, and maybe nursing—I am not sure about that any more—there is a fee charged to the applicant. I would have thought, with respect, those are very much minority situations, on which this legislation is hanging a very big hat. I find it quite unacceptable to argue that Western Personnel, for example, who are members of NAPC, are required to exhibit a scale of fees. It is clearly a nonsense, because as the NAPC clearly said in its letter to the Liberal Party, the ILO Convention, which they would like to see introduced into Australia, makes it illegal for applicants for a position to be charged a fee by employment agents—and none of the 15 members of the NAPC charge a fee. That is their ethic; that is their standard.

So to require them to put a scale of fees into their head office is a nonsense. It is not only a nonsense for that reason, Mr Chairman, but it is also a nonsense because we cannot simply set down one coherent scale of fees. Quite clearly, if Western Personnel, for example, has a contract to provide people of different skill levels on a permanent or temporary basis for a short or long term with BHP, the scale of fees is going to be quite separate from the scale of fees for a sole proprietor of a small business who may have a one-off demand for an unskilled person for a week or two to fill a vacancy created by sickness. It is an absolute nonsense, and it also has to be said that there is no other provision that I believe the Attorney can cite where a scale of fees is set down. If the Attorney-General is big on these scales of fees then we will be into solicitors, we will be into accountants, we will be into share brokers, we will be into service station operators—

The Hon. C.J. Sumner: I will move an amendment.

The Hon. L.H. DAVIS: Well, this Government in its desperate, dying days will probably do anything. I am perhaps doing a disservice in raising these matters, but I raise them because it is a very logical thing to say that if you are going to have a scale of fees which is impractical, illogical and unnecessary in this operation, why the heck do you not have a scale of fees? We are living in a world of deregulation and the Government is going in the opposite direction. I hope that persuades the Australian Democrats that at least there may be a compromise position in this matter which is proposed by our amendment which I have moved.

The Hon. C.J. SUMNER: Mr Chairman, the display of fees by agents has been in existence since the establishment of the original Act.

The Hon. L.H. Davis: The world has changed since 1915; haven't you noticed?

The Hon. C.J. SUMNER: Well, being of conservative bent, that seems to me to be sufficient reason to continue to maintain the fee. The fee schedule does not have to be shown in dollars; it can be shown as a percentage. As long as the maximum amount to be charged can be qualified by the worker or the client, the terms of the Act will have been met. The display of charges is common practice among many providers of goods and services. The Government considers the display of a fee schedule as providing essential information to users, helping prevent arbitrary fee-setting and confusion amongst the parties.

The Hon. I. GILFILLAN: Mr Chairman, I hate to frustrate the Hon. Legh Davis, who is having a lot of trouble remaining in his seat. I looked at this particular clause and pondered over its meaning. I must say that I was somewhat confused by the wording 'showing the scale of fees for the time, being chargeable by the agent in respect of his or her business'. The other alternative reading is 'showing the scale of fees for the time being chargeable by the agent in respect of his or her business', which is probably the more likely interpretation, which means that the fees are not defined by the clause in the Bill as being of any specific type. It looked originally—it was only my first cursory reading—as though it was only a rate per hour that an applicant could expect to be charged for advice or service for his or her requirements.

It seems to me that the Hon. Legh Davis has raised a point that is of interest: I am not sure that it is of any great significance. The significance to me is whether the clients find it useful or an advantage to have the scale of fees displayed. I suspect the answer is yes, because in many of these circumstances those who are coming in looking for positions of employment are not skilled in the art of negotiating with some pretty sharp operators. I use those words with respect. I do not mean that they are dishonest operators, but people who are used to working

deals to their better advantage. If it is to be a negotiated position it needs to be negotiated from positions of relatively equal strength. I put it to the Chamber that that would not necessarily be the majority of people, where you have unemployed or people looking for work coming into an established business and seeking there to strike the terms and conditions upon which they would get this particular attention. That, however, is negated if it is common and almost unanimous practice—perhaps one should say 'completely uniform practice'—that the likely employee does not get charged at all and that the only fee is actually extractable from the employer. I have not had sufficient experience to know whether that is the case or not. If it is, then it does take on a different complexion, but I suspect that from time to time intending employees looking for a position do get charged a fee by an employment agent looking to place them in some position, but I stand to be corrected.

