LEGISLATIVE COUNCIL

Thursday 26 August 1993

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

That the Hon. Mario Feleppa take the Chair as Deputy President.

Motion carried.

The DEPUTY PRESIDENT (Hon. M.S. Feleppa) took the Chair at 2.15 p.m. and read prayers.

DEPUTY PRESIDENT

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

That the Deputy President perform the duties of the President in relation to the proceedings of the Council until the return of the President this day.

MOUSE PLAGUE

The Hon. BARBARA WIESE (Minister of Transport Development): I seek leave to make a ministerial statement on behalf of the Minister of Primary Industries concerning the mouse baiting subsidy scheme.

Leave granted.

The Hon. BARBARA WIESE: Today, Cabinet approved a special one month, 50 per cent strychnine subsidy scheme for farmers who have already baited crops, so they can bait again. This subsidy scheme will commence immediately. This step has been taken because nature has not worked with us in August, failing to give mice the knockout blow needed. The Government's mouse control campaign itself has been highly successful. Where bait has been applied, there has been in excess of an 85 per cent reduction in mice and most areas have reported a 90 to 99 per cent reduction in mouse numbers. However, the warm weather we have experienced in the past fortnight is now providing perfect conditions for remaining mice to breed up again.

This next month will be critical because warm conditions have caused early flowering of weed species, providing an alternative source of feed for mice. Any build up in mice numbers will have the potential to do further damage to maturing crops in spring and the Minister has sought to immediately reduce this risk.

The scheme has been set up to provide bait at the reduced rate of $1.50 per kg (previously $3 per kg) for farmers who have already baited so that they can bait again to ensure a worthwhile harvest and help prevent residual mice populations surviving until next year. There is no doubt the strychnine baiting campaign has been a huge success in controlling devastating mouse numbers at the peak of the plague. As at 20 August 1993, 640 kg of strychnine had been used in treating 212 000 hectares of crop in 1900 individual lots, at a cost of $634 000.

There have been 73 State Government employees involved in various aspects of the campaign as well as 45 employees of the Animal and Plant Control Commission boards. Altogether the cost of the campaign to date is in the vicinity of $1 million. Additionally, the State Government will outlay between $100 000 and $150 000 in monitoring and testing grain following harvest. The establishment of this special one-month baiting subsidy will go a long way to making control measures more affordable for farmers who have already invested in protecting their crops.

PUBLIC EMPLOYMENT COMMISSIONER

The Hon. BARBARA WIESE (Minister of Transport Development): I seek leave to make a further ministerial statement on behalf of the Acting Attorney-General concerning the Commissioner for Public Employment.

Leave granted.

The Hon. BARBARA WIESE: Mr Deputy President, it was alleged in Parliament yesterday by the Hon. Rob Lucas that Ms Sue Vardon, the new Commissioner for Public Employment, had been freely backgrounding journalists and others over the past weeks that there were 12 000 surplus public servants in South Australia. It was said that this was the secret agenda of the Hon. Lynn Arnold. Ms Vardon rejects these allegations outright. Ms Vardon has briefed journalists and public servants extensively in the past few months with the permission of her Minister. Briefings with journalists have been made in the company of Ms Philippa Schroder, Senior Consultant Public Affairs, with the Office of Public Sector Reform. These briefings have detailed the Government's public sector reform agenda, leading from the Minister of Public Sector Reform's statement in May 1993.

At no stage has she made any statements concerning a Government policy to reduce the number of public servants over and above what has already been announced. Ms Vardon has emphasised that the reduction of public servants to date will not lead to a loss of services—

Members interjecting:

The DEPUTY PRESIDENT: Order!

The Hon. BARBARA WIESE: —and that there is great potential to improve the quality and extent of services which now exist with the present level of public service numbers.

QUESTION TIME

PUBLIC SECTOR REFORM

The Hon. K.T. GRIFFIN: I seek leave to make an explanation before asking the Minister of Transport Development, as Acting Leader of the Government in the Legislative Council, a question about departmental changes.

Leave granted.

The Hon. K.T. GRIFFIN: In her ministerial statement yesterday the Minister said that the new Department of Justice will include the present Electoral Department and the Department of Correctional Services. In a statement issued by the then Commissioner for Public Employment yesterday, the statutory nature of the office of Electoral Commissioner was noted. However, that statement conflicts with the Minister's statement to the Council, because the former statement talks about the new department being 'formed by a confederation of the Attorney-General's Department' and other agencies and departments.

It seems that there may be departments within the super department, but that is not clear. While the Electoral Commissioner will report direct to the Minister in respect of statutory responsibilities, it appears that he may no longer retain day-to-day control of his staff. If that is the case, one must ask whether the Electoral Commissioner will be allowed to act independently at all times.

In relation to the apparent merger of Correctional Services into the Attorney-General's Department, I wonder whether

the Government has considered the possible conflicts of interest issues which arise. These sorts of issues arose in the late 1970s when magistrates who had to judge defendants were public servants in the Law Department, the same department in which the Crown Prosecutor was employed. The Prosecutor was appearing before magistrates and the issue was whether magistrates therefore were truly independent, because they were both responsible to the same permanent head of the department.

The Director of Public Prosecutions is in the new super Department of Justice and will have the responsibility for prosecuting defendants who may be in the remand centre, both presumably under the control of the same chief executive officer and also responsible to the same Minister. The Director of Public Prosecutions may also be prosecuting prisoners in relation to offences in prison or appealing against sentences in relation prisoners under the control of the same department. The same would apply to prisoners who have absconded or broken bonds or parole conditions. All of these issues give rise immediately to questions of conflict of interest, where the prosecutor is employed in the same department as that which is responsible for prisoners. My questions to the Minister are as follows:

1. Did the Government address the possible prejudice to the independence of the Electoral Commissioner?

2. Did the Government address the issue of conflicts of interest where the Director of Public Prosecutions is in the Department of Justice, as will be the responsibility for prisoners?

3. In each case, if these issues were considered, how does the Government propose to deal with them? If they were not considered, can the Minister indicate why?

The Hon. BARBARA WIESE: For a full and accurate report about the consideration of these matters and the intentions of the Government, I will have to seek a more detailed response from the Minister. However, I can assure the Hon. Mr Griffin that the questions of independence of the Electoral Commissioner and the potential for a conflict of interest relating to the functions of the Correctional Services Department were amongst the issues that were given some consideration prior to the decision being taken to create a Department of Justice. So, the first point that should be made is that these matters were anticipated; they have been taken into consideration. The way in which these issues will be addressed under the new structure is something with which I am not completely familiar, but I will ensure that the appropriate Minister provides a detailed report for the honourable member as to how these matters will be addressed.

I should indicate that my understanding of the general development of these new agencies over the next few months is that immediately work will commence to create the new administrative arrangements for these new departments. If out of examination of what needs to be done it is established that there have to be some legislative changes to bring about some of the new arrangements then it would be expected, as I understand it, that we would be looking at the autumn session of Parliament in 1994 as the probable most appropriate time for such legislative changes to be introduced. As I said, I am not familiar with the detail of the proposals for the Department of Justice, but I am sure that the Minister responsible will be able to provide a detailed report for the honourable member as to the timetable for changes and the way in which these concerns that he has raised have been anticipated and will be taken care of.

The Hon. K.T. GRIFFIN: As a supplementary question, Mr Deputy President, does the Minister's answer therefore mean that before this restructuring was announced there had been no analysis of all the legislative changes that might be necessary?

The Hon. BARBARA WIESE: I am not familiar with the work that has been done across Government; this is not my area of responsibility. However, I think it would be true to say that there has been at least some preliminary thought given to what legislative changes may be required. I know that in my own area of responsibility, for example, there has been some discussion about the possibility for change, but what those specific changes might be will be the subject of detailed analysis over the next few weeks, and then legislation can be drafted and the appropriate procedures put in place.

I assume that a similar analysis is taking place in other areas. So at this point there would be at least a superficial understanding of the areas in which change will be required. I would suggest that, until detailed work is undertaken, the specific changes that are required would not yet be clear. That may not be true in some of those agencies; they may have a very clear view of what needs to be changed. I am not sufficiently familiar with the work of other Government agencies to be able to speak authoritatively about that. What I can say is that these things have been anticipated and they will be taken care of appropriately.

LEGISLATIVE REVIEW COMMITTEE

The Hon. G. WEATHERILL: I bring up the committee's twelfth report 1993 on regulations under the Firearms Act concerning fees.

TRANSPORT DEPARTMENT

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

Leave granted.

The Hon. DIANA LAIDLAW: The ministerial statement by the Premier yesterday, and delivered by the Minister in this place, says in respect of the Department of Transport that it will amalgamate the Department of Road Transport, the Department of Marine and Harbors, the State Transport Authority and the Office of Transport Policy and Planning. In that statement by the Premier, the reference is to amalgamation of those units, but I note today in a briefing paper issued by the Commissioner for Public Employment—

The Hon. K.T. Griffin: As he was.

The Hon. DIANA LAIDLAW: Well, he is still calling himself that in this paper, dated yesterday, there is no reference at all with respect to the new Department of Transport to amalgamation, and he says that the Department of Transport will be a confederation of operationally independent agencies reporting to a CEO for strategic purposes and sharing corporate services. I am not sure what is meant by 'confederation', but there certainly would be a world of difference between the Premier's use of 'amalgamation' and the Commissioner for Public Employment's use of the term 'confederation'. To assist in this matter, the Minister might explain who are we to believe: the Premier or the Commissioner for Public Employment?

I also have some further questions in addition to that fundamental question of what on earth is the Government doing in this area of transport. My other questions are: What is the future of the Director of the Department of Marine and Harbors,

the Director General of Transport, the Director of the Office of Transport Policy and Planning, and the General Manager of the STA? Does the amalgamation—and I am seeking to believe the Premier in terms of what is to happen in this area—infer that the STA is to lose its status as a statutory authority and therefore no longer have a board? If so, what are the arrangements for Mr Brown, who already holds the position of Chairman of the STA board and who is also General Manager of the STA? He will, under an amalgamation or confederation, be reporting to a new CEO, but he may well also be Chairman of the STA, which would infer that he had some independent status. I would also like to learn from the Minister what is her intention now, as she mentioned in her answer to a question earlier from the Hon. Trevor Griffin, in respect of her recommendation that she took to Cabinet in March of this year, to introduce a Land Passenger Transport Bill embracing the operation of taxis, private buses, community transport, schools and STA services and, if so, when will she be introducing such legislation?

The Hon. BARBARA WIESE: With respect to the first issue that was raised by the honourable member, I have not seen the statement to which she refers and which was put out by the Commissioner for Public Employment, so I cannot confirm that what she says is contained in that statement. However, I can confirm that it is the Government's intention that a Department of Transport will be created and that it will be more than a loose confederation of agencies, and that is the situation that the various agencies have at the moment.

Since the ministerial arrangements changed in the transport area last October, a loose confederation of the various transport agencies and responsibilities of Government has been created, and during the past few months since that change took place it has been a very successful move, in that we have ensured that all the CEOs of the relevant organisations within the transport portfolio meet together regularly to discuss cross-portfolio issues, and to ensure that the planning and strategic decision making in the transport area has been much better coordinated than it may have been in the past. That has been a very successful move, as I indicated, and the next step now will be to create a department. The next stage of work will be in relation to what form that takes.

The Hon. Diana Laidlaw: So it may not be amalgamation as the Premier said yesterday.

The Hon. BARBARA WIESE: It depends. Just let me finish my reply in my own way, if you don't mind.

The Hon. Diana Laidlaw interjecting:

The Hon. BARBARA WIESE: Allow me to finish my reply.

The DEPUTY PRESIDENT: Order!

