LEGISLATIVE COUNCIL

Thursday 8 February 1996

The PRESIDENT (Hon. Peter Dunn) took the Chair at 2.15 p.m. and read prayers.

GREAT AUSTRALIAN BIGHT

A petition signed by 333 residents of South Australia concerning the establishment of a marine park in the Great Australian Bight and praying that this Council will declare the Great Australian Bight as a marine park was presented by the Hon. T.G. Roberts.

Petition received.

PAPER TABLED

The following paper was laid on the table:

By the Attorney-General (Hon. K.T. Griffin)—

Classification of Publications Board—Report, 1994-95.

OLD PARLIAMENT HOUSE RESTAURANT

The Hon. DIANA LAIDLAW (Minister for the Arts): I seek leave to make a ministerial statement on the subject of the Old Parliament House Restaurant.

Leave granted.

The Hon. DIANA LAIDLAW: I wish to inform members that the operators of the Old Parliament House Restaurant, Mr and Mrs Lambrinos, had a tenancy agreement with the History Trust that expired in the first week of May 1995. The operators had a right to apply for a further term of two years but failed to exercise that right. Earlier, the operators ceased to pay rent which was payable to the History Trust.

On 11 May 1995, I advised that the Government proposed to change the use of Old Parliament House and that extensive renovations were planned to convert the premises to office accommodation for members of Parliament and parliamentary committees, with the State History Centre moving to Edmund Wright House. From the expiration of the tenancy until 30 September 1995, Mr Lambrinos, by agreement, had a rent free monthly tenancy. Under the terms of the monthly tenancy, either party could terminate the arrangement by giving one month's notice. Given the closure of the museum and the soon to be commenced building works, the appropriate decision was for the History Trust to terminate the monthly tenancy.

Prior to the termination of the monthly tenancy, Mr Lambrinos, through his solicitor, made a number of claims for compensation. Advice was received from the Crown Solicitor that the claims could be defended. However, it was recommended that the matter should be resolved by a commercial settlement. Negotiations took place between the Crown Solicitor's Office and the solicitor acting for Mr Lambrinos which resulted in a formal settlement deed being agreed and signed by all parties resolving all potential claims. It is a term of the deed that Mr Lambrinos agreed to forever release and discharge the Government from any potential liability arising from the matter.

As issues between the Government and Mr Lambrinos were resolved by this formal agreement, to which both parties had legal advice, it is inappropriate for me to comment further.

QUESTION TIME

FORESTS

The Hon. R.R. ROBERTS: I seek leave to make a brief explanation before asking the Minister for Education and Children's Services a question on the sale of State forests.

Leave granted.

The Hon. R.R. ROBERTS: The Premier recently announced yet another review of the management of South Australia's softwood forests—the third review in two years to be conducted by the Liberal Government. In the *South Eastern Times* on Monday, 5 February—only three days ago—the former Minister for Primary Industries, now simply the member for MacKillop, Dale Baker, repeated his claim that the Government was trying to sell the forests. In fact, the member for MacKillop said in relation to the new review:

> There is no doubt about it. This review is about selling harvesting rights and/or the forest and you can dress it up however you like because that is what it is about.

Mr Baker went on to say:

> The Asset Management Task Force under the budget subcommittee has been trying to sell harvesting rights for the past six months, and I managed to block that and the Cabinet managed to block that.

The memory of the member for MacKillop concerning what has occurred in the Government over the selling of State forests seems vastly at variance with that of the Premier and the Leader of the Government in this place and in the Leader's own words, as follows:

> I know which version of the situation I would accept.

That is a direct quotation from the Leader. My questions to the Minister for Education and Children's Services are:

1. Which Cabinet subcommittee considered the sale of the harvesting rights to South Australia's softwood plantations?

2. Which Ministers sat on the subcommittee during its deliberations on this matter?

The Hon. R.I. LUCAS: I will take the questions on notice and bring back a reply. I do not sit on the respective or responsible Cabinet subcommittee so I will get the name of the subcommittee for the honourable member and respond in due course.

In relation to the continued claims by way of explanation—

The Hon. R.R. ROBERTS: Mr President, I rise on a point of order. I do not want a debate on the subject.

The PRESIDENT: Order!

The Hon. R.R. ROBERTS: Standing order 111 states that in answering a question a member may not debate the matter. I have asked the—

An honourable member interjecting:

The Hon. R.R. ROBERTS: The member as Minister—it's the same thing. I have asked for the name of the committee and the names of the committee members.

The PRESIDENT: Order! I think that the Minister has answered the honourable member's question. I have no control over how the Minister answers the question.

The Hon. R.I. LUCAS: The honourable member asked the question, but in doing so made a series of claims by way of explanation. The honourable member is suggesting that he can make a series of claims by way of explanation and then refuse the right of the Minister to respond. What an extraordinary interpretation of Standing Orders from the Deputy Leader of the Opposition!

Members interjecting:

The PRESIDENT: Order! I suggest that the Minister answer the question.

The Hon. R.R. ROBERTS: Mr President, on a point of order, the Minister said that he could not answer the question and that he would go back and seek a reply. He cannot answer my question.

The PRESIDENT: Order! What is the point of order?

The Hon. R.R. ROBERTS: The point of order, Mr President, is again that the Minister is attempting to debate the matter. I asked the question and he told me that he could not give me the answer to the question. Now he wants to debate something else.

Members interjecting:

The PRESIDENT: Order! The honourable member knows full well that I cannot restrict the Minister in answering the question. If he reads the Standing Orders he will find that out.

The Hon. R.R. Roberts interjecting:

The PRESIDENT: Order! I warn the honourable member.

The Hon. R.I. LUCAS: The only point I want to make is that the Premier, this week, by way of ministerial statement, has quite clearly indicated the position of both the Premier and the Government. As I indicated in this House yesterday, irrespective of whatever documents might be dropped by the Deputy Leader of the Opposition and irrespective of any statements that might be made in any journals, newspapers, media outlets or whatever, the position of the Premier and that of the Government was clearly outlined in the ministerial statement that was made in both Houses earlier this week.

HILLS LAND

The Hon. T.G. ROBERTS: I seek leave to make a brief explanation before asking the Minister representing the Minister for the Environment and Natural Resources a question about State Government land sales.

Leave granted.

The Hon. T.G. ROBERTS: Yesterday I raised the prospect of a transfer of land in the northern suburbs from public to private ownership. Today I raise the issue of a community in the Mount Barker region, right in the heart of the Minister's electorate, concerned over an area of land of considerable size for sale in the Mylor district. I will read for members the article from the recent edition of the Mount Barker *Courier*, a widely read, well respected Hills paper, which reads:

> Hills residents are expected to fight a decision by the State Government to sell two areas of bushland considered to contain valuable native vegetation. The State Government intends to sell 50ha of land near Mylor and 3.5ha near Littlehampton and has offered the land to the Stirling and Mount Barker councils. The Mylor Recreation Centre is currently owned by the Department of Recreation and Sport and has been offered for sale to the Stirling council. The Mount Barker council has been offered an option to buy Coppin's Bush in Littlehampton following the Department of Transport's decision that the land is surplus to its needs. Local communities are preparing to battle against the proposed sales and have organised a community protest meeting at the Mylor Recreation Centre at 11 a.m. On February 11.

One might say that the process that the Government has gone through is considerably different from that of the sale of the parcel of land in the northern suburbs, but members will find as the article goes on that the issues of transfer and sale are different. In this case, the Mount Barker council and the Stirling council appear to be in no position to be able to make bids on such large areas of land, and it appears that the residents' position is that it is the State Government's responsibility to look after the recreation parks and the areas of native bush that remain in the area. I do not need to remind members that in this State most of the damage has been done in the way of clearance and that we do not have a lot of native bush and scrub remaining.

The article goes on to describe what is left in the parks, and describes what would be regarded as almost pristine in some cases and in other cases remanent bushland. But the community is certainly going to take the struggle to the Government. Again, these are by no means what you would call militant eco-conservationists; they are people who have a community and who want to protect it, not only for themselves but in the interests of the State. My questions are:

1. Will the Government continue with its ad hoc method of privatisation of State land parcels?

2. In the case of the Mylor land, will it not block that sale, take up its responsibilities and look after it?

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

INDUSTRIAL RELATIONS

The Hon. T.G. CAMERON: I seek leave to make a brief explanation before asking the Minister for Education and Children's Services a question about a media release by the Minister entitled 'Government peace package for strike free 1996'.

Leave granted.

The Hon. T.G. CAMERON: On 29 January the Minister released a statement to the media headed 'Government peace package for strike free 1996', a somewhat unusual title, considering what we have just been through. This stunt, and I use the word advisedly, was clearly aimed at diverting attention, during the Federal election campaign, from the Government's record on education.

The Hon. A.J. Redford: That's opinion.

The Hon. T.G. CAMERON: Well, take a point of order; he's not upholding too many. The so-called peace package was a bunch of motherhood statements—

The PRESIDENT: Order! I hope that was not a reflection on the Chair.

The Hon. T.G. CAMERON: It certainly was not, Mr President; that is the last thing I'd do.

The PRESIDENT: I am assured, I hope.

