LEGISLATIVE COUNCIL

Wednesday 3 April 1996

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

LEGISLATIVE REVIEW COMMITTEE

The Hon. R.D. LAWSON brought up the twentieth, twenty-first and twenty-second reports of the committee 1996 and moved:

That the reports be read.

Motion carried.

The Hon. R.D. LAWSON brought up the twenty-third report of the committee, 1996.

STATUTORY AUTHORITIES REVIEW COMMITTEE

The Hon. L.H. DAVIS brought up the interim report of the committee on a Review of the Electricity Trust of South Australia (Costs of Transporting Coal Extracted from Leigh Creek Mine), and moved:

That the report be printed.

Motion carried.

QUESTION TIME

TEACHERS' DISPUTE

The Hon. CAROLYN PICKLES: I seek leave to make a brief explanation before asking the Minister for Education and Children's Services a question about the teachers' award cost increase.

Leave granted.

The Hon. CAROLYN PICKLES: The Minister's media statement concerning the Government's 12 per cent offer to teachers said that it will cost $94 million. For most of last year the AEU was pursuing a claim for 6.98 per cent, which was adjusted to 15 per cent only about two months ago, following the award of 15 per cent to teachers in Western Australia and 15 per cent to police officers in South Australia. It appears that the Government could have reached a settlement with the union any time last year in a deal that would have met its salary claim, saved the SSO cuts and made some modest improvements in class sizes—all for less than the $94 million price tag that the Government puts on its current offer which, in any event, has been rejected. Why did the Minister miss the chance last year to settle the teachers' dispute and improve learning conditions for less than his present unsuccessful offer?

The Hon. R.I. LUCAS: The teachers' union last year not only had a claim for the 6 per cent but was at that time steadfastly opposing the reductions that the Government had made to class sizes and SSOs. It has been a constant feature of the Institute of Teachers' claims for the past 12 months in the public arena that it wanted, in effect, a return to the class size formula prior to the Liberal Government's reductions and also prior to the Liberal Government's reduction in school service officer numbers. In recent times it has extended that to wanting a movement back to compensate for the reductions made by the previous Labor Government.

So, not only is the Liberal Government being asked to redress the reductions it has introduced but also the claim has now been extended to the reductions that were implemented in 1991 by the Labor Government. So, it was not going to be a simple matter of just resolving the dispute for the salary increase that was being demanded in 1995, as the Leader of the Opposition has suggested, and I am sure the Leader of the Opposition understands that.

INDOCHINESE AUSTRALIAN WOMEN'S ASSOCIATION

The Hon. R.R. ROBERTS: I seek leave to make an explanation before asking the Minister representing the Premier and the Minister for Multicultural and Ethnic Affairs a question about the alleged cover-up of misappropriation of funds from the Indochinese Australian Women's Association.

Leave granted.

The Hon. R.R. ROBERTS: On 14 November last year I raised in this place complaints about the behaviour of the Hon. Julian Stefani, parliamentary secretary to the Premier and Minister for Multicultural and Ethnic Affairs, at the annual general meeting of the Indochinese Australian Women's Association held on 2 November 1995. The original complaint came from five women who were standing for election to the executive committee at that meeting, and their complaints about the Hon. Mr Stefani's behaviour were further supported by another four women who were current and former staff of the Indochinese Australian Women's Association.

Members interjecting:

The PRESIDENT: Order!

The Hon. R.R. ROBERTS: Their complaints revolved around Mr Stefani's alleged threatening and intimidatory behaviour towards this group of women, who were standing for office in an attempt to clean up the financial affairs of the Indochinese Australian Women's Association, after that association's staff had made complaints that funds were not being used appropriately.

At a previous executive meeting and in private meetings with some members of the staff of the organisation, the Hon. Mr Stefani is alleged to have told staff who were raising concerns about the misuse of moneys that defamation proceedings could be undertaken if concerns were raised publicly. I understand that the staff's concerns about the misuse of moneys had predated my raising this matter in this place by some two years and that throughout that time the Hon. Mr Stefani had been active in the affairs of the association and had taken part in the executive meetings and private meetings with staff. On that day I raised the concerns of the original five complainants in this place. The Minister for Education and Children's Services read in this place a prepared statement from the Premier which stated:

As I am advised this election in fact represented an attempt by the Labor Party to gain control of the Indochinese Australian Women's Association for Federal election purposes.

In the mind of the Premier and the Minister for Education and Children's Services, those five women who were trying to expose the misuse of public funds were just tools of the Labor Party and were therefore easy targets to be denigrated publicly. I remind the Council that each of those women provided statutory declarations that they had no involvement with the Australian Labor Party, but of course by the time those documents were tabled in this place, the Premier's attempts to damage their credibility had already been

published in the *Advertiser*. When asked in this place on 14 November whether he would apologise to these women and desist from continuing to threaten them, the Hon. Mr Stefani said (and I quote from *Hansard*)'No'. On 15 November last I asked the Minister for the Status of Women whether she would act to protect these women from the threatened victimisation from the Hon. Mr Stefani and whether she would support an independent inquiry into the matter. The Minister for the Status of Women said:

> It is important to recognise that as each day goes by it appears that the number of people complaining about these matters drops off. I do not have the letter in front of me now, but I know that it contains four names; I understand the original complaint came from five.

The Minister did not seem to realise that the first complaint came from five women and that the supporting letter to which she refers came from a different group of four women who were current and former employees of the Indochinese Australian Women's Association. So, the number of complainants was not dropping off, as the Minister put it, but had increased from five to nine.

The substance of my question was ignored by the Minister, as was the substance of all questions asked about the matter. However, on Tuesday 26 March, only last week, the Treasurer issued a ministerial statement which stated that the police investigations following those allegations from staff of the Indochinese Australian Women's Association had shown that there were several instances of funds being spent in areas other than those to which they had been allocated, but that there would be no proceedings against those responsible because of the lapse of statutory limitations of time. My questions to the Premier are:

1. Will the Premier now order an independent investigation into the role played by the Hon. Julian Stefani in the delay in having properly investigated the claims of misuse of moneys made by staff and candidates for the executive of the Indochinese Australian Women's Association?

2. Will the Premier explain why he did not properly investigate these matters in his capacity as Minister for Multicultural and Ethnic Affairs when they were raised with him in November of last year by nine different complainants?

3. Will the Premier now remove the Hon. Mr Stefani from the position of parliamentary secretary while an independent investigation takes place into his role in the affairs?

4. Will the Premier now publicly apologise on behalf of the Government and his parliamentary secretary to the women who were denigrated in this Parliament by the Premier and the Minister for Education and Children's Services, and those whose courage in attempting to expose a misuse of funds has now been vindicated by a police investigation?

The PRESIDENT: I remind the honourable member that that question had opinion from one end to the other. We have been through this—

The Hon. R.R. Roberts: Peppered with interjections.

The PRESIDENT: Yes, peppered with interjections and opinion. I ask that in future the honourable member try to keep opinion out of his questions or the prefix to questions.

The Hon. R.I. LUCAS: I will refer the honourable member's questions to the Premier. Whilst not wishing to put words into the Premier's mouth, I am sure that the answers to questions 1, 3 and 4 are almost certainly going to be 'No', 'No' and 'No' and probably not much more than that as the questions from the Deputy Leader of the Opposition do not merit much more than that. I also suggest that the Deputy Leader of the Opposition, or whoever is writing the questions for him that he still struggles to read out in this Chamber—any words longer than two syllables the Deputy Leader struggles with—

Members interjecting:

The Hon. R.I. LUCAS: At least I can read questions that are written for me. I would have thought that at least the Deputy Leader, as my colleague the Hon. Mr Davis suggested, could read the question that was written for him before he came into the Chamber. The other point is that the Deputy Leader of the Opposition is suffering from selective amnesia.

The Hon. L.H. Davis interjecting:

The Hon. R.I. LUCAS: Yes. Certainly my recollection of statements read to this Chamber either late last year or early this year related to the incidents at the annual general meeting. Certainly the explanation by the author of the question that the Deputy Leader of the Opposition read in this Chamber purports to indicate a completely different construction on those earlier statements, that is, that those statements related to allegations about misappropriation and a range of other things like that.

Members interjecting:

The Hon. R.I. LUCAS: No. The Deputy Leader of the Opposition read some claims in this Chamber in relation to his explanation to the question and compared them with the statements he had read in this Chamber late last year or early this year. I am going on memory. I do not have a copy of those statements with me but, certainly, I am sure the Premier and his officers will be able to check the claims made by the author of the Deputy Leader's question that he read in this Chamber and the statements read to this Chamber late last year or early this year to see whether or not my recollection is accurate. I will refer the honourable member's question.

The only other point I make is that I do not know of anyone who knows the Hon. Julian Stefani and knows of the work that he has done within the Indochinese community in South Australia who would not attest to the fact that he has been and continues to be a fearless protector and supporter of the Indochinese community in South Australia without fear or favour. Whilst in Opposition and now in Government as parliamentary secretary, his interests all along have always been to put the interests and the welfare of the members of the Indochinese community first.

The honourable member was a very powerful friend of the Indochinese community whilst in Opposition and I am sure he will continue to be so in Government. I am sure that the Hon. Julian Stefani, in his endeavours to protect the welfare of the Indochinese community, will continue to have the support of the Premier as the Minister and, certainly, he will have my support as a friend and colleague and the support of anyone else who has the interests and the welfare of the Indochinese community at heart.

HIGHBURY DUMP

The Hon. T.G. ROBERTS: I seek leave to make a brief explanation before asking the Minister for Transport, representing the Minister for Housing, Urban Development and Local Government Relations a question about the Highbury dumps.

Leave granted.

The Hon. T.G. ROBERTS: I have asked a number of questions in regard to the Highbury dump proposals. I have been kept continually informed by ministerial replies on the way. Unfortunately for those people who are actively involved in a campaign to have the Highbury dumps moved,

the answers have not been the answers that they require; that is, that the Highbury dumps should be resited away from those houses that border the area and a new siting be found for a metropolitan dump that does not impose on people who live in an urban setting.

The Hon. A.J. Redford: Where would you put it?

The Hon. T.G. ROBERTS: I would put it in the northern area, somewhere in the Mallala area. I know that the Government is considering a proposal for Inkerman. Inkerman is not the appropriate site because of the environmental problems attached to it, but the Government is at least searching for alternative sites. It closed one metropolitan dump recently and I think it is considering closing others. But in relation to the Highbury dumps, they have been operating for a long period. In preparation for asking questions of the Minister, I refer members to an article that appeared in the *Leader Messenger* on Tuesday 2 April stating that there are now new concerns over the dump plans because of the proposed changes to the Act. An article by Joanne Pegg states:

> Rubbish dumps at Highbury could be hurriedly given the green light and the public robbed of its right to appeal under proposed changes to planning laws, a local councillor fears.
>
> Tea Tree Gully councillor Peter Leue said planned changes to the Development Act meant public protest over the East Waste and CSR dumps could be overlooked, approvals fast-tracked and rights of appeal revoked.
>
> Urban Development Minister Scott Ashenden plans to introduce legislation in May to give himself the power to grant approval to major developments, overriding the usual planning process.

That is, if it is declared a major project. The same article, but in heavy bold print—which must mean that the journalist finds it more important than the article itself—goes on to say that there is ministerial confusion. It states:

> Urban Development Minister Scott Ashenden and Environment Minister David Wotton are at odds over which Minister will have the final say on whether the dumps are 'major projects'.
>
> Mr Ashenden, refusing to affirm his stance against the Highbury dumps, said 'I've delegated my authority on the dumps.'
>
> 'That will be entirely up to Environment Minister David Wotton as to whether he would see them as of major State significance.'
>
> But Mr Wotton said that was not the case.
>
> 'That's entirely in the hands of Minister Ashenden', he said. 'I have no responsibility under the Development Act. I wouldn't have any opportunity to pull any project in as a major development.'
>
> Mr Ashenden earlier this year told the *Leader Messenger* he opposed the CSR dump and said he hoped he could convince Cabinet to reject the application.
>
> Since then, however, he has been coy in publicly expressing his personal opinion on anything due to come before Cabinet, saying it would be 'inappropriate' to comment.

They are the words of the journalist in the *Leader Messenger*.

The Hon. A.J. Redford interjecting:

The Hon. T.G. ROBERTS: I think I have given the honourable member a fair explanation as to how the confusion has been developed in the minds of the community, and I would hope that my questions to the Minister may be able to clarify those confusions, if the honourable member would listen. My questions are:

1. Will the Government clarify its position on the proposed changes to the Development Act as they apply to waste management in both the metropolitan and outer metropolitan area?

2. Who will be taking responsibility for the final decisions in relation to the Act? Would the Minister say whether it is the Hon. Mr Wotton or the Hon. Mr Ashenden?

The Hon. DIANA LAIDLAW: I will give an immediate reply because earlier today I forgot to table a ministerial statement given in the other place by the Minister for Housing, Urban Development and Local Government Relations, entitled, 'Response to Messenger article on the Highbury dumps'. The Minister stated:

The Hon. Anne Levy interjecting:

The Hon. DIANA LAIDLAW: No, it is an answer to a question. He stated:

> I wish to clarify to the House today issues related to the two proposed dumps at Highbury. The *Leader Messenger* and its reporter Joanne Pegg have confused points made in an interview with me about the two solid waste dumps and the Collex liquid waste treatment plant at Kilburn. This is regrettable as it has caused anxiety among local residents in the area.

I would also add that it has caused anxiety in this place. The Minister in the other place continued:

> The reporter asked me a series of questions about Collex and the Highbury dumps and I responded accordingly. In the article my answers have been juxtaposed.
>
> The Enviroguard proposal is the subject of an environmental impact statement and has been through a period of public consultation. The proponents have prepared a report responding to the issues raised during the consultation period. This report is currently being evaluated.

The Minister further stated:

> I wish to emphasise that the Government will make the final decision on the Enviroguard proposal once the full EIS procedures have been completed. I also wish to say at this point that the proponents of the Enviroguard proposal have been rigorous in their community consultation.
>
> Because of my previous statements on the Highbury waste disposal proposal, I have delegated my responsibilities relating to the EIS process on this particular proposal to the Minister for the Environment and Natural Resources, David Wotton, in order to ensure that there is seen to be no bias in the decision making.

That answers the second question posed by the honourable member. The Minister continued:

> The reporter quotes me as saying I was unaware that an environmental impact statement had already been prepared. This is clearly wrong, as I gazetted my decision to delegate my part in the role of the EIS process to Minister Wotton.

The Hon. T.G. Roberts: Did he read it?

The Hon. DIANA LAIDLAW: Yes, he was involved in it, read it and is fully aware of it. In his statement, the Minister continued:

> It appears the reporter has confused the East Waste proposal, where there is no EIS, with the Enviroguard proposal, where at the time of gazettal, an EIS had already been prepared by the proponent and had been well circulated in the public arena.
>
> I turn now to the East Waste proposal. This proposal is subject to planning and environmental assessment by the Development Assessment Commission. The application has been publicly advertised and the commission will be hearing objections in the next few weeks, as set out in the Development Act. The commission is the final decision-maker on this proposal. However, the proponent or objectors can appeal the decision of the commission to the Environment, Resources and Development Court. I have no decision-making role on the proposal and the commission is an independent body.
>
> The article is confusing as, in the space of two paragraphs, I am quoted as saying that the recommendation will come to me, and in the next paragraph, as saying the final decision will not be up to me.

The Minister further stated:

> I am also concerned that the article quotes a Tea Tree Gully councillor, Peter Leue, as indicating that the draft Bill which relates to major developments and which is currently out for consultation could be aimed at fast-tracking both dumps. This is not the case. The councillor is misinformed about the intent of the draft Bill, a copy of which has been sent to Tea Tree Gully council for comment.
>
> In addition, the article sought to link several waste issues, including Collex. This is a totally different situation in that I have announced the preparation of a Plan Amendment Report which involves a two month public exhibition period. The Plan Amendment Report relates to the development of guidelines for use of the land; it is not a means of approving the current Collex application. The Development Assessment Commission has already approved the Collex application under the provisions of the Act. The confusion reflected in the article is a clear indication of the need to clarify our

planning processes, and that is the intention of my proposed amendments to the Development Act.

MARION HIGH SCHOOL

The Hon. M.J. ELLIOTT: I seek leave to make a brief explanation before asking the Minister for Education a question about Marion High School.

Leave granted.

The Hon. M.J. ELLIOTT: Marion High School has a unit specially designed for the deaf and hearing impaired, a unit, which I am told, is a credit to the school. I am also told that the integration level of the young people accessing this unit has succeeded beyond belief. The school offers an accelerated learning program with students coming from as far away as Victor Harbor, Murray Bridge and Henley Beach to take advantage of the program.

I have been approached by a parent of two hearing impaired children in years eight and 11 at the school, which is one of three schools in the region apparently under threat of closure. The parent is extremely concerned about the threatened closure of the school and the possibility of having to find new schools which can cater for the needs of her children. She says that, as the school has achieved such a successful integration program over the years, the learning process of hearing impaired children has increased and the level of achievement is higher.

The parent is concerned that to put the children into a school which does not have successful integration will threaten their performance level and their achievement. Apparently, students who are now in year 11 and who are keen to win university places are fearful that they will have difficulty in finishing their final years without the unit's support.

I have also been told that the school community was expecting a response from the Minister on the consultation process, which had been undertaken by the end of school year last year, but there was a fear of loss of future enrolments. My questions to the Minister are:

1. Does the Minister acknowledge the important role of Marion High School's integration program?

2. Will the Minister, when making his decisions, take into account the program for the hearing impaired?

The Hon. R.I. LUCAS: I willingly acknowledge the excellent work that teachers and staff have done in the Centre for the Hearing Impaired at Marion High School. It is one of about four centres for hearing impaired that we have for secondary age students in the metropolitan area. Certainly, it will be an important part of the difficult decision I have to take. Having received the recommendations from the local community in the south-west corner—a committee which comprises school council chairpersons and principals and which has recommended closures of up to three schools—it will be a consideration that I will take into account, should Marion High School be one of the schools that is closed, to ensure a continuation of the important programs that students at Marion High School currently enjoy.

If the decision was for me to accept the recommendations of the local community about school closures, and that was my decision, then certainly the students and their parents have my assurance that we will do what we can to replicate the important attributes of the Centre for the Hearing Impaired at Marion High School at some other facility that is relatively convenient to the families.

The Hon. M.J. Elliott interjecting:

The Hon. R.I. LUCAS: The Centre for the Hearing Impaired program will be maintained. We have three other secondary centres. If Marion High School was to close, we would have to consider whether we would replicate that centre in its entirety at a neighbouring school or whether we would tackle it in a different way. Whatever decision is taken, I give assurance that this will be a most important part of our deliberations and that we will seek to ensure that the important attributes of the program for the hearing impaired secondary age students will be continued, irrespective of the decision I take as Minister, in response to the recommendations of the local community and review group.

INTERNET

The Hon. L.H. DAVIS: I seek leave to make an explanation before asking the Attorney-General a question about the policing of Internet.

Leave granted.

The Hon. L.H. DAVIS: Many millions of people worldwide use the Internet. The soaring growth of the Internet and on-line computer services has not been without its problems. For example, in the United States during the past few weeks publicity has been given to what has been described as one of the first crackdowns on deceptive marketing in cyberspace. The Federal Trade Commission has filed a suit against a person for a scam on the Internet. This person pocketed thousands of dollars in payments from customers who responded to false advertising on the Internet, but simply did not deliver the computer chips which had been ordered by the customers. This bogus supplier boasted that he was supplying the world, and this was true, because two of his victims were from Sweden and each lost about A$2 500.

A lawyer for the commission won a court order freezing the assets of the accused to prevent him hiding his assets or destroying his computer records. The spokesman for the commission, speaking of the scam, said:

> It's standard stuff, it's just a new medium.

Investigators in the United States have noted that the Internet gives scam artists a new way to reach a broad audience at a very low cost. My questions to the Attorney-General are:

1. Is the Attorney-General aware of any similar scams attempted on the Internet which have adversely affected South Australians?

2. Will he take up this matter at his next meeting with Attorneys-General if it has not already been discussed at such a meeting?

The Hon. K.T. GRIFFIN: I am not aware of any scams which have been run on the Internet in South Australia—

An honourable member interjecting:

The Hon. K.T. GRIFFIN: Well, the Australian Democrats' policies were on the Internet: that is enough said.

Members interjecting:

The PRESIDENT: Order!

The Hon. K.T. GRIFFIN: I will have inquiries made to determine whether there is anything which has come to the notice of the authorities in relation to this matter. It is an area that is more likely to affect consumer affairs than the general area of the law. The point has to be made that, whether on the Internet or through some other medium, fraud is fraud however it is perpetrated. In this instance it is an indication of fraud being translated into another realm. We do have false advertising in newspapers, brochures, television and radio, and the Internet has provided an additional medium for that to occur.

The important thing in relation to that is that consumers or potential consumers looking to respond to any advertisement or incentive to purchase should always be somewhat sceptical about the *bona fides* of the operator and check before any decision is made.

In terms of on-line activities such as in the area of pornography, that was the subject of discussion at the Standing Committee of Attorneys-General last week. Western Australia and Victoria, in fact, had measures in their classification legislation passed towards the end of last year, each of which enacts a different proposition for dealing with on-line services. Also, the New South Wales Government, as was reported this morning, tabled a proposal to deal with pornographic material on on-line services.

The difficulty is that, if you have something that is crossing State and national borders, you need at least some level of consistency in your approach. The concern was expressed that Western Australia, Victoria and New South Wales all have a different approach. The officers for the Standing Committee of Attorneys-General have been asked to try to work out some alternative that might be the subject of agreement by the Attorneys-General and would be consistently applied. The policing is likely to be difficult, and the preference has always been to endeavour to set up a code of practice and to seek to back that up with enforcement or penal provisions. That may still be the way that occurs.

In the United States there is (I think) the US Communications Decency Act, which attempts to regulate pornographic material on these sorts of systems and services. I understand that is currently being challenged in the courts on constitutional grounds, as it is argued that it prevents free speech. It is important to recognise that with the Internet, for example, there are private and public areas, and the difficulty is how you deal with at least the public areas in a way that is meaningful and capable of policing. I will pursue any aspect of the question that I have not answered and bring back a reply in respect of those matters.

GAS MARKETING

The Hon. T.G. CAMERON: I seek leave to make a brief explanation before asking the Minister representing the Minister for Mines and Energy a question about gas marketing practices.

Leave granted.

The Hon. T.G. CAMERON: The Australian Competition and Consumer Commission (ACCC) has the Cooper Basin unit producers firmly in its sights for uncompetitive gas marketing practices. Currently, the producers market their gas collectively, effectively acting as a single seller to the major customers in New South Wales and South Australia. An authorisation—that is, an exemption—allows them this freedom, whereas normally such practices would be outlawed under the Trade Practices Act.

In the spirit of the Hilmer competition reforms, the ACCC is seriously considering revoking the joint gas marketing arrangement and insisting on separate sales contract arrangements for each of the unit participants. The extra element of competition that this would introduce to the market clearly will place downward pressure on prices.

Whilst the probability of severe discounting and price wars is low, nonetheless prices looking forward will be restrained by competition. At an average selling price ex Moomba plant of approximately $2.30 per gigajoule and an average cash flow margin of $1.60 per gigajoule, there is plenty of room for the producers to be individually flexible on price. My questions to the Minister are:

1. Does the South Australian Government support the Australian Competition and Consumer Commission's efforts to introduce competition in the marketing of Cooper Basin producers' gas?

2. Does the Minister agree that, with an average selling price ex Moomba plant of approximately $2.30 per gigajoule and average cash flow margin of $1.60 per gigajoule, there is plenty of room for the producers to be individually flexible on price, and that the scrapping of the joint gas marketing arrangements would result in lower gas prices for South Australian consumers?

The Hon. R.I. LUCAS: I will refer the honourable member's questions to the Minister and bring back a reply.

IMMIGRATION

The Hon. P. NOCELLA: I seek leave to make a brief explanation before asking the Minister representing the Minister for Multicultural and Ethnic Affairs a question about settler arrivals in South Australia.

Leave granted.

The Hon. P. NOCELLA: The number of settlers coming from overseas to live in South Australia has been declining in recent years. From around 5 per cent of the national intake of immigrants for the whole of Australia, the percentage has now reduced to a point where it is nearly half of the quota population that South Australia has, compared to the nation as a whole.

Immigration is a component of the broader picture of population policy and, as the State of South Australia invests substantial amounts of money in attracting settlers from overseas through a series of initiatives, directed through overseas posts and with promotional material, settlers come under a raft of different schemes and programs. My questions to the Minister are:

1. Will the Minister provide figures for the years 1993-94 and 1994-95 for settler arrivals broken down by category, the main three categories being family reunion, humanitarian program and independent category and, for the independent category, the two subgroups of skilled and business migrants, also as a percentage of the national total intake?

2. What actions have been taken in order both to establish preferred levels and mix of population for South Australia between now and the end of the century and to achieve such objectives?

The Hon. R.I. LUCAS: I have been advised by the Hon. Julian Stefani that only today, I think it was, the Premier and Minister for Multicultural and Ethnic Affairs met with the Commonwealth Minister and that this was one of the issues that the Premier took up with the Federal Government. I understand that there were some very productive discussions, and we hope to see, in the not too distant future, some initiatives to tackle some of the issues that have been raised by the honourable member. The advice provided to me is that these are issues of which the Premier is aware and on which he is taking action. As I said, he has evidently already met with the Federal Minister and discussed these issues. Nevertheless, I will refer the honourable member's questions to the Premier and bring back a reply as soon as I can.

ARTS FUNDING

The Hon. ANNE LEVY: I seek leave to make an explanation before asking the Minister for the Arts a question on peer group assessment.

Leave granted.

The Hon. ANNE LEVY: Rumours have been circulating through the arts community for quite a long while that there is to be a total reorganisation of the arts budget, the way money is awarded, the duties of project officers and peer group assessment. Suggestions have been made that there will be one pool of money with no particular allocation for each art form; that project officers will not be specific for any particular art form; and that there will be fewer project officers.

This morning's paper has an article by Tim Lloyd on the very sad state of the advisory committees, whereby many vacancies arose as people's terms ended some time between September and December last year and no replacements have yet been organised, even though some people have been asked to stay on the advisory committees temporarily. Of course, the article correctly indicates that the Australia Council has also been reassessing its peer group assessment scheme, but its method of doing so is to consult very widely and to visit every State. I know its members visited the Minister while they were here and held a very successful public meeting, and they have called nationally for people to indicate whether they would be prepared to act as peers in a peer group assessment scheme.

In South Australia a similar method of obtaining people for peer group assessment committees used to operate. Public announcements were made and individuals could indicate whether or not they wished to be considered for the peer group assessment advisory committees. The Minister certainly abolished that method of proceeding when she sacked the Community Development Advisory Committee last year and appointed new members without any advertising or consultation.

So, I would ask just what the Minister has planned in terms of reorganisation of the Arts Development Section of the Department for the Arts and Cultural Development. Is there to be a reorganisation of the budget with one pool and no specific allocation for art forms? Is there to be a diminution in the number of project officers and is their specific expertise not to be taken into account in the duties to which they are allocated? Is she maintaining peer group assessment for the advisory committees? Is she calling for interested people to indicate whether or not they are prepared to act on the peer group assessment advisory committees? When will she ensure that there are fully functional advisory committees that can get busy with the next round of grants, which need to be decided in the very near future? Is she changing the guidelines for the advisory committees and removing their unfettered power to make recommendations to her, free from any interference and merely on the basis of merit and excellence, as judged by those peers?

The Hon. DIANA LAIDLAW: It is hard not to laugh, because—

The Hon. K.T. Griffin: We will do it for you.

The Hon. DIANA LAIDLAW: Thank you. The self-righteous suggestion by the honourable member that when she was Minister these committees had unfettered power to make decisions on merit and excellence is a joke, because she knows that she caused uproar throughout the arts community when she continued to insist on, first, multiculturalism, then gender and a whole bundle of things that had to be met through a range of applications.

The Hon. Anne Levy: What bullshit!

The Hon. J.F. STEFANI: I rise on a point of order, Mr President. I would ask you to rule on the unparliamentary language used by the Hon. Anne Levy.

The PRESIDENT: The honourable member is out of order and I ask her to withdraw and apologise.

The Hon. ANNE LEVY: I am happy to withdraw my remark of the Minister's statements being bullshit which, if the Hon. Julian Stefani—

The PRESIDENT: Order! That is no explanation. I ask you to withdraw and apologise.

The Hon. ANNE LEVY:I have withdrawn, Sir.

The PRESIDENT: And apologise.

The Hon. ANNE LEVY: I am prepared to apologise, Mr President, if you insist on it.

The PRESIDENT: The Minister.