My position is that I am not persuaded that it is doing any harm to have this in the Bill. If it is totally futile and serving no purpose at all then I think we may as well strike it out; there is no purpose in having it there just for the sake of having it there. However, if it does leave that protection for what I think is a more vulnerable part of the two sides that would be negotiating for fees and the fee structure does need to be publicly shown and lodged with the director, it is a reasonable measure to take.

The Hon. L.H. DAVIS: I feel quite strongly about this matter. We have the Attorney, who clearly is not abreast of what really happens in the commercial community, and the Hon. Mr Gilfillan, with respect, with a very heavy legislative schedule, who also has not made the inquiries that I have. I hope that the Council will respect my integrity and knowledge in this matter when I assure members that the common practice with employment consultants in Adelaide is not to charge a fee of their client. When I say that the National Association of Personnel Consultants wrote to the Liberal Party, I can say that it is representing people whom the Hon. Ian Gilfillan will recognise by name. I refer to Centacom, Jane O'Connor Reid Kelly Services, Manpower, Western Personnel, Schaefer Personnel, Select Staff, Wilkinson Temporary, Work Zone, a whole range of people who would—

The Hon. I. Gilfillan: Why haven't they been in touch with me?

The Hon. L.H. DAVIS: This legislation was on the Notice Paper early in 1993 and they have—

The Hon. I. Gilfillan interjecting:

The Hon. L.H. DAVIS: Well, as legislators we have a responsibility to follow through with people. That is a dangerous argument that the Hon. Mr Gilfillan advances: that if he has not heard from them he will not support them. I find that a frightening proposition. I know the Democrats, notwithstanding the fact that they have more staff than the Liberal Party, do get the sharp end of the wedge.

The Hon. C.J. Sumner interjecting:

The Hon. L.H. DAVIS: Well, I know what we are hearing from the Attorney-General is a sign of the electoral winds, of course, that on the brink, in the eleventh hour of this electoral term, something is going to happen. However, let us not—

The Hon. C.J. Sumner interjecting:

The Hon. L.H. DAVIS: We will look at the gift horse. I just want to read to the honourable Attorney and also to the Hon. Ian Gilfillan exactly what the NAPC says. It states:

> Under the NAPC code of ethics our members do not charge fees to any applicants. An applicant is a person registering with the agency for permanent and/or temporary work. Fees are therefore only charged to clients, that is employers.
>
> Again under our code of ethics members must inform clients the scale of fees to be charged before undertaking an assignment for them. Furthermore, clients rarely visit agents' offices. In most cases the agent will visit the employer.
>
> Therefore, whilst we can understand that the intent of the Bill is to prevent individuals being unaware of the cost of the services involved, it really has no relevance to our clients. Furthermore, each individual agency sets its own scale of fees. To have these displayed conspicuously could lead to industrial espionage and undercutting of fees or, conversely, to charges of price fixing.
>
> Another point to consider is whether such a scale of fees relates to permanent and/or temporary fees. It is unrealistic to expect an employment agency to provide a list of temporary charges as they supply staff across a wide variety of occupations and particularly at senior levels, negotiate charges on an individual basis, depending on the category of personnel supplied.
>
> Such fees would also be subject to fluctuations with changes to awards, payroll tax, workers compensation, superannuation, training levy and other Government imposts, thus putting a requirement on our members to regularly update them.
>
> We do not believe that fees are presently displayed in other professional offices, for example, lawyers, accountants, dentists, real estate agents, doctors, so it seems unrealistic to expect the personnel profession to have to display theirs.