The Hon. T.G. CAMERON: You are assured. The so-called 'peace package' was a bunch of motherhood statements cobbled together to deflect attention from the real issues facing education. The Minister promised no further cut-backs—not bad when you have already sliced $69 million a year in real terms. The Minister promised to campaign to promote excellence in our schools; is this finally an admission from the Minister that his policies have been against excellence? The Minister also acknowledged that teachers deserve a pay rise. It took him some time to get to that point. After spending about $500 000 on legal fees opposing the teachers' claim for a Federal award, the Minister finally admits that they deserve a rise—no details, of course. The most noticeable thing about the Minister's sham peace offer was what it did not include.

Why did the Minister's offer not include an undertaking to honour his election promise not to cut spending on education, the restoration of 250 SSOs cut this year, the restoration of music teachers cut this year, the restoration of

class sizes and a commitment to work within the Federal jurisdiction for a fair and just award for all education workers?

The Hon. R.I. LUCAS: It is not correct to say that we made an election promise to allow teachers to negotiate in the Federal arena for a salary increase, as suggested by the Hon. Mr Cameron. As Minister I have been delighted with the response from teachers, parents and principals to the peace package that the Government announced at the start of the 1996 school year. Certainly, the telephone calls and discussions that I have had with teachers, parents and principals have been almost unanimous in endorsing the fact that the Government had taken the initiative at the start of the 1996 school year and offered this package for the consideration of teachers within our schools. I am pleased to announce that, some two or three days after the announcement of that package, I met with the leadership of the Institute of Teachers. I released a statement at the end of that meeting, held last Wednesday, which indicated that no agreement had been reached between the two parties, that is, the Government and the Institute of Teachers. However, it indicated that both parties—the Institute of Teachers and the Government—had agreed to consider our respective positions.

I have given a commitment to the leadership of the Institute of Teachers that, while they are considering their position and the Government considers its position, I will make no further comment, and similarly they have given a commitment that they will make no further comment until a decision is reached one way or another in relation to the discussions that we are having. I am sure that the Hon. Mr Cameron and other members would not want to be the cause of any disruption in the discussions that are occurring between the Government and the Institute of Teachers. I cannot say anything more than what I publicly indicated after the meeting last Wednesday, because I have given a commitment to the leadership of the teachers union, as they have given a commitment to me. They have kept their commitment and I intend to keep mine. As soon as I am in a position to make a statement to the Council, I will be pleased to do so.

ELECTRICITY MARKET

The Hon. SANDRA KANCK: I seek leave to make an explanation before asking the Minister representing the Minister for Infrastructure a question about the national electricity market.

Leave granted.

The Hon. SANDRA KANCK: The Industry Commission is currently conducting an inquiry into the structure of ETSA at the behest of the Minister for Infrastructure to ensure that ETSA meets the criteria to allow it to participate in the national electricity market. I have been given information which indicates that South Australian electricity consumers will be the losers out of our active involvement in the market. I have been informed that a report about South Australia's part in the national link has been prepared by KPMG Peat Marwick, and this report is now in the hands of senior ETSA executives.

That report shows there was a $70 million downside for South Australia. For a start, there will have to be $11 million set aside for instrumentation, and $20 million, would you believe, will have to be set aside for futures trading in electricity. The report also states that, by the year 2000, there will have to be an increase in tariffs to South Australian consumers of somewhere between 18 and 40 per cent to cover the costs of our involvement. It points out that the only beneficiaries will be the few big companies that will be able to buy their power independently on the grid and probably bypass South Australia, despite the fact that the power generated by natural gas in this State produces 23 per cent less carbon dioxide than power generated in the eastern States.

The report says that South Australia is at a disadvantage because the eastern States have excess generating capacity and they will sell that power without having to take into account the capital costs of building the power stations. My questions to the Minister are:

1. Will the Minister release the report prepared by KPMG Peat Marwick to allow public discussion about the appropriateness of South Australia's full involvement in the national electricity market?

2. Is it true that the report says that South Australian electricity consumers will face a tariff increase of between 18 and 40 per cent by the year 2000 in order to accommodate the extra costs South Australia will incur as a result of our participation in the national electricity market?

3. Does the Minister consider this sort of tariff increase is justified to benefit no more than half a dozen South Australian companies?

4. Does the Minister agree with the findings of the report and what action will he be taking as a result?

The Hon. R.I. LUCAS: I am advised that ETSA's performance over the past six years has placed it in an excellent position to enable it to compete successfully within the national electricity market. The Minister has advised me that the track record in terms of tariffs under the Government has been impeccable. Charges to small businesses have been reduced by up to 22 per cent. Off-peak prices have been cut by 15 per cent last year and there has been another five per cent reduction in tariffs this year.

I am further advised by the Minister that not participating in the national electricity market will jeopardise up to $1 billion worth of funding from the Federal Government over the next 10 years: that is, up to $100 million per year and $87 million in 1997-98. It has been the Federal Labor Government that has linked Commonwealth payments to the introduction of competition policy reforms. As I said, the Minister for Infrastructure has advised me that we are looking potentially at jeopardising up to $1 billion in payments or $100 million per year in payments if there is not participation in the market.

I am advised further that the KPMG report was commissioned to help the Government determine its negotiating position in the lead-up to the introduction of the national electricity market. I am told also that it evaluates a whole range of hypothetical scenarios. It does not make any recommendations, contrary perhaps to the inference made by the honourable member in her question. I am told also that it does not identify outcomes which are unavoidable. With that reply, I have answered some parts of the honourable member's questions. I will direct the particular question in relation to the release of the report to the Minister and bring back a reply.

The only other comment I would make in relation to the claim of tariff increases of 18 to 40 per cent—and I am not aware if that is correct—is to suggest to the honourable member that she go back over the last five years of the previous Government, from 1988 to 1993, and look at the increases in electricity tariffs during that period to see

whether or not the increases in tariffs were at a significant level.

I have not done those figures. Obviously, the Minister for Infrastructure might be able to look at the sorts of figures. But, even if one was just to look at CPI increases over a particular period with the inflation rate running at 3 per cent, 4 per cent or 5 per cent and you add together five years CPI increases, one might be getting increases—at the lower end, anyway—of the range about which the honourable member is speaking. I am not sure whether he is talking about policies where there were never any increases in electricity as being part of the tariff policy that she is supporting. That will be a position that she will have to put down at some other stage. It is easy to quote figures over a five year period and not take into consideration what has occurred over previous five year periods, whenever that might have been.

INFANTS' DUMMIES

The Hon. L.H. DAVIS: I seek leave to make a brief explanation before asking the Minister for Consumer Affairs a question about infants' dummies.

Members interjecting:

The PRESIDENT: Order!

The Hon. L.H. DAVIS: There we have an Opposition trying to be flippant about a very serious matter.

The Hon. T. Crothers interjecting:

The Hon. L.H. DAVIS: The Opposition is always spitting there, so it is at least familiar with the subject.

The PRESIDENT: Order!

Leave granted.

The Hon. L.H. DAVIS: Yesterday in the *Advertiser* there was a product recall notice in relation to an infant's dummy. This is not the first time that there has been recall by either suppliers or manufacturers of dummies and it is of some concern that faults are allegedly being found on what appears to be a fairly regular basis. I understand that, in some cases, young children have almost choked to death when the dummy they have been using comes apart. My questions to the Minister for Consumer Affairs are:

1. What measures are currently in place to protect infants who use dummies?

2. Can more be done to reduce the risk of injury to small children?

The Hon. K.T. GRIFFIN: The issue of infants' dummies has been the subject of some media comment over the past few months, in particular in relation to an infant's dummy that had been bought by a mother and the child had swallowed part of it. It had come apart in the child's mouth. Since then several other cases have occurred where there had been difficulties with infants' dummies purchased either from supermarkets, chemist shops or from other retail outlets. It is a matter which gained prominence in December when I was asked what I would be prepared to do about the issue and I had some inquiries made as to the current practices in relation to infants' dummies.

There is an Australian standard, but it is a voluntary standard and not a mandatory standard. There is some advice which indicates that a mandatory standard, in itself, would not be sufficient to deal with the issue, but it begs the question as to whether the standard, in itself, is adequate. Of course, if the standard is mandatory, then what it means is that every infant's dummy that goes on to the market would have to be tested and in the testing itself there is both an expense and also the risk of damage, but not damage which would enable that to be identified as a problem that would require that infant's dummy not to be put on to the market. There are some issues there which are of concern.

The dummy that was the subject of comment in November-December last year was tested by the Trade Standards Section of the Office of Consumer and Business Affairs and it was also tested by the Federal Bureau of Consumer Affairs. It is interesting to note that the samples that were tested did not fracture or in other ways cause difficulties in the course of that testing. It really reflects that, in the course of manufacture, there may be the odd product which is not detected in terms of quality control through the production line, but that is not much comfort to consumers, particularly the parents of infants, whose children may end up experiencing difficulty with those faulty products.

I have asked for the issue to be put on the agenda for the Ministerial Council of Consumer Affairs Ministers. Although one might ask, 'Why put just one product on the agenda?', it is nevertheless an important issue about not only that product but also other products as to how standards should be set, whether they should be voluntary or standard or what other action could be taken. It is a matter of concern. It is something which I think does have to be dealt with nationally rather than on a State by State basis, because a number of these infants' dummies are imported from overseas.