The Hon. DIANA LAIDLAW: I think we have touched more than a raw nerve: I think we may have touched the truth. Members should all be aware that advisory committees have operated under the same guidelines as were established by the former Minister, and I have not sought to amend or withhold approval from any recommendation from any committee since I have been Minister. Therefore, to suggest, as did the honourable member, that there was interference and bastardisation of the process is totally unjust and unfounded. I think it is fair at a time when (I think quite rightly) on its own initiative and with the knowledge of the former Government the Australia Council sought to ensure that its peer group assessment processes provided the greatest efficiency and worth in the way in which grants were assessed. We have been looking at that approach here, with no great sense of urgency, but I think that quite properly they should be addressed.

As I think is appropriate as Minister, I have spoken to a number of people throughout the arts community to get their views on the way in which the arts grants—taxpayers' money—are spent in the public interest and in the interest of the arts, to ensure that we are getting the best for individuals and companies in terms of opportunity and excellence. There has been a mixed reception to the way in which the committees have worked, and therefore some opinion has been good, some bad and some mixed; and I am looking at those matters.

I have seen little point in appointing new people to the advisory committees until they are ready to meet, and that will be soon, because the grants have been called, so they will be meeting shortly. There will be peer assessment of grants. That is the way it has always operated, for the period that I have been familiar with arts management in this State, and that is some 13 or 14 years—in fact, 15 or 16 years, when I consider the period when I worked with the former Minister, Murray Hill. Our policy stated that we would maintain the system of peer group assessments. We certainly will.

The PRESIDENT: The Hon. Sandra Kanck.

The Hon. ANNE LEVY: Supplementary.

The PRESIDENT: You are too late: I have called on the Hon. Sandra Kanck.

YATALA PRISON

The Hon. SANDRA KANCK: I seek leave to make an explanation before asking the Attorney-General, representing the Minister for Correctional Services, a question about the treatment of some prisoners at Yatala Prison.

Leave granted.

The Hon. SANDRA KANCK: In the mid 1980s a former member of this place, the Hon. Ian Gilfillan, asked questions about a cell at Yatala Prison that was known colloquially as 'the Fridge'. It was so named because it was used by prison officers as a form of intimidation and punishment of prisoners and involved placing a prisoner in a very cold cell with minimal or sometimes no clothing, providing him with one or two blankets and turning up the air conditioner, if there was one, to a maximum cold setting. I have had letters from prisoners at Yatala now who allege the same treatment, although they are not calling it 'the fridge'. Will the Minister investigate the continued existence and use of the fridge and report back to Parliament about what plans he has to stop such practices?

The Hon. K.T. GRIFFIN: I will refer the questions to my colleague in another place and bring back a reply. With the way the questions were framed, the second question tended to presume the answer to the first. I do not want it to be understood that there is any concession that that practice still occurs, if it did occur, and the questions will be answered on their merits.

MATTERS OF INTEREST

FAMILY PLANNING

The Hon. ANNE LEVY: I wish to make a few comments relating to family planning and abortion. I begin with noting with horror a publication received recently from the Festival of Light in which it indicates that the new Minister of Foreign Affairs (Alexander Downer) indicated to it that he would support a law change to stop forcing taxpayers to pay for abortions through Medicare. This harks back to the Lusher motion and other such matters before the Federal Parliament many years ago and firmly aligns the Hon. Mr Downer with Senator Harradine and other such Neanderthal opinions in Federal Parliament.

His personal opinions are irrelevant, but to have such opinions in our foreign Minister, who is responsible for aid programs begun by Australia throughout the world, is an extremely serious matter. It may be that the new Federal Government is about to remove all our aid programs so that what the aid is spent on will become irrelevant because there will not be any. But, presuming that there will be some aid to disadvantaged countries, this is an extremely serious matter if our new foreign Minister is to have views similar to those of Senator Harradine and oppose aid for family planning and abortion facilities throughout many countries where such aid is badly needed.

To illustrate the point, I have some information on recent statistics for 190 countries around the world, which shows the maternal mortality rates in these 190 countries and indicates whether abortion is permitted in these countries. We all know that abortions occur anyway, whether legal or not. If they are illegal it merely means that a lot of women die. We might perhaps note that a country like Nepal, which does not permit abortion under any circumstances, has a maternal mortality rate of 850 deaths per 100 000 births. Bhutan has a maternal mortality rate of 1 305 per 100 000 live births. By comparison we might note that Australia has a maternal mortality rate of five deaths per 100 000 live births and permits abortion for six of the seven categories listed in this international table. Likewise countries such as the United States and Canada have maternal mortality rates of eight and four each per 100 000 live births and permit abortion for all seven possible categories of reason. All the countries which have liberal abortion laws are those with very low maternal mortality rates.

Some other mortality rates around the world are absolutely frightening. Bolivia has 600 maternal deaths per 100 000 births. Mali has 1 750 maternal deaths per 100 000 births. To suggest that we might now be cutting aid to countries for family planning and assistance with safe abortions would be absolutely frightening and a shameful blot on this country.

CONSULTANCIES

The Hon. L.H. DAVIS: Over the past decade or so consultants have come into their own. In an increasingly specialised world, persons with professional expertise obviously can play a valuable role. In highly technical and rapidly shifting areas such as information technology consultants have been retained by both the public and private sectors. There are celebrated examples of public servants who have retired and in some cases been retrenched at a Federal and State level only to reappear as consultants to a department or statutory authority that they have just left—in some instances for double the remuneration. The current State Government has been active in ensuring that such practices are not permitted.

In subjects of great complexity, such as the SA Water outsourcing contract, consultants played a valuable role in advising on the process to be adopted to maximise the cost savings and the economic benefits flowing to South Australia. There are many examples at a Federal, State and local government level where taxpayers or ratepayers clearly do not get value for money. Last year I detailed the extraordinary reports associated with the consultants involved in the Port Adelaide Flower Farm and the proposed float of that flower farm. But there are other examples.

In recent years, under a Labor Government, a series of tourism strategies were commendably commissioned by the South Australian Tourism Commission for a number of regions in metropolitan Adelaide and country South Australia. I declare an interest in this matter. Consultants involved in developing these strategies received $50 000 to $55 000. One such report examined the potential in the Tea Tree Gully region. It had some breathtaking recommendations, such as an Imax theatre and an artificial beach for Tea Tree Gully. Tea Tree Gully may have many attractions, but somehow I cannot envisage it making a go of an Imax. I understand that an Imax costs several million dollars to install and requires a site which guarantees huge crowds to justify the initial cost.

Members interjecting:

The Hon. L.H. DAVIS: An Imax theatre is a huge screen with very lifelike images. Generally it runs for an hour and might operate seven days a week, 10 hours a day to packed theatres. I understand that there is an Imax theatre in Queensland at Movie World. There is one proposed in the planned museum of Victoria. There are Imax theatres in prime locations, such as the Grand Canyon in Arizona and Capetown in South Africa, but Tea Tree Gully—not likely.

And an artificial beach at Tea Tree Gully—I think the waves should stay out at sea!

Another tourism strategy made suggestions for the Mid North, such as an archway for Tarlee. This strategy contained a number of inaccuracies. Another strategy was prepared for Victor Harbor. As far as I am aware, very few of the recommendations in these three tourism strategies (costing at least $150 000) have been implemented. These three reports are gathering dust in three cupboards in three council offices and, sadly, it may mean that councils will be reluctant to use consultants in the future.

Consultants' reports, which make recommendations in the public interest, should be subject to more public scrutiny. It may well be appropriate for councils, and indeed State Governments and statutory authorities to take greater note of reporting on the worthiness of consultants' reports. Although it is not reasonable to expect every recommendation of a consultant to be acted on, it is a concern when consultant reports are not relevant and, in some cases, a waste of taxpayers and ratepayers' money. I believe that in the balance of the 1990s the spotlight will rest more and more on the activities of consultants, the recommendations of consultants and the worthiness of their reports at Federal, State and local government levels.

RACISM

The Hon. SANDRA KANCK: The *Advertiser* reported in its 6 March edition that infamous Liberal MP Joe Rossi 'has hailed the victory of so-called racist candidates in the Federal election'. According to that article, he went on to argue that their wins were 'evidence of community anger at the favouritism enjoyed by Aborigines'. Obviously, Mr Rossi has attended the good old-fashioned never let facts get in the way of a good argument school. As an MP Mr Rossi is in a position to influence public thinking, so it would be reasonable to expect him to have researched his views. Instead, he has chosen to ignore the evidence, preferring perhaps to gain his information from ill-informed comments on talkback radio.

The facts show that while 69 per cent of Australians own their own homes, only 28 per cent of Aboriginal people do. Their infant mortality rates are three times higher than white Australians, they are 15 to 20 times more likely to have TB and they die almost 20 years earlier than their white counterparts. I assume that these must be the huge advantages in being born an Aboriginal person in this country as perceived by Mr Rossi, who, it appears, prefers to believe the urban myths.

Statistics abound about health, housing, employment, education and imprisonment, which, if Mr Rossi cared to check them out, would show him how wrong he is. Even that conservative historian Geoffrey Blainey has recently gone into print to advise the public that the State of Aboriginal health and housing in this country is disgraceful. Community anger is understandable when lies are being pedalled in this community but, unless people in a position to do so correct such lies, the lies will be perpetuated. Let us look at some of the lies.

There is a whole series of them about transport. One of them says that Aboriginal people get free cars. That is absolutely and patently not true. Another says that, if they are buying a car and they default on a car repayment, the Government picks up the tab: again it is not true. There is another one that says Aboriginal children get a free bicycle: it is not true. All people need to do is to check out the information. There is no such Government program anywhere that provides for it. There are also lies about social security, which say that Aboriginal people receive higher benefits. Again it is wrong. Check out the benefits, check out the social security guidelines if you are tempted to believe such stories.

The Hon. M.J. Elliott: They have to work for the dole, which no-one else has to do.

The Hon. SANDRA KANCK: Yes, that is true. There are a few benefits that they may get. They get Abstudy, but it is not in addition to Austudy. They do get a little extra in the form of the Aboriginal Tutorial Assistance Scheme, but that is understandable given that 17 per cent of 18 to 20-year-olds in the Aboriginal community are participating in education compared with 45 per cent of 18 to 20-year-olds in the rest of the population. Concessional home loans are available through ATSIC, but they are strictly means tested and in the 1992-93 financial year only 441 families qualified. I have already mentioned the inequitable figures on home ownership, but members must also consider that more than 30 per cent of Aboriginal people are either homeless or living in substandard accommodation. When members consider that statistic, 441 Aboriginal people qualifying for concessional home loans is hardly a rort. They have their own Aboriginal medical services, but they are unlikely to be using our community health services, which is the white counterpart.

Many Aboriginal people are scared of hospitals, but since the establishment of the Aboriginal medical service some 20 years ago Aboriginal infant mortality, which was then 15 times greater than the rest of the population, is now down to only three times greater. They have their own separate Aboriginal legal services, but again they are not double-dipping: they do not use legal aid as is available to the rest of the community. Again it is very justified when you consider, for instance, that young Aboriginal men are 13 times more likely to be imprisoned than the general community, which is a reflection, I believe, on their lack of participation in education and problems with housing and health.

Without feeling any tinge of guilt, I think we all need to acknowledge that the gradual dispossession of Aboriginal land, the destruction of their culture, the breaking up of their families by Government bureaucrats and other forms of discrimination such as ineligibility to vote have all added to the gradual helplessness and hopelessness that overtook many Aboriginal people. It will not be easy to redress the effect of that history, but it is not helped by misinformed comments by people such as Mr Rossi. All I can say is that ignorance is no excuse for Mr Rossi's outburst.

YOUTH UNEMPLOYMENT

The Hon. P. HOLLOWAY: I certainly agree with the comments that the Hon. Sandra Kanck has just made concerning how Aboriginal people are fast becoming a new target. I want to talk about another group that is also being increasingly targeted since the change of Government, that is, the young unemployed. Before the election we heard from the conservative Parties when they went to the election that youth unemployment was supposed to be the biggest issue facing this country. That was in spite of the fact that in the past three years the Keating Government had created 700 000 jobs in response to its promise to create 500 000 jobs. It well exceeded that figure but, in spite of that, we were told repeatedly through the election campaign that the Liberal Coalition was most concerned with youth unemployment: it

was the big issue. What have we seen, particularly through the media, ever since the election result?

Suddenly, the young unemployed are no longer the victims of a callous Labor Government. Suddenly, now they are the cause of their own problem. The old dole bludger syndrome has been dusted off and brought out again by the Liberal Government. There were two prime examples of this. One was the case of the Paxtons—that notorious case on television. I do not wish to make—

The Hon. Sandra Kanck: On *Current Unfair*!

The Hon. P. HOLLOWAY: Yes, well I do not wish to make any particular judgment about those individuals because I do not know the facts and I am sure the vast majority of the public do not either but, unfortunately, that has not stopped many people on commercial talkback radio in particular from ringing up and passing judgment. What was perhaps a greater travesty of injustice was the recent Public Service Traineeship Scheme, when the *Advertiser* on the front page claimed that 134 young people did not show up and 68 of those were on unemployment benefits. Of course, as a result of that there was widespread outrage in the community that these young people were flouting the system, that they were dole bludgers, did not want to work and so on.

The truth of the matter which has subsequently evolved is that these young people were given misleading information concerning what the outcome of that test would be. As a result of the outcry, some of those people have had their unemployment benefits removed—I think quite unfairly. Any person who looks at the facts of this case cannot help but be disgusted by the treatment that these young people were given by the *Advertiser* in particular. I think it was disgraceful the way that this issue was blown up on the front page of the newspaper when the facts of the case were not properly set out. It is most unfortunate.

Why is it that unemployment has changed so abruptly from being the biggest issue facing us all before the election to now blaming the victims? We have heard a lot on commercial radio these days since the election of political correctness and so on. What we need in relation to the unemployed is a reasonable debate. We need some fairness. There are some unemployed young people who are no doubt work shy. There always have been: it has always been the case. But the vast majority of young people now, as in the past, are looking for work. They are genuine. We only had to see the other day when some jobs were advertised at Harris Scarfe, hundreds of young people applied for just a small job. In our media, that was put in the bottom part of the middle pages where it could be clearly overlooked.

I do not know whether the media is in cahoots with their friends in the Liberal Party, but what has happened ever since the election, young people are being portrayed as dole bludgers, as not wanting to work. What worries me is the policies of the new Federal Government which are now evolving. It is quite clear that jobs will have a very low priority with this new Federal Government. Not only will tens of thousands of Public Service jobs be cut but also the policies that the new Federal Government will be pursuing in relation to interest rates and so on, which all the commentators seem to believe will rise later this year, will all have an adverse impact on jobs, in spite of the fact that this Government was elected on the platform of creating more jobs.

I just wish the media in this country would be a little fairer, that instead of tagging young people as dole bludgers they would give some attention, as indicated before the election, to Government policies which might actually do something about reducing youth unemployment.

AUSTRALIAN ASIAN BUSINESS CONSORTIUM

The Hon. BERNICE PFITZNER: In this matters of importance debate I would like to speak on another group, a group of high-powered, highly respected business people known as the Australian Asian Business Consortium. This is part of the initiative of the MFP and it will be presenting a very exciting concept of doing international business around the Asia Pacific area. This group's vision is to be the most effective and powerful instrument for continuous experiential executive development in the Asia Pacific region; to be a unique business network in developing new relationships for strategic advantage in new markets and new industries; and to penetrate successfully and to grow significantly in the Asia Pacific markets. Its vision is also to be a facilitator of economic, cultural and human integration of the Australian and Asian economies. Finally, its vision is to deliver its programs through sophisticated and innovative information technology.

This consortium has made its face here in South Australia under the umbrella of the MFP. The business consortium's prospective funding members consist of 22 high-powered and highly successful companies. For example, in this group, the business with the smallest number of employees is of the order of 2 000 people, and this is an Indonesian business. The business with the largest number of employees is of the order of 300 000 employees, and that company is from the USA. The Asian company in this group which has the highest number of employees is a Korean business which has approximately 22 500 employees.

We can also look at the revenue that these founding members of the Australian Asian Business Consortium generate. The lowest revenue generated was $2.7 billion by a Thai business company. The company which generated the highest revenue in this consortium, to the order of $222 billion, is from the USA. The highest revenue generated by an Asian company of this consortium was $28 billion by a Taiwanese business. So, one can see that these 22 companies are leaders in the Asia Pacific area, and the consortium is based here in Adelaide.

What are the expectations for the stakeholders of the Australian Asian Business Consortium? For the Asia Pacific corporations and the members of the AABC, they wish to gain influence and strategies in programs. They wish insider knowledge of alliance partners. They wish to be exposed to new management styles. For the suppliers and customers, they wish to expand business networks and make new relationships. For academia, they wish to gain Asia Pacific focus and access to corporations and a new paradigm in executive development. For the various Governments of the Asia Pacific region, they will gain regional positioning and increased management skills leading to greater economic benefits. For our MFP Australia, it will gain international collaboration, leadership, information and innovation.

What do these organisations want? The organisations want to succeed in new markets and to develop their knowledge and skills. What is not required? What needs to be eliminated or to be improved? Deprecation of activities, the high cost of delivery, the unfocused strategy on market priorities of the Asia Pacific, inflexibility and non-responsiveness. Finally, the expected learning outcomes are: to have a capacity to assemble and manage complex coalitions to create new

markets; to be exposed to new styles of management; and to make new links for new multinationals emerging in Asia. This is the activity and strategy that this very high-powered leading edge group of people are doing from Adelaide. We hear that the Federal Government is considering further funding for the MFP in general. We hope it will continue to fund the Australian Asian Business Consortium, a part of the MFP. If they do not, they will be sure that some other country will, and we will lose this great idea.

The PRESIDENT: Order! The honourable member's time has expired.

POLICE COMMISSIONER

The Hon. T.G. CAMERON: It is not very often I find myself in total agreement with an editorial of the *Advertiser* newspaper, yet I find myself in total agreement with the editorial dated 30 March which followed an article headed, 'I'll sack corrupt police' in the 29 March edition. The main propositions put forward by Police Commissioner Hunt are: that the Commissioner be able to sack officers he suspects of corruption; and that the onus of proof of disciplinary matters be reduced to balance of probabilities from beyond reasonable doubt. The *Advertiser* editorial states, amongst other things:

> The Police Minister, Mr Baker, has an easy task before him. He must flatly reject the suggestions from the Police Commissioner, Mr Hunt, that a commissioner should have the power to sack an officer believed without proof to be corrupt. It is nothing short of astonishing that the officer of the State charged with upholding the law on behalf of the community should even contemplate evading due process and that ancient test of common law that guilt should be established beyond all reasonable doubt. It would be outrageous if police, who must ultimately prove allegations against citizens in a court, should themselves be denied such justice.

That is a quote from the editorial, and I agree with it completely. The response of the Police Association President, Mr Peter Alexander, to the proposals is worth noting. He labelled the moves as 'grossly unfair' and 'a denial of natural justice' to police officers. He went on to say:

> The presumption of innocence is the cornerstone of the justice system, and must apply to police officers equally with all members of the community. The proposal to sack police on suspicion of corruption should be unacceptable to anyone who believes in natural justice and the presumption of innocence.

Mr Alexander may be accused by some of speaking from a vested interest position, and no doubt he is speaking on behalf of his members. However, I believe that Mr Alexander has eloquently summarised many people's views on this matter, including my own.

The presumption of innocence in our legal system must remain paramount. Irrespective of how well-intentioned Mr Hunt's proposals are—and I believe that they were made sincerely and honestly—I cannot find any merit in proposals which single out members of the Police Force to be treated differently at law than other members of our society. Again, I can only find myself in total agreement with the *Advertiser* editorial, which stated:

> It does not matter whether Mr Hunt is pure in heart and noble in purpose. Such a power should not be given to any individual Police Commissioner, Premier, even the Chief Justice himself. The Minister should politely thank the Commissioner for his commendable concern about corruption and then, without qualification, reject his suggested remedy.

Again, I find myself in the unusual position of completely agreeing with the *Advertiser* in its editorial.

HAINES, Ms JANINE

The Hon. J.C. IRWIN: It seems that former Democrat leaders are like old soldiers: they just fade away. They usually fade away still talking and, indeed, talking about keeping the other bastards honest. Their own honesty does not come into this equation at all, of course.

We have recently read the thoughts of Don Chipp on the one-third Telstra sale—he does not agree with the present Federal Democrat leader, Senator Kernot, on this issue. On 16 March, not long after the Federal election, the Democrats' former leader, Ms Janine Haines, was resurrected back into the political arena when she launched for the South Australian Institute of Teachers the education statement which was titled 'For Every Student'.

I know that Ms Haines is a former teacher—probably better described as 'very former'—but I was amazed to read in the *Advertiser* that she had launched the SAIT statement. I was even more amazed when I read the edited text of her launch speech in the *SAIT Journal* of 27 March. Early in her speech, Ms. Haines said that 15 or so years ago she carried on her parliamentary briefcase a sticker which read, 'If you think education is expensive, try ignorance.'

This is the theme throughout her speech. She talks about people in power wanting to keep people ignorant because they are easier to manipulate. She talks about the large injections of money into education during the 1950s and 1960s and the realisation that a well-educated work force was needed. She has a whack at the former ALP Government of this State under this quote:

> Certainly the bean counters in the 1980s in this State have a lot to answer for, so far as the provision of an acceptable education system is concerned.

Ms Haines should have included the 1970s in that statement as well. Many of those students are now in the work force and, indeed, many of them are teachers. She has a whack at the present Government for asset sales, and makes the startling observation that there is a lag time between underfunding and uneducated people filtering into the employment sector—startling because she is equating her version of underfunding to the turnout of ignorant students in general; and startling because she is acknowledging that the problem in the work force today, including teachers, stems from the 1970s and 1980s. In part, I agree with Ms Haines based on comments made to me by employers about the inadequately educated work force out there now. However, I cannot agree with her that huge amounts of money eliminate ignorance. It must surely depend on how the money is utilised in teacher skills and efficiency. Further, Ms Haines says:

> It seems to me, therefore, that sticker that once was on my briefcase is now most applicable to those who are currently making decisions about education.

There is not one mention in her speech about the many learning innovations and efficiencies that have been introduced by the present Government under the Minister, the Hon. Rob Lucas, including the skills test which will benefit students spilling out into the work force in 10 years.

The final quote illustrates that Ms Haines has not lost her unequalled ability to grab a popular head nod by displaying her own ignorance. It is as follows:

> The SAIT document being launched today is most appropriately titled 'For Every Student', not just for those whose parents can afford to pay for what they believe is a high quality education, although if you listen to stories circulating around many universities the force-fed private secondary school students don't nearly as well in their first year at a tertiary institution as their public school colleagues.

There is a certain amount of gobbledegook in that statement by the former teacher and former leader of the Democrats. No wonder the people of Kingston did not want her to be their member!

The Hon. ANNE LEVY: Mr President, I draw your attention to the state of the Council.

A quorum having been formed:

STATUTORY AUTHORITIES REVIEW COMMITTEE: LEIGH CREEK COAL

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

That the interim report of the committee on a Review of the Electricity Trust of South Australia (Costs of Transporting Coal Extracted from Leigh Creek Mine) be noted.

This is the sixth in a series of reports from the Statutory Authorities Review Committee inquiring into the administration and operations of the Electricity Trust of South Australia. This particular head of inquiry deals with the cost of transporting coal extracted from the Leigh Creek mine. The committee took evidence on this matter last year, and the information that we obtained at those hearings has been updated in recent correspondence with the parties involved.

The matter was not merely of interest to the committee: it became a matter of public controversy. During 1995 the negotiations between ETSA and AN were the subject of frequent media and parliamentary attention; I think it is quite proper to describe it as a dispute. Certainly, it was a dispute between two large monopolies: a Federal Government monopoly (AN) and a South Australian monopoly (ETSA).

On the one hand, ETSA argued that the AN freight charges were exorbitant and claimed that the Audit Commission's inquiry in 1994 had confirmed that there had been an increase in real terms in the freight charges for coal transport over the previous six years. It claimed that AN was using its monopolistic power, given that there was no alternative means of transporting coal from Leigh Creek to Port Augusta, to extract an unreasonable return. AN, for its part, defended the fairness of the rates and argued that, if ETSA had been prepared to enter into a long-term contract, rates would be reduced to reflect the certainty that would go with the longer-term contract.

The committee agreed about the nub of the argument: that ETSA transported coal over the 250 kilometre Leigh Creek to Port Augusta rail line, which line was dedicated almost exclusively to the transport of coal. For 50 years Leigh Creek coal has been used as a source of generating electricity, and that generation using Leigh Creek coal has occurred at the Port Augusta Power Station.

The committee recognised that this issue was of importance to ETSA because freight costs represented approximately one-third of the fuel costs of the Port Augusta Power Station. The committee noted that some 2.7 million tonnes of coal were transported annually from Leigh Creek to Port Augusta, and the only other shipment of note that took place on that line was 10 000 tonnes of fuel that went from Adelaide to Leigh Creek. That was the only other item of freight transported on that line.

The committee also noted that the reliability of the line was not at issue and that there was no evidence to suggest that AN's operating performance and the service that it gave on the line was an issue in the debate. The committee also noted that, since 1987, the train length had doubled and the cycle times had improved. The nub of the problem was the freight charge from AN.

The committee set about to try to establish from both parties what were the costs of freight on the line, and looked interstate and, indeed, overseas to see whether there were operating any comparative rail lines or transport services that could be used as a benchmark.

We had difficulties in this process because ETSA was reluctant to give on the record evidence initially and AN used commercial confidentiality as a cloak in refusing to provide the committee with the exact details of the freight costs on the line. That remained a problem and, even with the examination of comparative data on national and international rail systems, we were unable to make any conclusion about Leigh Creek freight costs, because we established that, as far as the committee could see, there were no parallels to the Leigh Creek rail situation and, therefore, the committee unanimously concluded that it was not possible to make a judgment as to whether AN's freight rates were fair or whether, in fact, they had been excessive.

What did please the committee was that, following the protracted negotiations that had taken place between ETSA and AN, initially behind closed doors and then in quite an acrimonious fashion publicly (with the State Government intervening at one stage), AN in July 1995 did offer a significant reduction in freight charges. In fact, it was the first cut in money terms that had occurred in freight charges on the Port Augusta to Leigh Creek line since 1988. That reduction was from $8.52 per tonne to $7.80 per tonne, effective 1 July 1995, representing an 8.5 per cent reduction. In fact, if one looks at the reduction on AN's freight charges since 1988-89, one sees that there has been an effective 14.2 per cent reduction in real terms.

The committee concluded that the options that ETSA had in addressing this matter, which it perceived as of major importance, were, first, to examine the possibility of additional users for the line. One would suspect that that is a longer-term option. Quite clearly, with the general mineral exploration activity taking place in that region, that could be a possibility in future years but, at the moment, in the short term, it does not look to be an option that would enable freight charges to be reduced for ETSA. It is possible that new rail technology may result in reduced maintenance costs but, again, one would suspect that is at the margin. It may well be also that ETSA would take up AN's challenge to enter into a long-term haulage contract and, thereby, secure a lower freight rate.

From ETSA's point of view, quite clearly one of the matters that is currently being addressed is the future of Leigh Creek. The committee, in an earlier report, noted that Leigh Creek is set down as a future source of fuel for electricity generation in South Australia for up to the year 2010 but, beyond that, no decision has been made. That is only 14 years away and, given the lead times involved in making major capital expenditures in electricity generation, it is relevant to note that Leigh Creek at this stage has only a designated 14 year mine life. That is not to say that it could not be mined beyond that point. But, as the mining at Leigh Creek goes deeper, the costs become more expensive.

One of the problems with which ETSA has grappled over the years is that Leigh Creek coal is not a good quality coal in comparison with its Eastern States counterparts: it needs more coal to develop an equivalent amount of energy and this, of course, adds to the freight costs. Another option

would be to have further improvement in work practices. That, of course, again is at the margin.

The committee took evidence that the previous Federal Government had established Track Australia. That will facilitate track rights being granted to parties other than AN. I would suspect that may well be the most attractive option for ETSA in the short term in its bid to lower freight rates on the Leigh Creek-Port Augusta line. By using the leverage it has through the formation of Track Australia, ETSA will be able to play AN off against another possible party. Already there has been evidence with the formation of Track Australia that groups such as TNT and NR are moving in to provide competition to AN in the transport of goods on lines which previously had been monopolised by AN. ETSA has already given some public indication (and in her speech on the matter the Minister referred to it yesterday) that it will be putting this contract out to tender. Of course, that will mean AN and any other party will have to use their best endeavours in offering a price to ETSA for coal transport from Leigh Creek to Port Augusta. It may well be that, with the certainty of a significantly lower freight rate, ETSA could be induced to enter into a long term contract.