Having made that point very strongly, and let me underline this for the Hon. Ian Gilfillan: that really is picking up the whole of the employment in the office sector of Adelaide and metropolitan Adelaide and country South Australia. What we have at the fringe—and the Attorney-General has had the grace to admit this—is that certainly there are areas where historically a fee has been charged because of the nature of the work involved. I refer to care, modelling and acting. They are hardly the mainstream, but certainly important areas of society. But the whole framework of clause 19 is hanging on these far from mainstream occupations. That is why I am saying it is impractical and unnecessary.

I should say to the Council that not only have I read that letter but I have also consulted with the employment agents. I have taken wide advice on this. I have spoken to the Chamber of Commerce and Industry; I have spoken to the NAPC and other people in that area, because when I was in business—as indeed was the case for well over a decade before I came into Parliament—I was in a position where I did just that: seek out employment agents and take on temporary staff. I have maintained my links and my contacts with and hopefully my understanding of that important industry. I am not going to stand here in this Council and allow nonsense legislation to pass.

The Hon. Ian Gilfillan made a very valid point this afternoon when he raised the fact that the Liberal Party had not fully understood the pensioner legislation—which seeks to penalise unrealised capital gains on share investments held by pensioners—when it first came into the Federal Parliament late in 1992. He sought to amend that legislation and give us a rap around the ears for that because we were impractical and now he has the gall in this legislation—

The Hon. I. Gilfillan interjecting:

The Hon. L.H. DAVIS: No, I am making a very valid point here. I am trying to be practical and to frustrate legislation that is irrelevant, obnoxious and impractical and the Hon. Ian Gilfillan and is saying 'Get on with it.' I am not going to have that sort of hypocrisy. I made the point quite validly in my speech this afternoon that I recognised the contribution and consistency of the Australian Democrats in relation to the pensioner legislation and I made the point that the Liberal Party had not supported it. I had fully comprehended the dimension of the problem as soon as I became aware of it early this year.

So, I am pretty passionate about this legislation, which is small bickies in the scheme of the State Bank, SGIC and other things. However, it is still important as a matter of principle that we have legislation which reflects with accuracy the real world in which we live and for which we legislate. If the Attorney is not familiar with this legislation, which he clearly is not, could I suggest, with respect, that he report progress, that he get a decent briefing on this legislation and update his information on the real world so that we can have a proper, reasonable and relevant debate on this important matter.

The Hon. T.G. ROBERTS: I am not sure that the Hon. Mr Davis has the right argument for the right set of circumstances. There is a number of ways that agents can charge fees. There is one method by which they can charge the client for services required through contract, that is the one that he has described—by telephone by prior arrangement. There is another method that requires a registration fee by individuals with agents, and sometimes agents charge fees to individuals to represent their interests in contracting employment or getting contract of employment arrangements. There is another method that is not so well-known that I came across in Europe when I was making applications for jobs there. In this scenario agents take, without your knowledge, a percentage of perhaps your first weekly or monthly pay packet. In a lot of cases they do not state that. You get your first pay from the employer to whom you are contracted by the agent.

The Hon. L.H. Davis: How long ago was this?

The Hon. T.G. ROBERTS: This was in the 1970s.

The Hon. L.H. Davis: This was when this legislation was first introduced. The world has moved on.

The Hon. T.G. ROBERTS: The same practices apply now as applied in those contracting arrangements. In fact, it is growing because the deregulation of the labour market hit far earlier in the 1970s in Europe than it did in Australia. But there is a provision in those contracts for garnisheeing, at least in some cases, one day's pay in a month or a week, whatever it is, and the employer who is contracted does not actually know what the conditions of those requirements are.

I think that is a fair arrangement for individuals to know. The honourable member raised the case of the changing nature of nursing contracts. In many cases nurses are contracted through agencies and they have a personal relationship; they know exactly what the contract is that they are entering into. However, many other businesses have far looser arrangements. They are not based on a structured relationship between employer and employee or contractor, and they are unscrupulous. I am not referring to the ones about which the honourable member spoke. He referred to those who are registered with the NAPC. They may have a fairly moral position in relation to how they deal with their clients and customers, but there are some who do not. I think it would be quite fair for those individuals who have to contract out their employment to know exactly the nature of the contracting arrangements, and it would be good if they were displayed or at least if there were some knowledge by those individuals when they lined up to be contracted out in what is regarded as body hire or contract work.