Importers who bring in products generally require the manufacturer or agent to produce a certificate which identifies that the infant's dummy is manufactured in accordance with the Australian standard, so that they have a measure of protection about the quality of the product. In those circumstances, hopefully it is some reassurance to parents who may be concerned about the newspaper reports that some action is being taken at both State and Federal level to endeavour to deal with what can be a particularly traumatic experience.

The Hon. Anne Levy: When is the meeting?

The Hon. K.T. GRIFFIN: I can't remember. I will find out.

Members interjecting:

The PRESIDENT: Order!

MULTICULTURAL FORUM

The Hon. P. NOCELLA: I seek leave to make a brief explanation before asking the Minister for Education and Children's Services, representing the Minister for Multicultural and Ethnic Affairs, a question about the South Australian Multicultural Forum.

Leave granted.

The Hon. P. NOCELLA: The South Australian Multicultural Forum was established in 1989 as an informal association of about 50 men and women in senior executive and decision making positions drawn from the Public Service, the judiciary, the clergy, business and industry, academia, the unions, the media and community organisations. Its stated objectives are: to support senior decision makers and executives in their knowledge of and empathy for multiculturalism as a social policy and related issues; to encourage senior people to influence public opinion through statements in speech and writing which are supportive of multiculturalism; and to encourage senior people to modify structures and service delivery in their organisations in response to the multicultural nature of their clients and employees. The forum meets six times a year and one or two of these six meetings are held in community clubs' premises.

I have received a number of telephone calls from members of the forum who attended the December meeting of the forum which was held in the hall of a Greek church in the Unley area and who expressed surprise and concern at the fact that their meeting was attended by a very large contingent of Liberal politicians—not just the ordinary one or two that one could understand but in the vicinity of 10. As I understand, out of a meeting of about 60 or 70 people, the Premier was in attendance, as well as Steve Condous, Joe Scalzi, Joe Rossi, John Cummins, the Hon. Dr Bernice Pfitzner, the Hon. Julian Stefani, and two advisers from the Premier's Office, namely, Mr John Scales and Mrs Pam Attwood. I believe that Joan Hall was meant to be there: she was greeted *in absentia* although she was not physically present. This was out of a meeting of about 60 or 70 people.

The members who rang me felt that, as the role of the forum is chiefly educative, with members experiencing a change in knowledge and attitudes, this was very much one-sided and they wondered why only one Party was present. Well may they wonder, because no-one else was invited to attend, so how could they!

It is a matter of record that the previous Government was meticulous in preventing this group from being politicised to the point of avoiding the attendance at meetings of politicians of any description so that they could get on with the purpose of achieving the objectives that are stated in its charter. My questions are:

1. Will the Minister confirm that the number of members of Parliament and advisers who I mentioned were present at the December function of the forum?

2. Will the Minister advise whether the charter of the forum has been changed and, if so, when and how?

3. Will the Minister reassure this Council that, in future, members of the forum are either informed about what they can expect by way of political presence at their meetings, or that such political presence is removed altogether or, if it is deemed that it should be there, it is balanced?

The Hon. R.I. LUCAS: All I can say is that I am absolutely delighted to know that so many Liberal members of Parliament are so interested in multicultural and ethnic affairs and the impact of the Government's policies in that area that they attended that meeting. The honourable member identified the fact that the Liberal Party and the Government is fortunate that, amongst its ranks in both the Upper House and the Lower House, so many Liberal members are very active in the community in pursuit of the Government's policies on multiculturalism. It would not just be that meeting because I could list the many meetings and community occasions at which the Liberal members in attendance far outnumber the Labor members and representatives. As Leader of the Government in this Chamber, I am delighted to see the interest that this Government has in pursuit of the policies of multiculturalism in the community.

In relation to the honourable member's specific questions about the role of the forum at that meeting in December, I will refer them to the Premier and bring back a reply. It may well have been that a very good guest speaker addressed that forum and that members were interested in attending.

The Hon. P. NOCELLA: I have a supplementary question. No Party has a monopoly on interest in multicultural affairs.

The PRESIDENT: Order! The honourable member cannot debate the question.

The Hon. P. NOCELLA: How can members attend when they are prevented from doing so by virtue of the fact that they have not been invited?

The Hon. R.I. LUCAS: I have indicated to the honourable member that, in relation to the details of that particular meeting in December last year, I will refer his questions to the Premier and bring back a reply.

LOCAL GOVERNMENT REFORM

The Hon. A.J. REDFORD: I seek leave to make a statement before asking the Minister for the Status of Women a question on the topic of the Local Government Association.

Leave granted.

The Hon. A.J. REDFORD: In yesterday's Payneham Messenger, it was reported that the Equal Opportunity Commission had been asked to investigate why only men were nominated to the new Local Government Boundary Reform Group by the Local Government Association. Members may recall that the Local Government Association set itself up as the sole spokesman for local government when Parliament dealt with the issue of boundary reform last year. In another place, the Hon. Stephen Baker stated that the LGA would say one thing on one occasion and the opposite on another. Indeed, he was quite critical of Jim Hullick, the LGA Secretary-General, in relation to the way in which he handled the whole debate. Many members observed that submissions from councils were at variance with the LGA's views on that topic.

The article says a number of things. First, it points out that the Local Government Relations Minister (Scott Ashenden), who formed the board, selected two women, the Prospect Mayor Annette Eiffe and the Port Lincoln councillor Jill Parker. The article states:

> At a recent St Peters Council meeting, Councillor Jane Henderson said it was not good enough that the LGA list only nominated men.

She said:

> Are they (women) incompetent or invisible? I want to know. If there are no competent women, then if they never give women any experience in these matters then there never will be any competent women.

The article also stated that St Peters nominated former St Peters alderman Judith Worral, former Marion alderman Marjorie Schulze and lawyer Jean Matysek as people who were 'marvellously qualified' and 'had extensive experience in local government'. In response, the Local Government Association Secretary-General (Jim Hullick) said:

> We are always very conscious about having a gender balance but there was only a short time when nominations were called for. To meet our deadline we needed to move quickly.

In the light of that, my questions to the Minister are:

1. Will the Minister advise the Council of the progress of the Equal Opportunity Commission investigation?

2. Does the Minister accept the excuse 'to meet our deadline we needed to move quickly'?

3. Is that excuse available to other bodies to avoid putting women on boards?

4. Does the Minister agree that Councillor Henderson's female nominations were marvellously qualified for the position?

The Hon. DIANA LAIDLAW: The Equal Opportunity Commission reports to the Attorney-General, and I will ask the Attorney to report on the progress of the inquiry that has been referred to the commission. The outcome of that inquiry will be of considerable interest to men and women across the

State. Cabinet has a requirement that, when the Government seeks representatives from any representative organisation, whether it be local government, the union movement, the employers' chamber or any such body, there be three nominations, and at least one man and at least one woman. On this occasion, I understand that when the Minister received the initial nominations from the Local Government Association he reminded that association of the Government's requirements. However, even given a second opportunity to consider the matter, the Local Government Association did not nominate any women.

Councillor Henderson indicated that former alderman Worral, former alderman Schulze and Ms Matysek are outstanding women who could have been nominated. I think they would be outstanding nominations, and it is unacceptable to think that the Local Government Association did not have in mind these women and a number of other very able women who serve local government as nominations to this very important Local Government Reform Group.

It is not as though they had a short time and I would find that excuse totally unacceptable. This whole issue of local government reform had been before the Parliament for some weeks. It had been canvassed through a major report on local government boundaries that had been circulating in the community for at least six months. If the Local Government Association thinks that 10 months is too short a time for it to consider the name of one woman, let alone three, as its representative/s, it is an appalling reflection on the capacity of local government administration in this State.

I also indicate that my recollection is that the union movement did not nominate any women, either: it nominated only men. That is my recollection although I will check that. The Minister nominated Annette Eiff, Mayor of Prospect, and recommended—and Cabinet agreed—that she also be the chair of this committee. Councillor Jill Parker from Port Lincoln is the Minister's second nomination in terms of a representative from country areas. The Government's recommendation, not only in terms of women but in terms of competence, is most credible in this instance.

Generally, local government and equal opportunity have been a problem area, not only within the representations of women on local councils but also within the staffing arrangements for many years.

An honourable member: And within the LGA.

The Hon. DIANA LAIDLAW: It is also hard to find women in a position of influence within the LGA. I recall that the Hon. Anne Levy, when Minister for Local Government, introduced amendments to the Local Government Act to incorporate equal opportunity provisions, and particularly to encourage councils to embrace equal opportunity practices within administration at council level. There has been very little progress since that time and I have asked the Office of the Status of Women to reconsider the issue in terms of action that should be taken to encourage local government to be more representative in terms of men and women in decision making to ensure that they can say with confidence that their decision making is a reflection of the view of women. At this stage they are losing a lot of talented input. The Hon. Mr Redford's question encourages me to pursue this matter with the Office of the Status of Women with more enthusiasm than I had earlier.

APPEARANCE MONEY

The Hon. G. WEATHERILL: I seek leave to make a brief explanation before asking the Minister representing the Deputy Premier a question about appearance fees for sports people.

Leave granted.