In conclusion, I should say that the committee found this an interesting matter. It was an important issue for both ETSA and AN. It was a complex issue and, as I have said, the committee's deliberations on the matter were complicated by the issues of commercial confidentiality. I put on the record that yet again the committee has produced a unanimous report which reflects on the spirit that is so often apparent in select and parliamentary committees where important matters, which are complex and sometimes controversial with political overtones, can be resolved amicably. I also put on record my thanks to the staff of the Statutory Authorities Review Committee, Andrew Collins, the research officer, and Anna McNicol, the secretary.

The Hon. ANNE LEVY: I endorse the remarks made by the Hon. Legh Davis in moving this motion. As he indicated, the interim report brought down today is the sixth in a series. It is one of the smaller reports in terms of the number of pages and number of words but it is nevertheless a very important one. As the honourable member said, it deals with the cost of transporting coal from Leigh Creek to Port Augusta. Controversy has raged over the cost of this transport, with ETSA claiming that it was being exploited by the monopoly AN, and AN claiming that it was charging fair and reasonable rates and producing many figures and graphs to support its case. It is certainly true that the data obtained from the Bureau of Industrial Economics—which presumably has no axe to grind whatsoever in this matter—comparing freight rates for haulage distances of about the same as that from Leigh Creek to Port Augusta in the United States, and for Queensland Rail and for State Rail in New South Wales, showed that the freight rate being charged by AN to ETSA compared very favourably. A later report from the Bureau of Industrial Economics showed that, while freight rates in the United States have been decreasing per tonne kilometre in recent years, the same efficiencies have not been achieved by Queensland Rail or State Rail in New South Wales in relation to the haulage of coal. This certainly suggests that Australian freight haulers have not been applying international best practice and achieving efficiencies in reducing costs, as has occurred in the United States. Nevertheless, for the Leigh Creek-Port Augusta haulage, AN certainly still compares very well with Queensland Rail and State Rail in New South Wales, but these figures suggest that all Australian coal haulers could achieve greater efficiencies and reduce costs.

The committee quite readily conceded that it can be very difficult to extrapolate from United States data to Australian data or Australian conditions. In general, the distances travelled in coal haulage in the United States are much greater than those in Australia. There is much greater traffic density on those lines, so that infrastructure costs can be spread more, and all the conditions can differ between the two countries. Certainly, the committee felt that, while the United States data were interesting, they were not necessarily entirely relevant to the Australian situation and it was reluctant to extrapolate too much from that information. Hence, the recommendation that further negotiations occur to seek lower prices for the transportation of coal from Leigh Creek to Port Augusta, but the committee was also unable to determine conclusively whether AN's charges for coal freight had been reasonable or excessive.

One matter which arises in this report and which has not been given much emphasis, particularly in the press release from the Chair of the committee, is the question of the Audit Commission findings. This great Audit Commission, which was the Bible or holy grail or sacred document for this Government during 1994 and 1995, looked at the question of ETSA and the haulage costs that it had to pay and concluded that the haulage costs of coal had been rising in real terms. We noted this comment from the Audit Commission and tried to investigate it further to determine on what it was based. After a lot of chasing around, we obtained figures from both ETSA and AN which showed quite conclusively that the Audit Commission was wrong: that real costs of freight had not been rising. Both ETSA and AN agreed with our analysis of those figures.

Therefore, there was no disagreement between the authorities or the committee: the Audit Commission was just plain wrong. While the cost of freight per tonne had been rising in money terms, it had not been rising anywhere near as rapidly as the inflation rate and in real terms the costs of freight have been falling from 1988 onwards. It was not a great fall, as everyone would agree, on looking at the figures, until July of last year, when the reduction in freight rates was a substantial one of 8.5 per cent. However, over the eight year period freight rates have fallen by 14.2 per cent, which means that there was still a 5.7 per cent reduction over the first seven years, with the major reduction in the last year at which we were looking.

So, the reduction in freight rates negotiated between AN and ETSA had been a real one right from the time when the 160 wagon freight trains were introduced and the Audit Commission, for reasons best known to itself, was just plain wrong. We hope that it has not misled a lot of people by having errors such as this in its documents as it could give quite the wrong impression of what AN has been doing over the past eight years. It has been reducing real freight rates slowly, with a large reduction in the current financial year.

The Hon. Mr Davis commented also on the reluctance of both ETSA and AN to provide information to the committee which it regarded as commercially confidential. However, we were able to obtain a good deal of information from the Bureau of Industrial Economics, which looks at freight rates not only for coal but freight rates in general throughout the country and provides reports at two yearly intervals. Both ETSA and AN were happy to provide information to the committee off the record. They trusted members of the committee not to reveal this confidential information and that

trust has been well placed. I am sure that no member of the committee would dream of divulging any confidential information that it was given by either ETSA or AN. I certainly respect these two Government organisations for having the faith and trust in members of the select committee that enabled them to give us quite commercially confidential information off the record.

With those remarks, I support the motion and indicate to the Council that there are still more reports to come on ETSA. The fact that this is the sixth means that we have completed most of the terms of reference relating to ETSA but there are still one or two reports to come. We hope that before very long the Parliament will have received the whole number of reports produced from the intensive work of the Statutory Authorities Review Committee in relation to ETSA.

The Hon. J.F. STEFANI: I rise to add a few comments to those of my colleagues, the Hon. Legh Davis and the Hon. Anne Levy. My comments relate to the two items of the committee's report. The first item to which I refer is the capital structure of the dedicated line and equipment involved in the exercise of carrying coal from Leigh Creek to Port Augusta. I value the fact that current replacement costs and charges are very much related to the capital equipment and costs involved in replacing the line. However, I clearly put on record that on evidence AN gave to the committee it stated that the price dictated to be charged is in fact based on the previous Federal Government's policy, and it had no control over that price. It was dictated to them by the Government and in charging this price it had no option but to follow instructions. It might be that in future there may be an opportunity for the Liberal Government to change its views and the State Liberal Government may approach the Federal Government to see whether there are opportunities for us to achieve better costing. With those few remarks I support the motion.

The Hon. R.D. LAWSON secured the adjournment of the debate.

WORKERS REHABILITATION AND COMPENSATION (REVIEW OF DECISIONS ABOUT LOSS OF EARNING CAPACITY) AMENDMENT BILL

The Hon. M.J. ELLIOTT obtained leave and introduced a Bill for an Act to amend the Workers Rehabilitation and Compensation Act 1986. Read a first time.

The Hon. M.J. ELLIOTT: I move:

That this Bill be now read a second time.

This Bill has become necessary due to actions of insurers, under the instructions of WorkCover, in relation to the two year review process. At the time that we were last debating the WorkCover legislation in relation to the two year review, I certainly supported some changes to tightening up of the tests, but I was also keen to ensure when those tests were carried out that, if a person was aggrieved or if they felt that a wrong decision had been made, they would have a right to appeal that decision and during the period that their appeal was being heard they would have a right to continue to receive weekly payments. I moved amendments to that effect and those amendments were carried. This Parliament had a clear expectation and intention that before a payment could be removed at the stage of the two year review the person had a right to appeal and that their payments would not be affected until that appeal had been duly processed.

While the debate on the legislation was proceeding, obviously a number of other issues were being considered as well. I also had an amendment to remove what are known as the LOEC payments. 'LOEC' is an acronym, which, as I recall, stands for loss of economic capacity. It is what is known as a capitalised sum. Instead of a person receiving weekly payments, there is a capitalisation. My recollection is that that is usually paid on an annual basis, but it can be paid at any other period as well. It was my intention for LOEC payments to be removed from the legislation. I had had a number of people complain to me that LOEC was creating difficulties for individuals, that people received an annual sum and, if they failed to budget, part way through the period they would find themselves without any cash and also not entitled to any social security; and so it caused significant financial stress. Therefore, from the viewpoint of individuals there were good reasons for LOEC to be removed from the legislation.

There was also the question of whether or not the Australian Taxation Office would continue to allow LOEC payments to be made without tax being charged. That would have had significant ramifications. It was my view—and the view of others to whom I had spoken—that it should be removed. Unfortunately, that was not the view of a number of other significant players and the Opposition supported LOEC remaining. It was not an issue I went to the wall on. I felt it should go and I thought I had some good reasons for removing it, but I did not go to the wall. The unfortunate consequence, though, was that the LOEC system remained. What we did not do was to put in any protections for people if they were on LOEC and they had their entitlement changed at the point of the two year review.

Unfortunately, as of early this year that is precisely what happened as a consequence of an instruction from WorkCover, which, I understand, went out late last year, that the insurance companies should look at transferring workers who are on weekly payments to LOEC, having transferred them to LOEC, to then carry out the two year review and pay them a much lower sum without the benefit of an appeal. But more was intended than that. The intention was to inform these people that they could have available a once-off lump sum redemption removing them from WorkCover.

I have seen copies of letters which were sent to people. I must say that the correspondence I have seen was quite outrageous and essentially amounted to blackmail. One letter gave an example of a person who on receiving weekly payments of, on my recollection, about $401 a week from WorkCover could, on the basis of the two year review—which, as I said, may not be a fair and accurate decision—be told that 'On the basis of your capacity to perform particular work we have adjudged that you will receive a lump sum for the next year of $410.' Instead of receiving $400 a week they are being told they can receive $400 for the year and then told, 'However, you do have the option of accepting a lump sum redemption.'

I suppose there are two areas where things can go wrong. The first is where a person is adjudged to be capable of performing particular work when a wrong judgment is made. The protection that is supposed to exist in the legislation when a wrong decision has been made is that a person can lodge an appeal and, further, the protection was supposed to be until that appeal had been through due process that they would continue to receive their payments. By the instrument

being used by the insurance companies on the instruction of WorkCover that protection was removed.

I find that behaviour unconscionable. I have already had a meeting with the Insurance Council—the representatives of the insurers who are handling WorkCover—and I have expressed in the strongest possible way that I was gravely disappointed and angry about what had been done. That view has also been expressed by me to WorkCover and to the Minister. As a consequence, I am now moving an amendment to the legislation to seek to close that loophole—a loophole that was never intended to be there—and, more than that, to ensure that people's weekly payments will be restored so that they have an opportunity to go through the due processes of appeal.

I have received correspondence from the Minister, first, in response to the letter I wrote to him some six or seven weeks ago and, secondly, in response to more recent discussions I had with the Minister when he conceded that it was never the intention of Parliament that LOEC should be used in the way in which it has and, further than that, he is now saying that he is prepared administratively to ensure that weekly payments are restored and that all people have a chance to go through the appeals process.

Because of the commitments I have had in this place since receiving that letter, I have not had a chance to analyse the offer, which was a detailed one. I have not had a chance to go through it in the detail necessary, although I have given it to some other people to examine and determine what the consequences are. Knowing that we have only this week and next week left for sittings, I felt it was important, despite the offer from the Minister, that I proceed with the introduction of the Bill and that members know of my intention to have this matter rectified.

I have already had contact with some people suggesting changes to the legislation. I suppose, if I have any concern, it is that I do not want to find that I have left another loophole in attempting to close this one. One possibility I am aware of is that, if a person has been on LOEC and they try to give them a weekly payment in some way, it may have some ramifications in terms of interpretations from the tax office. I am not sure that I can explore further the ramifications of that at this stage, but I do know that there is some potential risk associated with that.

I make it quite plain that by next Wednesday, I want to see this matter clarified beyond all doubt, either by legislation or whatever, that all people who have been put through this artificial device of the threat of shifting to LOEC will have their weekly payments restored and that they will be treated in a proper manner. I only hope—and at this stage I believe—that the Minister's letter means that the Government will support that and do everything it can to facilitate that restoration of rights. I guess I will have a chance to speak again during the Committee stage if that becomes necessary, but at least that puts the important points on the record at this time.

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

SELECT COMMITTEE ON CONTRACTING OUT OF STATE GOVERNMENT INFORMATION TECHNOLOGY

The Hon. ANNE LEVY: I move:

That the Special Report of the Select Committee on Contracting Out of State Government Information Technology be noted and that the Legislative Council endorse its request.

The select committee presented a special report to the Legislative Council yesterday, but the Chair of the Select Committee, the Minister for Education and Children's Services, merely moved that the report be received, gave no indication whatsoever of what its contents were, and did so at 12 minutes past three yesterday, leaving very little time for any other member to react. He was quite within his rights, of course, to do as he did, but it was perhaps a little churlish that he did not draw the attention of the Council to the contents of the report which are certainly not lengthy.

The report from the select committee—which, I remind members, was set up by the Legislative Council—states:

The select committee reports to the Legislative Council:

1. That it has requested a copy of the full contract between the Government and EDS from both parties and has given a guarantee of maintaining complete confidentiality pending further discussion with both parties;
2. That this request was made on 19 February 1996 and, as of 2 April 1996, it has not been complied with.

As a consequence of the above, the committee requests that the Legislative Council asserts the supremacy of Parliament and makes clear that it supports the committee receiving the full contract immediately.

My motion, if passed, will make quite clear that the Legislative Council is asserting the supremacy of Parliament and is, as a Council, supporting its select committee in receiving the full contract immediately.

The report makes quite clear what had been decided in the select committee, that is, that while requesting the contract, we realise that it does contain matters of commercial confidentiality but that the committee is guaranteeing that the confidentiality will be maintained, that the committee will receive the contract *in camera*, that it will not form part of the evidence received by the select committee which will be tabled in the Parliament when the select committee reports, and that the committee will treat this with the utmost confidence. There will be no copies made of the contract. It will be kept under lock and key by the Secretary to the committee—

The Hon. K.T. Griffin: That is not in the report, though.

The Hon. ANNE LEVY: No, that is not in the report, but the guarantee of complete confidentiality was given, both to the Government and to EDS that providing a copy of the report would not be releasing it publicly, and that the commercial confidentiality which it is said to contain and which it doubtless does contain would not be breached. To not provide a copy of the report, under the conditions of complete confidentiality, is, I suggest, impugning the integrity of the members of the select committee who have unanimously decided to give a guarantee of complete confidentiality—

The Hon. R.D. Lawson: For the time being.

The Hon. ANNE LEVY: Yes, pending further discussions with both parties, which is in the report, and not to provide it is impugning the integrity of all five members of the select committee. I am sure the Legislative Council will not take kindly to any reflection on the integrity of its members. By passing this motion, it will endorse the fact that the Council supports the committee receiving the full contract immediately.

A number of matters are highly relevant to this motion before the Council. I am aware, as I am sure are many others, that discussions are occurring between the Attorney-General and a few members of the Opposition, and also the Leader of

the Australian Democrats, as to protocols which might apply regarding accountability to Parliament of future outsourcing contracts which the Government may wish to make. I am not party to those discussions as yet. Obviously they will be considered by all members of Parliament at a later stage. As I understand it, this suggested protocol refers only to future contracts and has no relevance to outsourcing contracts which have been signed prior to the adoption of the protocol. The contract with EDS is one which has been signed, and the protocols, if ever agreed and adopted—and I say 'if ever agreed and adopted'—can have no relevance to the contract which is the subject of investigation by the select committee set up by this Council.

Furthermore, when giving evidence to another select committee on an outsourcing contract which has been signed by this Government regarding the management of Modbury Hospital, the Auditor-General in open session, observed by the press and any interested members of the public, stated quite clearly that in his opinion the select committee had a complete right, and in fact a duty, to see the contract which had been signed. Indeed, it would be unable to fulfil its obligations under the terms of reference, which were agreed to by this Council, unless it saw that contract.

While the Auditor-General's remarks related to the Modbury outsourcing contract, they apply equally to the EDS contract because the terms of reference are similar and the same principles apply. The select committee will be unable to carry out the function which has been allocated to it by this Council unless it sees what is in the contract between the Government and EDS. The select committee not only has the right to see it: it also has the duty to see it in order to fulfil its terms of reference.

The further matter which is raised by this motion and which should be of fundamental importance to all members is the supremacy of Parliament. Parliament is elected by the people of this State. We are the supreme legislative body in the State; the Executive and the judiciary, while independent arms of and separate from the Parliament under the division of powers inherent in the Westminster system, are responsible to Parliament. Parliament is elected by the people and is the supreme body. We have this supremacy because we are elected by the people of this State.

I understand that prior to the last election the Liberal Party made many statements about accountability of executive Government through the Parliament to the people of this State.

The Hon. M.J. Elliott: Before the election.

The Hon. ANNE LEVY: Before the election it made many such pronouncements relating to transparency of Government activity and accountability of the Government to the Parliament. These statements from the Liberal Party were referred to, as you, yourself know, Mr Acting President, by the Hon. Angus Redford only this morning in another context, but he was adamant that the Liberal Party promise was for accountability of Executive Government to the Parliament and that the Parliament was the supreme body in the State.

Our supremacy comes not because we are big-headed or because we wish to inflate our importance but because we are an elected body. We are the elected body in this State; we represent the voting citizens of this State and we must be the peak body to which Government, judiciary and any other body in this State must be accountable, particularly when it relates to taxpayers' money.

The taxpayers give us the authority to raise taxes and we are accountable to the people of this State for taxpayers' money. It is our responsibility, it is our authority, and it is our duty to investigate any matter which refers to the expenditure of taxpayers' money. We would be derelict in our duty if we did not do so.

If a select committee set up by this Council requires to view a contract in order to fulfil its duty, it has the right and duty to do so. For the Executive to refuse to supply a copy of the contract to the Parliament is a negation and a flouting of the supremacy of Parliament that this Chamber of the Parliament should not tolerate. Any action which denies the supremacy of Parliament should not be tolerated by this Council.

For that reason, I have moved this motion to make quite clear that the Legislative Council is reasserting the absolute supremacy of Parliament in this State and that the Council is supporting its select committee in its request to receive a copy of the contract immediately.

The Hon. M.J. ELLIOTT: I move to amend the motion as follows:

> After 'its request', to insert 'and convey it to EDS and the Premier'.

I support the motion. The terms of the reference for the select committee are:

> A select committee of the Legislative Council has been established to examine and report on contracting out of State Government information technology and, in particular, to examine the contract between the State Government and EDS.

The terms of reference cannot be any clearer. It says, 'to examine the contract'. If we do not see the contract, I do not believe that we can examine the contract, and it would be a nonsense to suggest otherwise. That was clearly the intention of this place when the select committee was established in the first place. I must say that it is extremely disappointing that some four or five months later the committee should be in the position of having to ask the Legislative Council to support it in gaining a copy of the contract.

The will of the Legislative Council was clearly expressed last year when the committee was established. Without discussing the proceedings of the committee up to now, I think the report that we have received tells its own story. It tells us that a request for a copy of the contract between the Government and EDS was made on 19 February 1996. In making that request, the committee conveyed to the Government and EDS that there would be a guarantee of complete confidentiality.

We can have this stupid debate that has occurred so far about interjection—about whether or not that means what it says. A number of parliamentary committees are required to maintain confidentiality, and they do so—and I stress that point. The committee can set in place procedures that can ensure that. Once again, I cannot discuss the internal workings of the committee other than to say that, as a member of the committee, I am committed to ensure that, when we say 'complete confidentiality', the behaviour of the committee in its internal workings and the way in which it handles the matter involved, the report would be presented in such a way that what was commercially confidential would remain so.

Clearly, the motion says that there would be a full discussion with both parties, that is, both Government and EDS, in relation to what is or is not considered commercially confidential. We had a committee set up last year to examine

the contract. In February it requested the contract and, up until yesterday, it had not received a copy of the contract. Now the committee has come back to the Legislative Council and requested that we assert the supremacy of Parliament and make clear that we support the committee's receiving the full contract immediately. Let there be no doubt that that is what the committee has asked for and, if the motion moved by the Hon. Anne Levy is passed, that is the will of the Legislative Council. That is the will of the Parliament.

As already noted by the Hon. Anne Levy, Parliament is supreme and has an absolute right to receive those documents, and not to provide those documents is a contempt of the Parliament. We do not have a system of Government by the Executive; we have a system of parliamentary democracy. The Executive is part of the system, and it needs to understand that. There is no doubt that there has been a trend, under Labor as well as Liberal Governments (State and Federal), over recent times for the Executive to take more and more power. I believe that is very unhealthy, because it becomes less and less accountable. I thought that was why the Liberal Party, having spent 10 years or longer in opposition, had a chance to see how executive Government works and would not repeat the mistakes.

From the moment the Liberal Party got into office, I could not tell the difference between Dean Brown as Premier and the way his group of minders work and the way that John Bannon and his group of minders worked: they really work in the same way. They grab decision making and limit it to a very small group of people and information is withheld. That is the way of executive Government and that is the way that mistakes start being made. That is the way the State Bank mistake was made and, if any mistakes are made in this contracting process, it will be for exactly the same reasons. If this Government as an Opposition pledging accountability has forgotten those lessons so quickly, we need a great deal of help.

I want to examine the contract for two reasons: first, to be convinced that a process that is new, at least on the scale on which it is currently being done, has been done in a proper fashion, and that it has been done to the benefit of South Australia; and also to learn from it in terms of future contracts. A discussion—and a little later I will talk about the term 'discussion'—is going on between the Government, the Labor Party and the Democrats about how we might handle contracts in the future but, frankly, that is a discussion which is in something of a vacuum. I feel that it will be a far more informed discussion if I have been involved in an analysis of a major contract first and looked at the ramifications thereof, and then line that up against the protocols being proposed by the State Government. I feel not only that I can learn much about the contract itself by examining it, but also that I can learn a lot about the contracting process and that, from my viewpoint, is just as important.

Perhaps we will come up with a protocol whereby the detail of every contract is not examined: I do not know whether that is an appropriate way to go. I would be in a much better position to discuss something once I have been through a full contract and examined the whole contracting out process that was carried out in relation to it. I am looking to learn from this and to learn from it in a very constructive way and, if the Government wishes to refuse access to the contract, which ultimately cannot be done, it is merely delaying the whole process in terms of how we will handle future contracts and delaying the time when we get that right.

As I said, I do not want to make a decision about how contracts are handled in what I consider to be a knowledge vacuum, in terms of being able to see a real live contract made between the Government and a company and what it really means to try to produce a document that seeks to summarise it and yet to provide adequate information so that it can be properly scrutinised. I am not convinced that that can be done. Perhaps it can, but I will not be convinced it can be done until I have had a chance to see a contract and how such a process would work, whilst guaranteeing the integrity and, more importantly, the value of this summary document.

In relation to the amendment that I am moving to the motion, I do not want to go through the circus of now, having passed in this place a motion which says that the report be noted and that the Legislative Council endorse its request, having to wait for the committee, which may not meet for quite some time, to go back and convey that to EDS and the Premier and then, if further games are being played, to have to come back here again. I would like to short-circuit that process and, as such, I believe that, if we are going to pass a motion that notes the report and that we endorse the request, we should convey that fact to both the Premier as the responsible Minister in this case and to EDS itself, so that they are in no doubt what the clear intention of the Legislative Council, of the Parliament, is. It is time that the game playing stopped and it is time that the committee was allowed to get on with the job that it was given last year.

A Government that promises accountability will be judged by its actions, and its actions at this stage reflect the absolute opposite. They are the actions of a Government that is afraid of accountability. I for one will not tolerate that. The Democrats are committed to seeing accountability in Government. We are quite prepared to talk with the Government about issues of commercial confidentiality and those sorts of sensitive matters, but we will not at the end of the day going stand by and allow these contracts to be held back from select committees that have been established to examine them. We are fully prepared to continue discussions with the Government about future contracts and how they might be handled.

I did say that I would make some comment about the discussions: the ongoing discussions so far have entailed, as far as the Democrats are concerned, one meeting (I believe that may have be the case with the Labor Party as well) and some one-way correspondence that I received yesterday, as I recall. I suppose one could call that 'ongoing discussions', but it is moving fairly slowly. That is not a criticism, but I want people to understand what the ongoing discussions have meant for us so far. There may be a lot of work going on behind the scenes with the Government trying to come up with a some sort of proposal, but it seems to me that we are still some way off and it cannot be used as an excuse to delay the examination of the existing contracts. With the amendment, I support the motion.

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

KAPUNDA SIGNS

The Hon. R.D. LAWSON: I move:

That District Council of Kapunda by-law No. 2 concerning moveable signs, made on 24 October 1995 and laid on the table of this Council on 15 November 1995, be disallowed.

This by-law of the District Council of Kapunda relates to moveable signs which are placed on the streets or roads. The Legislative Review Committee considered that this by-law contained an objectionable provision, which is clause 4(1)(a). That clause provides that a moveable sign shall not be placed on a public street or road unless it displays only material which advertises a business being conducted on premises which are not used in whole or in part for residential or primary production purposes and which are adjacent to that sign, or the products available from that business. The committee took the view that this prohibition against a moveable sign outside premises which are used in whole or in part for residential or primary production purposes was offensive. One might ask oneself why a market gardener, a farmer or an artist who lives on the property from which his business is conducted should be denied the opportunity of placing a moveable sign, whereas the same tradesman or trader who lives next door or on the road opposite the place from which the business is conducted is allowed to have a moveable sign.

The committee's concerns regarding this clause of the by-law were communicated to the council concerned and to its legal advisers. The legal advisers acknowledged that an anomalous position arises in the example just given. However, no satisfactory explanation of the reason for the anomalous position or justification for it was given, nor was any undertaking provided to amend the by-law. It was suggested by the legal adviser that a particular amendment be made. However, that amendment does not really answer the question which arises from the anomaly. The committee was informed by the legal adviser that the clause was designed to prevent moveable signs being used in the main in residential and rural areas, while allowing premises of a business or commercial character in those areas to use them. If that was the intention of the local council, the committee took the view that that intention or objective could be achieved by a more direct means rather than the indirect means of prohibiting moveable signs being placed outside premises which are used in whole or in part for residential or primary production purposes, and for these reasons the committee unanimously resolved that this by-law should be disallowed.

The Hon. P. HOLLOWAY: This was one of a number of similar council by-laws which concerned the Legislative Review Committee for the reasons which have just been outlined in detail by the Hon. Mr Lawson. The Opposition consequently supports disallowance of the by-law.

Motion carried.

WAROOKA SIGNS

The Hon. R.D. LAWSON: I move:

> That District Council of Warooka by-law No. 2 concerning moveable signs, made on 13 November 1995 and laid on the table of this Council on 6 February 1996, be disallowed.

This by-law is identical to by-law No. 2 of the District Council of Kapunda upon which I have just spoken and, for the reasons given in relation to that by-law, it was the unanimous view of the Legislative Review Committee that the by-law ought to be disallowed.

Motion carried.

MURRAY BRIDGE SIGNS

Order of the Day, Private Business, No. 13: Hon. R.D. Lawson to move:

> That by-law No. 4 of the Corporation of Murray Bridge concerning moveable signs, made on 28 August 1995 and laid on the table of this Council on 26 September 1995, be disallowed.

The Hon. R.D. LAWSON: I move:

> That this Order of the Day be discharged.

Order of the Day discharged.

CONTROLLED SUBSTANCES (CANNABIS DECRIMINALISATION) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 22 November. Page 528.)

The Hon. DIANA LAIDLAW (Minister for Transport): I do not propose to speak at great length on this Bill. Various speakers have made comments about reports relating to cannabis and pieces of research on the matter. I propose to speak, however, about some more recent research since I believe it is relevant to some of the Hon. Mr Elliott's comments when he introduced the Bill on the most recent occasion and also on a previous occasion. At both times he has urged that members support his Bills by way of approaching cannabis use from a health and social perspective.

I am advised that at the meeting of the ministerial council on drug strategy on 16 June 1995 a report was tabled on the findings of phase 1 of a research study into the social impact of cannabis laws in various Australian jurisdictions. This phase of the study was coordinated by the Australian Institute of Criminology, with funding from the Commonwealth. The project team included researchers from a number of agencies throughout Australia, including the Drug and Alcohol Services Council in South Australia. The following points outlined key findings of phase 1 of the project, as follows:

1. Enforcing the legislation relating to minor cannabis offences in Australia is estimated to have cost $329 million in 1991-92, representing approximately 73 per cent of the total cost of illicit drug enforcement;
2. Changes in legislation regarding minor cannabis offences as in South Australia and the ACT have had little impact on levels of cannabis consumption;
3. In South Australia the cannabis expiation notice (CEN) scheme has led to an increase in the number of police detections of minor cannabis offences. In 1987-88 around 6 200 expiable cannabis offences were detected, compared with over 17 000 in 1993-94. Drug use survey data showed that this increase in detections is not related to changes in community levels of cannabis use. Changes in police practices and the ease with which minor cannabis offences can be dealt with are thought to be likely to be the main reasons for the increase in detections. I seek leave to conclude my remarks later.

Leave granted; debate adjourned.

FISHING, NET

Adjourned debate on motion of Hon. R.R. Roberts:

> That the regulations under the Fisheries Act 1982 concerning ban on net fishing, made on 31 August 1995 and laid on the table of this Council on 26 September 1995, be disallowed.

(Continued from 14 February. Page 904.)