The Hon. L.H. DAVIS: The Liberal Party amendment that is on file seeks to provide a practical solution to the dilemma caused by the Government's misleading of the marketplace. Our amendment to clause 19 states:

> An employment agent must on or before his or her engagement by a person to act as an employment agent ensure that agreement is reached with the person on the fee or the method of calculation of the fee that the employment agent may charge.

That is not an unreasonable precaution. It is a requirement of the employment agent. There is provision for a division 6 fine in our amendment. It covers the points that the Hon. Terry Roberts made, even though he was reminiscing in the 1970s. With respect, I think the world has moved on a little, and I am providing the Committee with information from 1993. This Bill is a 1993 Bill. I would have hoped that the Hon. Ian Gilfillan would see that this is a reasonable compromise. We are not gung ho on this; we recognise that there needs to be an element of control, a balance between the rights and responsibilities of employers and employees, and I think that clause 19 is a reasonable compromise. However, I say quite earnestly to the Attorney-General that if he has the will and the disposition to get an updated briefing—

The Hon. C.J. Sumner: It has nothing to do with me.

The Hon. L.H. DAVIS: All right, but in good grace the Attorney might say that the Government may well have the wrong end of the pineapple, so we will have a look at it and report progress and get some updated information, because with respect the Government has provided precious little information to us this evening.

The Hon. I. GILFILLAN: I think it may be useful to indicate some other ways that we have worked when the Hon. Trevor Griffin has held the other corner of the triangle. There is no reason why we cannot resubmit the clause. The team has been reasonable in dealing with these matters. We do not need to be impassionately flagellated to look at these matters objectively. I believe that the Hon. Legh Davis can rest assured that if other aspects are important to be considered in this clause, speaking for the Democrats and from previous experience for the Attorney, there would be no reluctance to resubmit. However, I do not think we should halt the whole process; rather, we should roll on.

The Hon. L.H. DAVIS: I am happy to accept that proposal, provided that the Attorney is prepared to reconsider the matter, seek updated information on this clause and take up the Hon. Mr Gilfillan's conciliatory offer; it could consult with these peak bodies because I believe a compromise can be worked out. I do not want to see South Australia being held up to ridicule with scales of fees in employment agents' offices which have no meaning, no purpose and no relevance.

The Hon. C.J. Sumner: They do it now. I am not saying that they should necessarily continue to do it forever, but it is not something new.

The Hon. L.H. DAVIS: But the world has moved on since 1915, and that is the point. If the Government would undertake to follow through on the Hon. Ian Gilfillan's recommendation, I would certainly support recommittal, but I would hope that in the meantime the Government would talk to the relevant bodies and update itself on the information, which it does not appear to have at its fingertips at the moment.

The Hon. C.J. SUMNER: My understanding of the Hon. Ian Gilfillan's proposition is that we will proceed to complete the Bill and that we will revisit clause 19 tomorrow or next week. In the meantime, I will ensure that the matters raised by the Hon. Mr Davis are put before the responsible Minister again to see whether or not he can accept the Hon. Mr Davis's amendment. All I know—and I am only the spokesperson for the Minister in this Chamber—is that the Minister's view (and he is responsible for the Bill) was that the amendment ought not to be accepted.

The Hon. L.H. Davis: Who is the Minister?

The Hon. C.J. SUMNER: The Hon. Mr Gregory. The Hon. Mr Gilfillan has suggested that course of action, and I am happy

to follow it. I do not know what is going to happen to the amendment in the meantime.

The Hon. I. Gilfillan interjecting:

The Hon. C.J. SUMNER: The Hon. Mr Gilfillan suggests that we pass over clause 19 and come back to it without amending it at this stage.

The Hon. L.H. DAVIS: If that is the case I support that proposition and I withdraw my amendment for the time being.