The Hon. BARBARA WIESE: What form that takes will be the subject of further work, and that has already begun and will continue. It could be, for example, that, in the area of public transport, it is appropriate to retain the statutory authority status of the State Transport Authority. At this stage it is my view that that is probably the most appropriate course of action. If that is the case, we would be using a model which is rather akin to the sort of model that was pursued in the formation of the Department of Housing and Urban Development, where there is, within that grouping, at least one statutory authority—the Housing Trust—which maintains that statutory independence under that arrangement, and where there is maintained a direct reporting relationship with the Minister and a coordinating relationship with the CEO of the department for that whole area.

Whether or not that is the ultimate outcome for the investigations for the transport portfolio is something that will be resolved over this next few weeks, but I think there are some very good reasons why the public transport authority should maintain the independent statutory functions that it currently has in some areas, and these, of course, will be matters that will be taken into consideration as we move to the next stage of creating this organisation. As to the future of the organisation of public transport in a broader sense—that is, outside the area of the delivery of public transport services that is currently performed by the State Transport Authority and the development of complementary public transport services—that is one of the areas that will now form part of the work to be undertaken in relation to how that can best be organised within this broader framework.

I think it will be possible in the very near future for decisions to be made about those matters. As I said, it is my intention that officers of the numerous agencies should now commence some very earnest work to determine what is the best structure for the new department. I would like those things to be determined as quickly as possible so that we can put those matters in place, take this off the agenda as an issue within the transport portfolio and ensure that the important reform work that is currently under way within the various transport agencies is continued and not hampered by the long laborious process of creating a new organisation.

As I said, there are numerous models around for the creation of a super Transport Department, if you want to call it that, and I am sure that the work that has been done in other places will be of enormous benefit to us in the transport area in creating the most appropriate structure for South Australia.

The Hon. DIANA LAIDLAW: I ask a supplementary question. Notwithstanding what the Premier said yesterday about all these units within transport amalgamating, the Minister is saying today that amalgamation may not be an option that the Government will explore for transport in future in South Australia, and she did not address my question about the future of the various CEOs within the new department. However, related to this Department of Transport is the question of the future of the Department of Marine and Harbors. The Minister would be aware that just seven weeks ago the Industry Commission—

The DEPUTY PRESIDENT: Order! I draw the honourable member's attention to the fact that she is asking a supplementary question.

The Hon. DIANA LAIDLAW: I am sorry, Mr Deputy President. Will the Minister say in respect of the Department of Marine and Harbors why the Government has ignored the Industry Commission report that all port authorities around Australia should be independent statutory authorities and not have departmental status, and why she did not use this opportunity of public sector reform to implement that Industry Commission recommendation so that today South Australia would be the only port authority that was not a statutory authority?

The Hon. BARBARA WIESE: I have not ignored the Industry Commission's recommendations with respect to this matter at all. Some months ago under my instruction officers of the Department of Marine and Harbors began examining the question of what is the most appropriate institutional framework under which it should function and continue the very good work that was commenced in 1990 when the Government created the Department of Marine and Harbors as a Government business enterprise.

The fact that a Department of Transport is to be created does not mean that it will not be possible for the Department of Marine and Harbors to become a statutory body for the purposes of some of its function within this sort of a structure, and it may well be that that will be the road that we take. That is not an uncommon situation. I refer the honourable member to Queensland, for example, which has a Department of Road Transport that incorporates all transport functions of Government, including rail—that State also runs a State rail system—and ports. In Queensland, under the framework of a Department of Transport, a statutory body, which is the business unit, runs the business of ports.

The functions of what was the Department of Marine and Harbors, or whatever it is called in Queensland, which have been taken away and which have become part of the major department of transport are the planning and strategic management functions of that organisation. We could very well create an organisation here in South Australia which does the same sort of thing. So, what we will have is a body which may draw together all those planning and strategic management functions

The Hon. Diana Laidlaw: You really don't know what you're doing.

The Hon. BARBARA WIESE: Well, I know quite well what the possibilities are, and I have a very clear view about what could be. I'm certainly not going to tell—

The Hon. Diana Laidlaw interjecting:

The DEPUTY PRESIDENT: Order!

The Hon. BARBARA WIESE: —the honourable member what the result will be until we have been through an appropriate period of consultation and discussion about all the options. But I can say that, in the transport area of Government, there has—

Members interjecting:

The DEPUTY PRESIDENT: Order! The honourable Minister will please take her seat. I draw the attention of the Hon. Ms Laidlaw to the fact that she asked a question and supplementary question, and I ask her to allow the Minister to answer in the proper manner.

The Hon. BARBARA WIESE: What I can say is that, in the transport area of the Government, probably more work has been undertaken as a preliminary to this decision being made than in many other areas of Government and that some conclusions will be able to be reached probably much sooner in this area than in some of the other areas of Government where these new departments are being created. It would seem to me in many ways to be a very sensible, logical step to create this new body, because I believe it will be possible to draw together some of the functions of these organisations to which I referred earlier, and that will mean that we can improve the overall planning and management of the transport functions within South Australia and provide a better quality of service to business and to the community in our State.

GUERIN, Mr BRUCE

The Hon. R.I. LUCAS: I seek leave to make an explanation before asking the Minister representing the Premier a question about Mr Bruce Guerin.

Leave granted.

The Hon. R.I. LUCAS: Members will know that in recent times Mr Bruce Guerin has been the most significant of a number of former senior bureaucrats who have been officially on the unattached list and filling in their time on make-work schemes or special projects within the Public Service. At one time, Mr Guerin was the most powerful public servant in the Public Service in South Australia, as head of the Premier's Department, and in latter years he took a senior position within the MFP organisation.

The Hon. M.J. Elliott: He's a feather duster now.

The Hon. R.I. LUCAS: Well, the feather duster might be rising. I understand that Mr Bruce Guerin has been appointed to a newly created position at a newly created centre at Flinders University. I understand he is currently describing himself as the Director elect for the centre for public policy and public sector management at Flinders University. Sources close to the newly windswept, streamlined Premier have advised me today that the Arnold Government has been party to a cosy deal to look after a mate before a potential change in Government. I am advised that, at a time when services are being cut all across Government departments and agencies, the Government will make a funding allocation to Flinders University to cover Mr Guerin's salary for a specified period, together with additional funding, to help establish the new centre for public policy and public sector management. My questions are:

1. When does Mr Guerin finish his employment with the South Australian Public Service, and what total payment will he receive on his retirement?

2. What level of funding has been promised to Flinders University to help establish the new centre and new position, and which budget line is being used to provide this level of funding?

The Hon. BARBARA WIESE: I do not have any information about this matter. I will refer that to the Premier and bring back a reply.

WATER RESOURCES

The Hon. M.J. ELLIOTT: I seek leave to make a brief explanation before asking the Minister representing absolutely everybody—including the Minister of Water Resources—a question about South Australia's water resources.

Leave granted.

The Hon. M.J. ELLIOTT: South Australia is on target to record its driest year since August 1977. While our very dry winter has caused numerous and well-known problems through our rural sector, Adelaide itself is yet to feel the full effects of the dry spell. The Bureau of Meteorology says Adelaide's average rainfall for the year to the end of August is 416 millimetres. So far this year only 279.8 millimetres of rain has fallen in the metropolitan area. The month of August usually experiences 69 millimetres and has so far had 41.8 millimetres. Worse still, the bureau's seasonal outlook for the next three months from August is also for a lower than average rainfall.

The Hon. Peter Dunn: All because of the Labor Party.

The Hon. M.J. ELLIOTT: I think Clark Kent might change it. I am concerned that this lack of rain has already depleted the amount of water in the reservoirs which service Adelaide's water requirements. A water shortage would be a major economic threat to our State. With low reservoir storage levels, there is concern about the state of the Murray River storage system as well. This is not only because of the need for a larger amount of water to compensate for the depleted reservoirs but also, with low flows in the Murray, comes the threat of increases in polluting blue-green algae. It its worth remembering that in 1982, when Adelaide's storages were last depleted, the River Murray had totally stopped flowing and the storages were

empty. It was only unseasonal rains that prevented Adelaide from being in serious trouble on that occasion.

Can the Minister inform the Council of the current water levels of the State's reservoirs? Will the Minister seek a report on the state of the Murray River storage system, and what measures will be taken to ensure the quality and quantity of water for Adelaide residents and other towns dependent upon the Murray over the next season?

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

MINISTERS' STAFF

The Hon. L.H. DAVIS: I seek leave to make a brief explanation before asking the Minister of Transport Development, as Leader of the Government in the Council, a question about ministerial staff.

Leave granted.

The Hon. L.H. DAVIS: Past experience in this State and other States has shown that Labor Party Governments on the way out have a bad habit of looking after their mates before being booted out office.

The Hon. G. Weatherill: Terrible rumours! Vicious rumours!

The Hon. L.H. DAVIS: A vicious rumour that often is fact. Will the Minister advise the Council in the next sitting week which ministerial staff have been given permanent positions within the public sector in the past 12 months? Will the Government—

The Hon. M.J. Elliott: Or contracts.

The Hon. L.H. DAVIS: Or contracts—give an immediate undertaking that it will not offer ministerial staff permanent positions or contracts within the public sector from now through until the next State election?

The Hon. BARBARA WIESE: This is clearly a question that would much more appropriately be a question on notice. However, I will undertake to refer it to the appropriate Minister and bring back a reply.

STATE BANK

The Hon. J.F. STEFANI: I seek leave to make a brief explanation before asking the Minister representing the Treasurer a question about the State Bank.

Leave granted.

The Hon. J.F. STEFANI: At an executive committee meeting of the State Bank which was held on 7 September 1990, Mr Tim Marcus Clark, the former group managing director, advised that he had a meeting with the then Premier Bannon to discuss various issues. Amongst the matters raised for discussions were the profitability of the bank and the potential appointment of the Auditor-General as the auditor of the State Bank. My questions are:

1. What were the circumstances which led to the consideration of the potential appointment of the Auditor-General as the auditor of the State Bank?

2. Who had proposed such an appointment?

3. What were the reasons that led to the conclusion that his appointment was not appropriate?

4. Did the Government have any formal discussions with the Auditor-General about his possible involvement with the State Bank?

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

ENGINEERING AND WATER SUPPLY DEPARTMENT

The Hon. BERNICE PFITZNER: I seek leave to make a brief explanation before asking the Minister of Transport Development, representing the Minister of Public Infrastructure, a question about the E&WS's new computer system.

Leave granted.

The Hon. BERNICE PFITZNER: In July last year, the E&WS Department purchased a computer system costing $32 million. This computer system is used for major transactions, for example, payment of accounts, salaries to staff, supply orders, etc. An employee from the Happy Valley branch of the E&WS has drawn to my attention the fact that this very expensive computer is not functioning. An example of the computer malfunctioning is given in this description itemised from November 1992 (that is, six months after the purchase) to February 1993, and I quote some of the problems: from 12 November 1992 to 14 November 1992 the computer was not working; from 19 November to 20 November inclusive, again the computer was not working; on 23 November the work order was not accepted; on 26 November and 27 November the computer was not able to print out orders for the supply of materials; on 21 December the work order entry was malfunctioning; on 23 December this was again malfunctioning; on 3 February they were not able to get into the system; from 4 February to 5 February there was malfunctioning of two of the three terminals at Happy Valley; on 8 February from 2.30 p.m. onwards these problems recommenced; on 19 February from 12 noon to 2 p.m. these problems again recommenced; on 22, 23 and 24 February the computer was not functioning, as was happening on 25 and 26 February.

These problems appear to be continuing to this date, I understand. The computer's performance is quite unacceptable and I understand that payments for orders to firms like Readymix and Quarry Industries have been grossly delayed—possibly due to the computer malfunction. The employee informed the relevant Minister about six months ago, with no response. My questions to the Minister are:

1. What is the justification for purchasing such an expensive computer?

2. Assuming that the expense is justified, has the Minister looked into the unacceptable performance of this computer and, if not, why not?