The Hon. SANDRA KANCK: The Australian Democrats' first concern in this debate will always be for the health and proper management of South Australian fish populations. If fish populations are at real risk because of netting, the Democrats would clearly support a tightening of the regulations. The Democrats are also alert to the concerns of the thousands of recreational netters who have contacted our office since this regulation came in last year. When my colleague spoke to this motion in November last year he flagged clearly to the Minister his concerns in relation to this regulation and the number of separate issues addressed in the one regulation. The main area of concern that we have raised is in relation to the ban on recreational netting, which flies in the face of the recommendations of the Government's own netting review committee.

In November the Democrats called on the Government to table in Parliament real evidence which supports its wholesale bans and which discredits the recommendations of the netting review committee. We stated at that time that the Government had been grossly irresponsible in not bringing forward all the evidence, on which it based its decision, to the public view. We asked the Minister to reassess the regulation and bring forward a new one. We also warned that when the Parliament resumed in the new year we would be prepared to knock out the regulation unless the Government produced more adequate evidence than it had done so far to this Parliament or unless there was a change in the regulations.

The Government responded to the motion in February this year in a very short speech which failed to address all the concerns raised in relation to evidence substantiating the bans. In fact, the Attorney-General simply stated:

> There is sufficient evidence, both scientific and anecdotal, to support regulations and management arrangements that will reduce the catch of fish species such as tommy ruffs, yellow fin whiting and Australian salmon.

It is interesting to note that the original reason espoused for the ban on recreational netting was the King George whiting, which did not rate a mention by the Attorney-General and is a claim which has been debunked by many recreational netters and others throughout the industry. The Democrats also had a subsequent follow-up meeting with the Director of Fisheries to offer a further opportunity to provide proof that the netting bans are required. Even then no detailed information was provided.

To conclude, the Liberal Government was unable to show that South Australia's fish stocks would be compromised by recreational netters. The Democrats will be willing to change their stance at any time that the Government can prove that fish stocks are seriously at risk from the efforts of recreational netters. We would also be willing to ensure tighter restrictions on recreational netters to help ensure the ongoing viability of fish stocks. We would be prepared to support further restrictions on net length and limited open seasons and more closed areas so that a significant reduction in fishing effort from recreational net fishers occurs. However, as there has been no adequate proof brought forward by the Government that fish species targeted by netters are at risk, we must support the disallowance motion.

The Hon. T. CROTHERS: I rise also to speak on this matter and indicate that I may have to seek leave to continue my remarks. The great disappointment I perceive is that when my own Party was in Government we endeavoured time and again to introduce measures into this House in respect of the control of what our Minister perceived as over fishing for commercial purposes, in particular the use of nets with respect to both commercial and so-called amateur fishing.

The so-called amateur fishermen, in many cases, were making a nice quid on the side. My disappointment as a member of the Opposition is what the Government has not perceived—at least it appears that it has not perceived it up until now—is that, because of the strides that have been made in processors that pertain to aquaculture, more money has not been forthcoming from the Government in respect of research and development relative to the control of over-fishing while still retaining the enormous commercial benefits that a good supply of fish stock such as we have, and I think the Hon. Ms Kanck mentioned King George whiting, a most popular fish, which I believe further research in aquaculture would certainly show very clearly that these fish can be bred, if you like, in captivity. This has been a serious disappointment to me and I would be very supportive of our own position and that of the Democrats in respect of the disallowance motion that now sits before the Council for the consideration of members.

The Hon. R.R. ROBERTS: I thank members for their contributions to this debate and note the length of time that this matter has taken. I am very thankful for the support of the Democrats. They have been lobbied for a long time and they have been particularly vigilant in their considerations of the matters involved in recreational net fishing in particular. It is worth noting that this matter has been before this Parliament for almost seven months. There was no evidence to support the cessation of recreational net fishing in South Australia. All the evidence was before us before we started the process. We did move a disallowance motion. There was another one moved by the Legislative Review Committee to again go over the circumstances of recreational net fishing and recount all the history that we had gone over before.

I was prepared to support the legislative review process because it did allow a number of fishing representatives from a number of areas, including those recreational fishermen that fish out of Port Augusta who have a particular problem with the size of whiting. I was particularly interested in the contribution of Mr David Hall and Mr Presser when they appeared before the committee and some of the comments they made in respect of the fish that congregate in the northern part of Spencer Gulf. I was interested to see that David Hall believes that we will catch squillions of 30 cm whiting in that area in a couple of years. I note that since about 1987 we have had a complete ban on netting north of Douglas Bank and today we find it is extremely difficult to catch 28 cm whiting. This is due to the nature of the species. It spawns out in the deeper water, the spawn floats in and those fish are nursed in those areas until such time as they are ready to go out.

The most damning situation in relation to this is the filibustering that has taken place basically on behalf of the previous Minister for Primary Industries—fishing in particular—Mr Dale Baker. Mr Dale Baker made it very clear that he had a view, despite the evidence of the Net Review Committee, that he was going to close recreational net fishing. That dragged in the department to try to justify that argument. I think the representatives of the department did a valiant job to justify the unjustifiable when they gave their evidence.

One of the arguments they relied on was that nets were not discriminating. That is clearly and patently false. There is a net of a certain size set between the low water mark and the

high water mark where only certain species congregate and the size of the mesh discriminates quite clearly as to what size fish will be enmeshed in that area. Previously, we provided evidence to this Parliament that the majority of the fish targeted by recreational net fishermen are under exploited. That was backed up by evidence from Dr Karen Edyvane when she cited the Ocean 2000 report that was commissioned by the Federal Government.

That report was probably the most extensive survey of fisheries in Australia, anywhere. Quite clearly, according to her, those fish—mullet, tommy ruff, and salmon trout in particular—are under exploited in this State. In fact, the Opposition in the Estimates Committee last year raised the point and asked what evidence they had for justifying this decision to deny South Australians, who for many years had had access to this fishery. It was then revealed that it was intended to hold a workshop at which they would get experts from interstate and from South Australia to assess these fisheries.

The members of the Australian Democrats would have received a copy of the letter. In fact, I have a copy of the letter that was sent to them. I do not intend at this time to go into any great detail, but that workshop, in my view, was clearly designed—and I do not resile from the fact in making the assertion—to get an answer of convenience. However, a critical analysis carried out by Mr Howard Natt and his executive clearly has again blown those particular arguments out of the water. During their evidence the members of the department used a number of techniques to try to convince members of the Legislative Review Committee that they had evidence that the fishery was going to be in dire straits. On page 50 of the submission Mr Hall said:

> Essentially, the problem with recreational fish nets, as perceived by the Government, was that not only did the community not support it but, if we were to apply the general principle of allowing equal participation, we would have a gear type that represented a level of fishing power that would result in non-sustainable levels of fishing effort on those fisheries. In this day and age—

this is the pertinent part—

> with very high levels of exploitation of fish, and one really only needs to look at fisheries around the country and elsewhere that are collapsing through over-fishing, it is obvious that it would be a dangerous step to take.

No-one was suggesting that we apply more effort. The proposal put to the department by the South Australian Amateur Fishermen's Association and myself suggested that there should be a natural attrition process on recreational net fishing. What has been happening is the fishing effort has been continually decreasing. If one throws up the argument 'We cannot over-exploit our fish,' it is a closed question which really does not apply.

They referred to the tagging of mullet. They talked about the fact that they are conducting some surveys on angling on fish catches, but again that is another red herring! Clearly, the main fish being targeted in those activities are whiting and snapper. There is no evidence in relation to recreational net fishing on who is catching what and when. I put a proposal to the Amateur Fishermen's Association of South Australia and it has agreed that when it participates in these activities it must complete a return and present it to the Department of Fisheries so that over time we can get measurable evidence. If in 12 or 18 months time there is clear evidence that there is some pressure—and I emphasise that there is clearly not at the moment—then we will have to reassess the position.

In all the circumstances, what we have seen here is a compliance with a political obsession rather than any factual evidence. I understand that the Democrats have pointed out in their contribution today that there is no evidence to suggest that this particular activity is having any deleterious effect on the overall fish stocks in South Australia. It is worth putting on the record the fact that the history of fishing in South Australia is quite different from that in New South Wales, Victoria and Western Australia. We have a completely different topography here. It has been shown clearly that the fish stocks in those particular species have not been put under undue pressure.

In seeking to convince the Democrats and the Australian Labor Party that the decision it made back in August last year was the right decision, the Government has tried to compile evidence and draw in expert information to justify that decision. Quite clearly, when you think about that, it is dishonest, because the decision was made without any evidence and the Government is now trying to create evidence to justify a decision which was wrong. I am delighted that the Australian Democrats have been convinced that these people are undertaking a legitimate activity. I am impressed by their commitment to the fishery. It is disappointing that a number—and I do not know how many hundreds—of people have handed in their licences, and I do not know if they will ever get them back, but the effect of that is that there will be a net reduction again in recreational net fishing if they are not reinstated. I urge the department to sit down with the Recreational Amateur Fishermen's Association and other players in this industry to come up with reasonable conditions for the pursuit of recreational net fishing in South Australia and allow this activity to continue.

I am particularly delighted with the support given by the Democrats today, because it should now be possible for those people who for many years have enjoyed the family activity of recreational net fishing to take part in that over Easter. However, as a result of what we have done through the regulation process, all the regulations are disallowed. I would have no objection if the Government moved very quickly to re-regulate in those areas, other than for recreational net fishing, but it would be an absolute injustice and a failure for the people of South Australia if tomorrow morning new regulations were introduced which denied this activity. You may well smile, Mr President, but this Government is guilty of much more heinous acts than the one I have just suggested it might do.

I think that the people in the industry, especially Mr Howard Natt and Mr Barry Treloar, have attacked this problem on behalf of recreational anglers in South Australia with a great deal of diligence. They have spared no effort to gather information, negotiate and provide proper information for those who wanted to hear. Unfortunately, we had a previous Minister for Primary Industries who clearly did not want to hear. We had a previous Minister who said that, whatever happened, there would be no recreational net fishing, despite the evidence.

It is interesting to note—and I will not present it today—that I do have copies of letters sent by the present Minister for Primary Industries when, as a backbencher, answering questions of constituents, said that it was his view that this activity was not causing all that much harm. However, he was only a backbencher and could not do anything about it. I hope he maintains his stance and does not participate in any other trickery to try to deny these South Australians access to this family activity which, to call it a fishing activity, is very

much an expanded definition, because basically, in 99 per cent of the cases, it is a recreation. The fishing part is a very minor part of the activity.

There is one other issue we need to talk about, and that is the myth that there are tonnes and tonnes of King George whiting caught in recreational net fishing. I would be the last one to say that no King George has ever been caught in a recreational net, but they are the exception in most areas. On occasions, Mr President, you have said that you have seen them caught over on the West Coast, and, as you are not prone to telling pork pies, I must believe that that is the case. I have received almost 600 letters, and almost every one of them said they only ever caught one or two King George whiting.

The previous Minister suggested on radio to me and to the Country Hour listeners in South Australia that I was interfering with their recreation and that they should give away their recreational nets and buy a boat. Quite clearly, if that occurred, they would target whiting and snapper, the very two species that are under threat in this State.

This is an exercise which has restored my faith in Easter, and I thank the Australian Democrats for their support, not for me but on behalf of all those families who participate in recreational net fishing and who, given that the Government will not play spoiler in this exercise, will now be able to participate in that very enjoyable activity again. I commend the motion to the Council.

The Council divided on the motion:

AYES (10)

Cameron, T. G.	Elliott, M. J.
Holloway, P.	Kanck, S. M.
Levy, J. A. W.	Nocella, P.
Pickles, C. A.	Roberts, R. R. (teller)
Roberts, T. G.	Weatherill, G.

NOES (9)

Davis, L. H.	Griffin, K. T. (teller)
Irwin, J. C.	Laidlaw, D. V.
Lawson, R. D.	Lucas, R. I.
Pfitzner, B. S. L.	Redford, A. J.
Schaefer, C. V.	

Majority of 1 for the Ayes.

Motion thus carried.

CONTROLLED SUBSTANCES (CANNABIS DECRIMINALISATION) AMENDMENT BILL

Adjourned debate on second reading (resumed on motion).

(Continued from page 1245.)

The Hon. DIANA LAIDLAW (Minister for Transport): Before we debated the issue of fishing nets and bans, I was midway through a very interesting discussion on cannabis and realised that I had lost critical page 2. I now have that page. I have highlighted a number of key findings from the Ministerial Council on Drug Strategy in relation to the first phase of the project and have listed five findings.

First, in the four years for which data is available, on specific offences expiated (1988-89 to 1991-92), the proportion of cleared expiation notices involving minor cultivation offences has remained constant at 25 per cent. Secondly, the largest proportion of expiated offences related to possession or use (that is, 41 per cent in 1991-92) followed by offences related to possession of implements (34 per cent in 1991-92). Thirdly, at present, there are no reliable data to indicate the degree to which minor cannabis offenders are reoffending (that is, have received multiple expiation notices over time) or have other recurrent offences requiring court appearances. This information should be available following further work on police and court data systems. Information on prior criminal offences among people issued with expiation notices is also unavailable.

Fourthly, nearly all offenders issued with expiation notices who appear in court following failure to expiate fines receive a conviction. Most other offenders receive fines as penalties; community service orders are very rarely issued.

Finally, the rate of expiation of notices has remained low, at about 45 per cent. The reasons for this rate are not clear at present, but it is likely that it is related to difficulty experienced by offenders in paying fines or to the fact that some people with expiable cannabis offences (although the proportion is unknown) may already be required to appear in court for other matters arising from the same incident and, therefore, have little incentive to pay expiation fines prior to the court appearance.

The Commonwealth is due to release a tender document outlining its requirements for phase 2 of the social impacts study. The emphasis of this phase will be on the impacts of the cannabis expiation notice system in South Australia. It is planned that a team comprising researchers from the Drug and Alcohol Service Council, the National Drug and Alcohol Research Centre and possibly other research centres will seek funding to undertake this project. This work will involve significant collaboration with South Australian police. Considerable liaison has already occurred between the Drug and Alcohol Service Council and police staff, particularly in the area of police statistics. Work has commenced in the preparation and analysis of current and retrospective data on cannabis offences dealt with through the CEN system and the courts in South Australia since 1987. Among the key issues to be explored in phase 2 research are as follows:

(1) the reasons for the low rate of expiation of minor offences under the CEN scheme in South Australia;

(2) possible negative outcomes for offenders under the present system which might arise from failure to expiate fines or from receiving a criminal conviction;

(3) whether the available data provides support for the view that the CEN scheme in its current form provides a 'loophole' for groups who may wish to conspire to grow small commercial quantities of cannabis;

(4) the financial costs associated with processing offenders through the CEN scheme, including comparison of expiators versus non-expiators;

(5) ways in which the rate of expiation of minor offences could be improved and the burden of minor cannabis cases on the court system reduced.

It is hoped that the preliminary findings of the research will be available by the end of 1996, with a final report presented to the Ministerial Council on Drug Strategy in early 1997. It seems to me and to the Government that we would be well advised to await the results of that further research before considering the possibility of changes to the current system such as those proposed by the Hon. Mr Elliott in the Bill before us.

The Hon. M.J. ELLIOTT secured the adjournment of the debate.

PARLIAMENTARY SECRETARIES

Adjourned debate on motion of Hon. P. Holloway:

1. That the Legislative Council notes the creation of 16 parliamentary secretaries by the Premier.
2. That this Council further notes that parliamentary secretaries represent their respective Ministers at designated functions and in meetings with companies and other organisations on behalf of Ministers.
3. Consequently, that this Council resolves that Questions Without Notice be permitted to parliamentary secretaries on 'any Bill, motion, or other public matter connected with the business of the Council' in which the parliamentary secretaries may be specially concerned.
4. That this Council also calls upon the parliamentary secretaries to resign forthwith from standing committees constituted in either House because of potential ministerial conflicts of interest.

(Continued from 27 March. Page 1127.)

The Hon. R.R. ROBERTS: I support this motion. This comes about because of the recent appointment by the Premier of this State (Hon. Dean Brown) of 16 parliamentary secretaries, which move will change the complexion of the parliamentary system in this State for some time. I seek leave to conclude my remarks later.

Leave granted; debate adjourned.

STATUTORY AUTHORITIES REVIEW COMMITTEE: ELECTRICITY TRUST REVIEW

Adjourned debate on motion of Hon. L.H. Davis:

That the interim report of the Statutory Authorities Review Committee on a Review of the Electricity Trust of South Australia (ETSA's Expenditure on Energy Exploration and Research) be noted.

(Continued from 28 March. Page 1181.)

Motion carried.

[Sitting suspended from 5.59 to 7.45 p.m.]

RACING (MISCELLANEOUS) AMENDMENT BILL

Adjourned debate on second reading.
(Continued from 2 April. Page 1227.)

The Hon. R.R. ROBERTS: I support the second reading of the Bill. I do not intend to make a long contribution to this debate. An extensive debate took place in the Lower House in respect of this matter. From my commitment as a person involved in trotting and racing for some years, I declare my interest in what we are doing with respect to restructuring racing in South Australia. In previous contributions I have pointed out where I believe faults lie. The present structure provides for three advisory groups: one for racing, one for trotting and one for greyhounds. I note that the Greyhound Racing Advisory Board and the Harness Racing Advisory Board have appointed representatives. I note that the galloping industry has people nominated by the SAJC.

I am aware of the principal clubs principles which I believe are not in the best interests of the industry. These panels all ought to be of the same status. However, this structure is a move in the right direction. I would have liked to see a racing commission with much broader powers and with greater independence; however, this is a step in the right direction. My colleague in another place, Mr Kevin Foley, has indicated on behalf of the Opposition that we support this change but that we do continue to hold concerns for the racing industry in South Australia which, undoubtedly, has been affected not just by the introduction of gaming machines but by the introduction of many forms of gambling.

These days people have many options to choose from when it comes to gambling. They choose from time to time where they will invest their gambling dollar, as is their right. I believe that one of the things consequential on that has been pressure on the racing industry. We will be moving some amendments to this Bill which basically deal with the distribution of fractions and uncollected bets. I understand that at the present moment those moneys are retained half by the Racecourses Development Board and the other half goes into the Treasury account. Those funds that normally would have gone to the Racecourses Development Board will now go to the RIDA, and the rest will go to Treasury.

We think that, when the racing industry as a collective with greyhound and harness racing and gallopers is under pressure, those moneys that are collected by the racing industry ought to be put back into the system. I will be moving a series of amendments that were moved by my colleague in another place. I will be looking for some support from the Australian Democrats with respect to these matters, but they are a little slow off the mark. However, I indicate that the Opposition will support the bulk of the Bill, with some amendments.

The Hon. J.C. IRWIN: I do not have a lot to contribute tonight, but I must say that I am not all that happy with the way the measure has come through the system to finish up in this House at midnight last night (I understand) and now we are discussing it today. I am not as prepared as I would like to be, but I will make a contribution and hopefully cover the points I want to make in some sort of coherent order. I believe that both Houses of Parliament should be wary of the Executive getting into the habit of pushing through legislation at the end of sittings. Although it is not the end of the session, we are certainly getting to the Easter break when there are only two days left for legislation to be considered—and it is serious legislation, with serious ramifications in this case for the racing industry. It may not be the largest but it is very nearly the largest employer in this State. I understand that an arrangement has been made between the Opposition and the Government to get this legislation and some amendments through and I respect that, but I still make the point that we ought to be wary of this sort of process.

Racing is another victim of poker machines. That process started with the Casino and followed with one of the last nails in the coffin: the introduction of poker machines into the Casino and then into clubs and hotels. Later tonight we will discuss legislation in respect of that matter. I still contend, and most people would agree with me, that that last nail in the coffin was because of the redistribution of the gambling dollar in South Australia. It can only go so far and go around only so often. Even though on each new issue some new money comes into the system, it invariably props up one and takes away from another in the process.

I did not think I would see the time when a Liberal Government would socialise racing—I cannot think of any other term for it. It is at a time when this State Government is deregulating and when there are moves to devolve out to various areas the functions of the State Government so they can be run more efficiently in various ways. I do not need to go into them: members would know what I mean. But it sits rather oddly with me that here we are introducing something that is creating another maze of organisations which will take over the principal administration of racing in this State, covering the three codes.

Just like the amalgamation of local government—and I will mention that later—although I do not know it in chapter and verse, I have the feeling from the ALP policy and public statements over the years that the ALP believes there should be a racing commission, something akin to what is contained in this Bill. It would be perfectly in line with the ALP's thinking and policy that it would support this sort of legislation. So, it does not come as a surprise to me that there is, if you like, bipartisan support for this move that a Liberal Government has taken.

I have a number of dilemmas about discussing this sort of legislation. My main dilemma, to which I have already alluded, is that the principle is wrong. I cannot find any other words to describe it other than to say that this is terrible legislation. It is especially terrible because it emanates from a Liberal Government. Part of my dilemma is that I understand that something must be done about the falling finances available for racing. Another dilemma that I have is that I find it odd that a Liberal Government is subsidising wealth. I do not think that you can say that, generally, the people who take part in racing (the owners, the bettors or the attendees) are wealthy—I do not mean that—but a very large percentage of the people who take up racing as a hobby or a semi-profession from an owner's point of view are certainly wealthy. If I can be bold enough to say it, those people in that category who are friends of mine, who race horses and who own them, certainly fall into that category of wealth and, to a person, they have said to me that they want prize and stake money to be increased. I do not have any problem with that issue being passed onto me, because I assume that it has been passed on to other members. It makes for popular commentary in the press that more funds need to be put into racing for stake money.

The Hon. T.G. Roberts interjecting:

The Hon. J.C. IRWIN: That's another matter. I do not think that we could come up with any sort of legislation to overcome the lack of form or the extraordinary form changes that one can see. I am not a frequent visitor to the races, but I take an interest in race meetings, I read about them every weekend and, obviously, I see on television the major racing carnivals and races which are becoming more frequent in the racing calendars of the States of Australia. The bigger and the more important those races are from a breeding and stake money point of view, the less I can see of any sign of manipulation of a result—I think the stakes are too high in some cases for that. No-one can assure me that a Government Minister appointee will be better than a club elected person from whichever code they come, whether it be thoroughbred racing, the dogs or harness racing.

One simple example of this is the former TAB board, which had plenty of flack thrown at it. The majority of the members of that board were of good repute; they acted in good faith according to their ability, they were appointed to the board by the Minister, and they were given a lot of flack. There is nothing in this legislation to assure me that the same thing will not happen to any body whose members are appointed and dominated by a Minister. Such eminent people as Colin Hayes and other good people have been part of that TAB board. It is acknowledged by everyone to whom I speak that money is the problem with racing and the three codes. Colin Hayes suggested, in an article in the *Sunday Mail* a few weeks ago, that something like his ideal would be for the average stake to rise from $15 000 to $25 000 and that there should be an incentive for breeding.

The Hon. A.J. Redford: I wonder why he's saying that.

The Hon. J.C. IRWIN: There may be some self-interest in that. Everybody acknowledges that Colin Hayes's establishment is world-class. I had not thought that way, but it is a logical way to think. My calculation on figures published in the Auditor-General's Report last year, 1994-95, for the racing industry suggests that about $10 million will be required for thoroughbreds alone and maybe up to $15 million for the three codes in order to increase their stake moneys. Incentives and other such things such as capital expenditure would be on top of that. That $15 000 to $25 000 average is over 66 per cent increase in stake money. I guess there is argument about whether it is sufficient and most people in South Australia would objectively say that $25 000 might be too high, but it is no doubt predicated on the size of stake moneys offered in the other States that are obviously competitive with South Australia. South Australia does not stand out on its own in breeding and, although it has very good group one races—Adelaide Cup and others—that compete equally in standard with the other States, we do not have enough. An awful lot needs to be done, but we have to think competitively on the costs of transporting a horse by aeroplane or float to Melbourne. If South Australia lags too far behind in stake money—and that stake money would run from first, to second third and probably fourth—people would simply do their calculation and float their animals to other States. However, they must calculate the physical damage to their horse in getting it to another State in a float or aeroplane, which is why the $25 000 may be in the too high bracket and maybe could come back a bit. It is not terribly important.

Importantly, an eminent critic of the racing industry in South Australia, Colin Hayes, has suggested those things. My argument is that all of the money that will now be involved in the improvement of racing under this structure in South Australia should come from the TAB and the Government's share of TAB, which is around $20 million a year. On the figures of $10 million to $15 million it would cut out most of the Government take from the TAB, although I realise that there are areas where efficiency gains can be made in some of the decision making that has not been properly addressed by the three codes presently.

The $10 million to $15 million I have talked about is one thing, but there is also a need for a shot in the arm in relation to the capital needs of the industry such as relocating racetracks within the metropolitan or near metropolitan area and holding country racing in the major country race areas. The money for that needs to come from the TAB. I have always argued, as I have with poker machine income to Governments, that as much as possible ought to be returned to the people who play either the poker machines or bet with the TAB or the bookmakers. If the Government can cover its costs, the great bulk of the leftover funds should be put back into racing. If that happens, most of the Government's income from the TAB will be taken away.

Earlier I alluded to the fact that I believe the principle is wrong because we are regulating rather than deregulating, we are centralising rather than decentralising. As to my knowledge of the industry, the great days of South Australian racing were achieved without much, if any, Government interference or help. I refer to the reconstruction of the Morphettville grandstand after the original grandstand was destroyed by fire in the early 1980s, I think, when David Tonkin might have been Premier. Certainly, I doubt up to that time that huge sums of Government money went into racing at all and, if it did, it went in on the old subsidised basis of the

Playford system. If a club or community group wanted something, be it a hospital or sporting facility, if they were willing to put their money in the Government was willing to put something in on a dollar for dollar or $2 for $1 or $3 for $1 basis. I think that would have been the only money coming to racing in the early days.

As I said, I acknowledge that something has to be done. The Government's actions in other areas of gambling such as the Casino and poker machines have upset the spending of the gambling dollar, which has had its effect on racing right through to the TAB. Certainly, I do not forget that racing, like local government and other community organisations, started from the ground up, involving members, clubs and the public. My comments on local government were made some time ago in this place and then I expressed an abhorrence about the way the Government was dealing with local government. I refer to the individuality that people attach to some small power base in their community by being able to influence local politics. I indicated how better democracy was in local government involving the grass roots—the ordinary people working and living in their communities being able to communicate with councillors and having decisions made at a local level.

If we cast our minds back to all the great sporting institutions in the metropolitan area, such as the Adelaide Oval, the racing clubs up to now, the South Australian Cricket Association and others, we see that their facilities were built through the hard work of members, subscriptions, membership, enthusiasm and initiative. Facilities were provided for the public, who obviously paid a price to get in: the public made their contribution. My point is that this all comes from the bottom up and not from the top down. What is most clear in my principles regarding local government and this area is that, if we diminish or demolish the bottom, there will not be any top at all, except the Government and Ministers making appointments to govern, in this case, the racing industry. I hope we do not follow that principle into Australian Rules Football, hockey or any other areas.

As it turns out, my uncle, R.N. Irwin, was the first Chairman of the TAB in South Australia and was then Chairman of the South Australian Jockey Club. I recall that they were times when racing was probably at its peak in South Australia. People like Colin Hayes and others had started up and were going full steam. South Australia led Australia in breeding and there were amazing spin-offs from the good breeding undertaken in South Australia, not only in respect of Colin Hayes, who readily comes to mind, but also a number of other very talented breeders, trainers and owners in South Australia who built the industry. In using my uncle as an example, I make the point that at that stage there was no Government interference at all. It was run by the membership of the various clubs and it was very strong. One should analyse how that happened: it just did not happen out of the blue. It fell away because other things have come in. I have made the point about the other gambling dollars and other gambling avenues which are available, compete with racing and which have made it difficult. Through this Bill we will now impose a top down structure, which will become more and more intrusive in every facet of racing.

I remind members of what Colin Hayes said about the solutions—and he was supporting the Minister very much. The interview with Colin Hayes happened not long after the Minister had publicly announced what was to happen with racing, if the Parliament agreed. With reference to the solutions he said: first, the Minister would have to do what he promised; secondly, the bonus incentive schemes would mean that money has to be paid; and, thirdly, the stake money would be increased, as I previously mentioned. We should also note that Colin Hayes is one prominent person who wants to do away with bookmakers in South Australia. One wonders how long that will take in the quest of bringing everything under the one avenue where the TAB can dominate. Down the track there may well be no colour, in the sense of bookmakers or what they have to offer.

Money is the fixer of problems—and I have not heard anyone say that it is not, and I am sure no-one will say that. We must bear in mind what the Minister said about the possibility of taking away some of the blocks in the system at present in relation to decision-making. He said that there could be some efficiency gains. Why change the structure to one dominated by the Government? Why not give the money—which everyone acknowledges is required—to the racing codes as they are so that they can carry out what is needed for the industry. They have been hamstrung by the falling dollar coming through the TAB back to the racing codes.