Clause passed.

Clause 20—'Responsibilities to workers.'

The Hon. I. GILFILLAN: I move:

Page 13, line 6 to 8—Leave out paragraphs (c) and (d) and substitute new paragraphs as follows:

(c) whether the Workers Rehabilitation and Compensation Act 1986 will apply in relation to the person and details of any other insurance arrangements that will apply in respect of the employment (including who will be responsible for the payment of any premium); and

(d) the arrangements (if any) that will apply for the payment of income tax; and

(e) the name of any award that applies in relation to the employment; and

(f) details of any occupational superannuation to which the person will be entitled; and

(g) details of any entitlements to paid leave that will accrue during the employment; and

(h) details of any expenses (or kinds of expenses) which will be reimbursed or otherwise paid for by the employer.

I spoke to this amendment in my second reading contribution. It seeks to add detail into the material that is provided to an intending employee or an applicant for a position.

The Hon. L.H. DAVIS: The numbers are present to pass this clause, but I must raise a practical difficulty that I see with this proposal. I understand and commend the Hon. Ian Gilfillan for the amendment, but there may be a situation where someone is contacted by telephone by an employment agent and asked to be at an office in 10 minutes because of a critical situation—for example, someone has not come to work and a submission has to be typed immediately.

I wonder whether the mechanism will always be in place to enable these matters to be complied with in a short timeframe. I am reading clause 20 to see whether there is a timeframe within which this information must be contained. I understand that a standard form might apply, but there are many combinations and permutations of employment and awards.

The Hon. I. Gilfillan: It could be done by regulation if it is going to be under paragraph (c) and, rather than leave it to regulations, I would prefer to see it in the Bill.

The Hon. L.H. DAVIS: I understand that.

The Hon. C.J. SUMNER: It is envisaged that regulations would require the information to be provided within a week or two.

The Hon. L.H. DAVIS: Right. That answers my query. The Attorney by way of explanation has said that that form will be provided within a week. That overcomes my concern that the information suggested by the Hon. Ian Gilfillan had to be up front. In those circumstances, the Liberal Party does not raise any concerns.

Amendment carried; clause as amended passed.

Clause 21—'Responsibilities to employers.'

The Hon. L.H. DAVIS: I have on file a consequential amendment to the amendment that we have already canvassed in clause 19. I do not intend to proceed with this until debate os resumed on clause 19 at some future time.

Clause passed.

Clause 22 passed.

Clause 23—'Inspections.'

The Hon. L.H. DAVIS: I move:

Page 15, after line 17—Insert new subclause as follows:

(1a) An inspector is not entitled to enter a part of premises used for residential purposes except—

(a) with the consent of the occupier; or

(b) under the authority of a warrant issued by a magistrate.

Clause 23 has a reasonable purpose, namely, that an inspector can enter and inspect the premises of an employment agency to ensure that the agency is administering its operations correctly. This inspector will have the power to examine records, accounts and documents relating to the business of the employment agency as well as take extracts from records, accounts and documents. The Liberal Party has no objection with granting that power to the inspector, but we do point out the very practical problem that arises increasingly, and that is, as I mentioned in the second reading debate, that more and more operations are based out of home; that home offices are becoming quite common. I suspect that some employment agents are operating out of a home office.

Therefore, the provision for an inspector to be able to enter domestic premises at any reasonable time has to be reviewed in the light of that development. If it was a business set in the city with hours from 9 am to 5.30 or 6 pm it is fairly obvious that the inspector will probably enter those premises while they are open to the public. However, an employment agent operating out of home may well have unusual hours and may well operate after hours, but also of course in a domestic setting. The Liberal Party would not like to think that an inspector could enter a domestic premise at, say, 8 o'clock, so we have sought an amendment that would restrict an inspector entering part of premises used for residential purposes except with the consent of the occupier, or under the authority of a warrant issued by a magistrate. Some consequential amendments are also proposed for clause 23 after line 6 on page 16 which I will address in a little while.