The Hon. G. WEATHERILL: In the *Advertiser* yesterday there was a story about Greg Norman wondering whether to celebrate his birthday with his family because at this stage he had not been notified whether he would receive his $300 000 appearance money for the Ford Open at Kooyonga. I do not have a problem with that amount of money because he is number one in the world and he demands that sort of money. My question is to the Deputy Premier and Treasurer because there was a comment in the *Advertiser* that suggested that Greg Norman said something along the lines that he does not care where the money comes from, whether taxpayers' money or not. My question is: did the South Australian Government pay any of the taxpayers' money towards the $300 000 that was given to Greg Norman to appear at the Ford Open?

The Hon. R.I. LUCAS: I am sure that the honourable member will be delighted to know that Greg Norman fired two over par in the first round today and is trailing the leaders by six at this stage.

The Hon. Anne Levy: You did not get your money's worth.

The Hon. R.I. LUCAS: I am delighted to refer the honourable member's question to the Deputy Premier and bring back a reply.

AQUACULTURE

The Hon. M.J. ELLIOTT: I seek leave to make a brief explanation before asking the Attorney-General, representing the Minister for Primary Industries, a question about aquaculture management plans.

Leave granted.

The Hon. M.J. ELLIOTT: Today I had a meeting with the Minister for Primary Industries. I want to put on record some issues and questions surrounding aquaculture management plans, so that the Minister's answers also go on the record. I have been speaking with peak bodies in both the fishing industry and conservation groups and both have expressed concerns about the current processes in relation to the preparation of aquaculture management plans. As I understand it, the Premier has intervened and attempted to fast-track the development of these management plans with all plans to be completed by 30 June. As a consequence, I understand that one bureaucrat is taking responsibility for those plans and reporting directly to the CEO of Primary Industries South Australia, bypassing the fisheries section of the department, including even the Director of that section despite the fact that it clearly has a more than lively interest in the subject and its ramifications.

The management plans are being prepared under the development plan process, a process which is not designed to carry out scientific assessment other than through an environmental impact assessment process which is not occurring in this case. While the development plan process does allow some public involvement, the Minister will acknowledge that that involvement, in relative terms, is limited and makes detailed examination of scientific questions almost impossible. People are concerned that if mistakes

are made in these management plans it could have long-term ramifications. Inappropriate location of aquaculture could impact on breeding grounds or nursery areas for fish and affect fish stocks. In fact, if there is too great an expansion in some areas that later proves to be insupportable investors will be badly burnt. Of course, there are environmental concerns as well.

I understand that the Kangaroo Island aquaculture management plan has been through quite a detailed process. In relative terms most people say that it has not done a bad job, but I am told that all the other management plans—and there are quite a few of them—are being rushed through by comparison and there is grave concern about the ramifications if mistakes are made. I take an example from the Kangaroo Island aquaculture management plan which states as one of the management policies:

> Aquaculture industries must meet all relevant Environment Protection Authority requirements.

On face value this sounds responsible but the EPA has no jurisdiction over open water which is where most of the proposed leases would be. The only provisions that these leases would be subject to are the normal water quality requirements for the area. Furthermore, no draft codes of practice for aquaculture have been developed by the industry on which the EPA bases its codes of practice. In effect, there is no environmental watchdog for aquaculture developments at all.

Other concerns which have been raised relate to important breeding colonies of various species of birds and mammals which must be considered, but there are no specific guidelines on how these colonies are to be protected. About 60 bird species could be subject to international treaties such as the China-Australia Migratory Bird Agreement 1986 and the Japan-Australia Migratory Bird Agreement 1974.

South Australia's Research and Development Institute provides a report detailing many environmental and other concerns for each management zone which is used in the creation of management plans. However, the resulting management plans do not detail important environmental and scientific data from these SARDI reports. Therefore, some important information from the reports of SARDI may not make it into the management plans and, in any case, there is not adequate opportunity for the SARDI reports themselves to be examined by the public. SARDI goes through no public consultation process in the preparation of those reports.

The Hon. Anne Levy: Six minutes so far.

The Hon. M.J. ELLIOTT: I know you have never got to six minutes ever; thank you very much the Hon. Anne Levy. The questions I ask of the Minister are:

1. Will the Minister stick to the target date of 30 June for the preparation of all management plans?

2. Will the Minister move to open up the process so that the processes are transparent, in order that there can be genuine scientific examination of the issues and we can give certainty to investors and to those concerned about the impact on fisheries or on the environment?

3. Has the Government set a date for industry codes of practice to be finalised and submitted to the EPA?

4. Will the Government include the entire SARDI reports as part of the aquaculture management plans?

The PRESIDENT: Before I call on the Minister, I just comment that at the end of last year, earlier in the session, I asked that questions be limited. That last question was peppered with opinion and debate and, in my opinion, had very little relevance to the questions at the finish. If members want concise answers to their questions they will have to ask concise questions. I remind members that, if they continue to have long explanations that have little relevance to the question at hand, they can expect very long answers, and I have no control over that.

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

SCHOOL FEES

The Hon. P. HOLLOWAY: I seek leave to make a brief explanation before asking the Minister for Education and Children's Services a question about school fees.

Leave granted.

The Hon. P. HOLLOWAY: The Minister has announced his decision to regulate for compulsory school fees. The Opposition is aware, from contacts with many school councils and parents, that this has not resolved the problems that face parents in most schools regarding fees. We have reports that school budgets are being squeezed and that parents are being burdened with increasing fees. As an example I would like to refer to a statement of account from one of our leading public high schools, which is now forced to charge a basic fee of $330 but which, on top of that, applies fees for stationery and other services such as, for example, textbook deposit, $50; music levy, $20; information technology levy, $5; home economic levy, $5; school magazine, $15; school diary, compulsory, $8; photocopy card, $5.50; STA card, $5; stationery pack, $45; and so on. It could be anything up to $300 extra, depending on curriculum choice. For an average student the account would be over $400.

This year the school has also introduced a $15 levy to cover SSO salaries cut by the Minister, which is effectively a direct cost transfer from the Government to parents. The Minister's statement that he will regulate to give primary schools the authority to charge for stationery and services up to $150 for primary schools and up to $200 for secondary schools will not address the financial problems being faced at this school, and I raise the question of how long it will be before the Minister increases the level of the compulsory fees. My questions are:

1. Given that the compulsory fee is, in some cases, less than half the actual fee level that school councils have deemed necessary to provide quality education at their schools, what action will the schools be able to take to recover fees above the proposed regulated amounts?

2. Will schools be able legally to use funds collected as stationery and service fees under the new regulations for other purposes, such as paying the salaries of school service officers?

The Hon. R.I. LUCAS: As always, I will be concise. The average level of school fees is beneath the level of $200 and $150 that has been set by way of proposed Government regulation. I think the average primary school fee is of the order of the low one hundreds and the average secondary school fee is under the $200. It is true that a small number of schools are charging at the upper end of the spectrum, and the honourable member has referred to Brighton High School and one or two others which are doing so, and there will not be the opportunity to require compulsory payment of the difference between the upper level and the level of materials and services charges being levied or administered by a particular school.

Obviously, the Government will monitor the levels over the coming year or so and, if there are significant problems, we have indicated our preparedness, as always, to sit down and consult with principals and others who might be interested, to seek an appropriate resolution.

WATER, OUTSOURCING

In reply to **Hon. T.G. CAMERON** (23 November 1995).

The Hon. K.T. GRIFFIN: The Minister for Infrastructure has provided the following response:

All three of the bidders were required to comply with the specifications of the 'Request for Proposal' document; there were no exemptions given.

LOCAL GOVERNMENT FINANCE AUTHORITY (REVIEW) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 7 February. Page 821.)

The Hon. P. HOLLOWAY: This Bill is a legislative revision of the authority, which was established 12 years ago to develop and implement borrowing and investment programs for the benefit of local government. The Opposition does not oppose the thrust of the Bill, although we will seek to amend that section of it which applies a tax equivalent regime to the operations of the authority. Unfortunately, this Bill again reveals the worrying trend within the Brown Government to regard local government as its plaything rather than as an equal partner in the three tier system of Government we have in this country. I guess that this should not really surprise us, given the dictatorial approach to local government adopted in Victoria by Jeff Kennett, who appears to be the ideological mentor of State Liberal Governments.

The patronising approach to local government is also consistent with the statements we read every week in the local Messenger press from many Liberal backbenchers who increasingly bombard that press with gratuitous advice to councils on how they should run their affairs.

The Hon. Diana Laidlaw: You've never done that.

The Hon. P. HOLLOWAY: No, I haven't, actually. I have always kept out of local government. I believe that we have enough problems here to deal with without interfering with another level of government. I have made a deliberate decision not to interfere in their affairs, and I make no apology for that, either. The patronising approach that we have seen also follows the Brown Government's attempts to forcibly amalgamate councils and dictate rate levels in the boundary reform Bill that we considered here last year. The Government has also imposed by regulation for the first time an increase in the State Government guarantee for the Local Government Finance Authority.

Members interjecting:

The PRESIDENT: Order! There are about eight conversations going on here.

The Hon. R.R. Roberts: Throw out the Minister!

The PRESIDENT: If the Hon. Ron Roberts wants to have a conversation, he can step outside.

The Hon. P. HOLLOWAY: The Government has also imposed by regulation for the first time an increase in the State Government guarantee fee for the LGFA, it has already withdrawn the LGFA's exemption from FID tax and now it seeks to impose the tax equivalent regime. All these changes have come with minimal or no consultation with local government. There is an arrogant streak to this Government which leads it to believe that it has all wisdom and the God-given right to dictate to local government whatever it likes and whenever it likes. The memorandum of understanding with local government which the Premier signed within weeks of the election and which promised consultation and cooperation has lapsed into irrelevancy. Since this high water mark in State and local government relations just after the election, the tide has rapidly gone out. Without any commitment from the Brown Government, the memorandum is now virtually worthless.