As far as the TAB is concerned, I believe that one code should not subsidise another code. In other words, thoroughbred racing should have returned to it exactly what it produces through its efforts and initiatives in the thoroughbred area. The same should apply to harness racing and the dogs. They should not be cross subsidising each other. One way of trying to lift anyone's game is to give them the incentive that, if they produce more through the system, they will get more out of the system.

Regarding the functions of the Racing Industry Development Authority (RIDA), I will make some suggestions. One function of RIDA will be to take over the functions and powers of the existing Racecourses Development Board and racecourse development and rationalisation. Again, I accept the Minister's explanation that the vested interests in the racing industry and within the codes have blocked movement regarding the opening and closing of new tracks, the upgrading of tracks and the spending of the right money on them, but these two areas in themselves are not sufficient for setting up an authority such as RIDA. RIDA will also control the functions and powers of the existing bookmakers and licensing board and the functions and powers of the existing racing appeals tribunal. I accept that it will be an improvement to have these two functions separated from the individual codes in terms of administration. There will be some advantage in a board of some stature taking on these powers, but again I do not accept that these two functions, or any others, are enough to cause the setting up of RIDA.

Other areas of responsibility of the Division of Racing, Office of Recreation, Sport and Racing which include industry policy development through industry consultation, the distribution of TAB surplus, RDB funds and any new funds, are not, in my opinion, anywhere near sufficient reason for an overriding authority. The development of the South Australian breeding industry, corporate image, marketing, advertising and promotion of the total industry, development of sponsorship, opportunities for special events, industry research and analysis, development of industry accountability at all levels, approval of race dates and recommendations by controlling authorities are absolutely not, in my opinion, sufficient reason for the development of an authority such as RIDA. In fact, I believe they are a disgrace and that they should be administered by some body other than the codes themselves.

Over the years I have sat in this place and have heard about the tourist industry and a number of other industries. I am sick and tired of hearing every week that another inquiry will be set up to investigate how well the tourist industry and some other industries are doing. It goes on and on, and I do not see any benefits at all. I am particularly talking about the former Government, but I assume the same thing might happen with this Government unless we see good indications of very much increased bed usage in the major hotels in South Australia, as well as a number of other indicators.

I am not terribly enthused by this legislation. I will not vote against it, but I have spoken as strongly as I possibly can against some of the areas where I think the intrusion of Government and of Ministers making appointments to boards will be, in the end, to the detriment of the industry, which has been built up over scores of years by dedicated people from the bottom up, and we will not benefit very much from this top down approach.

The Hon. A.J. REDFORD: I rise to support the second reading of this Bill. I share the sentiments expressed by my colleague the Hon. Jamie Irwin about the amount of time we have had to deal with this Bill. I will put it a little more strongly: I believe it is absolutely disgraceful that we are expected to deal with a Bill that has only hit this place some 20 hours earlier. In fact, I was advised only this afternoon that we had to deal with this Bill tonight and, I must say, I have not been given any explanation as to why we have to deal with it in such a short space of time. I understand the need for this Bill to be passed prior to 30 June this year, but we have another four sitting days, and if the Executive arm of Government thinks it can get away with this sort of short notice in the future, it might need to think again.

This Bill introduces a sorely needed restructure of the industry. I share, as a matter of principle, the concerns expressed by my colleague, the Hon. Jamie Irwin. However, sometimes necessity means that we must modify our principles and, in this case, it is my view that unless something is done very rapidly in relation to the future of the racing industry we will not have a racing industry in South Australia. This legislation seeks to establish the Racing Industry Development Authority (RIDA). I must invite members to perhaps contemplate the sense of humour of the drafter of that term.

It is important to understand how RIDA fits into the scheme of things. As I understand it, the Racing Industry Development Authority will have responsibility for financial marketing, commercial and business skills, and for licensing and regulating the industry. Also, it will take up the functions of the Bookmakers Licensing Board, the Racecourse Development Board, the Racing Appeal Tribunal, and the Racing Division of the ORSR. I also understand that, through consultation, the South Australian Thoroughbred Racing Authority, the South Australian Harness Racing Authority and the South Australian Greyhound Racing Authority will be accountable to the Racing Industry Development Authority. With the exception of the South Australian Thoroughbred Racing Authority, all the personnel involved in each of those bodies will be appointed by the Minister, whomever he may be from time to time. I will return to some observations that I have regarding that in due course.

However, as I have said in contributions I made in October last year and in February this year, racing in this State is facing a real crisis. As I have said previously, the decline in turnover of the TAB, the decline in country racing, the decimation of crowds attending races, the decline in stakemoney relative to the CPI, the decline in numbers and quality of racehorses in South Australia and the exodus of many trainers to Victoria all mean that the future of racing in this State looks very bleak. When you toss in competition from the Casino, keno, poker machines and the activities of the Victorian Government in providing incentives to racehorse owners and breeders, the task confronting the industry is daunting.

The time in my view is opportune for new and innovative ideas, and it is to be hoped that this new racing structure will bring forth these new ideas. I am pleased to see that, while not strictly a sunset clause, there is a review clause in clause 22 of the Bill, which provides:

> (1) The Minister must, within five years after the commencement of this section, cause a comprehensive review to be conducted of RIDA's operations and a report to be prepared and submitted to him or her on the results of the review.

I must say I have not seen any amendment on file in relation to clause 22. Given the shortness of time that this matter has been in this place, I will not have the opportunity to talk to anyone, but it would be my view that a review could quickly and easily take place within three years. It seems to me that what we need to do in the racing industry today is develop a sense of urgency, which has not been apparent in the past.

My concerns in relation to this industry are many fold. First, the legislation does not appear directly to deal with some of the issues that arise out of the competition policy which the South Australian Government has adopted and, in particular, some of the principles set out in the Hilmer report. What concerns me is that there seems to be an intermingling of both the regulatory function and a marketing function within the various bodies established under this legislation. It is my view that this ought to be very closely monitored by the Minister who has the responsibility for administering the industry.

Let me refer members to some of the clauses to demonstrate my concern about the mixing of a regulatory function with a marketing function. Clause 14(1)(a) of the Bill provides:

> 14. (1) The functions of RIDA are as follows:
> (a) to assist and guide the development, promotion and marketing of the racing industry. . .

I will contrast that with the functions of the South Australian Thoroughbred Racing Authority. Clause 32 provides:

> (1) The functions of SATRA are as follows:
> (a) to prepare and implement plans and strategies for the management of the financial affairs of the horse racing code and for the development, promotion and marketing of the code.

If one looks at the legislation, one sees that there is a significant duplication by both these bodies in terms of promotion and marketing of the code and/or the industry. RIDA may well be confronted with some quite difficult decisions in determining how it will promote and market the industry as a whole, when one considers that there is a real argument that there is a competitive market involving greyhound harness racing and thoroughbred racing.

The Government needs to consider carefully that the regime that has been set up here does not infringe upon the basic principles set out in the Hilmer report. On balance, the racing industry in general is so far on its knees that we have come to a point where we have to act—and act quickly. In that regard, I congratulate the newly appointed Minister for confronting that challenge. However, my request of the

Minister is that, in the fullness of time—and in that sense I am suggesting three years—he revisit the current structure of the industry and perhaps even address the concerns that were set out by my colleague the Hon. Jamie Irwin. I also suggest to the Minister that, at the next meeting of Racing Ministers of Australian States, the issue of principal racing clubs ought to be considered and addressed. The principal racing club scenario in this country cuts across the basic principles set out in competition policy and in relation to Hilmer, in that the principal racing clubs have both a marketing and a regulatory function. It has been said on a number of occasions in the Hilmer report that, wherever possible, and unless it can be otherwise justified, a regulatory function ought to be kept separate from a marketing and promotion function.

I also have had a limited opportunity to read some of the contributions made in the other place last night on this topic. In particular, I note some comments made about the performance and the profitability of the TAB. Sam Bass sets out in some detail his qualifications in this area. He said this:

> New revenue must be found. One of the keys to successfully revitalising the industry is increasing the amount of funds available to the three racing codes, which cannot be achieved by improving the profitability of the TAB.

I am not sure where he gets that from because, quite frankly, the reason we are dealing with this legislation today is that the Opposition sank its head in the sand when we tried to reform the TAB board last year, and refused to allow the Government to reform the board to enable it to become more profitable and put more money back into racing. One wonders when the ALP will lift its head out of the sand, stop looking after its old mates on the board and allow this Government to get on and govern.

Last year the then Minister identified the extraordinarily poor performance of the TAB and gave notice that unless its performance was improved—I am cutting a fairly long story short—he would have to step in. The response from the Opposition was, 'Hang on. Forget the merit and performance of the TAB, forget all the trainers who are marching across the border and forget an industry that is falling on its knees.' Its response was to look after its mates and say, 'You can't take anyone off the TAB board.' When legislation was introduced, Opposition members opposed it. They said, 'Don't touch our mates on the TAB board. Our mates on the TAB board are a lot more important than that very important industry.' It is interesting to see Mr Foley in another place strongly supporting this legislation. I am not sure what led to this conversion in his attitude.

Members interjecting:

The Hon. A.J. REDFORD: I suggest that his conversion can be put down to the fact that it did not affect any of his mates. Therefore, he is allowing the Government to administer the industry and put it back on a level playing field.

The Hon. P. Holloway interjecting:

The Hon. A.J. REDFORD: The Hon. Paul Holloway asks whether we want to sack people. We are not sacking anybody. We are creating a whole new structure.

The Hon. T.G. Cameron interjecting:

The Hon. A.J. REDFORD: We wanted a better performing and a more accountable board. We wanted to allow the Minister to change the personnel on the board if and when he saw fit if they were not performing, and you mob just sat there and said, 'You can't do anything because our mates'—the Marcus Clarks and all those other people—'are more important.' That is the attitude that the Opposition took.

It is disappointing that the Government did not get the opportunity, because of the intransigence of the Opposition, to grasp the nettle of the TAB and improve its performance at an earlier stage. I am pleased that the new Minister has grasped the nettle. Perhaps he has better negotiating skills, because he seems to have the support of members opposite. That may be not a little to do with the fact that their mates' terms were due to expire and there was very little left to protect. However, I am pleased that the new Minister is grasping the nettle.

Members interjecting:

The Hon. A.J. REDFORD: I am getting an increasing number of interjections from the Opposition. I am not surprised, given the way in which racing was allowed to decline so rapidly. The Hon. Terry Cameron laughs. A Labor Government set up Globe Derby and Angle Park across the other side of town where no-one wants to go. The former Labor Government ought to be held accountable for the savage decline in attendances in the industry.

The Hon. T.G. Cameron interjecting:

The Hon. A.J. REDFORD: We have not been allowed to. When we tried to change the TAB around, you blocked it.

The Hon. T.G. Cameron interjecting:

The PRESIDENT: Order! The Hon. Mr Cameron will get an opportunity later.

The Hon. A.J. REDFORD: I have some concerns about the Bill and about the fact that there may be a diminution in grass roots involvement in the management of the industry, but I believe that the time is so short that the Minister must take quick action. Unless we address these issues quickly, we will no longer have a racing industry in this State. It is an extraordinarily important industry which will need a lot of energy and work to lift it out of its doldrums.

I hope that RIDA, when it is established, will seriously consider splitting the racing code—I am talking about the thoroughbred racing code in the metropolitan area—into at least two clubs. My view is that one of the real problems is that in its own mind the SAJC had become a monopoly.

I will not be as positive as some of my colleagues in another place have been: in a monopoly situation the racing industry became complacent and declined before its very eyes because of inaction. Many of the problems would not have occurred if we had had a good, healthy, competitive racing industry in this State. I encourage members to look at the innovations that have been implemented at the Moonee Valley Racing Club—

The Hon. T.G. Cameron interjecting:

The Hon. A.J. REDFORD: I probably could arrange that for the Hon. Terry Roberts because I know the sort of contacts he has in the racing industry—and I say that in a most positive sense. It is my view that if that type of competition had existed 10 or 15 years ago racing would not now been in the doldrums. I commend the Bill.

The Hon. M.J. ELLIOTT: I support the second reading of the Bill. I will not go through a clause by clause examination of the Bill, but indicate that I have spoken with representatives of all three codes and a number of other people associated with racing, and no concerns have been raised with me about the Bill itself. Some problems are worth addressing, but they are not problems which are directly found within the Bill itself. I did not intend to enter into discussions about the TAB. However, the previous speaker raised the issue—

Members interjecting:

The Hon. M.J. ELLIOTT: Some of you were silly enough to take notice of him—and that is your own stupid fault.

Members interjecting:

The Hon. M.J. ELLIOTT: Not only does he rabbit on but also you are silly enough to respond to him—and I am going to do the same, I suppose.

Members interjecting:

The Hon. M.J. ELLIOTT: That is exactly right, and it has taken longer already.

The PRESIDENT: Order! I suggest that the honourable member limit his remarks to the Bill and that members on my left cease interjecting.

The Hon. M.J. ELLIOTT: Thank you for your protection, Mr President.

Members interjecting:

The PRESIDENT: Order!

The Hon. M.J. ELLIOTT: To blame the TAB for the problems that racing is experiencing would be one of the most gross simplifications of all time. The TAB was working very hard to maximise profits in a difficult time. There is no doubt that turnover declined; in some cases turnover had declined as part of policy. A large number of outlets that were not profitable were being closed. More importantly, it was what was happening on the bottom line. In fact, some of the rationalisation procedures that the TAB was carrying out demonstrably improved the bottom line.

The biggest single problem that confronted the TAB was the introduction of gaming machines, and anyone who does not acknowledge that is simply a fool. Before gaming machines were introduced, it was reasonable to predict that other forms of gambling would lose some of the dollars that were being invested. The only question was how much. Undoubtedly, gaming machines have had a significant impact and the situation will probably continue for a while yet. It is predicted that gaming machine profits to the Government will reach $200 million before stabilising. Clearly, those profits have to come from somewhere else, and a little of that would otherwise have been invested in the TAB and would eventually have found its way back to the racing codes.

My understanding is that the TAB has actually been holding ground quite well. In fact, I have seen statistics which compare the forms of TAB since the introduction of *TABForm* and which are most revealing. If we compared turnover in a particular month of a year with the previous year, we would see that there was a rapid decline in that figure until the moment *TABForm* was introduced.
That decline had been running for a significant time and, the moment *TABForm* was introduced, that curve turned and has been rising steadily ever since.

The Hon. T.G. Roberts: Is it relative to the drop-off in sales of the *Advertiser*?

The Hon. M.J. ELLIOTT: I didn't see the *Advertiser* sales figures linked into this. The point I am making is that *TABForm* was being blamed for this yet, quite clearly, anyone who cares to analyse the figures will find that from a month after *TABForm* was introduced there was a turnaround and a stabilisation of the takings of the TAB, quite contrary to any information that has been put out publicly by those who may have other interests in this matter. The latest reports are that it will not be long before *TABForm* will become an insert for the *Advertiser*, but time will tell whether or not that is idle gossip or something that is being worked on right now.

Whilst I do not have any personal interest in racing other than that of a casual observer—I flick through the paper and read most stories, whether they be about racing or anything else—it has to be acknowledged that racing is one of the more important industries in South Australia. It is a significant employer and an important industry. One can only hope that the changes that are being introduced now will turn around the fortunes of the racing industry or, at the very least, stabilise them. What does need to be recognised is that that will not be achieved overnight. It will probably take a couple of years before the benefits proposed within this flow through to the industry in a significant manner. That is not a criticism, but it always takes a while for changes to have any significant effect.

If I have a concern, it is that the racing industry now has a significant cash flow problem, which is being exacerbated, as I said before, by gaming machines. People in the codes to whom I have spoken suggest that it has cost them some $8 million, and if you take $8 million from the codes that creates immediate difficulties with prize money, and so on. You then have dropping fields and everything else that goes with it, as well as people leaving the industry and moving interstate, etc.

I have no doubt that, unless there is some sort of cash injection in the short term to compensate for the loss of gaming revenue, the recovery for racing will be that much more difficult. In fact, the point to which it recovers may be at a lower level. It is for that reason that I had proposed in the gaming legislation a temporary fund of $5 million a year for five years to compensate for the loss of revenue to gaming machines. The intention of that fund was to give some stability to the industry in the short term while the changes that will flow through from this legislation take effect.

It is quite clear from a deal that has been done between the Treasurer and the shadow Minister that that will not come to pass, and I think that is a great pity. I note that the Opposition has some amendments that seek to increase funds to the codes. I understand—and perhaps this will be explained to me in the Committee stage—that this might give a return of somewhere between $2 million and $3 million. That would be a useful contribution and, in the absence of the sorts of funds about which I was talking via the gaming machines legislation, I intend at this stage to support those amendments unless factors are involved that have not yet been explained to me. I guess we will cover those during the Committee stage. With those few words, I indicate the support of the Democrats for the second reading.

The Hon. CAROLINE SCHAEFER: I cannot say that it gives me any great pleasure at all to speak to this Bill tonight. I recognise that there is consensus from the major Parties on this Bill and, indeed, I am supportive of it. Contrary to what seems to be the popular view, it is a very important piece of legislation. We received it in this Council at something like midnight last night, and I had collected quite a bit of information which I intended to take home over Easter in order to make a considered contribution to the debate. I was informed in passing at 6 p.m. by an ALP member of the House of Assembly that the Bill was to be wrapped up this evening. So, if I want to make any contribution—considered or otherwise—it must be now. I must say that this disappoints me immensely. I know that it is not the fault of the Minister handling the Bill in this Council, but I must say that it is shabby treatment.

While I acknowledge that the other codes are very important, especially to those who follow them, my area of interest is racing. My family have been horse breeders, trainers and traders for as long as we have been able to trace our ancestors. In fact, the Whytes had livery stables in Ireland and Scotland in the nineteenth century. Anecdotally, one of my early ancestors broke his neck while riding to hounds at the age of 87. So, while my involvement has been somewhat limited in recent years, horse husbandry and particularly racing is in my blood. My father still has an owner-trainers licence at the age of 75 and, in fact, has a horse in work at the moment for the Kimba Cup. My sister has a commercial licence. So, I can claim some first-hand knowledge of the industry.

I wish to stress the word 'industry'. For those who assume we are talking about a bet on a Saturday afternoon, racing is the third largest industry in this State and employs 11 000 people. As well as those employed in the industry, the majority of TAB takings, which amounted to a turnover of $515 million last year, are generated by bets on thoroughbred racing. A large part of the industry is involved in the breeding of horses. Of all the horses bred in this State, only one in 500 wins a metropolitan race. Clearly, without regional and country racing there would be no incentive for horse breeders to keep going. Mr Hayes talks about the necessity for increased stake money to keep breeders interested and viable in this State. Certainly, for the top breeders that is very much the case, and for the top trainers, of which Mr Hayes is one, that is even more the case. But without C graders one cannot have A and B graders.

The Hon. R.R. Roberts interjecting:

The Hon. CAROLINE SCHAEFER: Yes, it does. My concern tonight is very much with the small clubs. I wish to see small clubs protected from being gobbled up by a centralist city bureaucracy. It is very easy to be an economist, to examine figures and to decide that there is no money in one day meetings and therefore we will scrap them. The day that happens will be the day the industry ends. My reading of this Bill indicates that country racing will be neither better nor worse off under this legislation than it was before, but dependent on the whims of RIDA where it was formerly dependent on the whims of the SAJC. Certainly, there has been much criticism of the SAJC in latter years, and at least some of it has been deserved.

It should be noted that, in these cash-strapped times, the SAJC took what I consider to be a wise decision when it protected stake money for country racing. The committee has had to battle for horses against the much more affluent Victorian Racing Club which, by the way, is funded by TAB Corp, which runs gaming machines. However, the SAJC took the decision to guarantee minimum stake money of $15 000 for Grade 1 races as opposed to $31 000 in Victoria, which is about half; $4 500 minimum stake money for regional race cup meetings, as opposed to $6 000 for a similar size meeting in Victoria; and $3 100 minimum stake money for country meetings, compared with $5 000 in Victoria, which is about three-fifths.

So, in fact, they have done their best to support country racing under difficult conditions. The Racecourse Development Board has also contributed well to the upgrading of facilities in regional areas. I would like also to briefly acknowledge the work of the late Christopher Coles, who as secretary of the Country Racing Club did a huge amount for racing in general and country racing in particular before his untimely death. Chris instigated and raised the sponsorship for the Country Cup. Each year, six of the 17 country clubs are given the opportunity to host one leg of this cup, and the place-getters then contest the final at a metropolitan track. This has done much to induce metropolitan trainers to come to country tracks and has promoted country horses in the city. I hope the new administration is similarly broadminded in its approach to the promotion of the sport.

Much has been said about the financial woes of the SAJC, and certainly they are not to be underestimated. However, I think it should be noted that in the past four years the SAJC has reduced its borrowings from $8.25 million to $4.5 million, while almost doubling its stake money, so perhaps it is not the group of dear old souls or basket cases that has been indicated in various second reading speeches. I am the first to acknowledge that racing in all codes is in need of a dramatic and rapid overhaul. Those who love the sport know that, and we have all known it for a long time. If some dramatic reforms are not undertaken, the industry is in danger of collapse. All codes have agreed to this reform and we have bipartisan support in the Parliament. I congratulate the Minister for biting the bullet and making a courageous decision, and I sincerely hope that this legislation is the solution we all hope for. Far be it from me to sound a note of caution, but I suppose I will always be a little cynical about boards of management who have so much power and, at least on the surface, very little interest in the industry they manage.

One clause concerns me. It is a drafting matter and has nothing to do with the intent of the Bill at all. It is clause 10(4), which in the event of a tied vote allows the chair both a deliberative and casting vote. On a committee of five people that gives the chair 40 per cent of the say. That is considerably more than you have, Mr President; you have either a deliberative or casting vote, but not both. I recognise that that is *pro forma* for many boards and many constitutions. Nevertheless, I think that is wrong and that that sort of power should rest with the Minister. I sincerely hope that this Minister or some Minister in the future does not find that his board of management has more power than he wished for. I support the second reading.

The Hon. L.H. DAVIS: I also support the second reading. I note with interest the contributions of my colleagues the Hons. Jamie Irwin and Caroline Schaefer. For the benefit of members who may not be aware of this, I should say that the Hon. Carolyn Schaefer's modesty prevents her from saying that her father, the Hon. Arthur Whyte, is a horse owner of some distinction on the West Coast and a former President of the Legislative Council. He has been a long, vigorous and most commendable supporter of country racing over a long period. So, my colleague the Hon. Caroline Schaefer speaks with a degree of knowledge, passion and concern about the state of country racing and the implications that this Bill may have for country racing. I come to this subject with some little knowledge. In my university days I was known to have a small wager on a horse in a desperate bid to keep body and soul together in those difficult years as a student.

During the 1960s—I often talk of that period almost a generation ago—it was true to say that racing in South Australia was at a peak. It was regarded as a strong industry indeed. Today, sadly, it is true to say that in mainland Australia South Australia would run fifth and last by some margin. In the 1960s, leading trainers, legends in their own time such as Bart Cummings and Colin Hayes, trained winner after winner of the group one races in the Eastern States. Racing in South Australia was vigorous and profitable. It was

an industry not only strong in the sense that it provided good racehorses for Adelaide and interstate but it also had strong breeding traditions.

Sadly, as is reflected, I understand, in attendances and prize money, racing in South Australia has slipped a long way. Let me give members my only experience of racing in South Australia during the past year or two. I went as a guest of a friend to a race meeting, which was a feature race meeting in the lead-up to the 1995 Adelaide Cup. It would have been the first race meeting that I had attended in South Australia for probably seven or eight years. I suspect that the last time was going over the hurdles at Oakbank. I was very disappointed at the standard of service at Morphettville—I found it embarrassing. No-one knew where the drinks were or how much they cost—it was an extraordinary performance. The people with whom I went were equally appalled. People used to attending prestigious race meetings in Hong Kong or interstate as against a rank amateur such as me said, 'That's the way it is in South Australia.'

The Hon. A.J. Redford: Weren't you in the committee room?

The Hon. L.H. DAVIS: I wasn't in the committee room. I am not one to stand on ceremony—I am not heavily into clubs or that aspect of life—but, frankly, I was appalled. The contrast between that experience and one I had six months later at Flemington could not have been more profound. Again, I was a guest of a friend on the last day of the Melbourne Cup race meeting in November last year. It was the Saturday following the Melbourne Cup. In the panorama room overlooking the finish line, it was an extraordinary experience: the service was superb and the professionalism was obvious for everyone to see. It was like comparing the Australian cricket team with one mustered by perhaps an outback town such as Oodnadatta.

I do not make these remarks lightly, but I know my view is shared by many people who have an affection for racing and who have been supporters of racing in this State and interstate. It is also obvious that that is reflected in the support that racing has been given in this State. As I said, I have been to the races on only one occasion in many years, but I read about racing in the pages of the *Advertiser*. When one sees, for instance, a leading horse owner within the last few weeks saying publicly, 'I am sad that I have to take my team of 11 horses to Queensland, because I can't afford to keep them in South Australia any more,' that of course underlines the problem that we are debating tonight. It is a real problem, and it is reflected in the prize or stake money. Whereas there was very little difference between the prize money for minor races across the States, now the difference is profound.

In South Australia, if my memory serves me rightly, the total stake money on an average race in metropolitan Adelaide is about $15 000 to $15 500. In Melbourne it is about double that amount. In Perth, which has a comparable population to Adelaide, it is significantly higher—by some 30 per cent. In Brisbane, again it is much higher and in Sydney that is also true. The other point that should not be ignored is that not only is the basic prize money much better in other States, which entices owners to leave South Australia as I instanced a few minutes ago, but also there are many more feature races, which give owners a chance to win significant stakes.

I have spoken generally to the proposition rather than in detail to the clauses, but I speak about an industry of which I have some knowledge and certainly I have had many friends involved with it. This reform to racing in South Australia is long overdue. One only hopes that it can resuscitate an industry that is ailing, that employs many more people than most would generally recognise and also brings a lots of enjoyment and pleasure to its many supporters.

The Hon. T.G. CAMERON: I was not originally set down to speak on the Bill, but after hearing the contributions made by the Hons Angus Redford and Legh Davis I thought I would say a few words. I was also prompted to speak tonight after reading a rather interesting speech by the new parliamentary secretary for racing, Mr Bass, the member for Florey. I was fascinated by his examples of the experience he has had in the industry. I thought it only appropriate that, seeing that Sam Bass took the opportunity of putting down on the record his qualifications to be a parliamentary secretary, at some stage during my address I would put down some of my qualifications and experiences in the racing industry, which I might add are somewhat more extensive than those of the member for Florey. It is interesting to note that in his contribution Mr Bass states that he has had quite a lot to do with all the racing codes in South Australia. It is interesting to note that he cites as his experience that he was bitten by a greyhound when he was 10 years old.

The Hon. R.R. Roberts: I bet that never won another race.

The Hon. T.G. CAMERON: That is an interesting speculation. Another honourable member might question whether the greyhound even survived. I guess that is a wonderful qualification for being appointed to the position of parliamentary secretary to the Minister for Racing. Mr Bass goes on that not only was he bitten by a greyhound when he was 10 years old but was kicked by a racehorse when he was four and run over at the Klemzig Gaza track by a sulky when he was about 12. It is obvious that Sam Bass is well qualified to act as a parliamentary secretary to the Minister for Racing, Mr Ingerson.

Mr Bass did not tell us where he was kicked by the racehorse, and he just leaves us to speculate about that. One only hopes he was not kicked in the head, but one never knows because he has not stated that in his contribution. The Council can see that Mr Bass has had a great deal of experience across all the racing codes and no doubt that is what prompted the Premier, Dean Brown, to make him parliamentary secretary to the Minister responsible for racing. The fact that he was in the right faction—Mr Brown's faction—no doubt qualified Mr Bass, Mr Brindal and quite a few other stars from the other Chamber to end up as parliamentary secretaries.

But Mr Bass goes on to detail his qualifications as the parliamentary secretary to the Minister responsible for racing. He says that he was a speed cop at Elizabeth and attended the Gawler trots and racing, and he also went to the Kapunda trots and Eudunda trots. He can recall that on two successive Wednesdays he pulled over a Mercedes for speeding through Elizabeth and, low and behold, it was driven by none other than the late Noel Mifflen, who I guess was a jockey. I guess that is another wonderful qualification that Mr Sam Bass has on his *curriculum vitae*—that at some stage during his career as a police officer he pulled over a jockey. Of course, we are not able to confirm that because it would appear that unfortunately that jockey is no longer with us.

But Mr Bass goes on: apparently he liked the racing industry a great deal back in those days because he decided to let the late Noel Mifflen off with a warning. It is obvious

that Mr Bass had a warm affection for the racing industry going back many years. He said:

> The following week it was the same. It was the same Mercedes and, would you believe, the same jockey was driving. . .

He went on:

> I cautioned him strongly and he told me that he thought he would win the race for which he was late. I raced to the course quickly and I think he did win.