3. What are the problems and can they be rectified?

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

MARALINGA

The Hon. PETER DUNN: I seek leave to make a brief explanation before asking the Minister of Transport Development, representing the Minister of Aboriginal Affairs, a question about the clean-up of the Maralinga atomic test site.

Leave granted.

The Hon. PETER DUNN: The clean-up of the contaminated area at the Maralinga atomic test site is to be delayed for some months. The cost of this operation is about $100 million, $45 million of which is to be paid by the United Kingdom. The lawyer representing the Maralinga Tjarutja people indicated that there would be a delay of several months before an agreement could be reached with the Government. He also said that the Maralinga people had not had an input as yet in the negotiations.

I understand that the total clean-up cost is about $650 million but only $101 million is to be spent at this stage. At present the whole area has a perimeter fence, which is patrolled on a daily basis by the Federal police stationed at Maralinga. This patrol has been in operation since Maralinga was abandoned as a test site in the early 1960s. My questions are:

1. If agreement has not yet been ratified, what has to be agreed upon?

2. Would the Maralinga people rather invest the money and spend it on better health and housing facilities rather than cleaning up the plutonium contaminated site?

3. If only $101 million is to be spent of the $650 million allowed for the full clean-up, how much contamination will still remain and over what area?

4. Does the South Australian Government have to contribute money to the clean-up?

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

PUBLIC SECTOR REFORM

The Hon. K.T. GRIFFIN: I seek leave to make an explanation before asking the Minister of Transport Development, as Acting Leader of the Government in the Legislative Council, a question about departmental restructuring.

Leave granted.

The Hon. K.T. GRIFFIN: In the Government's proposed restructuring, the new Department of Emergency Services is to include the Police Department and other agencies. In the memorandum issued yesterday by Mr Andrew Strickland, the then Commissioner for Public Employment, it is claimed that the Police Department and the other agencies are 'the operationally independent agencies coming together in this confederation'.

In other words, 'confederation', as my colleague the Hon. Diana Laidlaw mentioned, is a term widely used in the documents, but it is not clear what it means, particularly as those agencies forming the 'confederation' are to be part of a new 'department'.

The Hon. Diana Laidlaw: It doesn't seem to mean amalgamation.

The Hon. K.T. GRIFFIN: Well, that is to be distinguished from some references in the department to particular portfolio groupings, which suggest that in those cases there will be separate departments under a portfolio grouping.

In relation to the Police Commissioner, he is to 'report to the Minister on operational matters and the operational identity of the existing emergency services will be preserved'. The concept, I suggest, raises a number of important issues. The Police Commissioner is a statutory office holder and has wide-ranging powers in relation to his police officers under the provisions of the Police Act. Presently, as head of the Police Department, he controls the police budget and has responsibility for not only the police officers and police aids but also his civilian staff. What the Government's announcement raises is the question whether the Police Commissioner will continue to have responsibility for his budget and civilian staff, or whether that will become the responsibility of the new head of the super department.

It also raises the question whether the Police Force can operate efficiently to provide its range of services to the public if the Commissioner now becomes responsible to a civilian Chief Executive Officer—

Members interjecting:

The DEPUTY PRESIDENT: Order!

The Hon. K.T. GRIFFIN: —for some aspects of the operation of the Police Force. What it could lead to, I would suggest, is some diminution in the authority of the Police Commissioner contrary to the provisions of the Police Act, reminiscent of the days of the late 1970s. My questions to the Minister are:

1. Will the Commissioner's responsibilities and powers be reduced by splitting off some control, as the Government's announcement suggests, that is, control of the Police Force and civilian employees?

2. What powers and responsibilities will the new Chief Executive Officer have over the non-operational responsibilities of the Police Commissioner?

The Hon. BARBARA WIESE: This is something that I will have to refer to the responsible Minister for detailed replies, but I do not think that the honourable member should be concerned that the appropriate policing powers of the Police Commissioner will be affected by these new arrangements. As I indicated in my earlier reply, the potential problem areas with respect to the creation of this particular Department of Emergency Services have been anticipated and have been given quite some considerable thought by the Attorney-General, in particular, and I am sure that he will be able to allay any concerns that the honourable member has with respect to the independence of the Police Commissioner and the police authority. So, I will seek a more detailed reply on that matter and ensure that that is provided to the honourable member as soon as possible.

LODGE TABLE

The Hon. DIANA LAIDLAW: I seek leave to make an explanation before asking the Minister representing the Minister for the Arts and Cultural Heritage a question about the Prime Minister's dining room table.

Leave granted.

The Hon. DIANA LAIDLAW: I was pleased to learn yesterday that the Australiana Fund had refused a request from Prime Minister Keating to buy an imported teak Regency-style dining room table from Thailand that the Prime Minister is keen to have for The Lodge. I served as a South Australian representative of the Australiana Fund for three years between 1983 and 1986, when Mrs Hazel Hawke was patron of the fund. The fund itself had been established a few years earlier by Mrs Tamie Fraser to raise funds for the purchase of Australian paintings, furniture, silver and other important items for the four official residences, including The Lodge.

I was one of a number of South Australians who raised many tens of thousands of dollars to ensure that those residences were filled with quality Australian furniture, silver and paintings. I resigned in 1986 because I was disturbed by the fact that I was party to sending furniture of an historical and cultural significance to South Australia interstate to Canberra and Sydney. However, before resigning I worked very closely with Mr Bernie Kokker of Constantia Fine Furniture in Port Lincoln. Together we alerted the Australiana Fund to his work as a craftsman in terms of utilising Australian timbers and design themes. His work is fantastic and there is no question that his furniture and that of his craftsmen and craftswomen at Port Lincoln will be the Australian antiques and treasures of the future.

An honourable member interjecting:

The Hon. DIANA LAIDLAW: Le Cornu's is about the Prime Minister's style. It is unacceptable and unnecessary for

the Prime Minister to ignore Australian fine furniture designers and manufacturers like Constantia and also wood carvers like John Richards on Norwood Parade and David Pisoni with Eureka Fine Furniture at Unley. I would also argue that the Jam Factory Craft and Design Centre would be equally able to design and manufacture a table incorporating Australian timbers for The Lodge. Will the Minister immediately provide the Prime Minister with the names of South Australian furniture manufacturers and designers who would be willing and able—and I would argue would welcome the honour—to design and manufacture a dining room table for The Lodge?

The Hon. BARBARA WIESE: I will be happy to refer those questions to my colleague the Minister for the Arts and Cultural Heritage for a reply. I recall that when the new national Parliament House was constructed there were a number of Australian craftspeople and artisans whose work was drawn upon very extensively in furnishing it. There were a number of South Australians amongst those people who provided furniture and other works of art for the national capital. I am sure that everyone would want to see that continue in places of public significance, both here in South Australia and nationally. I will refer those questions to the Minister for her attention.

PUBLIC EMPLOYMENT COMMISSIONER

The Hon. R.I. LUCAS: I seek leave to make an explanation before asking the Minister representing the Premier a question about public service numbers.

Leave granted.

The Hon. R.I. LUCAS: Yesterday in this Chamber in my contribution to the Supply Bill debate I indicated that the new Commissioner for Public Employment, Mrs Sue Vardon, had been freely backgrounding journalists and public servants over past weeks that there were 12 000 surplus public servants here in South Australia. Today the Minister presented a ministerial statement to this Chamber in an attempt to refute the claim that I made yesterday. I refer to the ministerial statement where the Minister states:

> At no stage has she made any statements concerning a Government policy to reduce the number of public servants over and above what has already been announced.

This particular statement was very cleverly worded, because all it rejects is whether or not the Commissioner for Public Employment has been referring to a Government policy to reduce the number of public servants. The claim which I made in this Chamber yesterday and which I stand by—and a number of journalists and public servants who were briefed by Ms Vardon would stand by it as well—was that the new Commissioner for Public Employment, in backgrounding journalists and public servants in recent weeks, has clearly stated on a number of occasions that there are 12 000 surplus public servants. It is interesting to note, when one compares the ministerial statement made today, which was an attempt to refute the claim I made yesterday, and the claim that I made yesterday, that there is no connection at all. My question to the Minister is: will the Premier ask the Commissioner for Public Employment whether she will deny having told a number of journalists and public servants in recent weeks that there were 12 000 surplus public servants in South Australia?

The Hon. BARBARA WIESE: I will refer that question to the Premier for a reply.

STATE TRANSPORT AUTHORITY

The Hon. L.H. DAVIS: I seek leave to make an explanation before asking the Minister of Transport Development a question about STA fuel costs.

Leave granted.

The Hon. L.H. DAVIS: Last week the Federal budget, in its cavalcade of misery for the Australian public, unleashed a series of savage increases which affected this State particularly. One, of course, was the wine industry tax increase and another was the increase in fuel charges. Obviously, the STA fleet will be affected to some extent by the increase in fuel charges. The Minister of Transport Development, presumably on top of her portfolio, would be in a position to advise the Council exactly what is the estimated increase in the annual fuel costs for the State Transport Authority fleet.

The Hon. BARBARA WIESE: As I understand it, it is expected that STA will be affected by these fuel cost increases to the tune of about 10 per cent or $1.4 million as a result of the phased-in 5¢ a litre increase in the price of diesel fuel. Of course, some of our buses are gas fuelled, but they are a small proportion of the fleet. So, the budget impact to which I have just referred is likely and it is likely to be about .5 per cent of the total budget.

TUBERCULOSIS

The Hon. BERNICE PFITZNER: I seek leave to make a brief explanation before asking the Minister of Transport Development, representing the Minister of Health, a question about tuberculosis screening.

Leave granted.

The Hon. BERNICE PFITZNER: In the May 1993 edition of *Medical Magazine*, an article identified that TB will re-emerge as a threat to the developed world. For the first time in more than a century, TB cases are increasing in developed countries such as the US, Switzerland, Denmark and Italy. Of all the infectious diseases, TB remains the highest cause of death, according to this article. There are now eight million new cases worldwide each year. The resurgence of TB can be classified into four groups: the reactivation of old infections, infections from foreign born individuals, cases resulting from HIV/AIDS and TB co-infection and specific risk groups that result from increased active transmission. In the US, the resurgence has been attributed to HIV/AIDS association co-infection and increasing homelessness. In Australia, some two thirds of TB cases are among people born overseas.

At a recent meeting of Health Ministers, it was agreed that Australia must improve its surveillance of TB in the light of worldwide resurgence of this disease. Global travel and migration are high risk factors and existing TB screening procedures are inadequate. The States have been concerned that Federal immigration authorities have, first, failed to notify States of immigrants with a history of TB, secondly, recommended that voluntary TB checks are ineffective, thirdly, noted that screening procedures for migrants were unreliable and, fourthly, provided that visitors for up to 12 months need not have any checks.

Incidence of TB in Australia for 1991 were 903 cases, of which 577 cases came from people born overseas. The top countries in which cases originated were Vietnam, Philippines, China, United Kingdom, Ireland and India. We are aware of the infringement of individual's rights, but we must help those with the disease. We must also protect those not infected, as TB immunisation has now ceased in schools and the general

population are now not immunised against the disease. My questions to the Minister are:

1. Has the Federal Minister of Health indicated to him as to what he, the Federal Minister, is doing about these problems?

2. Will the State Minister of Health urge the Federal Department of Immigration to prepare a proposed strategy to address this problem?

3. Will the Minister look into and suggest a State strategy to address this serious concern?

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

ROAD GRANTS

The Hon. PETER DUNN: I seek leave to make a brief explanation before asking the Minister of Transport Development a question about Federal road grants.

Leave granted.