The aspect of this Bill which again demonstrates the Government's authoritarian outlook on local government is contained in clause 15. In the explanation of clause 15, which is the tax equivalent regime clause, it is stated that the Treasurer will be able to require the LGFA to make payments equivalent in effect to income tax and other Commonwealth taxes or imposts. Amounts paid under this section will be held in a special deposit account established with the Treasurer and applied for a purpose or purposes proposed by the LGA and agreed to by the Minister—and that is the relevant part of the clause. In other words, the Minister will gain the right of veto over funds which are part of the earnings from the activities of the Local Government Finance Authority. These earnings are created entirely from the funds provided by local government.

I believe that local government is right to be suspicious of the intentions of the Brown Government in relation to this clause. In the case of the Local Government Reform Fund, which was established by the former Government from the levy on petroleum, we have already seen that the Brown Government has effectively squashed any notion that the fund would be jointly managed with local government, in spite of commitments the Government gave before the last election. If the Government gets the power of veto over the tax equivalent regime funds under this legislation, what is to stop the Government from insisting that the TER receipts are used to displace expenditure now met by the State Government or for other purposes which do not directly benefit local government?

So, on behalf of the Opposition I will be moving amendments to clause 15 to ensure that these funds, which are, after all, the product of local government financial transactions using local government money, are at the disposal of the LGA and not subject to ministerial veto. We will, however, ensure proper accountability for the expenditure of those funds. I am also pleased that the Hon. Mike Elliott indicated that the Australian Democrats had drafted similar amendments.

Apart from concerns that the Brown Government will misuse the TER funds, I believe that the very application of TER provisions in the case of the LGFA raises important questions. The Acting City Manager of Mitcham council wrote to all members last year, expressing his council's concerns about this matter. His letter states:

> The Bill provides that the Local Government Finance Authority will have to pay a tax equivalent regime (TER) which on current estimates would be an amount of approximately $1 million per annum. Currently, profits from the Local Government Finance Authority are made available to its member councils. The Local Government Association has represented its members' interests in this matter; however, this council is concerned at several aspects of

the Bill and has instructed me to draw the following to your attention.

· Why are tax equivalent regime provisions to be introduced by way of this Bill, prior to the adoption of a 'clause 7' statement about local government under the competition policy agreement?

I will have more to say about that in a moment. The letter continues:

· If tax equivalent regime is to be applied to the Local Government Finance Authority, the fund should not be paid to Treasury but to a Local Government Association reserve account, and that the Local Government Association provide fully audited reports on the funds to enable the State to meet national reporting requirements.

The third point which the Acting CEO of Mitcham council made is as follows:

· It be noted that the competition principles agreement, to which local government is not a signatory, does not require either the transfer of local government tax equivalent regime to the State nor any ministerial discretion or concurrence on the expenditure of such funds.

The competition principles agreement was signed by the Prime Minister and the Premiers in April of 1995. Local government was not a party to the agreement, but a special clause (clause 7) was inserted in the agreement to address local government needs. It is my understanding that the Prime Minister strongly supported the insertion of this clause, as members of the Federal Labor Government are strong supporters of local government. Clause 7, which was inserted into the competition principles agreement, provides:

(1) The principles set out in this agreement will apply to local government, even though local governments are not parties to this agreement. Each State and Territory party is responsible for applying those principles to local government.

(2) Subject to subclause (3), where clauses 3, 4 and 5 permit each party to determine its own agenda for the implementation of the principles set out in those clauses, each State and Territory party will publish a statement by June 1996:

(a) which is prepared in consultation with local government; and

(b) which specifies the application of the principles to particular local government activities and functions.

Needless to say, there is no clause 7 statement yet in place as requested, yet the Government is proceeding with the application of TER in this Bill. As we are now facing a Federal election, we could well ask whether this is the forerunner of what a Howard Liberal Government would do federally in relation to local government. At present, we have no Federal Coalition policy in place in relation to local government, and I think we could all be rather concerned. I am sure that all people who have an interest in local government would be concerned about exactly what the Coalition might come up with or, perhaps more importantly, what it will actually do if we all have the misfortune to have it elected.

Typically, the Brown Government has shown contempt for the requirement in that clause 7 agreement of the competition principles to consult with local government over this matter. This Government seems to believe that consultation means telling other parties exactly what they should do. I would also like to express my personal view that, of all the Government activities where competition principles are relevant and desirable, the LGFA is surely one of the lowest priorities. Why is a cooperative organisation which borrows and invests in bulk on behalf of its constituent councils and then distributes the rewards amongst them a threat to sound economic management? I have no doubt that, where free markets exist, competition is a very good way to ensure economic efficiency and optimum consumer outcomes. However, I do not accept that adding to the costs of operating a body such as the LGFA to make its cost structure closer to that of the private commercial banks (and in effect that is what a TER will mean in that case) will improve outcomes for the ratepayers of South Australian councils. I invite any member of the Brown Government who believes otherwise to justify their position.

This TER decision of course is in line with the recommendations of the Audit Commission, and I rather suspect that it reeks of that mentality which has brought the Brown Government unstuck in so many other areas of its operations. However, in spite of my misgivings in the case of the LGFA, I do accept the general thrust of the competition principles agreement and accept that this legislation is part of that framework. In conclusion, in relation to this Bill, we can only hope that our new Minister for Local Government Relations has a much greater belief in and commitment to the sovereignty of local government and the memorandum of understanding with the Local Government Association than did his predecessor. We can only hope that, in the coming months, particularly with the boundary reform proposals in place, the Minister is a lot more cooperative and takes into consideration the needs of local government to a greater extent than did his predecessor. With the reservations I have expressed, I indicate that I support the Bill and will be moving amendments at a later stage.

The Hon. ANNE LEVY: I rise to contribute very briefly to the debate. I certainly endorse everything said by the previous speaker, and I would like to pay a tribute to the LGFA and the directors of the board of the LGFA who, over a number of years, have done a remarkable job, one for which every council in this State should be most grateful. They have operated conscientiously, carefully and to great effect, and have brought considerable financial benefits to local government as a whole throughout this State. Their management of the fund has been exemplary, and the results extraordinary from the point of view of local government.

When the LGFA was first established, there was certainly no compulsion on the part of councils to make use of its financial facilities, but within two or three years, every council in this State was using the LGFA. They appreciated its value and benefited from its careful stewardship of their money. I would not like this debate on changes to the LGFA to pass without an appreciation of the work which the LGFA and its dedicated board of directors has undertaken for many years now.

The Hon. Mr Holloway spoke to the details of the Bill before us and indicated that he felt the Government was being premature in bringing this legislation before us, particularly when it has not fulfilled its obligations as yet under the COAG agreement of April last year. I agree with him that there is no hurry whatsoever in getting this reform through, particularly when the Government has not as yet undertaken the consultation to produce the statement required by June of this year. The proposed changes will add considerably to the paperwork required by the LGFA, to no-one's benefit that I can see.

I certainly support the amendments which are on file and which will enable local government to effectively have control of what is local government money. It is not money paid into Treasury by the taxpayers of this State. It is ratepayers' money collected by local government. It belongs to local government, and they should have local control of it,

while of course being completely accountable for it. No-one suggests there should be any diminution of accountability.

One wonders why the Government is rushing ahead at the moment with this piece of legislation, which could hardly be classed as urgent. I can only suspect that it comes from pressure by the banks. It is only by the wildest stretch of imagination that the LGFA could be regarded as being in competition with the banks, seeing that the LGFA is a cooperative arrangement between the councils of this State, but I suspect that the banks have felt that the success of the LGFA has only highlighted the inability of the banks to deliver what the people of this country want. With their excessive fees and low returns, they are not giving the public what it can get through other cooperative arrangements such as the LGFA. In consequence, I suspect that the banks have put pressure on the Government to bring in this measure which, as I say, will add to the paperwork, even when the amendments proposed by the Hon. Paul Holloway have been passed.

This is a Government which pretends all the time that it likes local government, yet it consistently bashes local government, refuses to assist it, and makes life difficult for it with, for example, the absurd proposals in the Bill that came to this Chamber on reforming local government and which luckily left this Chamber in a far better condition than when it came in. We need only look back a few years when the Labor Government in Canberra proposed a referendum which would recognise local government in the Australian Constitution. This was opposed by the Liberal Party, both at—

The Hon. Diana Laidlaw: By the Australian people.

The Hon. ANNE LEVY: It was opposed by the Liberal Party at State level and at Federal level and, as we know, Mr President, all referenda which are not supported by both major Parties tend to fail, and it was a referendum which did not pass. Let us never forget that it was the Liberal Party that opposed the recognition of local government in the Australian Constitution, and any pretence that the Liberal Party likes local government or assists local government is pure nonsense. The Bill before us is yet another example of the same attitude by the Liberals.