No doubt Mr Bass further contributed to his education in the industry and he probably placed a bet on that horse, but he omits to say that. Mr Bass does go on to talk in some detail about the industry but, even though I am not a spokesperson for this industry, I am pleased that the Liberal Party is appointing people with such a wonderful range of experience and qualifications in the industry to act as a parliamentary secretary. Now that I have ascertained Mr Bass' qualifications to be parliamentary secretary, I can only wait in wonder at what Mr Ingerson will tell the House are his qualifications to be the Minister.

In view of the detailed description that Mr Bass gave us of his experience in the industry, it is only proper that I detail my experience in the industry. Certainly, I assure the shadow Minister, the member for Hart, that I have no designs on his portfolio, because he is doing a wonderful job in that capacity. He has been doing an excellent job for the Labor Party as shadow Minister in this portfolio and I have every confidence that he will continue to do so. In detailing my experience in the industry, I am spurred on by the wonderful contribution of Mr Bass.

Perhaps I can start by saying that as a young child I lived near a racecourse. We were only about half a kilometre from the racecourse. The further experience that I had with racing as a child was that the school bus would drive straight past it and I would be happy to look out the window and see the wonderful green grass and so on of the Cheltenham racecourse. I am not sure that that qualifies me in any way to reach the high office of parliamentary secretary one day, but I thought I should put that on the record. Not only did I live close to a racecourse and travel past it quite frequently on the way to school as a young child but, on occasions, I used to sneak into the Cheltenham racecourse and collect bottles on a Saturday afternoon to raise some pocket money. It never really met with the approval of authorities at the Cheltenham racecourse, but you would always find a few punters who, if you hung around them long enough, would hand over their coke bottles—and they were worth tuppence each in those days, so it was an afternoon well spent.

Our family's experience with the racing industry is far more extensive than my experience as a child or a youth collecting bottles at the Cheltenham racecourse and living close by. My father, who I am sure most people would realise was a former trade union secretary of the Australian Workers Union and a senator, was a fan of the racing industry. In fact, in his younger days he spent some time as an SP bookmaker and finally graduated to be a doubles bookmaker on a number of country racetracks.

The Hon. A.J. Redford interjecting:

The Hon. T.G. CAMERON: I am not sure he did all that well out of it, because he only did it for a short while and then moved on. Our family had an experience in the racing industry and perhaps it was that which encouraged me into the life of a punter in my early days. I regularly attended race meetings in Adelaide at Morphettville, Cheltenham and Victoria Park. In fact, for a while I would not miss a race meeting. It was an enjoyable Saturday afternoon and, if we had any money left in our pockets after the bookmakers had cleaned us out, we would then go to the nearest hotel, enjoy ourselves for a while and start working out what we were going to back at the trots at the showgrounds thereafter. But it did not take me very long to realise that, when it comes to punting on race horses, the bookies have got it all over you. I would look with some wonderment at the Mercedes, Jaguars and BMWs that they would drive into the racecourse and wonder why I was driving around in a Morris 1100 and giving them my money each week.

My career as a punter was relatively short-lived, but I did go to racecourses on a number of occasions and I can only agree with the comments of the Hon. Legh Davis—and it is one of the few occasions that I have ever agreed with anything the Hon. Legh Davis has said in this Chamber—about the standard of amenities and facilities that are available at racetracks. I say to the Hon. Mr Davis that, if he thinks they are bad now, he should have seen what they were like 25 years ago when I would go to the racetracks.

I had very little to do with the racing industry for a number of years. I then went to work for the Australian Workers Union as an industrial advocate. I managed to get what I would describe as most of the bum awards that the industrial officer was handling.

I think it was trying to give me a message, and so I got the racing industry. At the time it was not a terribly well organised industry, particularly in the area of horse training and, although the Australian Workers Union had a Federal award in that area, it had very low union coverage. The Australian Workers Union handled another award called the racecourse groundsmen's award, which covered all the outside workers responsible for the maintenance and upkeep of the track, its surroundings and amenities. I spent a number of very enjoyable years looking after both the racecourse groundsmen's award and the horse training industry award, and I will detail my experiences in both areas. As an industrial advocate working for the Australian Workers Union, I did not enjoy a terribly good relationship with the SAJC. I think they brought in—I cannot recall his name now, but I used to call him the Brigadier—

The Hon. R.R. Roberts: Was it Sam Bass?

The Hon. T.G. CAMERON: No, it was not Sam Bass. I do not think Sam Bass got that close to a racecourse, but we do know that he visited us as a speed cop on occasions. I had a great deal of experience with the SAJC. It was not the most enjoyable of experiences. I found it to be a somewhat right wing reactionary group of people that detested trade unions, and that was made quite apparent to me when I was negotiating with it on behalf of our members of the Australian Workers Union. The conditions of employment and the wages for strappers and attendants, that is, the people who lead in the horses, were abysmal. The conditions in which they worked were also abysmal. The industry was not heavily unionised and, at the time, the Australian Workers Union found the going extremely tough trying to unionise the industry, particularly when the trainers were being encouraged by the SAJC not to allow their people to be signed up.

I am sad to say that, whilst I have been out of the trade union movement for some 10 years now, it would appear that the conditions and wages for strappers and attendants in the industry have not improved a great deal. I looked after the award when I was at the Australian Workers Union for some five or six years and, inevitably, we ended up in a dispute situation with the SAJC. It was extremely disappointing to

me that one of the lowest paid sections of the AWU membership at the time, the racecourse groundsmen, was amongst the lowest paid people in South Australia, yet despite our genuine attempts to try to improve the award we met with military resistance by the SAJC led by the Brigadier. On one occasion during negotiations he ordered me out of his office. When I would not leave his office and told him that he was not in the Army any more, that we were engaged in negotiations and that I would appreciate his continuing the meeting, he left. He got up, walked out of his office and left. I do not know where he went, but I stayed. About 40 minutes later, I guess he came to the conclusion that I was not going anywhere and he came back.

That was a fairly bitter dispute with the SAJC. The SAJC was determined that it would not give its workers 1¢ extra in pay. At the time we were negotiating for a disability allowance to go into the award. Negotiations broke down; a number of conferences, both voluntary and compulsory, were held in the Industrial Commission, and our members decided to go out on strike. The SAJC had a somewhat extremist attitude towards industrial relations, and I am pleased to say that I do not think it is quite as extreme and anti-union today as it was some years ago.

The Hon. A.J. Redford interjecting:

The Hon. T.G. CAMERON: The Hon. Angus Redford asks what year that was. It was probably about 14 or 15 years ago. Anyway, like good trade unionists, Mr Acting President—and I know that you are a former Secretary of the Liquor Trades Union and that you were not one to take a backwards step when it was time to stand up and defend the interests of your members—our union on this occasion decided that the racecourse groundsmen who were a somewhat downtrodden group of employees, basically at the mercy of the SAJC, needed a bit of support. We had a stoppage, not that it did us much good. The SAJC brought in scabs and other people to do the work of our members and other work on that day.

I suppose some members here would recall that the SAJC brought in the police on that occasion and, as I understand it, the management of the South Australian Jockey Club urged the police Star Squad as I think it was called at the time—I am not sure what it is called now—to step in and fix up these union protesters who were there protesting to try to get a slight wage increase on behalf of their members. Needless to say, at the urging of the SAJC, the Star Squad pounced on me and a couple of other officials of the Australian Workers Union, including Les Birch, John Thomas, Jim Hughes, Peter Reynolds and a couple of others involved in the protest. We were bundled into a paddy wagon, much to the cheering on by the staff of the racecourse, and removed from the racetrack and thrown into gaol. I think it was Paul Dunstan, Les Birch and I who were gaoled. This pleased the SAJC management no end at the time. I can recall, when we met them on the Monday, the big grins on their faces, pleased about how they had managed to fix us up and had us thrown in gaol.

Unbeknown to the South Australian Police Force at the time and, I believe, unbeknown to the SAJC, but certainly not unbeknown to the Australian Workers Union, a clause in the Act of Parliament—although I cannot recall which it was—stated that, for a civil disobedience or some other matter, the police had no power of arrest on the Victoria Park racecourse, and that is where the particular race meeting was being held at the time. We were arrested by the police and taken to gaol. We did not spend much time in gaol. I can still recall—

The Hon. L.H. Davis: You did not pass go and did not collect $200?

The Hon. T.G. CAMERON: No, I think I was in my cell for two or three minutes.

The Hon. A.J. Redford: Are we in the 80s yet?

The Hon. T.G. CAMERON: Yes, we are in the 80s. I have got quite some way to go. I hope I do not break my record tonight of three hours and 20 minutes, but I can assure members that, if they want me to, I will have no hesitation in going on for another couple of hours, because I am only at about 1982 or 1983. Anyway, I am being distracted from this most important speech of mine. We were immediately released from the gaol. Some senior officer came down and ordered the arresting officers to release us and escort us to the front of the police station.

On that occasion, we were well supported by a number of other unions. I can recall one of the individuals who supported us in that industrial dispute. I ended up having a few donnybrooks down the track, and it involved the Assistant Secretary of the Gas Workers Union, Mr Russell Wortley. I thank him for his unity and support on that day when he came down and supported the AWU.

We attended a compulsory conference. We had upset Commissioner Eglinton who, I am sure some members of this Chamber would remember, was a former Secretary of the Miscellaneous Workers Union. Commissioner Eglinton was not terribly impressed by the industrial dispute we held on the Saturday, so he called a compulsory conference on the Monday. Members will not believe it but the SAJC (and I understand there might be some of them in the gallery) turned up to the compulsory conference on Monday. I will never forget that, as we were about to walk into the compulsory conference, I was reminded by the SAJC that, if we thought we were going to get one penny towards a disability allowance, we were sadly mistaken. It quickly changed its view when I, in some detail, advised it that we would be at the racecourse next Saturday, and we might have a few hundred more mates with us.

The SAJC did not relent; it maintained its hard-line attitude right throughout that industrial dispute. Eventually, Commissioner Eglinton arbitrated on the matter, and the members employed by the SAJC at the racecourses got their disability allowance, and it was not before time. Needless to say, relationships between the Australian Workers Union, the SAJC and, in particular, me were somewhat testy for a number of years. I am pleased to say that, before I left the union, we had somewhat patched up the relationship, and I can assure the SAJC that, whilst that was quite some time ago, I bear it no malice or hold no grudge towards it for what I considered to be quite disgusting and abominable treatment of its employees. There is one other occasion, and I guess the longer I keep—

The ACTING PRESIDENT (Hon. T. Crothers): Order! Mr Cameron, I have allowed you a great degree of latitude with respect to the matter before the Council. I ask that you ensure that your remarks are applicable to the Bill.

The Hon. T.G. CAMERON: Thank you, Mr Acting President, for drawing my attention to that. I was not sure that I strayed at all from talking about the racing industry. Mr Acting President, thank you for your advice. As you know, I always listen intently to your advice. I can assure you that on this occasion I will follow it exactly. It is interesting to note that Sam Bass's qualifications to be parliamentary secretary for the racing industry are outstripped only by the Hon. Mr Rob Lawson's qualifications. I understand that

he was once pecked by a homing pigeon. This is no doubt why he was made the parliamentary secretary for information technology. It is interesting to see some of the wonderful qualifications some of the parliamentary secretaries have.

There was another occasion when we had an industrial dispute with the SAJC in relation to superannuation. The union was arguing that members ought to have some say in where their superannuation money was placed. At the time they also wanted some vesting rights. Once again, the SAJC fought violently against giving these concessions to their employees.

This dispute involved the Cheltenham racecourse, and I will say more later about what I believe has been a waste of public money on that racecourse. I agree with the earlier sentiments expressed by the Hon. Angus Redford that we do not need three race tracks in South Australia. Two are more than sufficient. It would be a better utilisation of resources, and perhaps, if we could get from three to two race tracks, we would not have the SAJC putting its hand out for public money all the time.

As regards this dispute, eventually, after a lengthy court hearing, the commissioner saw the wisdom of letting the men have some say about their superannuation. I went to a meeting with our members and the agreement that was reached before the industrial commissioner was that the majority decision by the men about where their superannuation should be placed would be accepted. The SAJC urged its employees to stay with its superannuation scheme; the Australian Workers Union urged its members to switch to a scheme which provided better benefits. I am pleased to advise the Council that every one of our members decided to join the scheme that was being promoted by the Australian Workers Union, much to the disappointment of the SAJC.

I have kept an eye on the racing industry over the years since my days as an industrial advocate for the Australian Workers Union. Whilst I would not be classified as a regular attender at race meetings, I took the opportunity about three months ago to attend a race meeting at Morphettville. As I have indicated, I learnt at a very early age the pitfalls of trying to beat the bookies at gambling, so whenever I have a wager these days it is a very small one.

It had been many years since I had been to a race meeting. Whilst I would not describe the facilities and amenities at the Morphettville race track as outstanding, there was a significant improvement in the facilities and amenities being provided to the patrons than when I was a punter and when I used to visit the race tracks as an industrial advocate for the Australian Workers Union.

What is clear to anybody with any involvement and experience in the racing industry, and what is clearly obvious to Mr Sam Bass (with his vast experience in the industry), who made some comments about the industry in his speech, is that the racing industry in South Australia is in trouble. The crowds at race meetings these days are a pale comparison with what they were when I was a punter. I recall going to the Cheltenham racecourse on one occasion and seeing that wonderful thoroughbred Storm Queen run in the sprint at Cheltenham and she won.

The Hon. L.H. Davis: With John Miller.

The Hon. T.G. CAMERON: Yes, with John Miller aboard. I used to know John Miller's brother, so I guess that again qualifies me as having some experience in the industry. The crowds that used to go to the race meetings when I was a punter were vastly greater than they are today. Whatever we do for the racing industry, it is vital that some kind of management plan, strategy or marketing plan be put into place to attract crowds back to the race meetings.

When I was at Morphettville, I estimate that the crowd was probably about one-third of what it was when I visited the racetracks 20 years ago. Whilst the racing industry is thriving in some other States, it is quite clear that in South Australia it is in deep trouble. Whenever it is in trouble and needs a few bob, the racing industry cannot expect to put its hands out and expect the Government to cough up and give it what it wants.

It is becoming increasingly apparent that we are pouring money into a bottomless pit. The SAJC, as the main body controlling racing in South Australia, must accept and share some of the responsibility for the decline in the racing industry in South Australia. The racing industry is a big employer; it has been suggested to me that across the industry it is the third or fourth biggest employer in South Australia. I have an opportunity here to use a word that I learnt recently: despite the curmudgeon-like activities of the trainers towards their employees, it is a wonderful industry.

The Hon. L.H. Davis: You got that word from someone who was scratched recently.

The Hon. T.G. CAMERON: Yes. It is obvious to me that the SAJC has made genuine and sincere attempts to try to lift the image of racing and to try to entice patrons back to the racecourses.

I will say a few words here about the bookmaking industry. I do know a couple of bookmakers, although that does not qualify me for any higher office in this industry. It is quite clear to me that the role of bookmakers in the racing industry must be preserved; they add excitement, colour and flare to the industry. I believe that it is appropriate for the Government, when it looks at this industry, to consider ways of relieving some of the pressures that are on the bookmakers in South Australia.

In my opinion, without bookmakers racing will die. Bookmakers are an important and integral part of the racing industry. It is disappointing to see that their numbers have declined. It is obvious that some of the bookmakers in South Australia are struggling, and it may be appropriate for the Minister for Industry and the new parliamentary secretary—I expect that he has had a bet with a bookmaker so that might qualify him—to look at some of the problems that the bookmakers are experiencing. If they die out, it will be a sad loss to the racing industry.

Mr Sam Bass also referred to the other codes, and the Hon. Angus Redford made reference to Globe Derby Park and Angle Park. Like the Hon. Angus Redford, I was confused by the decision to locate at Globe Derby and Angle Park. It is quite clear that the patrons of those two codes are voting with their feet, particularly those associated with the trotting industry. Meetings are not well attended, and one wonders whether a form of rationalisation is needed in both the trotting and dog racing industries. If the Government decides to embark upon that exercise, then I believe it would be appropriate to look at the locations of Globe Derby Park and Angle Park. It is a long way to travel to those venues and, quite clearly, people are not doing that.

I am nearing the conclusion of my address on this important matter. The Opposition will support the thrust of the amendments that will be moved to this Bill. We support the establishment of the Racing Industry Development Authority. I believe that we ought to have a racing commission here in South Australia, that that commission ought to take over the racing industry and that the role of the

SAJC could perhaps be cut back from the somewhat monopolistic position which it has today. We support the Government's amendments here to establish a Racing Industry Development Authority.

We believe that this authority can look at a whole range of matters affecting the industry, including breeding, marketing, racecourse development and the rationalisation that is necessary for the industry. It ought also to look at bookmakers' licensing, and it is also appropriate to look at the stake money. I appreciate the financial strictures under which the racing industry is operating in South Australia, but when one has a look at the prize money for metropolitan meetings one sees that it is comparable to country meetings in some of the other States, and it is easy to appreciate why some trainers are leaving the State and setting up operations elsewhere.

It is pleasing to see that Lindsay Park Stud is still here in South Australia and is expanding, although I will spare members my somewhat extensive dealings with Lindsay Park Stud whilst I was at the Australian Workers Union. The Australian Labor Party supports the amendments that will be moved. Although I do not think that the amendments go far enough, they are a step in the right direction.

I understand that additional funds will be poured into the racing industry here in South Australia, and on this occasion let us ensure that that money is spent wisely, that it is spent in the appropriate places, and that all sections of the racing industry—that is, the horse training industry, the breeding industry, the SAJC, the unions and the Government—can do something to revive what was a wonderful industry here in South Australia. It is somewhat sad to see its decline, but let us hope that we have now reached a turning point and that from here on we will see a significant improvement in the attendance at race meetings. I am off to Oakbank on the weekend. I think I went there last year, so I will go along and look at that meeting as, no doubt, many other members will be doing.

It is about time that some urgent action is taken to revive the racing industry. Unless we can get patrons back to the racecourse, introduce a bit of colour and flair and promote the operations of bookmakers at the race track, we will only see a further decline in the racing industry until we reach a point where it will inevitably close down. In stating that we support this Bill, I take this opportunity to wish the member for Florey every success in his new role as parliamentary secretary to the Minister for Recreation, Sport and Racing.

The Hon. P. HOLLOWAY: I do not have the expertise that the parliamentary secretary or the previous speaker have in the racing industry. Indeed, the most relevant experience I ever had was being invited as a member of the House of Assembly, representing an electorate adjacent to Morphettville racecourse, to a race meeting during the Adelaide Cup season. Of course, I did not receive an invitation to attend on cup day, but I did attend on the Saturday before the Adelaide Cup. I thought that since I was there I should join in the spirit of things and put a few dollars on the oncourse tote. It rather surprised me, after placing a modest $5 bet on a horse, to win some money. At the end of the day I finished about $50 in front, whereas all the experts of the horse racing industry around me, who presumably knew much more about the industry than me, all lost. I think that says something about the industry in that sometimes experts, particularly in racing, do not always know what they are doing.

I support the thrust of the Bill. There is no doubt that racing is in a crisis situation and that it has been for a number of years now. Certainly, poker machines have had a lot to do with the decline in the racing industry, but there are other contributing factors. The competition has been not just from poker machines but from other forms of entertainment. Increasingly, punters who have sustained the industry through the TAB as television and coverage from satellites, Sky TV and so on has improved have been able to maintain their interest in the industry without having to attend the track. I am not altogether sure whether we will ever get large numbers of people at the race track again, except, of course, for feature races such as this Monday's Great Eastern Steeplechase, the Melbourne Cup and various other feature races.

The racing industry needs to take a number of hard decisions. Essentially, the industry needs efficiencies that will provide more funding to improve the stake money. I well remember some time before the last election attending a large meeting of the Bloodstock Breeders Association. The meeting was called by 5AA, which was running a campaign because of the crisis then emerging in the industry. I had the fortune—perhaps it was the misfortune—to attend the meeting on behalf of the Hon. Greg Crafter, who was the then Minister for Racing. The then Leader of the Opposition (now the Premier) was at that meeting, as was the former Minister for Racing, the member for Morphett. It was quite clear from that large meeting, at which over 500 people attended, that those involved in the industry wanted increased stake money. That is what they saw as the main need for the industry.

As a result of that I spoke to the Minister, and I hope that I had some impact in persuading him to increase stake money, which he subsequently did. Of course, there have been further increases since the election and, indeed, part of the amendments the Opposition will move to this legislation will allow for greater stake money and other support for the industry. I will be pleased to see this legislation implemented, because it was quite clear to me from that meeting that stake money was considered by those who work in the industry as the key issue. The racing industry is, of course, the third or fourth largest industry in the State, as we are often told, because of the large number of people it employs.

There are really many threats to that industry. Apart from those that I mentioned earlier such as the poker machine and the decline from other forms of entertainment, we have also increasingly seen the pressure to move offshore. We have already seen some of our top trainers moving to the Asian region where there is very high stake money. The threats that the racing industry will face in the future will increase—it will not get easier—so in my view it is absolutely essential that we take some tough action. Like other members of the Opposition I am not altogether sure that the measures the Government has proposed go far enough and whether they provide a structure that is strong enough to deal with some of the very difficult issues that the racing industry will face. However, I think we have no option than at least to give them a go, and for that reason I will support this piece of legislation.

I look forward to the passage of this Bill, and I hope that if the amendments to be moved by the Opposition are carried we will see more money put in immediately to deal with the immediate problems of the industry and that we can also see the structural changes brought about that are so necessary to improve the structure of racing. It is fair to recognise that, when some of these hard decisions are made in the future,

such as the possible closure of some of the smaller courses, many vested interests will run against them. They will be very difficult decisions; in a sense, this is the easy part. The easy part is to set up a structure that has the power to deal with all the issues. The hard part will be when the decisions are made, and that is when the real courage will be needed. So with those brief comments I indicate my support for the Bill, and I look forward to its passage with the amendments to be moved by the Opposition.

The Hon. K.T. GRIFFIN (Attorney-General): I thank members for their indications of support for the Bill. It was enlightening in some respects to hear what they had to say about racing but in other respects irrelevant to the consideration of the Bill. I want to refer to several matters. The Hon. Terry Cameron expressed the view that there ought to be a racing commission. I can tell him that the Government has no intention of going anywhere near a racing commission. Several of my colleagues criticised the fact that we are dealing with this Bill so quickly. I must say that I have some sympathy for that view. I indicate to them my apologies for that situation, where several of them may not have known that it was to be dealt with tonight and moved through all its stages.

I know it is an important piece of legislation, but some proposals in the other place were really the basis for dealing with the matter tonight. So, I indicate to those of my colleagues in this Chamber who are concerned about the speed with which we are processing this that I regret that that has happened but, towards the end of a particular segment of a session, sometimes these things occur. I should say that in relation to other Bills in the past week or so members have generally been dealing with Bills very expeditiously. I put that on the record, because I think it is important that we do not seek to push Bills through so quickly on too many occasions, particularly in this Council. I think that sometimes our colleagues in another place forget that in this place because of the numbers it is not so easy to crunch things through. Every member has a right to make known a point of view, and generally in this Chamber that is respected even though some members may speak for longer than some of us may wish. The fact is that every member has a right to speak and contribute to the debate on important legislation.

There are only a few amendments, and I will deal with those in Committee. I hope that the framework proposed in this Bill will assist the racing industry to get back onto its feet. Although I am not a patron of it, it is an important industry for South Australia, and one hopes that the views expressed by the Hon. Jamie Irwin might ultimately be realised if the industry can get back onto its feet and begin to recover from what appears to be a significant stage of recession in the industry at present. That is the only observation I make about the future of the industry. This Bill generally has bipartisan support, and the Minister has consulted with the industry. One can only hope that the structure proposed will bear some positive results for the betterment of the industry.

Bill read a second time.

In Committee.

Clauses 1 to 3 passed.

Clause 4—'Substitution of part 2.'

The Hon. K.T. GRIFFIN: I move:

Page 3, line 18—Leave out 'five members' and insert 'not less than five nor more than seven members'.

Page 4, lines 34 and 35—Leave out subclause (1) and insert—

(1) A quorum of RIDA consists of one-half the total number of its members (ignoring any fraction resulting from the division) plus one further member and no business may be transacted at a meeting of RIDA unless a quorum is present.

The first amendment seeks to increase to seven the possible number of members of the Racing Industry Development Authority. The requirement for at least five members will remain, but discretion will be given to increase that membership to a maximum of seven. The amendment allows for a broadening of the range of skills, expertise and experience represented on the board. The Government believes this to be desirable as the functions, powers and responsibilities of this particular authority are quite wide-ranging and may require some additional expertise as these functions are developed.

The second amendment is consequential on the first amendment, because it seeks to amend the quorum. Whilst the Bill presently provides that a quorum consist of three members, this amendment seeks to ensure that a quorum will comprise a number in excess of half the members appointed to the board at that particular time.

Amendments carried; clause as amended passed.

Clauses 5 to 12 passed.

Clause 13—'Application of fractions by TAB.'

The Hon. R.R. ROBERTS: I move:

Page 26, lines 19 to 22—Leave out all words in these lines and insert—

Section 76 of the Principal Act is amended by striking out subsection (2) and substituting the following subsection:

(2) TAB must pay to the RIDA fund the amount of fractions retained by TAB under section 73(4) or, if subsection (1)(a) applies, the balance referred to in subsection (1)(b).

I understand that this matter has been discussed at some length in another place. It seeks that the uncollected dividends and fractions retained by the TAB under section 73(4) be redistributed in a way different from the Bill. This amendment seeks to have those moneys paid into RIDA so that that money can be poured back into racing. As I understand it, the present system applies that money two ways: first, to the Racecourses Development Board, and then into Treasury.

The Opposition believes, as has been outlined in the many and extensive contributions that have taken place tonight, that where the industry is in some dire straits that money would best be spent, at least for a couple of years, by putting it into the hands of the associations being set up to look after racing and be best spent for the whole of the industry. There was an agreement tonight that this matter would go through. In the spirit of that, I indicate that I see this amendment as being the key. The rest of the amendments we see as consequential. In an endeavour to speed up the process I suggest that without speaking on the rest I will use this as the key and treat the others as consequential. Much more could have been said tonight. I was surprised that the debate went on for so long. I am only thankful that the Hon. Anne Levy is not here; otherwise we would be debating an amendment that at least one starter must be a stallion and one must be a mare.

The Hon. K.T. GRIFFIN: I oppose the amendment. It is appropriate to deal with the whole issue as one. These amendments seek to increase the funds available to the racing industry by an amount of 50 per cent of TAB fractions and unclaimed dividends and 100 per cent of unclaimed dividends of the oncourse totalisator. Currently 50 per cent of the offcourse or TAB fractions and unclaimed dividends are paid to Treasury; the other 50 per cent is received by the Racecourses Development Board.

At another place in this Bill the funds currently received by the Racecourses Development Board will, on the abolition

of the board, be transferred to the new Racing Industry Development Authority. The unclaimed dividends resulting from the oncourse totalisators are paid to Treasury in total. The amendment seeks to have 100 per cent of both oncourse and offcourse totalisator fractions and unclaimed dividends payable to the Racing Industry Development Authority. If we look at 1994-95, the total amount accumulated from offcourse fractions and unclaimed dividends was $5.812 million, of which $2.906 million was available to the racing industry through the Racecourses Development Board. A further $160 000 was collected through the oncourse unclaimed dividends and paid directly to Treasury. The race clubs retain the oncourse fractions.

It must be recognised that the amendment is a political exercise. It really ignores the reality of managing the financial affairs of the State and, more particularly, the State budget. Both this Government and it is predecessors always had difficulties with the way in which these sorts of issues were proposed to be dealt with when it took away from the Government discretion to propose to the Parliament a budget which weighed all competing interests and claims and sought to apportion the finances of the State in the way that the Government of the day believed was appropriate.
That issue can then be debated during the budget debate.

The Opposition's proposal is not reasonable, as it creates a precedent where funds are steered in a particular direction rather than being left at a wider discretion. The issue subject of the amendment should be considered in the context of the formation of the State budget. I come back to the point that the Government, in formulating the budget, has to weigh competing claims and interests and, as best it can, ensure that there is equity. That is why the amendments are a problem, because they focus upon the racing industry and not the broader issue of equity across other potential claimants. However, the Government does recognise that there is a need for more funds to be made available to the State's racing industry, particularly at a time when it has been substantially restructured, and this is a significant do or die effort to get the industry back on its feet.

In fact, I can say that the Government in the course of budget considerations has been considering this issue. I am advised particularly that the relevant Minister and other agencies of government are considering an amount approximately equivalent to the value of fractions and unclaimed dividends being available to the Racing Industry Development Authority through the current budget process, but that has not been finalised and obviously it is a different and a more responsible approach from that reflected in the amendments. Essentially, the processes of weighing those priorities and making those decisions in the budget are effectively being hijacked by the amendments.