The Hon. PETER DUNN: There has been a significant reduction—in fact, about $31.5 million—in the grants to South Australia from the Federal Government. For instance, there is a $6.5 million drop in the national road funding; no money has come for provincial cities; the black spot program, totalling about $17.5 million, has been wiped out—and the list goes on. There is a little bit added to that, and that is for direct road grants that are untied, which is about 6.5 per cent of $175 million, which makes up about $11.4 million. Even with that added, we are still $31.5 million down in road funding. My questions therefore are:

1. How will the State make up the $31.5 million drop from 1992-93? Even if you go back to 1991-92, there is still a $7.5 million drop, even with inflation.

2. Will grants to local governments drop, and by how much?

3. What particular projects will get the chop?

The Hon. BARBARA WIESE: The answers to these questions largely will be found in the budget papers which are to be brought down very shortly by the Premier. I would suggest that the honourable member have a close look at the budget papers in order to determine what has occurred there. One thing that should be pointed out to the honourable member is that last year's road funding was very much greater than it otherwise would have been under the current formulas, largely because of the very considerable additional resources that were put into road funding nationally by the Federal Government.

Indeed, all the black spots funding that South Australia was able to gain access to last year under the One Nation statement was money that otherwise we would not have had the advantage of using to deal with some of the road problems that we have in South Australia. I am very pleased that we have been able to carry over some of those funds into this current financial year and we will be able to finish off some of the projects that were begun during the last financial year under that program. So, it is important to note that we have enjoyed very significant road funding during the past few years through some of those programs. In fact, as I understand it, the Federal Government last year spent more on road funding than has ever been spent in Australia's history, so that is certainly something to be applauded, and the Federal Government is to be congratulated.

Members interjecting:

The DEPUTY PRESIDENT: Order!

The Hon. BARBARA WIESE: The allocation for this year represents about seven per cent of the total Federal road funding, and that compares with the 6.7 per cent of total Federal road funding allocated to South Australia last year. So there is actually a marginal increase on last year's figures. As to where that money will be spent during the course of this coming financial year, I suggest the honourable member wait for the budget.

FISHERIES (RESEARCH AND DEVELOPMENT FUND) AMENDMENT BILL

Second reading.

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

That this Bill be now read a second time.

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

Leave granted.

Under existing arrangements commercial and recreational fishery licence and registration fees are paid into the Fisheries Research and Development Fund ('R & D Fund') which is constituted pursuant to section 32 of the Fisheries Act 1982 ('the Act'). In accordance with section 32, income from licence and registration fees is put towards various research and development programs undertaken by the South Australian Research and Development Institute ('SARDI'); previously such work was undertaken by the former Department of Fisheries.

During discussions with Treasury on funding arrangements, Treasury suggested that it would be better to have uniformity in the method of funding operations, preferably through the use of the R & D Fund to meet costs not only of research requirements but also costs of administration and enforcement incurred by the Department of Primary Industries (Fisheries). This would also facilitate the general budgetary process. Furthermore, in light of the adoption of special deposit accounts, the expenditure provisions of section 32 of the Act would need to be expanded.

Commercial and recreational fishing sectors have expressed the view that they would not like to see the R & D Fund used as a common fund to support all departmental activities because this would lead to reduced funding being available for research programs. They consider that research activities should not be compromised as there is a need to ensure the long term maintenance of the State's fisheries.

However, the proposed amendment will provide a basis for a net reduction in the Department's draw on consolidated funds, such that fisheries administration and enforcement also could be funded from this source. This is particularly relevant in the current economic climate whereby Government funding arrangements should be managed as responsibly as possible, combined with the commercial fishing industry's agreement during 1992-93 to contribute 100 per cent of the assessed recoverable costs associated with management of specific fisheries, phased in over a 10-year period.

A specific matter that needs to be clarified in the Act is the collection and disbursement of money on behalf of the South Australian Fishing Industry Council ('SAFIC'). In 1977, the South Australian Government approved annual grants from the R & D Fund specifically for the purpose of funding the operations of the (then) Australian Fishing Industry Council (SA Branch) Incorporated, and that the grants be financed through increased fishery licence fees.

Section 46(b)(xiv) of the Act empowers the making of regulations that prescribe a licence fee, which may be set according to specified matters. In practice, each year the Department consults with SAFIC regarding the setting of licence fees for the next licensing year. When the Government component is determined, SAFIC advises its requirement for each fishery and this is added to the Government component. A submission seeking variations to the licence fees is put to Cabinet. Subject to Cabinet approval, the regulations are amended to specify a total amount that each licence holder is required to pay. The regulations do not identify the separate components of the fee.

When the licence fee (or quarterly instalment) is received by the Department, the Government component is retained whilst the industry

component is forwarded to SAFIC. This arrangement operates with Treasury approval.

Verbal advice received from the Crown Solicitor's Office has indicated there is no specific authority under section 32 of the Act to provide for money held in the R & D Fund to be disbursed to SAFIC. It has been suggested that the Act be amended to accommodate the present arrangement. This is incorporated in the proposed amendments to section 32.

A related matter that also needs to be addressed is the collection of money from licence holders as a contribution to the funding base of the Commonwealth established Fisheries Research and Development Corporation ('the FRDC').

The FRDC provides funding for specific research projects of benefit to Australian fisheries and aquaculture. Funds are raised by way of—

- the Commonwealth Government providing unmatched funds equivalent to .5 per cent of the average gross value of fisheries production ('GVP');
- State, Territory and Commonwealth fishers and aquaculture operators providing contributions of .25 per cent of GVP; and
- the Commonwealth Government matching contributions by State, Territory and Commonwealth fishers and aquaculture operators up to a maximum of .25 per cent of GVP.

As there is no specific authority under section 32 of the Act to make such a contribution to the FRDC, it is proposed that the section be amended accordingly so that South Australia can secure research funding from the FRDC.

In summary, it is proposed that the Fisheries Act 1982 be amended so that the Fisheries Research and Development Fund be utilised for administrative and enforcement purposes as well as for research purposes.

I commend the measures to the Council.

Clause 1. Short title

This clause is formal.

Clause 2. Amendment of s. 32—Research and Development Fund

This clause amends section 32 of the principal Act to empower the Minister to apply money in the Fisheries Research and Development Fund—

- in making any payment to the Fisheries Research and Development Corporation;
- in making any payment to a prescribed fishing industry body;
- in making any refund required or authorised by the Act to be made; and
- in defraying the costs of administering and enforcing the Act.

Clause 3. Amendment of s. 46—Regulations relating to fisheries and fishing

This clause amends section 46 of the principal Act. Paragraph (ba) was inserted by the Statutes Amendment (Fisheries) Act 1993. The reference to 'body' in subparagraph (iv) should be to 'committee'.

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

TOBACCO PRODUCTS CONTROL (MISCELLANEOUS) AMENDMENT BILL

(Second reading debate adjourned on 24 August. Page 273.)

Bill read a second time.

In Committee.

Clause 1 passed.

Clause 2—'Commencement.'

The Hon. R.I. LUCAS: Can the Minister indicate the Government's intention as to the date on which this Act will come into operation?

The Hon. BARBARA WIESE: There are three parts to this answer. Subsection (2), as indicated in the Bill, will come into operation on 1 January 1994. The sections of the Bill relating to labelling will come into effect on 1 April 1994 by ministerial agreement, and the remaining parts of the legislation will come into effect following consultation with the industry on the matters that are contained therein. I refer particularly to matters relating to raising the age to 18, for example; there needs to be consultation with appropriate people and organisations, and once that has taken place and there is satisfactory agreement it would be the Government's intention to proclaim those sections as soon as possible thereafter.

The Hon. R.I. LUCAS: I understand that the date of operation for the new labelling requirements for cigarette packets, with the 25 per cent on the front on the health warning and 33 per cent on the back, will be 1 April, 1994. Has that ministerial agreement been arrived at in consultation with tobacco manufacturers?

The Hon. BARBARA WIESE: As I understand it, that was the agreement reached by the Ministerial Council on Drug Strategy. The manufacturers were aware that that decision was being taken.

The Hon. R.I. LUCAS: We are all aware that the decision has been taken. I presume the manufacturers, together with the rest of us, can read. Have the manufacturers therefore contacted this Government—the Minister cannot speak on behalf of other Governments—expressing any concern about the practicality or otherwise of a start-up date of 1 April 1994?

The Hon. BARBARA WIESE: I am not aware of any representations that have been made to our Minister of Health about this matter, but the Minister has been in contact with the manufacturers and has indicated to them that if at any time they want to discuss any issues with him he is available to do that. Having said that, I think that the agreement of Ministers is a fairly binding one. It was important that there be uniformity within Australia on this matter, so it is expected that the agreed date for commencement of the new labelling requirements will be met.

Clause passed.

Clause 3—'Interpretation.'

The Hon. R.I. LUCAS: There has been the age old debate, whether it be in relation to access to alcohol or to tobacco products, with respect to how retailers or shop proprietors are meant to identify minors, whether it be a 16-year-old or 18-year-old. What is the thinking of the current Minister in relation to this issue, and has there been any discussion in relation to forms of identification, such as pub card and various other means of identification like that? Is the Minister in consultation with industry, proprietors and retailers in relation to this issue?

The Hon. BARBARA WIESE: In relation to the question of consultation with retailers, etc., I understand that the Minister has already met with the Retail Traders Association, which I think goes by another name these days—but that organisation that represents small retailers—and it raised some concerns about difficulty in identifying whether a young person was 16 or 18 years old.

The Minister discussed with the representatives of that organisation the possibility of doing some joint publicity at the time that these new requirements come into place so that that, for example, they will work together on the preparation of some new signage which can be used in retail outlets, and they are also talking about having some sort of media event at around about the time that these new requirements would come into effect.

On the question of the use of such ideas as a pub card or something of that sort, I understand that the Minister has expressed the view that he feels that it will probably be easier to identify an 18 year old at a retail outlet than it is for hotels and clubs at this stage to identify a 16 year old coming into an establishment, because many 18 year olds will have a driver's licence; a much higher proportion of 18 year olds will have a drivers licence or some other form of identification than is the case with 16 year olds.

As I understand it, many fewer 16 year olds have drivers licences than 18 year olds, so the question of identification is probably going to be easier than it is in other circumstances, and I suppose that at the end of the day the decision will have to be taken by a retailer and, and if they are in doubt, they should decline to sell cigarettes to a young person.

The Hon. R.I. LUCAS: This is obviously a matter of some interest to retailers. Many of these magazine and current affairs type television programs these days are setting up young people to go into small retail outlets to try to purchase cigarettes and film them doing so, and then race back in with the television camera and demand to know why they sold them to a particular person or otherwise.

A minority of retailers are irresponsible and sell cigarettes to young people who are obviously younger than the age of 16 or 18, but there are many genuine retailers, and it is difficult to judge the age of a youngish adolescent, say, someone between the age of 15 and 20. Many retailers make genuine mistakes, and, even when they insist on some form of identification, many an adult has taken offence at having been asked—it been might be a 20 year old female who is asked whether or not she can prove that she is over the age of 16 or 18—and taken their custom elsewhere. I am sure we have all experienced people, if they are an adult, taking offence when asked to indicate their age when a retailer or proprietor has suspected otherwise.

It is an acknowledged problem. I appreciate that the Minister is at least consulting with the industry and proprietors with a view to trying to come to a resolution. Is it likely or possible that the provision about moving the age from 16 to 18 could be proclaimed this year? The Minister said in her earlier response that that was subject to consultation, but is it the desire of the Minister to have this section proclaimed this year?

The Hon. BARBARA WIESE: The Minister would like to proclaim it as soon as possible; so if it is possible to do it this year that will be his desire.