The Hon. DIANA LAIDLAW (Minister for Transport): I thought I might have a few words to say after the half hysterical or perhaps fully hysterical contribution by the Hon. Anne Levy which had little bearing on this Bill and reflected some prejudice and hysteria on her part. It is interesting, harking back to her references to the recognition of local government in the Australian Constitution, because it was the Australian people who rejected the option decidedly and wholeheartedly at the referendum. It is interesting to reflect on how powerful the Liberal Party is, according to the Hon. Anne Levy, in that we would say we would not wish to support such a notion because local government is in fact represented in the State constitutions and therefore that was the most appropriate level of recognition for local government, that it was not appropriate in the Australian Constitution.

It is interesting that the Liberal Party was so persuasive, according to the Hon. Anne Levy, and that the Australian people themselves could not make up their minds on the matter. I do have great faith in the strength of the Liberal Party and our arguments generally on such matters, but I also have a very healthy respect for the Australian people being able to make up their own minds about what they want or do not want in the Australian Constitution.

The Hon. M.J. Elliott interjecting:

The Hon. DIANA LAIDLAW: No, I have never supported the fact that it should be in the Australian Constitution. I remember when I helped draw up the legislation to amend the State Constitution that that was an effort by the Liberal Party in this State to recognise local government in the State Constitution, and that is the appropriate level, because that is where the Local Government Act is—it is a State Act. Therefore, local government should be recognised in the State Constitution, not the Australian Constitution. There may be some agreements but, other than for roads, I do not know that there are many funding agreements today that are formalised. Certainly it is between the State Government in every State and local government where there is the legislative recognition for local government. Therefore the State Constitution is appropriate, and between 1979 and 1982 the Liberal Party in this State moved such an amendment to the State Constitution Act recognising local government. So, to suggest that the Liberal Party bashes local government and refuses to assist it is entirely ridiculous and, out of some respect for the Hon. Anne Levy, I suggest that it is perhaps part of the Federal election propaganda but it has no substance other than that.

I understand that there are amendments from the Labor Party in respect of this Bill. I have one small amendment on file. I understand there is not agreement between all the Parties. We should proceed with the Committee stage of the Bill at this time.

Bill read a second time.

In Committee.

Clauses 1 to 4 passed.

Clause 5—'Constitution of the Board.'

The Hon. P. HOLLOWAY: I express the pleasure of the Opposition that this clause recognises the need for a gender balance on the board of the LGFA. I am pleased that that clause will now be inserted as part of the Bill.

Clause passed.

Clauses 6 to 14 passed.

Clause 15—'Tax equivalents.'

The Hon. DIANA LAIDLAW: I move:

Page 4, after line 4—Insert—

(2a) Interest, at the standard commercial rate for accounts established under section 21 of the Public Finance and Audit Act 1987, will be payable on amounts held under subsection (2) and no fees or imposts will apply with respect to the maintenance or operation of the account.

Page 4, line 5—After 'subsection (2)' insert '(together with interest accrued under subsection (2a))'.

These amendments relate to this whole section of tax equivalents to indicate that the account will be free of fees and charges. That is at the request of the Local Government Association, and the Government is pleased to oblige the Local Government Association in that respect.

The Hon. P. HOLLOWAY: I move:

Page 4, lines 5 and 6—Leave out subsection (3) and substitute new subsections as follows:

(3) Interest, at the standard commercial rate for accounts established under section 21 of the Public Finance and Audit Act 1987, will be payable on amounts held under subsection (2) and no fees or imposts will apply with respect to the maintenance or operation of the account.

(3a) Amounts held under subsection (2), together with interest accrued under subsection (3), will be applied for a purpose or purposes determined by the Local Government Association and reported to the Minister.

(3b) For the purposes of subsection (3a)—

(a) a purpose determined by the Local Government Association under that subsection must benefit, or potentially benefit, all councils, and must not be designed to benefit specifically councils that have had dealings with the Authority, or to influence councils to transact business with the Authority; and

(b) the Local Government Association may establish a process for the making and consideration of applications for funding from amounts available under that subsection in accordance with criteria set by the Local Government Association; and

(c) the Local Government Association must keep proper accounts of amounts paid under that subsection and provide to the Minister, in respect of each financial year, an audited statement concerning the expenditure of those amounts; and

(d) amounts will be paid out under that subsection in accordance with a scheme agreed between the Local Government Association and the Treasurer.

My amendments include the amendment moved by the Minister but under a different clause numbering. I have no dispute with the particular amendment moved by the Minister. However, the amendment that I move on behalf of the Opposition goes further. It states that when this tax equivalent regime is applied the funds that will be gathered will be applied to a purpose or purposes determined by the Local Government Association and reported to the Minister rather than, as the current Bill proposes, the Minister's having a veto over the use of those funds. I have already discussed in some detail the principle behind this in the second reading debate.

We are moving this amendment because we believe that this money, after all, comes from the application of local government funds. Therefore, it should be applied to purposes determined by local government and not by the State Government. We believe it is an important principle, and therefore we move the amendments. If the tax equivalent regime is introduced, then the LGFA (like any other commercial body) will be entitled to minimise its tax payments. Therefore, the amount that will be paid into this fund could well be reduced, anyway, if indeed the Government was to insist on its original motion. The LGFA would be entitled to try to minimise that tax payment just as all commercial entities are entitled to adjust their affairs so that they can minimise their tax payments. What we are arguing about is an important principle: that is, funds that derive from local government that are made by the Local Government Finance Authority should be used for local government purposes and the State Government should not have the power of veto over the use of those funds.

The Hon. M.J. ELLIOTT: When I spoke briefly in the second reading stage I indicated that I had amendments which were substantially the same as those being moved by the Hon. Mr Holloway, with the exception of the first subclause (3), which was a matter that had not been raised with me last November when I first had my amendments drafted. However, I note that even the Government is supporting that amendment. Obviously, I will be supporting overall the Hon. Mr Holloway's amendments but, having drafted similar amendments, I think that local government funds should be directed to local government benefit and the State Government has no right to interfere or intervene in the distribution of those funds, although certainly there is some attempt in this legislation at least to give some direction. As I recall, the moneys will not be for the sole benefit of those who are members of the LGFA. As I understand it, that is necessary under the national competition policy requirements.

The Hon. DIANA LAIDLAW: I concede that the amendment moved by the Hon. Paul Holloway embraces the amendment that I moved earlier in terms of fees and imposts not being paid by the Local Government Association. The rest of the amendment moved by the Hon. Mr Holloway is opposed by the Government. It is very important to recognise that under competition principles the Local Government Finance Authority cannot arrive at decisions regarding disbursement of taxation equivalent payments itself. The authority must be seen to acquit the funds as though they were taxation payments. These competition principles were not established by the State Government in isolation. They were established in a move that has been promoted by the Federal Labor Government which all State Governments, with various degrees of enthusiasm, have supported.

It is that issue—competition principles—which has been endorsed by all State and Territory Governments and the Federal Government that is being reflected in the Bill before us. As I say, those competition principles insist that the Local Government Finance Authority cannot arrive at decisions about disbursement of tax equivalent payments by itself: the authority must be seen to acquit the funds as though they were taxation payments. The payment of the funds into a Treasury and Finance account will make any tax equivalent payments clearly visible to everyone with an interest in compliance with competition neutrality principles, including both the Commonwealth Government and competitors of the Local Government Finance Authority.

It is this whole new emphasis on clearly identifying the workings of these various financial institutions—a push for transparency agreements in terms of competition principles. It is not some ideological hang-up or grab for power by the Treasurer or the Government; we are simply complying with what we are required to do in terms of competition principles and transparencies—processes which have been promoted by the Commonwealth Labor Government and to which this State is a party.

The Hon. M.J. ELLIOTT: As I recall, the Minister said that she was opposing subclause (3a) of the Hon. Paul Holloway's amendments and then gave the reasons why, yet the amendments actually satisfy the concerns that she expressed. She said, first, that the LGFA must acquit the funds: well, it does. These amendments ensure that the distribution is determined not by the LGFA but by the LGA, and the amendments specifically make clear that it will be to the benefit of all councils regardless of whether or not they participate or invest in the LGFA.

In terms of the conditions that national competition policy demand, these amendments meet those conditions. What they seek to avoid is a State Government using its political whims to direct money wherever it likes in local government circles—money which it has derived out of local government. I think it is reasonable that the LGA, as the only body that represents local government, is the obvious one to carry out that role.

The Hon. P. HOLLOWAY: I wish to emphasise the point that the amendments that I have moved do comply with the national competition policy statement. As I said earlier in the second reading speech, clause 7 of the competition policy statement required consultation with local government, and there was a statement under that clause as to how States were to apply the agreement by July of this year. The Brown Government has not released such a statement—of course, it still has a few months in which to do so—but there was nothing compulsory within clause 7 of the national competi-

tion agreement to require the State Government to act in the way that it has.

I thought I made that point quite clearly during the earlier second reading debate. If anyone is rushing the gun or breaching the letter of the law of the competition agreement I suggest that it is the Government by not properly consulting with local government as it is required to do under the national competition agreement. I do not believe that anything the Minister has said should take away from the amendments that I have moved.

The Hon. Diana Laidlaw's amendment negatived; the Hon. P. Holloway's amendment carried; clause as amended passed.

Remaining clauses (16 to 20) and title passed.

Bill read a third time and passed.

WORKERS REHABILITATION AND COMPENSATION (SGIC) AMENDMENT BILL

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

The Hon. K.T. GRIFFIN (Attorney-General): I move:

That this Bill be now read a second time.