The Hon. C.J. SUMNER: The Government does not see the need for this amendment. If an agent is conducting a business from their own home they should be subject to the same conditions imposed on businesses elsewhere.

The Hon. I. GILFILLAN: The Democrats oppose the amendment.

Amendment negatived.

The Hon. L.H. DAVIS: I move:

Page 16, after line 6—Insert new subclause as follows:

(6) an inspector, or a person assisting an inspector, who—

(a) addresses offensive language to any other person; or

(b) without lawful authority hinders or obstructs or uses or threatens to use force in relation to any other person,

is guilty of an offence.

Penalty: Division 6 fine.

This is a proposal for a new subclause. We are just seeking to balance the rights and responsibilities of both parties in this matter. Clause 4 provides for penalties against an employment agent or a person who obstructs an inspector in the course of their duties. The new subclause that we propose simply recognises that an inspector might at sometime exceed his or her authority, and we propose to recognise that in the legislative form.

The Hon. C.J. SUMNER: The Government does not support the amendment.

The Hon. I. GILFILLAN: I think it is fair enough. I will support it.

Amendment carried; clause as amended passed.

Remaining clauses (24 to 31) and title passed.

Bill recommitted.

STATUTES AMENDMENT (ABOLITION OF COMPULSORY RETIREMENT) BILL

Adjourned debate on second reading.
(Continued 17 August. Page 164.)

The Hon. C.J. SUMNER (Attorney-General): I thank the Opposition for its support of the second reading of this Bill, which seeks to remove references to compulsory retiring ages in accordance with the recommendations of the report of the working party reviewing age provisions in State Acts and regulations.

The other matters raised by the working party are under consideration at present. A proper assessment of each of the recommendations is being undertaken. It is anticipated that a further Bill will be put before Parliament later this session. It was my intention that, in order that the issue of compulsory retirement be resolved well in advance of 31 December 1993, these issues be dealt with initially.

In relation to the amendment to the Construction Industry (Long Service Leave) Act 1987, discussions were had with a representative from the Construction Industry (Long Service Leave) Board in relation to the amendment in the Bill. It was agreed with the representative that the section would still operate effectively after the removal of the provisions in the Bill.

The Government recognises that, with the removal of compulsory retirement provisions, performance appraisals will have to be introduced. However, as the honourable member points out, the focus of these amendments is continued employment on the basis of performance and merit, which is far preferable to allowing employees who are performing inadequately to remain in positions until they reach retirement age.

It is the Government's view that removal of the compulsory retirement age is crucial to the maintenance of a vital workforce. My response to groups that are requesting a longer period to address the issue of removal of compulsory retirement provisions is to say that such a move has been a possibility for some time now, and could have been under consideration in the meantime.

In the case of the universities and other groups, submissions were received by the working party very early in this year and the report was released in March 1993. Therefore, the relevant groups have had a reasonable period in which to consider alternative ways to assess performance.

The honourable member has raised the matter of amendment of the Police Act 1952 to remove the compulsory retirement age of 60 years for police officers. The honourable member has detailed the arguments put by the South Australian Police Department, which were carefully considered by the working party, for retention of the compulsory retiring age.

The response of the working party to the issues raised by the department was not to grant an exemption from the general principles underlying the Equal Opportunity Act with regard to compulsory retirement. The working party gave the following reasons for such a decision. The issues raised by the department were similar to those of other Government departments and were essentially issues concerning the appropriate management of human resources. The department stated that, given the nature of operational duties, most officers choose to retire at about 57 years of age and it is not envisaged that abolition of compulsory retirement will affect this trend. Superannuation benefits are also most advantageous at about this time. The department failed to produce evidence to support the proposition that large numbers of officers will choose to remain in the workforce up to 60 years of age. The number of officers who do not wish to retire at 60 years of age is estimated to be 2 per cent.