The Hon. R.I. LUCAS: The new definition of 'label' includes the words 'information that is enclosed in or is attached to or is provided with a package containing tobacco products but which does not comprise part of the package'. That is an unusual definition of 'label' because in common usage a label is a label on a particular product. So, in relation to a cigarette packet the label appears on any part of that packet. What is being envisaged is that there may well be bits of paper that go out with the packet that might in some way act against the health warning. Why does the Government believe that it needs this definition of 'label' in the legislation, and have there been instances where manufacturers have sought to circumvent existing labelling requirements by means of leaflets or brochures attached to a cigarette packet?

The Hon. BARBARA WIESE: As I understand it, the reason for the definition in the Bill is to avoid a situation where a creative manufacturer might choose to include some sort of an insert within a packet of cigarettes that could contradict the health warning that is placed on the packet itself. Although I am not aware of any instance where such action has been taken, I think it is the view of the people associated with this that it is appropriate to ensure that no such action can be taken.

Therefore, it is intended to draft regulations to include a provision for making it an offence to sell a packet containing tobacco products that includes anything that contradicts or explains the information displayed on the package. Such information may not be regarded as a label in the strict sense. This amendment inserts into the principal Act a definition of 'label' which embraces this meaning and thereby expands the power to make regulations as to labelling. It is largely for those reasons that it is worded in this way.

The Hon. R.I. LUCAS: I understand the Government's intention in this regard where an insert might say 'cigarettes are good for you', 'cigarettes don't kill' or a similar message, which would act against the warning on the label. As I am not a cigarette smoker, I am not aware whether or not this occurs, but in relation to many other products a number of promotional aids are used by many manufacturers and producers by way of further advertising. They may well not act against the health warning but they may well be promotional material to seek market advantage for a particular brand of cigarette as opposed to another—nothing to do with a health warning.

Does the Government intend that if a manufacturer were to include within a cigarette packet an insert or a leaflet something along those lines—in other words, something that did not go against the health message—that, in respect of these labelling requirements that have been agreed to by Ministerial Council in relation to 25 per cent of the front of a packet and 33 per cent of the back of a packet, a similar percentage of that insert or leaflet would have to be devoted to the health message?

The Hon. BARBARA WIESE: I am not sure whether that matter has been given attention. All I can do is undertake to refer that issue to the Minister with a view to having him examine the hypothetical case suggested by the honourable member. I will ask him to respond to the honourable member later about what might be the situation.

Clause passed.

Clauses 4 to 6 passed.

Clause 7—'Information as to tar, nicotine, etc., content of cigarettes.'

The Hon. R.I. LUCAS: I addressed this issue briefly during my second reading contribution. What is the Government's view in relation to the desire by cigarette smokers to get information about tar, carbon monoxide and nicotine content of various brands of cigarettes at the point of purchase? I can understand the interest of people who campaign against cigarette smoking, but does the Government have evidence before it that this is something that cigarette smokers are anxious to receive, over and above the information the manufacturers are required to provide under the new labelling requirements?

The Hon. BARBARA WIESE: As I understand it, the current situation is that under existing legislation retailers are required to display a table which includes information about tar, nicotine content, etc., and retailers have found this to be an inconvenient way of providing this information. It is inconvenient from a retailer's point of view in the display of products and other information to have such a table on display. It also makes it very difficult with respect to updating information as new products come on the market and further information has to be provided. So, in consultation with the retail industry, it was agreed that a more convenient and appropriate way of providing this information would be to have the information available in a simpler form which can be produced on request for a member of the public and which would be in a form which will make it much easier to update from time to time as required.

Clause passed.

Clauses 8 and 9 passed.

Clause 10—'Certain advertising prohibited.'

The Hon. R.I. LUCAS: Some concern has been expressed to me by small retailers in particular about the Government's intentions in relation to this provision, that is, further restrictions

in point of sale advertising. I indicated my views in relation to this and another area in my second reading contribution. I do not intend to repeat those at length, but suffice to say that I think there is some debate about whether or not the amount of advertising at point of sale will really change the minds of people as they come to the counter to purchase a packet of cigarettes. Leaving that aside, can the Minister indicate what discussions and consultation she has had with small retailers, manufacturers and other interested parties in relation to the potential regulations in this area, and can she give any indication as to the state of the Government's thinking in relation to this provision?

The Hon. BARBARA WIESE: As I understand it, the sorts of complaints that the Health Commission has received about point of sale advertising have related to such things as videos advertising cigarettes being on display in retail outlets and the use of bunting advertising tobacco products, which extends beyond the boundary of the retail outlet and perhaps out into a shopping mall or an area beyond the retail outlet itself. So, when new regulations are to be drafted with respect to advertising provisions for the future, the Minister has given an undertaking to retail traders that there will be consultation with them in drafting new regulations that will provide for advertising provisions for the future; advertising provisions which are realistic from their point of view as well as taking account of some of the complaints that have been received by the Health Commission from a health perspective.

The Hon. R.I. LUCAS: I take it from that then, with the exception of the videos within a retail outlet, that it is the Minister's understanding that it is not the current intention to place significant further restrictions on advertising within a particular retail outlet, but that the major concern is the extension of advertising outside an outlet into malls and out onto sidewalks, for example.

The Hon. BARBARA WIESE: I do not think that the Minister has a fixed view at this point about whether provisions should specifically cover areas outside rather than inside a retail outlet in framing views about what shape the regulations should take. It is likely that each case will have to be taken on its merits, but I am aware of one complaint that related to video material which was presented in a very appealing way, with information that went way beyond cigarette advertising and included all sorts of very attractive holiday imagery and all sorts of other things that would be appealing to an audience, but also happened to include information about cigarettes, mixed with all these other attractive images. So, these are amongst the concerns that have been expressed by various people, and it will be those sorts of issues that will be discussed with retailers and with other appropriate people in drawing up new regulations.

Clause passed.

Clause 11—'Regulations.'

The Hon. R.I. LUCAS: I acknowledge the Minister's response to an earlier question in relation to labelling that this Minister is committed to uniform standards for labelling and that is on the record. I am just intrigued as to the drafting of this regulation-making power under paragraph (c) which provides:

> . . . prescribe other labelling requirements (or empower the Minister to give directions as to other labelling requirements) for packages containing tobacco products.

Can the Minister indicate why the Government or Parliamentary Counsel or both have included 'or empower the Minister to give directions'? What is the intention of the Government and the Minister in relation to that construction of this regulation-making power?

The Hon. BARBARA WIESE: As I understand it, that clause has been inserted to recognise the fact that it is the case that some tobacco products are not in a standard packaging facility. Therefore, special directions may be required to ensure that those packages—and they may be imported products or something like that—are the subject of direction by the Minister rather than the ordinary regulation that may not be appropriate in a particular case.

Clause passed.

Clause 12 and title passed.

Bill read a third time and passed.

BUDGET PAPERS

The Hon. Barbara Wiese, for the **Hon. C.J. SUMNER (Attorney-General):** I seek leave to table the 1993-94 budget papers.

Leave granted.

PAPERS TABLED

The following papers were laid on the table:

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

- Estimates of Payments and Receipts, 1993-94.
- Financial Statement, 1993-94.
- Economic Conditions and the Budget, 1993-94.
- Capital Works Program, 1993-94.
- The Budget and its Impact on Women, 1993-94.
- The Budget and the Social Justice Strategy, 1993-94.
- Financial Statements—
  - Enterprise Investments Limited, 1992-93.
  - Enterprise Investments Trust, 1992-93.
  - Enterprise Securities Limited, 1992-93.
- Reports—
  - Treasury of South Australia—1992-93.
  - State Government Insurance Commission, 1992-93.
  - South Australian Superannuation Board—Report, 1992-93.
  - Lotteries Commission of South Australia—Report, 1993.
  - South Australian Government Financing Authority, 1993.
  - SASFIT, 1992-93.
  - Group Asset Management, 1992-93.
  - Public Sector Employees Superannuation Scheme Board, 1992-93.
- State Bank of South Australia—Annual Results, 1993—Key Indicators.
- Meeting the Challenge—A Progress Report to the Parliament by the Premier, August, 1993.

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

- Australian Formula One Grand Prix Act 1984—Report of the Operations of the Australian Formula One Grand Prix Board, 1992.

SUPPLY BILL (No. 2)

Adjourned debate on second reading.

(Continued from 25 August. Page 294.)

The Hon. DIANA LAIDLAW: My contribution to this Bill will be short and confined essentially to the issue of road funding, which in recent years has had a chequered history in South Australia. We receive our road funds from State and Federal sources. Traditionally, in terms of South Australian sources of funds, the petroleum franchise fees have provided

decreasing funds. When the Tonkin Government left office 11 years ago and the Bannon Labor Government was installed, we saw effectively 100 per cent or $25.726 million collected in fuel franchise fees.

Last financial year the Government estimated that it would collect $129.9 million, but only $25.726 million was returned to the Highways Fund for road construction and maintenance purposes. Last year that figure represented only 19.8 per cent of the fuel franchise fees used for road construction and maintenance purposes. Over the 11 years of the Bannon and Arnold Governments we have seen the costs of the Department of Road Transport almost doubled yet, in terms of fuel franchise fees going to the Highways Fund, $104.2 million of such fees has been channelled away into general revenue and not returned to the Highways Fund. It should also be highlighted that the $25.726 million, a fixed figure that Labor has provided to the Highways Fund in recent years, has not been indexed.

So that sum today, if it had been indexed, would amount to $52.108 million in the financial year 1992-93. Another way of looking at how this Government has treated fuel franchise fees and the Highways Fund is to reflect on the fact that the $25.726 million is worth the same as $12.701 million back in the year 1981-82, when the Government froze the fuel franchise fees to the Highways Fund. So we are losing from that source many, many millions of dollars of urgently needed funds.

I recognise, of course, that in recent years vehicle users do not only pay for fuel but also pay registration fees and that these fees, after administration costs, have been returned to the Highways Fund. The emotive issue in terms of the Highways Fund, however, remains the level of fuel franchise fees.

This issue is quite critical, because we find this year that there has been a substantial drop in funds from Federal sources. The Minister referred to this in answer to a question from the Hon. Peter Dunn earlier today, and we should recognise that this year in total Federal funds we will be receiving, earmarked, about $76.3 million. On top of that, from 1 January this year I understand there will be a further $11 million in untied funds. I have not had time to look through all the budget papers that have just been tabled.

The Hon. Carolyn Pickles interjecting:

The Hon. DIANA LAIDLAW: I would like to have done so in the three minutes that were allowed for me before speaking now but it was not possible. But I will be looking to see whether the Government has maintained for this year the set fee that it has maintained since 1981-82 of $25.726 million of fees from fuel franchise to the Highways Fund. I will also be looking to see whether the Government has committed the untied funds from the Federal Government, which are now being channelled through general financial assistance grants to roadworks. I certainly hope that this is the case. If it was not to be the case we would find it extremely difficult in future to argue for the Federal Government to provide an increasing share of road-user charges, whether they be for light vehicles or heavy vehicles, to roads. That is a particularly important argument that we win, because in a country as vast and as thinly populated as Australia our roads will always be very heavily relied upon to get goods to market, particularly as our major markets are interstate or overseas.

So road funding, notwithstanding the argument that is always waged between road funding and rail infrastructure issues, will become more and more important in future as we seek quickly to get our products to market. That is one area where the State and Federal Governments can do a great deal to help producers and manufacturers and exporters in this State. It should be noted in terms of State funds from Federal sources that in the last financial year we received $11-9.25 million and that was a substantial increase over the previous year, which was $83.8 million, but the difficulty this financial year and in the future is that now the Federal election is over the Federal Government appears to be less interested in road funding issues and we no longer have funds for the Black Spot program, which of course was part of the 10 point road safety program that we had to address in legislative terms a couple of years ago.