The amendments also seek to extend the period that the TAB or a club is liable for unclaimed dividends. Therefore, it requires that these funds are held without possibility of other use for six months longer than is currently the case. There does not seem to be any justifiable reason for extending the existing six months' requirement. It is for those reasons that this and subsequent amendments are opposed.

The Hon. M.J. ELLIOTT: During the second reading debate I said I was likely to support the amendments, the first of which has been moved by the Hon. Ron Roberts. It has to be noted that we will also be debating in this place later this evening another Bill which actually raises revenue for the Government outside the budget: it raises $25 million as a tax on gaming machines. I have put a clear position that, as a consequence of the dramatic impact that gaming machines have had upon the racing industry, there should be at least short-term compensation directed towards the racing industry coming from the funds generated out of gaming machines. That is even more easy to do now that an extra $25 million by way of a super tax is being levied under this other legislation.

I had sought to tackle the problems of the racing industry in that way. The Opposition has chosen a different route, but we have reached the same conclusion that, despite the restructuring that this legislation allows, there is an immediate problem in relation to cash and, if more money is not made available in the short term, that lack of money, the impact on prize money and so on will flow through and have a dramatic impact on the racing industry from which it may not recover. For those reasons, there is a justification for moneys being returned. I am not sure that this proposal is as tidy as mine but, as I said, the effect is generally the same. Since it appears likely at this stage that the proposal I am putting forward in the Gaming Machines (Miscellaneous) Amendment Bill may fail then, to be consistent with my stated objectives, I would have to support these amendments.

I repeat: the arguments about the budgetary process do not hold water, in so far as an extra $25 million will be raised under another Bill and we are considering how that will be spent. I see this money within the context of the broader debate that we are having at present.

The Hon. R.R. ROBERTS: In response to the contributions on this amendment, the Hon. Mr Elliott has covered some of the areas that needed to be covered in respect to revenue raising and redistribution. I find it rather strange that the majority of Liberal members, by and large, have always opposed gambling revenues but, since coming to power, they have made an art form of milking gambling funds. They have milked everything out of gaming machines that they possibly can when, by and large, they opposed them. Having come to the conclusion that this is a good milking cow, we will move onto the Gaming Machines Bill under which they will make another grab. In relation to the current Bill they want to take away some of the money that obviously has been generated by the racing industry. We have heard wide contributions tonight about the dire state of this industry.

This is not a new principle: it is an expansion of the old one. On a number of occasions this Chamber has made distributions from the racecourse development funds into the codes to ensure that they remain reasonably viable. Some of that money has gone into stake money.

We have to bear in mind that this Bill provides a whole new structure for administration and development of the racing industry. It is no use the Government saying, 'We want to grab every gambling dollar that we can and stick it into Treasury,' when we have the victims of one form of gambling opposite the other. Everyone in this Chamber has made a contribution—except the Hon. Paolo Nocella, who could not work multicultural and ethnic affairs into this racing Bill—and recognised that something dramatic has to be done. If we are to develop this industry at all in any sensible way, we have to have a reasonable amount of funds. This is a simple way to expend money that has been generated by this industry. I am thankful for the indication of support by the Hon. Mr Elliott. I was encouraged by the contribution of the Hon. Jamie Irwin, who indicated that he was all for money being generated by sport going back into sport. I look forward to his support for this amendment.

The Hon. K.T. GRIFFIN: It is a bit rich for the honourable member to start being benevolent when the previous Labor Government held the TAB profits to a 50-50 distribution—50 per cent to Government, 50 per cent to the industry—and held very tightly to the unclaimed dividends and fractions. If members think about it, it is this Government, since it came into office in December 1993, that has made something like an additional $5 million available to the racing industry by changing the TAB profit ratio from 50/50 to 55 to the industry and 45 to Government, and an additional $2.5 million on top of that. This Government has been taking the tough decisions and ensuring that the funds are put into the industry rather than the previous Labor Administration. It is a bit rich—

The Hon. R.R. Roberts: And we have supported every amendment.

The Hon. K.T. GRIFFIN: Of course you have; I am not saying that, but we have taken the initiative, not you, not your Party when in Government. It is a bit rich to say that this Government was critical of gambling and is now anxious to get its hands on every bit it can.

The Hon. R.R. Roberts: You are.

The Hon. K.T. GRIFFIN: Do not misrepresent the position. The fact is that gaming machines legislation was brought in by the previous Labor Administration under the guise of a private member's Bill. I was in this Council when pressure was applied to the Hon. Mario Feleppa to swing over and support gaming machines, because the former Treasurer and a number of other people were anxious to get poker machines into this State and get their hands on the revenue.

Members interjecting:

The CHAIRMAN: Order!

The Hon. K.T. GRIFFIN: The fact is that that legislation in relation to gaming machines was enacted by the Parliament well before we came to office. It came into operation—

The Hon. R.R. Roberts: You are having another go.

The Hon. K.T. GRIFFIN: On the Opposition's own admission problems have been created by the attraction of gaming machines to people who would otherwise either attend Bingo nights, give to charities, or whatever. The Government was really trying to address that problem. Let us not start throwing too many stones in relation to gaming revenue and what has or has not been done for the racing industry.

Members interjecting:

The CHAIRMAN: Order!

Members interjecting:

The CHAIRMAN: Order! If the Hon. Ron Roberts and the Minister for Transport want to have a conversation, they can go outside.

Amendment carried; new clause inserted.

Clause 14 passed.

Clause 15—'Unclaimed dividends.'

The Hon. R.R. ROBERTS: I move:

Page 26, lines 27 to 30—Leave out all words in these lines and insert:

Section 78 of the principal Act is amended—

(a) by striking out subsection (1) and substituting the following subsection:

(1) Subject to subsection (1a), TAB is not, after the expiration of 12 months commencing on the day on which a race is held, liable to pay a dividend on a totalisator bet made with it in respect of the race.;

(b) by striking out subsections (2) to (4) (inclusive) and substituting the following subsections:

(2) An authorised racing club is not, after the expiration of 12 months commencing on the day on which a race is held, liable to pay a dividend on a totalisator bet made with it in respect of the race.

(3) Any amount accruing—

(a) to TAB by virtue of subsection (1); or

(b) to an authorised racing club by virtue of subsection (2),

must be paid to the RIDA Fund.

These amendments are consequential and I do not propose to delay the Committee with unnecessary debate.

The Hon. K.T. GRIFFIN: Whilst the Government does not support the amendments, I acknowledge that they are consequential upon the issue that has just been voted upon. It is quite obvious where the numbers are but, notwithstanding that, I certainly do not support them.

Amendment carried; new clause inserted.

Clause 16 passed.

Clause 17—'Delegation.'

The Hon. R.R. ROBERTS: I move:

Page 26—

Line 35—After 'is amended' insert:

—

(a)

After line 36—Insert new paragraph:

(b) by striking out subsection (9) and substituting the following subsection:

(9) Unclaimed dividends to which TAB is entitled under the agreement must be applied in accordance with section 78.

Amendments carried; clause as amended passed.

Clauses 18 to 45 passed.

The CHAIRMAN: I point out that the next amendment on file is only a suggested amendment on the basis that it is a money-raising clause and will have to be included in erased type.

New clause 45A—'Amendment of s. 146—Hospitals Fund.'

The Hon. R.R. ROBERTS: I move:

That it be a suggestion to the House of Assembly that new clause 45A be inserted in the Bill (Page 30, after line 15):

45A. Section 146 of the principal Act is amended—

(a) by striking out paragraphs (b), (c) and (d) of subsection (2) and substituting the following paragraph:

(b) money paid by TAB to the Treasurer and credited to the Fund pursuant to section 69; and;

(b) by striking out subsection (3) and substituting the following subsection:

(3) The Treasurer may approve amounts to be debited from the Hospitals Fund and credited to the Consolidated Account towards amounts appropriated by Parliament and paid from the Consolidated Account for the purposes of the provision, maintenance, development or improvement of public hospitals or equipment for public hospitals.

This is consequential on the actions that we proposed earlier.

Motion carried.

Clause 46 passed.

Schedule 1.

The Hon. R.R. ROBERTS: I move:

Page 36, lines 14 to 16—Strike out from the table the entries relating to section 78(1) and (2), section 78(3) and (3a) and section 78(4).

I understand that this is part of the sequence.

Amendment carried.

The Hon. R.R. ROBERTS: I move:

Page 40, lines 13 to 15—Strike out from the table the entries relating to section 146(2)(b), section 146(2)(c) and section 146(3).

Amendment carried; schedule as amended passed.

Schedule 2 and title passed.

Bill read a third time and passed.

WILLS (WILLS FOR PERSONS LACKING TESTAMENTARY CAPACITY) AMENDMENT BILL

Returned from the House of Assembly without amendment.

COMMUNITY TITLES BILL

Returned from the House of Assembly with amendments.

NATIONAL PARKS AND WILDLIFE (MISCELLANEOUS) AMENDMENT BILL

The House of Assembly intimated that it had agreed to the recommendations of the conference.

ROAD TRAFFIC (EXEMPTION OF TRAFFIC LAW ENFORCEMENT VEHICLES) AMENDMENT BILL

Returned from the House of Assembly without amendment.

MOTOR VEHICLES (MISCELLANEOUS) AMENDMENT BILL

Returned from the House of Assembly without amendment.

MOTOR VEHICLES (MISCELLANEOUS No. 2) AMENDMENT BILL

Returned from the House of Assembly with an amendment.

GAMING MACHINES (MISCELLANEOUS) AMENDMENT BILL

Adjourned debate on second reading.
(Continued from 2 April. Page 1220.)

The Hon. L.H. DAVIS: This matter has been the subject of some public controversy and has brought forward a range of opinions from people involved directly with poker machines, gambling generally, charities and welfare organisations in the community. It is some four years ago since gaming machine legislation passed the Legislative Council in very controversial circumstances. My colleague the Hon. Attorney-General reflected on that night indirectly—

The Hon. Anne Levy: Incorrectly!

The Hon. L.H. DAVIS: Incorrectly? He reflected on that occasion just a short while ago. However, I, like the Attorney, have a clear recollection that the Bill passed with a margin of one vote—a Bill which was certainly a conscience vote on the part of Liberals, and it passed only after several hours of pressure on one member of the Legislative Council by the then Premier (Hon. John Bannon).

The Hon. Anne Levy: That's not true.

The Hon. L.H. DAVIS: Well, those facts are incontrovertible.

Members interjecting:

The Hon. L.H. DAVIS: When members of the Labor Party confirm that that was true, I am left in some puzzlement. I do not want to—

The Hon. Anne Levy: Tell a lie often enough and it becomes the truth.

The Hon. L.H. DAVIS: Well, you had better correct some of your own colleagues who are obviously under a savage misapprehension.

The Hon. Anne Levy interjecting:

The Hon. L.H. DAVIS: I never mentioned your name; it did not pass my lips. I voted against that legislation on that occasion, having supported the Casino legislation. I put down the reasons for my opposition to poker machines—not all the reasons, but some of them—at that time. I remember telling the Council that public opinion polls taken at the time indicated that a majority of South Australians were against poker machines, whereas, when the Casino legislation was introduced seven or eight years earlier, there had been a clear majority in favour of the Casino. My concerns centred on the structure of the administration and surveillance and also some of the circumstances surrounding the introduction of poker machines in South Australia. I do not want to revisit that debate—it is past—but I put it on the record.

I also expressed concern during discussions with Casino management in a subsequent select committee about the impact of poker machines on the operation of the Casino. I believed that it would have a severe impact on the profitability and turnover of the Casino, and that has proved to be the case. I also had a very strong view that the model that we were adopting in South Australia of basically open slather for poker machines was not the best model, and that again was subject to a lot of debate at the time. I recall that the Hon. George Weatherill introduced an amendment to reduce the number of poker machines allowable on any one site. Understandably, there was a range of views on what was a complex subject.

Four years on and 2½ years since the introduction of poker machines in South Australia, we have the opportunity of looking at the profitability and the economic and social impact of poker machines, and we can now put on the record some of the consequences of their introduction in this State. Having opposed that legislation and having had misgivings about introducing poker machines, I recognise that at the time the Government was badly strapped as a result of the State Bank. It was seen as a revenue-raising measure, and I suspect that was one of the driving forces behind it, although, to be fair, many people with a vested interest were pressing for the introduction of poker machines.

It is also reasonable to note that around Australia there has been a dramatic shift in the weight given to gambling outlets in each State. For example, there are four casinos in Queensland; a new casino operating in Sydney in temporary quarters and one is currently being built; the massive Crown Casino planned in Melbourne on the south bank of the Yarra, again operating in a temporary situation; the Burswood Casino in Western Australia which is well established; two smallish casinos in Tasmania— Wrest Point in Hobart, which was the first in Australia, and a smaller one in Launceston; and two casinos in the Northern Territory.

Australia is 'casinoed out' and the downturn in profits has been savage across the board. The Adelaide Casino is not alone in suffering a significant setback in its profitability. For example, the Reef Casino opened at the end of January in Cairns and was seen to be geographically isolated in a very desirable tourist location which was ideal to entice high rollers. In its first two months of operation it has reported a significant shortfall in its revenue, to the point where it will not go anywhere near reaching its profit forecasts for the year ending 30 June 1996.

In Adelaide, poker machines have impacted dramatically on the Casino and obviously have had an impact on other forms of gambling because there is a finite amount of money that can be spent on gambling. I was interested to read the *Age* quite recently; there was a map of Melbourne which highlighted where the biggest poker machine revenues were being attracted. Invariably, they were in lower socioeconomic areas.

The Hon. Anne Levy: Haven't you read the South Australian report?

The Hon. L.H. DAVIS: As the Hon. Anne Levy indicates, that confirms what the Government inquiry reflected in South Australia, and that should come as no surprise. The social impact and the economic consequences of gambling are enormous. Certainly, there are corresponding benefits in terms of creating new jobs—

The Hon. T.G. Cameron: That is debatable.

The Hon. L.H. DAVIS: Well, there is an argument that it does create new opportunities, and for many in the hotel industry it has been a godsend. Over the years I have been a great supporter of the hotel industry in this Chamber. I am pleased to say that many have benefited from clever business decisions that have taken advantage of the opportunities afforded by poker machines.

Tonight, I want to address my remarks primarily to the concerns expressed by charitable organisations which have felt the pinch as a result of poker machine operations. From anecdotal evidence, there is no doubt that poker machines have had a direct impact. Like other members, I have received several letters from charitable organisations and I have had telephone calls from charitable organisations. I have also had discussions with my wife, who is involved in a fundraising committee for one of the major charitable organisations.

The Salvation Army, for example, is a wonderful welfare organisation which has been badly affected; the Anglican Family and Community Development Services has also been badly affected. I have received letters from several charities, but I want to refer to two of them. The Multiple Sclerosis Society of South Australia wrote to me—and no doubt to other members. Mr J.M. Stewart, the honorary President, made several points.

A meeting of charities was held on 22 February 1996 and was attended by MS, Red Cross, Wheelchair Sports, Crippled Children's Association, Orana Inc. and the Florey Research Foundation. That meeting agreed that a strong representation should be made to the Treasurer, Mr Stephen Baker. They were seeking $5 million for assistance and recompense for the losses suffered in the 1994 and 1995 years. MS state in this letter that in its case an audited net figure of $86 000 was given to the Government inquiry. In other words, that was the loss that MS claimed it suffered in the 1994 and 1995 years.

The Hon. Anne Levy interjecting:

The Hon. L.H. DAVIS: Okay: I am entitled to put it on the record. Don't be so pedantic. A specified percentage—

The Hon. Anne Levy interjecting:

The Hon. L.H. DAVIS: So, you are allowed to quote it but I am not. Is that what you are saying?

The Hon. Anne Levy interjecting:

The PRESIDENT: Order!

The Hon. L.H. DAVIS: I am actually quoting from a charity. Am I entitled to do that? I don't have to quote from a report. I can quote from anything I like, thank you very much. I don't tell you what to quote from.

The PRESIDENT: Order! I suggest that the honourable member go on with his speech and that the honourable interjector cease.

The Hon. L.H. DAVIS: Thank you, Mr President, for your protection. The MS Society in its letter said that a specified percentage should be channelled into qualifying charities so that they in turn could budget and plan their programs accordingly. That was a fairly typical letter, which I suspect many members received. There is also one from Wheelchair Sports about the impact of gaming machines. As we know, charities adopt various methods of fundraising, and some have been affected more than others. Wheelchair Sports had raised a lot of money through the sale of bingo tickets, which could perhaps be seen to be in competition with poker machines. It was not surprising when Wheelchair Sports said in its letter from Richard Oliver (its President) and Mark Tregoning (its Executive Director) that, in its submission to the Government inquiry, it demonstrated a 32 per cent decrease in the sale of bingo tickets, which has translated to a $315 900 gross profit decline over a period of 12 months.

The letter does not say what the net figure was, but the gross revenue declined by something like $6 000 a year. It states that many other fundraising endeavours, including lotteries, telemarketing and doorknocking, have also been severely impacted. That, I think, underlines the reality of what happened when poker machines were introduced.

If one examines the economic indicators for South Australia, one sees that that sharp decline in fundraising by charities cannot be attributed to a decline in the economy. The South Australian economy has not been exactly buoyant, but it certainly has not been falling away and it has had solid rather than spectacular growth from that low point in 1991-92, when the devastating news of the State Bank brought businesses, both large and small, to a grinding halt.

I have spoken to charities and to other people in the community who agree that the fall-off in fundraising certainly cannot be attributed to economic factors. A range of views from a large number of charities confirms that that decline in fundraising coincided very closely with the introduction of poker machines. Therefore, I was pleased to see that in the debate, which has understandably taken place in another Chamber, agreement has been reached by the major Parties on a proper allocation of a share of gaming machine taxation revenue for welfare and charity groups and sporting clubs.

The State Government has recognised that some adjustment should be made and that some of the taxation from gaming machines should be placed in a dedicated fund, which will enable welfare groups, including the health, education and other community development groups, to have the benefit of additional funds from gaming machine taxation and, importantly from the viewpoint that I have expressed tonight, that $3 million out of this $25 million fund will be specifically allocated to welfare and charity groups, with $2.5 million to sport and recreation groups.

Those charities will be assessed for revenue loss resulting directly from gaming machines. That is a measure which meets with my approval. I am also pleased to note that the hotel and club industries have taken the initiative—it is a fairly far reaching initiative—in establishing a $1.5 million annual gamblers rehabilitation fund which recognises that there is a problem with gamblers who gamble to excess. There are other measures which are subject to debate in this Bill, including something I support, that is, the mandatory six-hour daily shutdown of gaming machines in all clubs and hotels to hopefully act as a circuit breaker, together with the

removal of EFTPOS facilities from gaming areas and the prohibition on gaming machine operations on Christmas Day and Good Friday. I support the second reading.

The Hon. A.J. REDFORD: I support this Bill and congratulate the Government on coming to a sensible compromise after a lengthy consultation process with the hotel industry. By way of background, if I had been a member of this place when poker machines were first introduced my inclination would probably have been to oppose them.

The Hon. T.G. Cameron interjecting:

The Hon. A.J. REDFORD: If the Hon. Terry Cameron would wait for the rest of my contribution, I must say that, having seen what poker machines do and the positive effect that they have had on a number of people's lives, on reflection my initial view was incorrect. If the legislation were before this place today, and knowing what I know today, I would vote in favour of it.

The Hon. L.H. Davis: Some of your enemies have lost a lot of big money.

The Hon. A.J. REDFORD: That is not the case. In fact, I have not met many people who have lost much money at all although, anecdotally, I hear by way of interjection that there have been some big losers. I do not wish to keep members for long this evening. I commend those members both here and in another place—and judging by the quality and standard of debate in the other place I severely doubt that they have done this—to read the Hill report, the inquiry into the impact of gaming machines in hotels and clubs in South Australia. We as politicians have been subjected to quite an hysterical campaign on the part of charities, clubs and the *Advertiser* about the evils of poker machines.

The Hon. Anne Levy interjecting:

The Hon. A.J. REDFORD: I will come to the *Advertiser* in a moment. The only reasoned approach to the issues relating to the poker machine industry is set out in the Hill report. I do not propose to go through it in any detail, but the summary of the inquiry is to the effect that some of the down sides of poker machines have been grossly overstated and, indeed, some of the criticisms of poker machines, revenue levels and the like have been overstated because it is simply too early to tell in real terms what impact poker machines will have on various industry sectors.

It is pleasing to see that about 96 per cent of South Australians can be classified as non-problem gamblers. It would seem that poker machines have fitted in quite well with the social lives and demands of South Australians, and we have embraced them in a very responsible manner. I also note from the report that approximately 1.2 per cent of people are problem gamblers. There has been no analysis of whether or not those people who became problem gamblers were problem gamblers in relation to other gambling areas such as the Casino or racing.

There has been no analysis as to whether or not there is some trigger in a person so that when they reach a certain age or a certain social environment they become problem gamblers. Certainly, nothing that I have seen particularly indicates that poker machines are a more insidious form of gambling than any other form. In any event, when one moralises about these issues it seems absurd to say that it is all right to have poker machines in the Casino but that it is not all right to have them in hotels where ordinary middle class South Australians go.

The Hon. Anne Levy: Working class South Australians.

The Hon. A.J. REDFORD: Yes, the working class, the blue collar worker, the men and women who quickly transferred their support from the Keating Government to the Howard Government a few weeks ago. I might also say that I was a vice president of Guide Dogs for the Blind until last year, and I am still a member of the board of management of Guide Dogs for the Blind. I have been involved in various charitable institutions, both small and large, over the past 15 years. If one looks at a graph of the fundraising in relation to Guide Dogs for the Blind, one can see that it has been a difficult time in the past five or six years, and in real terms there has been a decline. But when you look at the graph closely, you see that the decline does not seem to coincide at all with the introduction of poker machines.

The Hon. Diana Laidlaw: And it hasn't collapsed in the past 10 months.

The Hon. A.J. REDFORD: No; I am pleased to say that Guide Dogs for the Blind is financially stronger now than at any time in the past five years. That is through simple good management. I would like to claim some responsibility for that, but I would be lying if I did.

The Hon. Diana Laidlaw: And you don't do that.

The Hon. A.J. REDFORD: No: I won't do that. It is interesting to note that many charitable institutions have relied on bingo tickets and the like for a principal source of fundraising. If one looks at the source of income from bingo tickets, bingo machines and the like over the past 10 years, one sees that there has been a steady decline. The fact is that, if poker machines had any impact at all, perhaps they brought forward the decline by one or two years. When I hear the Hon. Michael Elliott and his funny homespun economic theories about life—and he really is to the far left of politics, further left than anyone else in this Chamber, including Terry Roberts—it is extraordinary to hear that he will save racing by subsidising it through another form of gambling. We all know that that is a recipe to kill both the geese that lay the golden eggs.

If racing has suffered a decline that has coincided with the introduction of poker machines, in my view that just highlights the poor management that we have seen in racing over the past 10 years. We can all sit back and do reasonably well in a monopoly situation. When competition suddenly jumps up in front you, you cannot say 'Let's kill or get rid of the competition.' We do not live in that sort of world in any commercial form. Quite frankly, those who put up those sorts of troglodyte theories ought to go back to school and look at certain economic realities. As a board member of Guide Dogs for the Blind, I have to say that what we have learnt in the past six to eight months is that, instead of the traditional forms of fundraising, there is ample scope for engaging in fundraising activities and attracting fundraising from the hotels and clubs themselves.

I will go on record as saying that there probably is no more generous industry in this State than the hotel industry in terms of its support of charities, sporting groups and social clubs. I also must say that I find the attitude of the *Advertiser* on this topic quite extraordinary. I have criticised the *Advertiser* on a couple of occasions previously, probably to my ultimate political detriment, but the *Advertiser* reached new heights of hypocrisy when it dealt with this issue.

The Hon. Anne Levy: Back in 1990 they were supporting it.

The Hon. A.J. REDFORD: Yes. I am grateful to a former member of this place, the Hon. Frank Blevins, for distributing the 1990 editorial of the *Advertiser* which

demanded that the then State Government introduce poker machines forthwith. It is interesting to note that we hear that editors are not influenced by proprietors. They put one hand on the Bible and the other on their heart and say, 'The editorial of my newspaper is not influenced by my proprietor.' Within five minutes of Rupert Murdoch landing in Adelaide six months ago, he jumps into his chauffeur-driven car, goes down to the Hyatt, gets a real good feel for Adelaide society, then addresses all the new shareholders—and I must say that we are not dealing with your average working class person—mingles with them for a good 10 minutes, then shoots out to the front doorstep and says, 'The real problem in South Australia is poker machines.' He jumps back into his chauffeur-driven car, gets on a plane and zips off back to his native America.

I am sure that this is purely and simply coincidental, and that the current editor would not fall for this trick, but we then get a series of editorials saying that the sky will fall in unless we strangle the poker machine industry. I can only surmise that what the *Advertiser*, or Rupert Murdoch in particular, have based their conclusion on is that people are actually getting out of their loungeroom and going down to their local hotel or club and talking to other people. That is a bad thing according to Mr Murdoch. They are not buying newspapers. However, I do not think that is really what Rupert Murdoch is on about. What he is on about is that he wants them to get pay TV. If they go down to the clubs and talk to their friends, have a free cup of coffee, spend $5 during an afternoon on the poker machines, and have a general discourse, they are not buying pay TV. That is what this argument from the *Advertiser* is all about.

Quite frankly, the approach of the media in this State, particularly the print media, is extraordinary. I will cite an example of just how hypocritical the *Advertiser* has been. One only need look at the way it has dealt with Cash Converters. We all know that, before Cash Converters came along, if you had something to sell you would put an advertisement in the classifieds, over which the *Advertiser* has a monopoly, and you would sell your second-hand piece of equipment and the *Advertiser* would get a bit of revenue. Along comes Cash Converters. You do not have to put an advertisement in the *Advertiser*; you just go down there and sell your second-hand goods, and the *Advertiser* misses out on revenue. So, what is the *Advertiser's* response? We have had every sneaky, sleazy little story you can find about Cash Converters and how evil it is. The fact is that all this is about is revenue for the *Advertiser*. I might be accused of displaying some courage on this point—and I certainly invite the *Advertiser* to publish some of my comments.

The Hon. T.G. Roberts interjecting:

The Hon. A.J. REDFORD: I am sure that the Hon. Terry Roberts would agree with this. I bet London to a brick that what I am saying will not be published in tomorrow's newspaper. In any event, all this 'sky is falling in' stuff about poker machines is, in my view, a beat-up. There are extraordinary opportunities for charity groups to tap into the poker machine dollar if they are clever, if they market themselves properly and if they make their services relevant to ordinary South Australians.

In closing, I refer to the six hour closure period. As I understand the position so far as members are concerned, an amendment has been moved by the Hon. Paul Holloway to the effect that a licensee can break up that six hour period into two three hour periods or three two hour periods. I have been informed by the Treasurer—and have no reason to doubt what he tells me (as I never doubt what he tells me)—that that is a conscience vote. In fact, each of us can vote in accordance with our conscience on this six hour period.

I do not quite understand why a vote on this issue for the Labor Party is a conscience vote and the death penalty is not, but I will live with those circumstances. It is my view that the amendment moved by the Hon. Paul Holloway ought to be supported. As I understand the theory for the six hour closure, it is designed to stop people who cannot get themselves away from poker machines. I have not seen any scientific material or studies that say that this would have any effect on the problem gambler, but if one accepts that a break away from the poker machines will save a person who is likely to be a problem gambler from becoming a problem gambler, which I doubt, then one would also have to accept that, if you force a person away from the machine twice or three times, the publican who chooses to close up for two or three hours and break it up during the day will be providing a service to the community.

It would be wrong of this place to prevent a publican who had that civic duty and responsibility towards problem gamblers from taking up that option. I urge all members to seriously consider the well considered amendment from the Hon. Paul Holloway and support it. I am not sure whether our colleagues in the Lower House will do that, but we generally show them the way and generally on these sorts of issue the quality of our debate is superior. On any deadlocked conference we generally win.

The Hon. T.G. Roberts interjecting:

The Hon. A.J. REDFORD: I will leave that to your capable hands—you are the master of publicity.

The Hon. T.G. Roberts: Give it to the *Advertiser*.

The Hon. A.J. REDFORD: You send them a copy of my speech. The suggestion that the six hours be broken up to two or four hours is a sensible one. I do not think that I am breaching any Party discipline by saying that the question of two or three hour breaks was never raised in our Party meeting; it was never discussed. Therefore, the sorts of issue, pros and cons, have never been debated in an open forum. I have not heard anyone come up with a sensible argument to say that it has to be a straight six hour closure or heard anyone say that if you get rid of the straight six hour closure that that will undermine what essentially is sought to be achieved by having the closure in the first place. I ask everyone to seriously consider the Hon. Paul Holloway's amendment on this point and allow those responsible publicans who want to have two or three breaks a day to protect their problem gamblers to take full advantage of that opportunity. I commend the Bill to members.