The working party rejected the arguments of the department for the above reasons and recommended removal of the compulsory retirement provisions. The Government supports the recommendation of the working party and accepts the reasons put forward above for removal of the provision. While the police in New South Wales may be exempt from such provisions, this does not provide adequate reason for the same course to be taken in South Australia. Further, section 85(f)(3) of the Equal Opportunity Act states that the division concerning discrimination of the basis of age will not apply to the employment of a person if the person is not able to perform adequately, and without endangering himself or herself or other persons, the work required for that employment or if the person is unable to respond adequately to situations of emergency that should reasonably be anticipated in connection with that employment.

The honourable member has raised the matter of amendment of the Police (Complaints and Disciplinary Proceedings) Act 1985 and raised concerns that a fixed term of seven years may create problems. I refer the honourable member to the provisions of the Act which clearly state that the Governor may suspend the authority from office on the grounds of incompetence or misbehaviour. Further, the office of the authority shall become vacant for a number of reasons, in particular if he is removed from office by the Governor on the ground of mental or physical incapacity to carry out satisfactorily the duties of his office. I think these provisions in the Act adequately address the concerns of the honourable member.

I have had the provisions of the Renmark Irrigation Trust Act re-examined and accept that this amendment does not appear necessary. Section 13 of the Act prescribes the events which may cause a vacancy in the office of member, and lunacy and idiocy are the only appropriate grounds for removal in these circumstances. Accordingly, I will move an amendment in this regard.

The honourable member raises the matter of the repeal of section 13b of the Supreme Court Act 1935. I am advised that that provision does not apply to any presently serving members of the court who are masters. The Workers Rehabilitation and Compensation Act 1986 has also been raised by the honourable member as an area of concern. I have had this matter reconsidered and agree that, as there is no term of membership, and as the President of the Industrial Court and the Deputy Presidents of the Industrial Court are appointees, this matter should be reviewed later.

As I have previously indicated, the positions of Valuer-General, Solicitor-General, etc., will be reviewed in due course to determine whether it remains appropriate to impose a compulsory retirement age and I will have this Act reconsidered as part of that review.

Further, the honourable member raises the matter of removal of retiring ages and the effect that will have on WorkCover liabilities. This is dealt with by section 35(5) of the Workers Rehabilitation and Compensation Act 1986. I refer the honourable member to page 35 of that report where the working party has recommended retention of that provision. The working party recommended an exemption from the Equal Opportunity Act for section 35(5) on the basis that there would be significant cost implications if weekly payments were continued until the death of the worker.

With regard to the concerns of the Council on the Ageing, I respond as follows. The relevant universities legislation did not require amendment as the compulsory retirement provisions were contained in the internal statutes of the universities. As these statutes do not have the force of law, those provisions are over-ridden by the general provisions of Part VA of the Equal Opportunity Act. Further, the Country Fires Act 1989 has references to compulsory retirement in the regulations made under that Act. Accordingly, the regulations will be amended after this Act has been passed by Parliament.

Bill read a second time.

SUPPLY BILL (No. 2)

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

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

That this Bill be now read a second time.

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

Leave granted.

It provides $980 million to enable the public service to carry out its normal functions until assent is received to the Appropriation Bill.

Traditionally the Government has introduced two Supply Bills each year, the first covering July and August and the second covering the period from September until the main Appropriation Bill becomes law.

The amount of this Bill represents a decrease of $20 million on the second Supply Bill for last year.

This decrease reflects the adjustment between the two Supply Bills which I announced when the first Bill was introduced this year.

At that time, honourable members will recall that the Government increased the amount of the first Bill for this year to cover expenditure in early September and foreshadowed a reduction in the amount sought in the second Bill. This adjustment has been necessary because, in recent years, the second Supply Bill has not received assent until early September and under deposit account arrangements several agencies draw funds from Consolidated Account at the beginning of the month.

This Bill is for $980 million, which is expected to be sufficient to cover expenditure until early November, by which time debate on the Appropriation Bill is expected to be complete and assent received.

Clause 1 is formal.

Clause 2 provides for the issue and application of up to $980 million.

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

ADJOURNMENT

At 10.59 p.m. the Council adjourned until Thursday 19 August at 2.15 p.m.