Funds are not being provided under the Provincial Cities program. There are no funds this financial year from the former Prime Minister's November statement. In terms of the One Nation statement, there are no funds for the city ring roads program or the black spots program. Under the One Nation statement, funds for national roads and interstate freight routes have been cut to $50.7 million and $50.2 million respectively. In order to help explain the figures that I have just given, I seek leave to have a chart inserted into *Hansard*.

Leave granted.

SOUTH AUSTRALIA

	91-92 $m	92-93 $m	93-94 $m
National Roads	60.9	69.70	63.2
Provincial Cities	6.5	3.10	-
Black Spot Program	3.8	17.45	-
I/State Road Transport	1.9	2.0	2.2
November statement	8.0	3.0	-
One Nation statement			
—National Roads	-	10.3	5.7
—I/State Freight Routes	-	8.8	5.2
—City Ring Roads	-	-	-
—Black Spot Program	2.7	4.9	-
	83.8	119.25	76.3

This figure represents direct road grants only and does not include South Australia's share of untied road grants. (6.5% per capital share of $175m-$11.4m per annum)

The Hon. DIANA LAIDLAW: There are other issues that I want to address in terms of road funding. A major change is proposed to the way in which the Federal Government will assist with funding roads in future and a Bill will be introduced into the Federal Parliament shortly to address the new national highway program. In future the Federal Government will be funding only the national highway system. South Australia is fortunate that in making this undertaking the Federal Government has agreed to include the Sturt Highway and the Newell Highway. In the meantime, we must now and in the future argue for the Federal Government to undertake to connect our highways. For instance, the South-Eastern Freeway ends at what was the old gum tree or the tollgate on Glen Osmond Road. It is important that by some means we get Federal Government assistance to join that freeway with the national road at Gepps Cross—the Sturt Highway—and the main highway to Port Wakefield.

This could be achieved by getting the Federal Government to agree to take over funding for the widening of Portrush Road through to Grand Junction Road and subsequently to the Gepps Cross area, or, coming down Cross Road, South Road could be joined with the Gepps Cross area. I understand the department favours the former option: I think we should continue to push for the latter option. That option is important because the western suburbs are the site of so much of the State's industry, the airport facility and the port facility. That is the area where the Government is seeking to establish the transport hub. I would therefore argue that, if we can gain Federal Government assistance to upgrade and maintain our

roads through those western suburbs areas, joining north and south of our elongated city and also joining the national highways that currently terminate at Gepps Cross and Glen Osmond, we will be doing a considerable service to this State. At this time however, the Federal Government is simply receiving representations on this matter.

The Federal Government proposes that all State funds for State arterial roads be untied in future. They will be partly untied from January 1994 and fully untied from July next year. This year the Federal Government will be providing $350 million Australia-wide for State arterial road purposes.

From January to 30 June 1994, we will receive $175 million, Australia-wide, of which South Australia's share will be $6.5 million or 11.4 per cent. I made a reference earlier to the fact that it will be absolutely critical for this State and for our roads and for business generally that those untied funds that will be coming to the State as financial assistance grants be allocated by Treasury for road purposes. In future, this financial assistance program allocation of funds from the Federal Government to the State for road purposes looks quite promising, if the Federal Government continues to use that system. We in South Australia have always benefited from the allocation of funds through the financial assistance grants. We receive more than our population share. That has always been an issue of contention with New South Wales, Victoria and Queensland.

This issue of financial assistance grants is based on a formula which ensures that South Australia receives 11.2 per cent of funds, well above our population ratio of about 8 per cent. In terms of funds from the Federal Government to the State for roads, we currently receive 6.5 per cent. So, South Australia will do very well under this new financial assistance grants program for the untying of grants, if in fact Treasury does provide that full sum of untied funds to road purposes. We would anticipate then that by 1997-98 South Australia's share of these funds would be 11.2 per cent compared to 6.5 per cent, as it is at present. That would mean that over the years 1994-95 to 1997-98 our share would increase from 6.5 per cent to 10.4 per cent, and in money terms from $22.8 million to $36.5 million.

However, there is a disturbing element in this program of untying Federal arterial road funds; that is, that the $350 million to be provided from federal sources over the next five years is not indexed. So, while we are receiving an increasing share if the Federal Government agrees to continue the distribution under the financial assistance grants formula, that share will not also be increased by an indexed sum. I will conclude my remarks in relation to road funding and I look forward to pursuing this issue during discussion of the budget at a later time.

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

SOUTHERN POWER AND WATER BILL

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

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

That this Bill be now read a second time.

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

Leave granted.

This Bill, in establishing the corporation to be called Southern Power and Water, provides the statutory foundation for the merger of the Engineering and Water Supply Department and the Electricity Trust of South Australia. Members will recall that this merger was announced by the Premier in his Economic Statement to this Parliament on 22 April 1993. This legislation also sets out the functions of the Corporation, the appointment of its Board of Directors, the employment of staff and makes provisions relating to superannuation.

I draw attention to the Statutes Amendment and Repeal (Power and Water) Bill 1993 which among other things makes amendments to a number of Acts dealing with water, sewerage and electricity matters. These two Bills complement each other and should be considered together.

The merger is a major plank in the Government's program for restructuring the economy and increasing the contribution of the public sector to the international competitiveness of the State economy. It is vital therefore that this initiative should proceed as quickly as possible both at the legislative and practical levels. The sooner the merger can be finalised the sooner the benefits can be realised.

The potential for synergy and economy in a merger of two commercial enterprises comes from shared suppliers, shared technology, shared activities, shared support and shared customers. The merger enables economies in direct and support activities and purchasing leverage. It enables increases in productivity through technology, service delivery, administration efficiencies and improved utilisation of resources and assets.

The logic for the merger is clear. Both ETSA and E&WS have an essentially common customer base of more than 600 000 customers covering the same geographical area. Both are substantially retail utilities distributing to the same households and businesses.The two organisations have key success factors in common—

- strong customer focus
- short response times
- wise asset management
- continued improvement to drive down costs

Both organisations undertake a large number of activities in common. The areas in which common activities occur can be grouped into four categories—Corporate Support, Operating and Logistic Support, Distribution and Retail support for customer service.

Common activities in Corporate Support include strategic planning, finance and accounting, human resources, communications, audit, health and safety, legal services, risk and insurance.

Common activities in Operating Support include procurement, project management, training, property management, information technology, workshops and manufacturing, warehousing and supply, transport and fleet services, facilities and asset maintenance and technical services.

Common activities in Distribution include construction and maintenance, road restoration, metropolitan and country facilities such as service centres and depots, local warehousing and distribution, local workshops and fleets and inspection of works.

Common activities in Retail include administration and office management, marketing analysis and survey, customer field services, customer accounting, meter reading, billing, receipt of income, remissions, investigations, credit management, correspondence, telephone inquiries, counter inquiries, applications for service, service delivery tracking, conveyancing services and connection and disconnection. In addition both E&WS and ETSA have 28 service centres each throughout the State. E&WS has 41 depots while ETSA has 50. It is expected that facilities in 40 of these locations will be rationalised.

The savings potential from rationalising many of these activities is very substantial.

The merger will enable the creation of a greenfields organisation from a 'zero base' with organisation structure, operating systems and processes and consumption of resources designed to capture the greatest possible improvements in both customer service and savings potential.

The new organisation will eliminate those unnecessary duplications in activities which add substantially to the cost of delivering essential water and electricity services to the community.

Developing 'best practice' in all these areas as a single entity makes good sense. In fact in a State like South Australia, with its relatively small population, it would not be sensible that two authorities with so much in common should remain separate entities.

We would all agree that the management of public utilities providing essential services such as water and electricity should be carried out efficiently. We should be constantly striving to find ways for these utilities to lower the costs of those services to the community while making a positive contribution to the economic well-being of the State generally. As indicated above the current proposal gives effect to these objectives.

Since the announcement of the merger, members opposite are reported in the press as not supporting it. I can only conclude that the significant benefits to the State are not fully understood. I am therefore placing on record the value of this initiative in the hope that it can be debated on its merits without political point scoring.

An assessment of the savings potential of the merger has been carried out having regard to both the activities and functions common to both organisations and the resources consumed by these functions and activities.

The potential savings have been assessed by identifying the reductions in resource consumption enabled by the synergy of bringing like functions together. The estimate of savings has been prepared in the format of a range from the conservative or pessimistic estimate of synergy to a higher or more optimistic value. Our ability to capture savings towards the high end of the range will only be confirmed as the detailed design of the new organisation and related processes and resource consumption nears completion.

I refer below only to the conservative estimates of savings:

Operating Support	$30 million p.a.
Corporate Support	$10 million p.a.
Retail	$ 2 million p.a.
Distribution	$12 million p.a.
Total	$54 million p.a.

Against these annual savings there will be once off initial costs associated with the bridging of information technology, new name, rationalising property, and separation packages for employees in positions which are surplus to the requirement of the greenfields structure in the new organisation. These costs are estimated at $6.8 million in 93-94 and $24 million in 94-95.

The tabulation below sets out the estimates of the net result and shows estimated net savings rising to in excess of $50 million p.a. in 1995-96.

SUMMARY

Estimated Net Savings Range $M

	1993-94	1994-95	1995-96
Retail	0 to 1	2 to 5	Continuous improvement
Distribution	5 to 10	12 to 25	Conservative estimate.
Operation support	5 to 20	30 to 60	
Corporate support	2 to 5	10 to 15	
Total gross savings	12 to 36	54 to 105	64 to 120
Merger cost	6.8	24 to 45	0
Latest planning savings in common areas ETSA/EWS	0	2	9
Net savings Net of cost & planned improvements	5.2 to 29.2	28 to 58	55 to 111

These substantial gains can be applied to attraction of investment, pricing benefits, investment in key infrastructure to help job creation in the State, which is so vital to the recovery of the South Australian economy. This is an opportunity for all Members to work together for the good of the State.

One argument put forward against the merger is that these savings could be achieved even if the agencies remained separate. This is patently not so. It would stretch credibility to suggest that without a merger the benefits outlined in this report are achievable particularly the opportunity to use a zero based approach in developing a new organisation to achieve best practice in capturing the economies of synergy.

I have directed that there should be a participative approach taken to ensure that all internal and external stakeholders can take part. This will ensure that all views are fully canvassed in the transition process. To that end I have established a widely representative Committee to conduct the merger. The Committee is chaired by the Chief Executive and has representatives from my office, the Economic Development Authority, the Treasury, the Department of Labour, seven unions with major work force coverage, ETSA and EWS executives.

In conclusion, this merger provides widespread benefits to all stakeholders. There is not an alternative which would perform better either in terms of the level of benefits to be derived or in the time frame within which the benefits can be delivered.

The merger will achieve improved service to customers, more advantageous prices and improved returns to the community through the Government.

I commend this Bill to the Council.

Clause 1: Short title

This clause is formal.

Clause 2: Commencement

This clause is formal.

Clause 3: Object

This clause provides that the object of this measure is to establish a statutory corporation with the principal responsibilities of providing electricity, water and sewerage services and undertaking associated resource management for the benefit of the people and economy of the State.

Clause 4: Interpretation

This clause contains definitions of words used in the measure.

Clause 5: Establishment of Southern Power and Water

This clause establishes the corporation Southern Power and Water with perpetual succession and a common seal and the capacity to sue and be sued in its corporate name and with the functions and powers assigned or conferred by or under this measure or any other Act.

Clause 6: Application of Public Corporations Act 1993

This clause provides that Southern Power and Water is a statutory corporation to which the Public Corporations Act 1993 applies.

Clause 7: Establishment of board

This clause establishes a board of directors as the governing body of the corporation.

Clause 8: Composition of board

This clause provides that the board of directors is to consist of not more than 9 members appointed by the Governor. The chief executive officer of the corporation is eligible for appointment to the board. The Governor may appoint a director to be the deputy of the director appointed to chair the board. On a vacancy in the office of a director, a person may be appointed in accordance with this proposed section to the vacant office.