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

Leave granted.

This Bill makes a number of amendments to the transitional provisions of the *Workers Rehabilitation and Compensation Act 1986* following the corporatisation of SGIC in July 1995. On corporatisation, the life insurance and general insurance businesses of SGIC and its health insurance subsidiary were transferred to the SGIC Holdings Limited Group of companies. The compulsory third party insurance business was left behind with the former SGIC, which, from 1 July 1995, became known as the Motor Accident Commission.

Under the *Workers Compensation Act 1971* there was set up a fund in Treasury known as the *Statutory Reserve Fund*. The fund was made up of stamp duty charged on workers compensation insurance policies, a levy on exempt employers, an annual contribution by the Treasurer in respect of persons employed by the Crown, advances made by the Treasurer from General Revenue and various other moneys referred to in the Act.

The purpose of the fund was to enable compensation to be paid in circumstances where the workers compensation insurer was insolvent or where the employer was uninsured and insolvent.

Section 118d of the *Workers Compensation Act 1971* dealt with the subject of claims. The mechanism put in place was that a claim against the fund was to be put in writing and lodged with the former SGIC. SGIC was required to determine whether a claim under the section should be allowed or disallowed.

Where a claim was allowed, the Treasurer had an obligation to pay the claim out of the Statutory Reserve Fund. Where such a payment was made, the Treasurer had a right of subrogation, ie. a right to use the name of the claimant, to recover the amount of the claim from the insurer or employer concerned. The Treasurer also had a right of subrogation in respect of the insurer to recover under a contract of reinsurance.

As at 30 June 1995, there remained to be finalised 113 known claims made against the fund in respect of insolvent insurers or uninsured insolvent employers.

The Statutory Reserve Fund served one other purpose. Under section 118f of the *Workers Compensation Act* an Insurance Assistance Committee was established to assist any employer who was unable to obtain insurance under the Act or, alternatively, was not able to obtain insurance at rates commensurate with the risk involved. The Insurance Assistance Committee was required to find an insurer and, if unsuccessful, SGIC was required to offer insurance at a premium recommended by the Insurance Assistance Committee. Any losses incurred by SGIC in respect of policies issued under the section were to be recouped from the Statutory Reserve Fund.

As at 30 June 1995, there remained to be finalised 17 known claims against policies issued by SGIC under section 118g.

The *Workers Compensation Act 1971* was repealed by the *Workers Rehabilitation and Compensation Act 1986*.

Under Schedule 1 of the latter Act, the Statutory Reserve Fund maintained under the *Workers Compensation Act* was required to be paid into the Compensation Fund maintained under Part 5, Division 3 of the *Workers Rehabilitation and Compensation Act*. The Compensation Fund is maintained by WorkCover Corporation of South Australia.

Clause 5(2) of the first schedule to the *Workers Rehabilitation and Compensation Act* provides that a claim in respect of workers compensation liabilities under the *Workers Compensation Act* may be made as if Part XA of that Act had not been repealed and any amount required to satisfy a proper claim is payable from the Compensation Fund. This means that claims were to continue to be lodged with SGIC and dealt with by that entity.

On 1 July 1995, SGIC changed its name to Motor Accident Commission.

As the *Workers Rehabilitation and Compensation Act* currently stands, it appears that Motor Accident Commission is responsible for determining claims made against the Compensation Fund where an insurer or uninsured employer is insolvent and, secondly, Motor Accident Commission has an obligation to continue to meet claims under policies issued by SGIC under section 118g of the *Workers Compensation Act* prior to the repeal of that Act.

Although paid into the Compensation Fund, WorkCover has designated the Statutory Reserve Fund as a sub-fund of the Compensation Fund and has ensured that the Statutory Reserve Fund moneys are separately identified as such.

In connection with the insurance policies issued by it under section 118g of the *Workers Compensation Act*, SGIC established a fund in its books entitled the *Insurance Assistance Fund* into which were paid premiums paid in respect of the policies concerned, interest etc. on investments and in respect of which were deducted claims paid and administrative costs. The Insurance Assistance Fund was not a statutory fund but was set up as a matter of administrative convenience. In 1991, the balance of this fund was handed over to WorkCover which paid it into the Compensation Fund and established the Insurance Assistance Fund as a sub-fund within the Compensation Fund. Again, the moneys constituting this fund remain separately identified.

The present arrangements in relation to Part XA of the *Workers Compensation Act* are not satisfactory. The claims concerned relate to workers compensation and, as a rule, they have nothing to do with the Compulsory Third Party Fund.

It would be preferable if claims under Part XA of the *Workers Compensation Act* were managed by WorkCover or by an organisation to whom WorkCover might delegate all or some of its functions and powers, but in accordance with the requirements of the WorkCover Corporation Act 1994. At the present time, the legislation requires them to be managed by Motor Accident Commission, although that body does have power to delegate its functions in that respect.

Apart from the need to substitute WorkCover for SGIC in Part XA of the *Workers Compensation Act*, there do appear to be a number of anomalies in the transitional provisions contained in clause 5 of Schedule 1 to the *Workers Rehabilitation and Compensation Act* which need attention.

It is the Government's view that the Statutory Reserve Fund and the Insurance Assistance Fund should be separately identified so that those funds can be preserved for their original purposes. It is also proposed as a matter of administrative convenience that the moneys concerned will be invested collectively as a common fund along with moneys standing to the credit of the Compensation Fund.

From time to time, proceedings are taken by workers against employers in circumstances where there is a reasonable likelihood that the matter will result in a claim against the Statutory Reserve Fund. Where that is likely, the employer or insurer concerned is frequently indifferent to the fate of the proceedings. Where there is a prospect of a claim against the Statutory Reserve Fund, WorkCover seeks a right to intervene and be heard in the proceedings before a court.

Essentially, this Bill tidies up a number of incidental matters arising out of the corporatisation of SGIC. It does not involve any issue which would be regarded as one of principle or policy.

I commend the Bill to Honourable Members.

The provisions of the Bill are as follows:

Clause 1: Short title

This clause is formal.

Clause 2: Commencement

The measure will be brought into operation by proclamation.

Clause 3: Substitution of clause 5 of Schedule 1

This clause provides for new provisions relating to the Statutory Reserve Fund and the Insurance Assistance Fund. As to the Statutory Reserve Fund, it is to be re-established as a separate fund. The relevant provisions of the *Workers Compensation Act 1971* will then continue to apply with respect of the Fund, subject to various modifications set out in this measure. In particular, references to the Commission are to be taken to be references to the WorkCover Corporation. The Corporation will also take over responsibility for existing claims and proceedings, and any rights of subrogation that exist in favour of the Treasurer under the statutory scheme are transferred to the Corporation. The Insurance Assistance Fund is also to be constituted as a separate account. The Governor will then be able to transfer by proclamation various rights and liabilities associated with this account to the Corporation. The Corporation will be empowered to delegate its responsibility for managing claims under this scheme.

Both funds will be capable of being invested in common with the Compensation Fund. Amounts surplus to requirements will be able to be transferred to the Compensation Fund.

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

NATIONAL PARKS AND WILDLIFE (MISCELLANEOUS) AMENDMENT BILL

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

The Hon. DIANA LAIDLAW (Minister for Transport): I move:

That this Bill be now read a second time.

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

Leave granted.

The *National Parks and Wildlife (Miscellaneous) Amendment Bill 1995* aims to substantially reform the administration of the *National Parks and Wildlife Act 1972* through the replacement of the Reserves Advisory Committee with a South Australian National Parks and Wildlife Council, implementation of a mechanism to form Advisory Committees to assist the Council and the provision of statutory recognition for the Consultative Committees, sixteen of which currently exist throughout the State.

The Government made a pre-election commitment to reform administration of the National Parks and Wildlife Service.

In April 1994 the recommendations of the Review into the Management of the *National Parks and Wildlife Act* Reserves were released. This review recommended an expanded Advisory Body comprised of seven members.

Further consideration of the administration of the Act has led to the amendments currently before the House to replace the Reserves Advisory Committee with a South Australian National Parks and Wildlife Council with a wider range of functions.

It is proposed that the South Australian National Parks and Wildlife Council be comprised of seven members one of whom is the Director National Parks and Wildlife, who is an ex-officio member.

Four persons will be appointed on the basis of qualifications and experience in one of each of the following:

- conservation of animals and plants
- management of reserve land
- management of natural resources
- organising community involvement

and two persons selected for qualifications or experience in one or more of:

- ecologically based tourism
- business management
- financial management and
- marketing

The South Australian National Parks and Wildlife Council will be responsible for the following functions:

- planning in relation to reserves and wildlife
- funding, involving sponsorship and the development and marketing of commercial activities
- community consultation and participation
- public education and promotion for conservation
- advice on the development of policy
- performance review and reporting
- finding allocation advice from the Wildlife Conservation Fund, and
- any other matters referred by the Minister.

In order to support the role of the South Australian National Parks and Wildlife Council it is proposed that specialist Advisory Committees will be formed to advise the Council and the Minister.

Without limiting the matters on which an Advisory Committee may advise the Council, an Advisory Committee may provide advice on the management of wildlife including:

- the harvesting and farming of wildlife
- the culling of wildlife
- the reintroduction of particular species to parts of the State once inhabited by that species
- issuing of permits under the Act
- the plan of management for a particular reserve or plans of management generally
- the involvement of Aboriginal people in the management of land and wildlife.