The Hon. J.C. IRWIN: I cannot match the charm or the vigour of the previous two speakers, nor draw the volume of interjections; nevertheless, I support the second reading. As most people would know I am no great supporter of gaming machines. Fortunately, as far as gambling is concerned, I am one who, at this stage of my life, can take it or leave it. Thank goodness I can walk away but, sadly, that is not the situation for a small percentage of people in the State or wherever there is gambling.

The Hon. T.G. Roberts: A 5¢ jackpot isn't going to change your life.

The Hon. J.C. IRWIN: Whatever the denomination, it is dreadfully boring: I think I could find better things to do. Gaming machines just add another hurdle to this rocky race of life that we have to go through. Some people will fall at

one hurdle, whilst others will fall at another hurdle. When all this is put together there is a growing percentage of people of all ages who need a public safety net below them. Obviously, that is the reason for some of the amendments to the Bill before us. Having said that, the majority of the Parliament supported gaming machines. One can only assume that that majority reflected a general majority in the public. I take the Hon. Legh Davis's point that that is probably achieved now but it was not at the time. I am happy that the fate facing many hotels in this State two or three years ago has been arrested. There certainly appears to be a rising popularity and prosperity in the hotel industry at the odd time that I tread foot in one.

As other speakers have mentioned, the game moves on. The game we are on today is a piece of legislation that should be looked at on its own. The Bill before us provides for a major amendment to the gaming machine legislation and we must address the situation that that presents. The major point is how the gaming tax is calculated. Without going into the details of the Bill before us, or of the recent history of the attempts of this Government to change the tax regime, it is sufficient for me to say that it was not a very comfortable time for me, or, I would imagine, most members on this side of the Chamber. It was uncomfortable because I was part of a flawed decision-making process, which came back to haunt us.

In changing the original tax concept to what is set out in the proposed legislation, I must pay a tribute to those in the hotel and club industry. I have said this privately to some in the industry and I say it again publicly, that I have never before experienced such a strong, cohesive and believable lobby as I did from the industry. I pay tribute to the many people who lobbied me on the issue of the gaming machine tax. They had the argument and they won the day. I also pay a tribute to the Treasurer for listening to that argument and acting in the way that he has.

I make one brief reference to an amendment on file, in particular the setting of the charitable and social welfare fund with $3 million. This point has already been made by the Hon. Mr Davis. All honourable members would have recently received letters from many fine longstanding charities saying how they have been affected by lower returns from the donating public. I am careful not to blame gaming machines alone for I know full well that there have been and are a number of factors that have contributed to the fall of charity income, and we have been hearing that for a number of years. For all my life I have been part of a family and personally involved in charitable enterprises of one kind or another. I support the ethic, although underline that it would be a far more perfect world if there was no need for any kind of charity fundraising at all. By that I certainly do not mean that that should be the charitable effort now and that it should be replaced by Government. That is 100 per cent in the opposite direction to the way I see it.

I have often said that charitable work is in itself therapeutic for the giver and has a very important place in any community, metropolitan or rural. My experience certainly over most of my lifetime has been in rural areas where there has been a need for charitable work, and those who give that charitable work benefit as much as those who receive it. It would be extremely wrong to replace it by a single Government effort.

A total of $3 million is not very much to spread around the charities in South Australia, and I have not had the time to see how many major, minor or medium size charities there are, but I imagine there would be some hundreds. I hope there is a very strong and clear method of distribution. I hope the emphasis is very much on small reward for any effort; in other words, dollars from the fund in direct proportion to dollars received from donors, which is getting back to what I have said before about—

The Hon. Anne Levy: 'For he that hath, shall it be given; for him that hath not, shall it even be taken away.'

The Hon. J.C. IRWIN: That was a wonderful interjection from the Hon. Anne Levy.

The Hon. Anne Levy: It's from the Bible, Jamie.

The Hon. J.C. IRWIN: Yes, I know. That is all I wish to say now. I may make other contributions in Committee.

The Hon. R.I. LUCAS (Minister for Education and Children's Services): I thank members for their contributions during the second reading of this Bill. There is no doubt there is nothing like a gaming machine Bill to bring many a varied contribution in the Chamber.

The Hon. R.R. Roberts: Or racing.

The Hon. R.I. LUCAS: Yes, or racing. Gambling and racing matters tending, not always but on occasions, to be matters of conscience, have certainly attracted vigorous debate in the Legislative Council. As members would know, during that fateful debate whenever it was, one or two years ago—I cannot remember when it was, it seems such a long time ago—I was a strong supporter of the introduction of gaming machines into South Australia, and I have to say, whilst I am on a different side of the Chamber now, I remain strongly a supporter of gaming machines as an option within South Australia. The view I expressed on a previous occasion I do so again.

Yes, it is true that we have a very small percentage of people with an unfortunate addiction to gambling of a whole variety of sorts, and we certainly see again a small minority with an unfortunate addiction to poker machines. I suspect a large majority of those who are addicted to gaming machines at the moment are persons who previously were probably addicted to other forms of gaming, although I do concede that there is certainly some evidence that there may well be a new group. How big that new group is, I am not sure, and I guess only time will tell as to how big that new group is. Irrespective, the total numbers are a very small percentage of the total number of gamblers within the South Australian community.

A number of members have referred to the fact that, two years ago, I guess the anecdotal evidence was that up to a third of our hotels were struggling. That is probably the kindest way of putting it. Some were predicting that as many as a third—I suspect that was probably an overestimate, but nevertheless a not insignificant percentage—of our hotel industry was likely to go to the wall. There is no doubt that the introduction of gaming machines has in effect revitalised what was at least in significant part a dying sector of the South Australian industry. As a result of the introduction of gaming machines, we have heard too little of the positive benefits that have accrued to young people in the main, but South Australians in terms of new jobs in the hotel and hospitality industry.

I do not intend to revisit the whole debate; there is not the time to do it now. Gaming machines have received pretty bad press, to use a colloquial expression. They have been blamed for everything. I might as well blame them for West Adelaide's bad footy season last year; they have been blamed for everything else in South Australia. Everything that went wrong was the fault of the introduction of gaming machines.

The Hon. Anne Levy: And the Brown Government.

The Hon. R.I. LUCAS: The Hon. Anne Levy has another crutch upon which she can fall, but I will leave that crutch to her. As I said, gaming machines have been blamed for virtually everything. Whilst it is true that there has been a demonstrated effect of the introduction of gaming machines in some areas, we will consider some amendments in the Committee stages which are part and parcel of a knee-jerk response to the suggestion that something has gone wrong in the last 12 months, so it is the fault of the gaming machines industry.

I am intrigued by the amendment which is to be moved by the Hon. Mr Elliott and which seeks to allocate $1 million to small business as a consequence of the introduction of gaming machines. I am not sure how many small businesses there are in South Australia, but let us say that it is 20 000—it depends how one defines it. I am sure that all 20 000 or 50 000 small businesses will put up their hands and say that their earnings have been affected by the introduction of gaming machines. Depending on the number of businesses involved, they might get $50 or $100. Who will allocate the funds? I am sure that I will not put my hand up to be on the committee which decides between the thousands of small businesses that put up their hand to say that their earnings have been affected by the introduction of gaming machines and to have to decide which businesses will receive $50 from the fund that is proposed under the amendments being moved by the Hon. Mr Elliott.

That amendment is one of the examples where there was considerable publicity. If one sits down and thinks about it sensibly, one cannot go down the path of automatically compensating every group which claims to have been affected by the gaming machine industry and which automatically says that they ought to be part of this gaming machine fund allocation. That defies logic.

I will not address the amendments until we get to the Committee stage. I thank members for their contribution to the debate and will take up the other issues when we consider the individual amendments.

Bill read a second time.

In Committee.

Clauses 1 to 4 passed.

Clause 5—'Conditions.'

The Hon. P. HOLLOWAY: I move:

Page 2—
Line 18—Leave out 'there is other times a continuous period of' and insert 'at other times there are'.

The ACTING CHAIRMAN (Hon. T.Crothers): The amendments are suggested amendments to the other place because they involve money clauses.

The Hon. P. HOLLOWAY: The first amendment is related to hours.

The ACTING CHAIRMAN: The Bill itself is dealing with taxation, so the assumption that flows from that is that the amendments, because they are amendments to that Bill, are money amendments. That is my advice, if the honourable member can move it in a suggested form.

The Hon. P. HOLLOWAY: I take your advice, Mr Acting President, but I will use the first part of this amendment as a test for a series of later amendments. Basically, we are discussing here the issue of the hours of gambling, which is a conscience vote for members on both sides of this Chamber. My preferred position would probably be to stick with the existing provisions of the Bill which basically leave it up to the Liquor Licensing Commissioner to determine the hours of gambling, with the exception that the hours of gambling cannot be different from those during which the establishment can be open to serve liquor. However, we understand that agreement has been reached that there should be some restriction, and I invite the Minister to explain exactly why the six hours is in there.

As the Hon. Angus Redford pointed out, it appears that there should be a break in a day because there seems to be this expectation that gamblers will somehow stay in hotels for 24 hours or more and that this is necessary to remove them. I am not altogether sure that that is the case but, nevertheless, as there appears to be some agreement I will accept clause 5 subject to greater flexibility being introduced to the six hour closure period. The amendment that I will be moving, of which we are now discussing a small part, will be to alter that six hour closure period to one period of six hours, two periods of three hours or three separate periods of two hours.

I explained in my second reading contribution to this Bill that there are some situations where shift workers might be involved in a small number of establishments in this city where that flexibility might be useful, and it appears, as the Hon. Angus Redford pointed out in his contribution, to achieve the social objectives that I understand to be behind this measure.

If these amendments are not carried it will be my intention to oppose the entire clause 5, which will return the situation to the *status quo*. I ask members to support my amendment on the basis that it does at least inject some extra flexibility into this six hour closure. If we are to have these restrictions on hours, at least they should be loosened up a little to enable those establishments in the marketplace to have a little more flexibility in dealing with this issue. I commend the amendment.

The Hon. R.I. LUCAS: As representatives of the Labor Party have indicated, this is a conscience vote for Labor members. I am advised that after discussion the view has been expressed that for all members in this Chamber it will be an expression of conscience, as the Hon. Angus Redford has already referred to in his earlier contribution in the second reading debate.

To respond partly to the question asked by the Hon. Mr Holloway, those who support the notion of a break are arguing that they believe that in some way that will potentially stop the compulsive or addicted gambler who is sitting there for 18 hours, hunched over a machine, and at three o'clock in the morning he or she will decide, because it is all being closed down, to go home for six hours and give up his or her compulsion until 9 a.m. when he or she will start again.

I guess it is probably being a little unfair and cynical of me, but I think the argument of those who support the break is that, whilst it will not cure a compulsion, in some way it might prevent someone from continuing to gamble when they may be getting themselves into hot water. I think I have heard some others who support the provision arguing that it might not stop the compulsive gambler but that it might stop the one who as a once-off gets themselves into trouble and all of a sudden they have to pull up stumps instead of continuing.

The Hon. R.R. Roberts: And go home and read the *Advertiser*.

The Hon. R.I. LUCAS: Go home and read the *Advertiser*, turn on pay TV or whatever—do any of the above. Certainly, many arguments to the contrary can be made to that, and I have heard them in the second reading debate and the speeches we have had about the clause. From my point of view, given that this is a conscience issue, I am pretty relaxed

and comfortable about the provision, as the Prime Minister would wish us all to be for the next three years—relaxed and comfortable about the world. Personally, the notion of having a break period does not necessarily attract me at all.

Frankly, as far as I am concerned they can go for 24 hours a day if they want to, but I understand that virtually all the outlets have some sort of break anyway for cleaning up, and that the practical implications of running an outlet 24 hours a day make it very difficult. The reality is that none or very few do not have some form of a break, but that is a decision that the outlets have been taking. However, we are heading down the path of these options and I support the amendment that the Hon. Mr Holloway is moving. It provides a little more flexibility but, as I said, it is a free vote or conscience vote for everyone in this Chamber.

The Hon. ANNE LEVY: I support the amendment. My main reasons for doing so were given by the Hon. Mr Holloway in his second reading speech. It is certainly true that some facilities cater for shift workers and that their only opportunity for indulging in gaming machines will be in the wee small hours of the morning. Very few licensed premises are open at that hour, but those that are open then cater for the shift workers. I see no reason at all why these shift workers should not be able to indulge in playing gaming machines in their time off as much as anyone else does. The extra flexibility which the amendment provides will certainly allow that to happen.

I certainly support the amendment, because I think it is better than the clause before us, but I indicate that, whether or not the amendment is carried, I intend opposing this clause. I see no reason why the existing situation should be altered. I see no reason why gaming facilities should not run for 24 hours a day if people wish. I am quite sure that very few licensed premises would want to have those opening hours but, if they have a liquor licence which enables them to be open for 24 hours a day, I do not see why at any time that they are open for the sale of liquor they should not be able to have the gaming machines available for their customers. I feel quite relaxed regarding Christmas Day and Good Friday. It seems to me that most people regard those days as reserved for home or family entertainment, but of course there are always travellers who find themselves in strange places on either Christmas Day or Good Friday.

I do not see why they should not be able to pass the time with gaming machines if that takes their fancy. To suggest that they not be available for religious reasons hardly seems a rational reason in a society where the vast number of people do not adhere closely to any religion, do not attend religious services and do not in any way follow religious observance. Those who do have strict religious observance and feel that gaming machines should not be used on Christmas Day or Good Friday need not use them. For those who have different religious views, I do not see why they should be hidebound and prevented by other people's religious feelings from indulging in gaming machines on those two days as on the other 363 days of the year. I will certainly support the amendment but will vote against the clause.

The Hon. M.J. ELLIOTT: I am not sure what this clause is supposed to achieve other than try to give some impression that the Bill is trying to help victims in some way. I have had any number of people contact my office in terms of friends and relatives who have been victims of gaming machines and the damage that has been done to them, but I have not had a single person say to me that those people are playing 18½ hours a day. This suggestion that by cutting down by six hours the time when gaming machines can be open we are helping somebody is a load of baloney.

I am firmly on the record in this place as to what I think of gaming machines in general and argue that we should be doing things to help victims or to help those who are addicted in terms of behaviour and other things, but to suggest that closing a machine for six hours a day will somehow or other stop people from becoming addicted and losing lots of money is a load of nonsense. The only explanation is that it has been put in the Bill so that it looks like a Bill that does more than raise $25 million in tax for the Government, which is essentially what the Bill does. The only useful thing it does is in relation to EFTPOS and I know that the availability of money on site has caused some problems and I have had complaints about that. This clause is window dressing and will do nothing of value whatsoever. I support the amendment, but oppose the whole clause.

The Hon. CAROLINE SCHAEFER: I, too, am ambivalent about this and only speak because it is a conscience issue. I believe that the Hill report and other reports have suggested that a break in gambling time is some help to those with an addiction. I also think that it is sometimes not a bad idea to have a break so that people can clean up. I think that three two-hour breaks will be an administrative nightmare.

Members interjecting:

The Hon. CAROLINE SCHAEFER: If you all let me finish, that is their choice. I can see no point in having a straight six hour break. I do not think that it will do any more than three two hour breaks or necessarily any less. So, somewhat ambivalently, I will support the amendment.

The ACTING CHAIRMAN: Did the Hon. Mr Holloway say that he would use this suggested amendment as a test vehicle for the rest of the suggested amendments?

The Hon. P. HOLLOWAY: Yes, for the suggested amendments to clauses 5 and 13.

The ACTING CHAIRMAN: The question before the Chair is that the suggested amendment be agreed to.

The Hon. T.G. CAMERON: I am only new in this Chamber, as you would realise, Mr Acting Chairman, but I am at some loss to understand why this clause is being put forward as a money clause. It is a clause about hours. How do we make the quantum leap to this being an amendment about money matters?

The ACTING CHAIRMAN: I do not know whether the honourable member was in the Chamber at the time, but my advice is that, because the Bill mainly deals with taxation matters, that renders it to be a money Bill and constitutionally, as I understand it, we cannot then deal with money matters. We can simply suggest amendments to the other place. That is my understanding of it, and that is the advice I have.

Suggested amendment carried.

The Hon. P. HOLLOWAY: I move:

Page 2, line 19—After '24 hour period' insert '(which may be a continuous period of 6 hours, or 2 separate periods of 3 hours or 3 separate periods of 2 hours)'.

The amendment leads on from the previous discussion we have had.

Suggested amendment carried.

The Hon. M.J. ELLIOTT: I am wondering if it is possible for this clause to be voted on in parts.

The ACTING CHAIRMAN: We have two amendments on file. It is rather late in the day for the honourable member

to stand up in respect of some complex issues when we have just carried both of these amendments to clause 5.

The Hon. M.J. ELLIOTT: With respect, these amendments so far relate only to hours in the day and do not relate to other matters contained within the clause.

The ACTING CHAIRMAN: Are you suggesting that you introduce a new amendment which you do not as yet have on file? Please indicate to members which parts you are talking about.

The Hon. M.J. ELLIOTT: Mr Chairman, in particular, I would like new subsection (7)(b)(ii) to be treated separately. I suppose it might be easier to move an amendment that that part of the clause be opposed.

Clause as suggested to be amended passed.

Progress reported; Committee to sit again.

STAMP DUTIES (MISCELLANEOUS) AMENDMENT BILL

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

The Hon. R.I. LUCAS (Minister for Education and Children's Services): I move:

That this Bill be now read a second time.

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

Leave granted.

This Bill seeks to amend the Stamp Duties Act in respect of five separate issues.

Three of the issues involve proposals to tighten the existing provisions to ensure they operate in the manner intended and are not ineffective with respect to certain transactions and arrangements.

The fourth issue deals with an amendment necessary to cope with the Australian Stock Exchange's new Clearing House Electronic Subregister System for Units in Foreign Securities.

The fifth issue relates in changes in Commonwealth legislation regulating the superannuation industry.

The first amendment being proposed in this Bill deals with the exemption criteria used for the transfer of a family farm within a family unit. It has become evident that a number of creative measures have been employed by taxpayer representatives to enable their clients to artificially satisfy the concession criteria. It is for these reasons that this Bill seeks to strengthen the definitions and to qualify for the concession, make it a requirement that the business relationship of primary production must have been in existence for at least twelve months prior to the transfer. It has always been the Government's intention that this exemption from stamp duty would only apply to genuine family farm transfers. As a result, the Government seeks to tighten up the existing provisions to ensure only those genuinely entitled receive the benefit of the concession.

The second amendment proposed in the Bill deals with the conveyance of a business where the transactions are not effected by the traditional instrument or document. The Clayton's contract provisions were enacted a number of years ago to ensure that duty was paid where changes in the legal or equitable ownership of property was not effected or evidenced by an otherwise dutiable instrument. Instances have been identified by the Commissioner of Stamps where people have been able to avoid their obligation. Several recent successful objections to assessments made by the Commissioner of Stamps have highlighted deficiencies in the existing provisions whereby the duty payable has been significantly reduced through the employment of separate agreements covering the transfer of a business. The agreements have split into separate transactions, the assets and business interests being sold to the same or related purchasers. This is despite the fact that it was always the intention of the original owner of the business to sell the business as a whole and is the intention of the purchaser to continue operating the business as a whole. The amendment will enable the Commissioner to assess these separate transactions as if they were one. Blatant tax avoidance of this nature is not only unacceptable but is inequitable and unfair for the overwhelming majority of taxpayers who comply with the legislation thereby providing revenue for essential services.

The third amendment seeks to tighten the provisions of the Act dealing with mortgages. Currently the Act provides an exemption from stamp duty under the mortgage provisions in respect of an additional security by way of a further charge. As a result of a recent Supreme Court judgment the provision now provides an opportunity for minimising tax. The Court held that a Memorandum of Transfer, even though signed by only the mortgagee, was an additional security and accordingly exempt from stamp duty.

The Government believes that it was never the intention to provide an exemption from stamp duty in the situation where an actual conveyance of property occurs and therefore that an exemption should not be provided. For these reasons, the Government seeks an amendment to close this potential to avoid stamp duty in these circumstances. The Bill takes action to ensure that where the Memorandum of Transfer relates to land under the Real Property Act, the mortgage exemption will not operate thereby preventing the exemption being used in artificial and contrived circumstances to avoid conveyance duty on real estate transactions.

The fourth amendment dealt with in this Bill is a proposal sought by the Australian Stock Exchange to recognise the new Clearing House Electronic Subregister System for Units of Foreign Securities, or CUFS as the system will be known. The amendment will provide for stamp duty being payable on foreign security transactions which take place under this new transaction system. The Australian Stock Exchange, in conjunction with the ASX Settlement and Transfer Corporation, has developed the new CUFS system because at present most of the foreign company securities cannot be settled under the existing Clearing House Electronic Subregister System. It is proposed therefore, that CUFS be treated like any other Security Clearing House security transfer.

The fifth amendment relates to changes in Commonwealth legislation relating to certain superannuation funds. The *Stamp Duties Act 1923* currently exempts from duty the change in beneficial interests of a trust that is established under a deed approved under Division 5 of Part 7.12 of the *Corporations Law*. The Commonwealth has moved regulation of approved deposit funds and pooled superannuation trusts so as to be the subject of the *Superannuation Industry (Supervision) Act 1993*. Accordingly, the relevant provisions of the Stamp Duties Act should be amended to make reference to the new Commonwealth law in order to preserve the status quo for the relevant funds.

Clause 1: Short title

This clause provides for the short title of the measure.

Clause 2: Commencement

The measure will be bought into operation by proclamation.

Clause 3: Amendment of s. 4—Interpretation

These amendments provide a definition of a "CUFS", being an interest issued by or on behalf of a CHESS nominee company that provides beneficial ownership in respect of foreign shares and units quoted on the Australian Stock Exchange, and provide that a "CUFS" will be taken to be a marketable security.

Clause 4: Amendment of s. 71—Instruments chargeable as conveyancers operating as voluntary dispositions inter vivos

This amendment recognises approved deposit funds and pooled superannuation trusts for the purposes of the exemption from the operation of subsection (4).

Clause 5: Amendment of s. 71CC—Exemption from duty in respect of conveyance of a family farm

It is intended to amend section 71CC of the Act so as to provide an additional element to be eligibility test under subsection (1) of that section, being that the sole or principal business of the transferor is the business of primary production. Furthermore, the relevant business relationship under the eligibility test will now need to be of at least 12 month's duration. It is also intended to clarify that each relevant person must be alive as at the time of execution of the instrument of transfer.

Clause 6: Amendment of s. 71E—Transactions otherwise than by dutiable instrument

These amendments will make express provision under section 71E of the Act for situations involving a transfer of a part of a business. New subsection (1a) gives recognition to the fact that the goodwill of a business cannot be separated from the business, but may be relevant to a calculation of the value of a business.

Clause 7: Amendment of s. 81—Transfers and further charges

This amendment ensures that conveyance duty cannot be avoided in cases involving a security over land that is subject to the provisions of the *Real Property Act 1886*.

Clause 8: Amendment of s. 90H—Application of Division

These amendments will allow an interested constituted by a "CUFS" (as defined) to be subject to duty under the securities clearing house scheme contained in Part 3A of the Act.

Clause 9: Amendment of s. 91—Interpretation

This amendment is consistent with the recognition of the fact that approved deposit funds and pooled superannuation trusts are now regulated under a separate Commonwealth law.

Clause 10: Amendment of second schedule

It is necessary to amend general exemption 22 to ensure that it does not extend to a "CUFS". Furthermore, on the basis that a "CUFS" is to be dutiable, a subsequent settlement of the relevant transfer should not be subject to duty.

Clause 11: Transitional provision

The amendments will not affect the duty chargeable on instruments executed before the commencement of the measure.

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

RACING (MISCELLANEOUS) AMENDMENT BILL

The House of Assembly intimated that it had agreed to amendments Nos 1 and 2, had disagreed to amendments Nos 3 and 8 and had disagreed to the suggested amendment.

Consideration in Committee.

The Hon. K.T. GRIFFIN: I move:

That the Council do not insist on its amendments Nos 3 and 8 and its suggested amendment.

This should all be fresh in the mind of members, having dealt with it only a reasonably short period ago. I did indicate that the Government was giving consideration to some additional capital development funds for the Racing Industry Development Authority in the current budget. The amendments and suggested amendment proposed by the Council were for a more permanent arrangement. I can indicate that in another place the Minister for Recreation, Sport and Racing gave a commitment to the House of Assembly in relation to capital development funds. He indicated that in this next budget he would be proposing that $2.5 million be made available to the authority and the same for the subsequent budget. That is a little less than the figure of $2.9 million for the last year, but he indicated that it would be appropriate to make that provision. He also indicated that, whilst that was his intention, it is still part of the budget process on both occasions. He has also indicated—and I indicated, too—that the Government was anxious to ensure that the application of any additional funds was subject to ultimate Cabinet and budget supervision and control and that would be the context in which these funds would be proposed.

The Hon. M.J. Elliott: Is that a definite maybe?

The Hon. K.T. GRIFFIN: I can tell the Council no more than what the Minister indicated in the Lower House. It was $2.5 million in this year's budget and next year's budget that he is proposing. That is still part of the budget process and he would be making that strong recommendation. Whilst it is not a final categorical availability, there is every intention to pursue it diligently and every likelihood that it will be available, but there would be controls over its availability, particularly in the context of the way in which it is spent. Obviously, if the racing industry is to be restructured and to restructure, the expenditure of further funds ought to be strongly tied to performance. While the authority is a statutory authority, it is important to ensure that proper performance measures are put in place in relation to the expenditure of additional funds. In the context of proper performance even beyond the amounts of $2.5 million, if it was obvious that further funds had to be made available it would be the Minister's intention to deal with that in a responsible and positive manner but again to tie it to performance measures, because ultimately that is the only mechanism by which proper accountability can be achieved.

The Hon. M.J. ELLIOTT: I seek more clarification. Perhaps a shorter explanation might have been clearer. My understanding of discussions held outside the Council is that what is being offered is a definite definite. To some extent the explanation sounded like a definite maybe and I want to clarify my understanding with the Minister. I understand that racing will be getting $2.5 million a year for the next two years—$2.5 million of new money. The only question is precisely how that money is spent. Through the budgetary process Cabinet will be having some say in the actual expenditure and I want to make sure that my understanding is correct.

The Hon. K.T. GRIFFIN: As I understand it, the position is this: there is a positive intention to make available $2.5 million per year for this budget and next year's budget, but the final availability depends upon the working through of the budget process but ensures that there is an adequate measure of control over the way in which that money is expended. That is my understanding of it and I can really take it no further than that.

The Hon. M.J. ELLIOTT: We still hear 'positive intention', which sounds like a variation on—

The Hon. K.T. Griffin interjecting:

The Hon. M.J. ELLIOTT: More than that can be done. For instance, I note in the gaming machine legislation the amendments are very definite about what money is to be spent on particular things and they are guaranteed guarantees.

The Hon. Caroline Schaefer interjecting:

The Hon. M.J. ELLIOTT: I am sorry, but the gaming machine legislation does contain guarantees of fixed amounts of money to particular areas. It is not unusual for absolute guarantees to be given. It does happen, and in fact it will be happening in the gaming machine legislation. As I said, my understanding was that there was actually a guarantee that a particular amount of money would be available for the next two years, not a positive intention. I am really trying to make sure that the language is quite clear and precisely what it means.

The Hon. R.R. ROBERTS: I was involved in the discussions with respect to this matter and, whilst it was an unofficial conference, some very strong commitments were given that money would be made available to RIDA to spend as prescribed by the constitution of the committee, which is now known as RIDA. What seems to be happening is we are now being told there is a commitment, subject to the budget process, of $2.5 million, which will now be spent at the direction of Cabinet. What we are really talking about is the setting up of a structure to run racing—or to wreck racing—which will now be directed by Cabinet. It really begs the question: why do we have RIDA? I understand that discussions are taking place, and I am loath to do this at this stage but, until such time as we get some clarity, I am prepared to move that progress be reported.

[Midnight]

The Hon. K.T. GRIFFIN: That will not be necessary. The money, once appropriated to RIDA, will be under the control of RIDA and will be expended by RIDA in accordance with the provisions of the Act. The $2.5 million provided in the budget for this year and next year requires a

formal appropriation by the Cabinet as part of the budget process.

The Hon. R.R. ROBERTS: Discussions with the Minister have assured me that what the Attorney-General has outlined is correct, and on that basis the Opposition is prepared to support his request that the Council's amendments not be agreed to.

The Hon. M.J. ELLIOTT: If the money does not become available, the Minister might find he makes a good lure for the greyhounds!

Motion carried.

ADJOURNMENT

At 12.20 a.m. the Council adjourned until Wednesday 10 April at 2.15 p.m.