Clause 9: Conditions of membership

This clause provides that the term for a director is up to 3 years with the director being eligible for re-appointment at the end of the term. The Governor may remove a director from office—

- for misconduct (including non-compliance with a duty imposed under the Public Corporations Act 1993);
- for failure or incapacity to carry out the duties of his or her office satisfactorily;
- if serious irregularities have occurred in the conduct of the corporation's affairs or the board has failed to carry out its functions satisfactorily and the board's membership should (in the Governor's opinion) therefore be reconstituted.

The office of a director becomes vacant if the director dies, is not reappointed at the end of a term, or resigns by written notice to the Minister, becomes bankrupt or applies to take the benefit of a law for the relief of insolvent debtors, is convicted of an indictable offence or is removed from office under this proposed section.

Clause 10: Vacancies or defects in appointment of directors

This clause provides that an act of the board is not invalid by reason only of a vacancy in its membership or a defect in the appointment of a director.

Clause 11: Remuneration

This clause provides that a director is entitled to be paid from the funds of the corporation such remuneration, allowances and expenses as may be determined by the Governor.

Clause 12: Proceedings

This clause provides for the proceedings of the board including the quorum of the board. The director appointed to chair the board will preside at meetings of the board at which he or she is present. A decision of the majority of the directors at a meeting is a decision of the board with each director present at the meeting having one vote on any question arising for decision. In the event of equal votes, the director presiding at the meeting has a casting vote. A meeting of the board may occur as a telephone or video conference between directors if notice of the conference is given to all directors in the proper manner and each participating director is capable of communicating with every other participating director during the conference.

This clause further provides that a proposed resolution of the board becomes a valid decision of the board despite the fact that it is not voted on at a meeting of the board if notice of the proposed resolution is given to all directors in accordance with procedures determined by the board and a majority of the directors express their concurrence in the proposed resolution by written communication setting out the terms of the resolution. The board must have accurate minutes kept of its proceedings.

Other than following the procedures set out in this clause, the board may determine its own procedures.

Clause 13: Functions of the corporation

This clause sets out the functions of the corporation in relation to electricity, water supply and sewage treatment. In relation to electricity, the corporation's functions are to—

- generate, transmit, supply and purchase electricity within and beyond the State;
- carry out research and works to develop, secure and utilise energy sources suitable for the generation of electricity;
- define and administer standards for the generation, transmission, distribution and supply of electricity to enable the safe and efficient use of electricity and interchange and interconnection between the corporation, electricity authorities in other States and private generators of electricity;
- advise and assist consumers of electricity in energy conservation and in the efficient and effective use of electricity.

In relation to water and sewage, the corporation's functions are to—

- manage the State's water resources ensuring the efficient use of the resources at a sustainable level;
- investigate and research the quality and quantity of the State's water resources;
- monitor the availability, well-being and use of the State's water resources;
- supply water to land by means of a reticulated service;
- remove sewage from land by means of a sewerage system;
- advise and assist users of water in the efficient and effective use of water;
- define and administer plumbing standards to promote public health;
- carry out research and works to improve water quality and sewage disposal and treatment methods.

The corporation may also provide consultancy and other services and may carry out any other functions conferred on the corporation by this measure or any other Act, or by the Minister, or delegated by the Minister to the corporation. The corporation must ensure that its plans and initiatives are consistent with, and give effect to, the Government's economic development, social, employment and environmental objectives.

Clause 14: Powers of the corporation

This clause provides that the corporation has all the powers of a natural person together with the powers specifically conferred on it by this measure or any other Act.

Clause 15: Common seal and execution of documents

This clause provides that the common seal of the corporation must only be affixed to a document pursuant to a decision of the board, attested by the signatures of two directors. The corporation may (by instrument under its common seal) authorise a director, an employee or another person to execute documents on behalf of the corporation subject to conditions and limitations (if any) specified in the instrument of authority. A document is duly executed by the corporation if the common seal of the corporation is affixed to the document in accordance with this proposed section or the document is signed on behalf of the corporation by a person or persons in accordance with an authority conferred under this proposed section.

Clause 16: The corporation not liable to pay amounts equivalent to certain rates

This clause provides that the corporation is not liable to pay to the Treasurer amounts that would be equivalent to rates for any of the corporation's infrastructure property despite section 29(2)(b) of the Public Corporations Act 1993. Infrastructure property does not include property predominantly used by the corporation for administrative purposes or property that is subject to a lease granted by the corporation.

Clause 17: Staff of the corporation

This clause provides that the corporation may appoint employees on terms and conditions fixed by the corporation. The clause further provides that a person who was, immediately before the commencement of this proposed section, an officer or employee of the Electricity Trust of South Australia becomes an employee of the corporation without affecting the person's existing or accruing rights of employment including rights in respect of recreation leave, sick leave or long service leave. (This does not affect any process commenced for variation of a person's rights in respect of employment.)

Employees of the corporation are not subject to Part III of the Government Management and Employment Act 1985 but the corporation may (with the approval of the responsible Minister) make use of the services of any employee of the Engineering and Water Supply Department ('E&WS') or other Crown employee, or use any facilities or equipment, of the Crown.

This clause further provides that the Minister may, after consultation with the corporation and any relevant industrial organisation, transfer specified E&WS employees or E&WS employees of a specified class to the employment of the corporation on terms and conditions approved by the Minister.

Clause 18: Delegation to corporation

This clause provides that the Minister may delegate any of the Minister's powers or functions under any Act to the corporation and that a power or function delegated under this proposed section may, if the instrument of delegations so provides, be further delegated by the corporation. A delegation under this proposed section—

- must be by instrument in writing;
- may be absolute or conditional;
- does not derogate from the power of the Minister to act in any matter;
- is revocable at will by the Minister.

Clause 19: Regulations

This clause provides that the Governor may make such regulations as are necessary or expedient for the purposes of this Act.

SCHEDULE 1

Superannuation

Schedule 1 deals with superannuation matters and, in particular, the transition of the Electricity Trust of South Australia superannuation schemes to superannuation schemes of Southern Power and Water. This schedule is, except for changes made that are of a transitional nature, a re-enactment of Part IVB ('SUPERANNUATION') of the Electricity Trust of South Australia Act 1946 (as amended by the Electricity Trust of South Australia (Superannuation) Amendment Act 1993 which was assented to on 6 May 1993).

SCHEDULE 2

General Transitional Provisions

Schedule 2 contains matters of a transitional nature (other than those dealing with superannuation).

Clause 1: Interpretation

This clause provides that a reference to 'the Trust' means a reference to the Electricity Trust of South Australia and that, subject to proposed subclause (3), a reference in an Act or instrument to the Trust is (where the context admits) a reference to the corporation. Proposed subclause (3) provides that the Governor may, by proclamation, declare that a reference in an Act or instrument to the Trust is not to be taken to be a reference to the corporation and the proclamation has effect in accordance with its terms.

Proposed subclause (4) provides that the Governor may, by proclamation, declare that a reference in an Act or instrument to a Minister is a reference to the corporation and the proclamation has effect in accordance with its terms.

Clause 2: Vesting of property, rights, etc. in the corporation

This clause provides that the corporation—

- succeeds to all the property, rights, powers, liabilities and obligations of the Trust; and
- succeeds to all the property, rights, powers, liabilities and obligations of the Minister arising from the operation of the Sewerage Act 1929 and the Waterworks Act 1932 as in force before the commencement of the proposed Statutes Amendment and Repeal (Power and Water) Act 1993.

Proposed subclause (2) provides that, despite section 29(1) of the Public Corporations Act 1993, where property vests by virtue of this proposed clause in the corporation, the vesting of the property, and any instrument evidencing or giving effect to that vesting, are exempt from stamp duty.

Clause 3: Application of Real Property Act

This clause provides that the Registrar-General must, on the application of the corporation, register the corporation as the proprietor of land (being land under the Real Property Act 1886) that has vested in the corporation under this schedule. The clause further provides that an instrument relating to land (being land under the Real Property Act 1886) that has vested in the corporation under this schedule must, if the instrument is executed by the corporation and is otherwise in registrable form, be registered by the Registrar-General despite the fact that the corporation has not been registered as the proprietor of the land under proposed subclause (1).

Clause 4: Appointment of first chief executive officer

This clause provides that the first appointment to the position of chief executive officer of the corporation is to be made by the Governor on the nomination of the Minister (but, on such an appointment having been made, the person so appointed will be taken to be an employee of the corporation). Any subsequent appointment to the position of chief executive officer of the corporation is to be made by the board of the corporation in accordance with the Public Corporations Act 1993.

Clause 5: Annual reports

This clause provides that the corporation's report to the Minister on its operations during a financial year—

- must, in the case of the first such report after the commencement of this Act, include a report on the operations of the Trust for the portion of the financial year up until the commencement of this Act; and
- may incorporate the report required to be made to the Minister under the Government Management and Employment Act 1985 on the operations of the Engineering and Water Supply Department during that financial year.

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

STATUTES AMENDMENT AND REPEAL (POWER AND WATER) BILL

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

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

That this Bill be now read a second time.

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

Leave granted.

This Bill amends and in some cases repeals a number of Acts relating to electricity, water and sewerage and is complementary to the Southern Power and Water Bill 1993 which proposes to establish the corporation Southern Power and Water. It is important for this report to be read in conjunction with the report for that Bill.

In relation to legislation dealing with electricity issues, the Bill makes amendments which are necessitated by the provisions of the Southern Power and Water Bill. Additionally, the opportunity is taken to consolidate and update the legislation relating to electricity supply.

The Waterworks Act 1932 and the Sewerage Act 1929 are both amended in the main to transfer the majority of the functions and powers to the corporation. It is appropriate in view of the Public Corporations Act 1993 that the corporation should be directly responsible and accountable for these functions.

The Water Resources Act 1990 is amended only to allow the corporation to take water from available water sources to discharge its obligations of providing water services to the community.

These are interim arrangements to allow the merger to proceed as quickly as possible. The Government has determined that a full review should be undertaken on a priority basis to better integrate and rationalise the legislative framework governing the activities of the corporation.

I commend this Bill to the Council.

PART 1
PRELIMINARY

Clause 1: Short title

This clause is formal.

Clause 2: Commencement

This clause is formal.

Clause 3: Interpretation

This clause provides that a reference in this Act to the principal Act is a reference to the Act referred to in the heading to the Part in which the reference occurs.

PART 2
AMENDMENT OF ELECTRICITY TRUST OF SOUTH AUSTRALIA ACT 1946

Clause 4: Substitution of long title

This clause repeals the long title and substitutes a long title that provides that this Act makes provision for the supply of electricity to the State and for incidental purposes.

Clause 5: Repeal of heading to Part I

In view of the miscellaneous nature of the provisions left in the principal Act by these amendments and consequent on the passage of the Bill for the Southern Power and Water Act 1993, the division of the principal Act is unnecessary. All Part and Divisional headings have thus been repealed. This clause repeals the heading to Part I.

Clause 6: Substitution of s. 1—Short title

This clause substitutes a new short title that provides that the principal Act may be cited as the Electricity Supply (Miscellaneous Provisions) Act 1946.

Clause 7: Amendment of s. 3—Interpretation

This clause provides for definitions of terms and phrases used in the principal Act. In particular, a definition of the corporation to be established under the proposed Southern Power and Water Act 1993 is inserted and the definition of the Trust (ie: the Electricity Trust of South Australia) is deleted.