In order to complete the process for public involvement in management of the State's reserve system and biological resources, the Bill provides for statutory recognition of the very successful Consultative Committees.

It is proposed that geographically based Consultative Committees will continue to provide a forum for consultation on reserve management and the conservation of plants, animals and ecosystems.

This Bill also contains important provisions for the management and sustainable use of native plants and animals. These amendments are addressed in three parts, trial farming of native animals, commercial harvesting of native animals and to allow the taking and selling of native plants for commercial purposes.

Amendment to the farming of protected animal provisions of the Act will enable permits to be issued to allow trial farming of a species for a maximum period of up to six years. This removes the necessity to amend the Act to place a species on the llth Schedule as a species which may be farmed, when it is uncertain if the animal has commercial potential.

These amendments and existing provisions of the Act will allow a trial farming permit to be subject to such restrictions, conditions or limitations as may be necessary to safeguard the conservation interests of a species and ensure accountability by the trial farmer.

If there is a need to extend a trial farming period beyond three years, then the amendments require that a Draft Code of Management be prepared prior to the extension of a permit for a further period of up to three years.

Commercial harvesting amendments recognise that species such as the Red and Western Grey Kangaroo and the Euro which have for many years been harvested under the auspices of pest fauna destruction permits plan will now be managed by specific commercial harvesting provisions of the Act.

The proposed amendments provide for commercial harvesting of native animals where a plan of management has been prepared and adopted within a framework which addresses:

- impact of harvesting on species and ecosystems
- factors likely to impact on species
- other factors affecting a species as a renewable resource
- protection of the environment crops, stock and property
- methods and procedures for capture or killing
- consultation with the community
- publication and distribution of the code
- issue of permits for harvesting
- royalties for animals harvested
- any other matters directed by the Minister.

The trial farming and commercial harvesting of native animals amendments provide the opportunity for new sustainable industries to develop in this State. Emu and Crocodile farming are valid examples of the potential which farming of native animals provides for sustainable farming of species and economic benefit.

The successful management of the Kangaroo Industry is graphic evidence that commercial harvesting which is carried out in an ecological sustainable manner under an approved plan of management can provide economic benefit to communities. It also guarantees a commitment to ongoing monitoring of populations and research into the biology of species.

The harvesting of native plants is another area which provides opportunity to recognise the value of our natural resources. Some species such as Melaleuca uncinata (Broombush) have already been recognised for their ability to be harvested as a renewable resource. Members will be aware of this plant's popularity for brush fencing.

The amendments recognise the potential for harvesting of native plants and establish a framework for the development and adoption of standards which take into account the;

- effect of taking plants on the ecosystem to which the species belongs
- need for research in relation to species taken
- identification of plants and plant products
- public comment on draft recommendations
- royalty payable on plants taken, and
- the ability to impose restrictions and conditions on permits.

This will remove the necessity of seeking clearance approval under the Native Vegetation Act for the harvesting of a renewable resource.

It is not intended that these provisions will relate to all native plants. Where a species is in demand to the degree that harvesting has the potential to have an adverse impact on the species or the ecosystem to which it belongs, then its management can be brought under the commercial taking provisions by notice in the *Gazette*.

The Government will ensure through the consultative and advisory mechanism established in this Bill that consultation will occur to identify and address issues relating to the use of individual native plant and animal species.

There are a number of other consequential and machinery amendments proposed which will improve the administration of the Act.

The provisions of the Bill are as follows:

Clause 1: Short title

Clause 2: Commencement

These clauses are formal.

Clause 3: Amendment of s. 5—Interpretation

Clause 3 amends section 5 of the principal Act.

Clause 4: Amendment of s. 11—Wildlife Conservation Fund

Clause 4 makes consequential amendments to section 11 of the principal Act.

Clause 5: Amendment of s. 12—Delegation

Clause 5 provides that the South Australian National Parks and Wildlife Council or an advisory committee can act as a delegate under section 12.

Clause 6: Substitution of Part 2 Division 2

Clause 6 replaces Division 2 of Part 2 (which establishes the Reserves Advisory Committee) with Divisions that establish the Council, advisory committees and consultative committees. New sections 15 to 19B provide for the establishment of the Council, its procedures and related matters. Section 19C sets out the Council's functions. New Division 2A provides for the establishment by the Minister of advisory committees to advise the Minister or the Council. Division 2B provides for the establishment of consultative committees by the Minister to provide advice on local issues affected by the administration of the Act.

Clause 7: Amendment of s. 22—Powers of wardens

Clause 7 amends section 22 of the principal Act by widening slightly the power to stop vehicles. The power can only be exercised if the warden believes on reasonable grounds that an offence has been committed.

Clause 8: Amendment of s. 23—Forfeiture

Clause 8 amends section 23 of the principal Act. At the moment section 23(4) provides that if proceedings are not taken against the owner of an object seized within three months the object must be returned. It may be, however, that a seized object is not owned by the person who is prosecuted. These amendments address this problem. New subsection (5a) provides that where an animal, carcass, egg or plant is seized it may be sold and converted to money if it is likely to deteriorate and lose value.

Clause 9: Insertion of Division 4B of Part 3

Clause 9 inserts a new division that provides that the constitution of reserves after 1 January 1994 is subject to native title. If the Government wishes land that is subject to native title to be constituted as a reserve free of native title it can acquire the native title interest in the same way as any other interest in land can be acquired by the Crown. Full compensation is of course payable on acquisition.

Clause 10: Amendment of s. 38—Management Plans

Clause 10 makes consequential amendments to section 38 of the principal Act.

Clause 11: Insertion of s. 43C

Clause 11 provides for entrance, camping and other fees to be fixed by the Director.

Clause 12: Amendment of s. 44—Establishment of sanctuaries

Clause 12 makes an amendment to section 44 of the principal Act that takes account of the possibility of native title existing over land declared to be a sanctuary.

Clause 13: Amendment of s. 45f—Functions of a Trust

Clause 13 amends section 45F of the principal Act. Paragraph *(a)* expands the functions of a Trust to include the management of its reserve. New subsection (2a) enables a Trust to impose charges for facilities and services that it provides.

Clause 14: Insertion of s. 49A

Clause 14 inserts new section 49A which provides for the preparation of recommendations in relation to the taking of certain plants for commercial purposes. Members of the public must be given the chance to comment on the draft recommendations. The recommendations must be implemented by conditions imposed by regulation on permits for taking the plants concerned for commercial purposes.

Clause 15: Insertion of s. 51A

Clause 15 inserts a new section that allows the taking of protected animals of common species that are causing, or likely to cause, damage to crops or other property.

Clause 16: Amendment of s. 52—Open season

Clause 16 makes minor amendments to section 52 of the principal Act.

Clause 17: Amendment of s. 58—Keeping and sale of protected animals

Clause 17 makes an amendment to section 58 of the principal Act in consequence of a shift in the High Court's interpretation of section 92 of the Australian Constitution which deals with interstate trade.

Clause 18: Substitution of s. 59—Export and import of protected animals and native plants

Clause 18 replaces section 59 of the principal Act. The new section extends the operation of the section to plants of a species prescribed by regulation.

Clause 19: Repeal of s. 60A

Clause 20: Amendment of s. 60b

Clause 21: Insertion of s. 60BA

Clause 22: Amendment of s. 60c—Permit for farming protected animals

Clauses 19, 20, 21 and 22 amend provisions relating to farming of protected animals to allow for trial farming of animals. Clause 31 removes the requirement in section 60C(4) that a permit holder must be a member of an organisation to promote the interests of farmers.

Clause 23: Amendment of s. 60D—Code of management

Clause 23 amends section 60D of the principal Act to enable a code of management to be prepared in relation to animals subject to trial farming and to provide that if the species of animal concerned is subsequently named in schedule 11 the code of management will serve as the code to be prepared under section 60D(1).

Clause 24: Insertion of Division 4B in Part 5

Clause 24 inserts new Division 4B into Part 5 of the principal Act. The new Division deals with the harvesting of species of protected animals that have been declared by the Minister by notice in the *Gazette.* Harvesting cannot take place until a plan of management has been prepared and adopted by the Minister.

Clause 25: Amendment of s. 61—Royalty

Clause 25 amends section 61 of the principal Act. Paragraph *(a)* requires royalties to be paid to the Wildlife Conservation Fund. Paragraphs *(b)* and *(c)* provide that royalties can be declared on plants as well as animals.

Clause 26: Amendment of s. 62—Demand for royalty

Clause 26 makes a consequential amendment to section 62 of the principal Act.

Clause 27: Amendment of s. 69—Permits

Clause 27 adds subsection (2a) to section 69 of the principal Act to enable the Minister to refuse to grant a permit in the circumstances set out in that subsection.

Clause 28: Amendment of s. 72—False or misleading statement

Clause 28 makes a technical amendment to section 72 of the principal Act.

Clause 29: Amendment of s. 80—Regulations

Clause 29 replaces subsection (2a) of section 80.

Clause 30: Amendment of Wilderness Protection Act 1992

Clause 30 makes a consequential amendment to the *Wilderness Protection Act 1992*.

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

ADJOURNMENT

At 3.59 p.m. the Council adjourned until Tuesday 13 February at 2.15 p.m.