Clause 8: Repeal of Part II

This clause provides for the repeal of Part II ('THE ELECTRICITY TRUST OF SOUTH AUSTRALIA') of the principal Act. Many of the matters dealt with in this Part are contained in the proposed Bill for the Southern Power and Water Act 1993 which proposes to establish the corporation Southern Power and Water that will be taking over the functions and powers of the Electricity Trust of South Australia ('the Trust'). Some of the other repealed sections have been rewritten in the Schedule of Transitional Provisions inserted into the principal Act by clause 24 of the Bill, for example, clause 3 of that Schedule replaces the repealed section 20a of the principal Act relating to debentures previously issued by the Trust.

Clause 9: Repeal of heading to Part IV

This clause provides for the heading to Part IV to be repealed.

Clause 10: Repeal of heading to Division I of Part IV

This clause provides for the heading to Division I of Part IV to be repealed.

Clause 11: Substitution of ss. 36 to 38 (inclusive)

This clause provides that sections 36 to 38 (containing the general powers of the Trust and the Trust's duties with regard to electricity supply) of the principal Act are repealed and certain other sections are substituted.

The functions of the corporation to be established under the proposed Southern Power and Water Act 1993 are set out in clause 13 of that proposed Act.

Proposed section 36 combines those powers set out in the repealed section 38 together with powers which the Trust formerly derived from the old Adelaide Electric Supply Acts (proposed to be repealed in Part 7 of this Bill). The proposed new section provides the proposed corporation with powers additional to those of a natural person (see clause 14 of the proposed Southern Power and Water Act 1993) including the power to—

- acquire land in accordance with the Land Acquisition Act 1969;
- lay or install any part of the distribution system over or under any public place;
- excavate a public place for the purpose of laying or installing any part of the distribution system or inspecting, repairing or replacing any part of the distribution system;
- lay, install, provide or set up on or against the exterior of a building or structure any cable, equipment or structure necessary for securing to that or any other building or structure a proper and complete supply of electricity and for measuring the extent of the supply.

Except in an emergency or in circumstances of imminent danger to life or property, the proposed corporation must give 7 days notice before exercising powers conferred by this proposed section in relation to a public place.

Proposed section 37 provides that the proposed corporation may, with the approval of the Minister, provide a loan or subsidy to another supplier of electricity in the State. This power formerly came from the repealed section 22 of the principal Act.

Proposed section 38 (which is a combination of the repealed sections 37 and 38) provides for the proposed corporation's duties in relation to the supply of electricity, including—

- ensuring that the distribution system is constructed and maintained in accordance with international and Australian standards and practices;
- maintaining the electricity supply through the distribution system;
- providing a supply of electricity.

Proposed section 38A sets out clearly the sorts of conditions under which the proposed corporation Southern Power and Water may supply electricity to a consumer. The Trust has, in the past, gazetted Conditions under which Electric Energy is Supplied and this proposed section formally provides for such conditions and their legal effect. Proposed section 38A provides that the proposed corporation may, with the approval of the Minister, by notice in the *Gazette*, publish a list of conditions (which may be varied or revoked by further notice) under which the proposed corporation supplies electricity to a consumer. Gazetted conditions are binding on consumers (subject to a written agreement entered into under this proposed section). The conditions may include conditions in relation to—

- the procedures to be observed before a supply of electricity is provided;

- the placing of any part of the distribution system and of connections to a consumer's electrical installation;
- the inspection and testing of a consumer's electrical installation;
- the safety standards to be maintained by a consumer in relation to his or her electrical installation;
- the nature and voltage of the electricity supply in a particular area;
- the proposed corporation's access to its equipment and other works;
- the tariffs and rates for electricity and other charges that the proposed corporation may impose including penalties, interest or fines for non-payment or late payment);
- the liability of consumers for payment of the proposed corporation's charges for electricity;
- the limiting of the number and type of appliances and equipment to be used by a consumer;
- the cutting off of the supply of electricity to any land or premises;
- rationing of the electricity supply;
- any other matter that the proposed corporation thinks fit.

The proposed corporation may enter into a written agreement with individual consumers fixing other terms and conditions on which electricity is supplied to that consumer. Except pursuant to such a written agreement, no contractual relationship exists between the proposed corporation and a consumer in relation to the supply of electricity by the proposed corporation.

This proposed section further provides that if the proposed corporation suffers loss or damage as a result of contravention of or non-compliance with a condition of supply by a consumer, the corporation may recover compensation for the loss or damage from the consumer by action in a court of competent jurisdiction.

Proposed section 38B provides that the proposed corporation may authorise an employee or other person to exercise certain powers, including examining or testing the distribution system or electrical installations, inspections or repair work, taking any action necessary to avert danger from a fault in the distribution system or from abnormal conditions affecting it or entry into land or premises for the purpose of exercising any such power. An authorised person may only enter residential premises under this section after reasonable notice to the occupier (except in an emergency or circumstances of imminent danger to life or property). An authorised person who has entered, or proposes to enter, land or premises under this proposed section must, at the request of the owner or occupier of the land or premises, produce a certificate of authority issued by the proposed corporation.

Proposed section 38B further provides that a person who hinders or obstructs an authorised person in the exercise of powers conferred by this section is guilty of an offence and liable to a division 7 fine ($2 000).

Clause 12: Repeal of heading to Division II of Part IV

This clause repeals the heading to Division II of Part IV.

Clause 13: Amendment of s. 39—Vegetation clearance.

This clause amends section 39 by substituting any reference to the Trust with a reference to the proposed corporation Southern Power and Water.

Clause 14: Repeal of heading to Division III of Part IV

This clause repeals the heading to Division III of Part IV.

Clause 15: Repeal of ss. 40 and 41

This clause repeals sections 40 and 41 of the principal Act. These sections have been substituted by clause 4 of the Schedule of Transitional Provisions.

Clause 16: Repeal of heading to Division IV of Part IV

This clause repeals the heading to Division IV of Part IV.

Clause 17: Amendment of s. 42—Immunity from liability in consequence of cutting off or failure of electricity supply

This clause amends section 42 by striking out the reference to the Trust and substituting a reference to the proposed corporation Southern Power and Water.

Clause 18: Repeal of heading to Division V of Part IV

This clause repeals the heading to Division V of Part IV.

Clause 19: Amendment of s. 42A—Payments by the corporation

This clause amends section 42A by striking out the reference to the Trust and substituting a reference to the proposed corporation Southern Power and Water.

Clause 20: Repeal of Part IVA

This clause repeals Part IVA. These functions of the Trust are now to be contained in the clause setting out the functions of the proposed corporation in relation to electricity in the Bill for the Southern Power and Water Act 1993.

Clause 21: Repeal of Part IVB

This clause repeals Part IVB. These sections are now to be found in the Schedule of Superannuation Provisions of the Bill for the Southern Power and Water Act 1993.

Clause 22: Repeal of Part V

This clause repeals Part V and substitutes several sections.

Proposed section 44 provides that it is an offence for a person, without the approval of the proposed corporation, to 'steal' electricity, to supply to another person (for valuable consideration) electricity supplied by the proposed corporation, to contribute electricity to the distribution system or to damage or otherwise interfere with the distribution system. The penalty for such an offence is a division 5 fine ($8 000). Proposed subsection (3) provides for evidentiary matters and proposed subsection (4) provides that the court before which a person is convicted of an offence against this proposed section may order the convicted person to pay to the proposed corporation such compensation as it thinks fit for any loss or damage resulting from the commission of the offence.

Proposed section 45 provides that a notice or other document required or authorised to be given or served by the proposed corporation may be served by post.

Proposed section 46 provides that an offence against this Act is a summary offence but that proceedings for an offence against this Act may be commenced at any time within 3 years of the day on which the offence is alleged to have been committed.

Proposed section 47 provides for the regulation making power of the Governor.

Clause 23: Substitution of schedule

Clause 23 repeals the schedule of the principal Act and substitutes a schedule containing transitional provisions.

Proposed clause 1 of the Schedule contains a definition of the Electricity Trust of South Australia.

Proposed clause 2 of the Schedule provides that a delegation by the Trust in force immediately before the commencement of this measure continues in force as a delegation by the proposed corporation Southern Power and Water under the provisions of the Public Corporations Act 1993 subject to any variation or revocation of the delegation under those provisions.

Proposed clause 3 deals with inscribed debenture stock issued by the Trust prior to the commencement of this measure. This clause is a substitution for the repealed section 20a of the principal Act. It further provides that the proposed corporation Southern Power and Water succeeds to all the rights and liabilities of the Trust in respect of debentures or inscribed debenture stock issued before the commencement of this measure.

Proposed clause 4 provides that section 38A (relating to conditions of supply) as proposed to be inserted into the principal Act by clause 12 of this measure applies in relation to every consumer of electricity supplied by the proposed corporation Southern Power and Water including a consumer receiving a supply of electricity from the proposed corporation made before the commencement of this measure. However, this clause will not operate to negate the terms of a specific written agreement (the terms of which are other than those consisting of the Conditions of Supply under which Electric Energy is Supplied together with an application for a supply of electricity) that existed before this proposed schedule came into operation.

Proposed clause 5 provides for statutory easements in a similar way as did section 41 of the principal Act (repealed by clause 16 of this Bill) except that it is the proposed corporation Southern Power and Water that has the benefit of the easement and not the Trust.

PART 3

AMENDMENT OF GAS ACT 1988

Clause 24: Repeal of s. 28

This clause provides for the repeal of section 28 of the principal Act. This section is being repealed because it is proposed that the registration of gas fitters will, in future, be done under the licensing provisions of the Builders Licensing Act 1986.

PART 4

AMENDMENT OF SEWERAGE ACT 1929

Clause 25: Amendments contained in schedule

This clause provides that the principal Act is amended as set out in the schedule of this Act. These amendments are consequent on the establishment of the proposed corporation Southern Power and Water under the proposed Southern Power and Water Act 1993 and, for the most part, strike out a reference to the Minister and substitute a reference to the corporation.

PART 5

AMENDMENT OF WATER RESOURCES ACT 1990

Clause 26: Amendment of s. 4—Interpretation

This clause inserts into the interpretation provision of the principal Act the definition of the proposed corporation Southern Power and Water.

Clause 27: Amendment of s. 31—Right of Minister and corporation to take water

This clause amends section 31 by giving Southern Power and Water the same rights and duties as the Minister in respect of the taking of water under the principal Act.

Clause 28: Amendment of s. 32—Riparian rights

This clause amends section 32 by striking out paragraph (a) of that section and substituting a new paragraph which reflects the changes made to section 31 of the principal Act.

PART 6

AMENDMENT OF WATERWORKS ACT 1932

Clause 29: Amendments contained in schedule

This clause provides that the principal Act is amended as set out in the schedule of this Act. These amendments are consequent on the establishment of the proposed corporation Southern Power and Water under the proposed Southern Power and Water Act 1993 and, mainly, strike out a reference to the Minister and substitute a reference to the corporation.

PART 7

REPEAL OF CERTAIN ACTS

Clause 30: Acts repealed

This clause repeals the following Acts:

The Adelaide Electric Supply Company Act 1944;
The Adelaide Electric Supply Company's Acts 1897 to 1931;
Electrical Workers and Contractors Licensing Act 1966;
Electricity Act 1943;
Electricity (Country Areas) Subsidy Act 1962;
Electricity Supplies (Country Areas) Act 1950;
Electricity Supply (Industries) Act 1963;
The Electricity Trust of South Australia (Penola Undertaking) Act 1967;
Local Electricity Undertakings (Securities for Loans) Act 1950.

These Acts are either obsolete or deal with matters now to be dealt with by the amendments proposed by Part 2 of this measure.

SCHEDULE

Consequential Amendments

The schedule to the Act contains amendments to the Sewerage Act 1929 and the Waterworks Act 1932 consequent on the operation of the proposed Southern Power and Water Act 1993. In the main, these amendments substitute references to the Minister with references to the proposed corporation Southern Power and Water.

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

ADJOURNMENT

At 4.29 p.m. the Council adjourned until Tuesday 7 September at 2.15 p.m.