LEGISLATIVE COUNCIL

Thursday 6 June 1996

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

PAPERS TABLED

The following papers were laid on the table:

By the Minister for Education and Children's Services (Hon. R.I. Lucas)—

Regulations under the following Acts—
- Fees Regulation Act 1927—
  - Age Card—Fees
  - Bank Managers and Justices—Fees
  - Water and Sewerage—Fees
- Firearms Act 1977—Fees
- Gaming Machines Act 1992—Fees
- Land Tax Act 1936—Fees
- Mines and Works Inspection Act 1920—Fees
- Mining Act 1971—Fees
- Petroleum Products Regulation Act 1995—Fees
- Sewerage Act 1929—Scale of Charges
- Waterworks Act 1932—Testing

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

Regulations under the following Acts—
- Associations Incorporations Act 1985—Fees
- Bills of Sale Act 1886—Fees
- Business Names Act 1963—Fees
- Cremation Act 1891—Fees
- Dangerous Substances Act 1979—Fees
- District Court Act 1991—Fees and Provisions
- Environment, Resources and Development Court Act 1993—Fees
- Explosives Act 1936—Fees
- Magistrates Court Act 1991—Fees
- Occupational Health, Safety and Welfare Act 1986—Variations
- Real Property Act 1886—
  - Stamp Duty Fees
  - Land Division Fee
- Registration of Deeds Act 1935—Fees
- State Supply Act 1985—Authorities
- Strata Titles Act 1988—Fees
- Summary Offences Act 1953—Traffic Infringement Notice
- Supreme Court Act 1935—
  - Fees
  - Fees Probate
- Youth Court Act 1993—Fees
- Workers Liens Act 1893—Fees
- Workers Rehabilitation and Compensation Act 1986—Costs

By the Minister for Consumer Affairs (Hon. K.T. Griffin)—

Regulations under the following Acts—
- Births Deaths and Marriages Act 1996—
  - Registration and Fees
  - Fees
- Commercial Tribunal Act 1982—Fees
- Consumer Transactions Act 1972—Fees
- Conveyancers Act 1994—Fees
- Fair Trading Act 1987—Expiation of Offences
- Goods Securities Act 1986—Fees
- Land Agents Act 1994—Fees
- Landlord and Tenant Act 1936—Fees
- Liquor Licensing Act 1985—Fees
- Plumber, Gas Fitters and Electricians Act 1995—Fees
- Second-hand Vehicle Dealers Act 1995—Fees
- Trade Measurement Administration Act 1993—Fees and Charges
- Travel Agents Act 1986—Fees

By the Minister for Transport (Hon. Diana Laidlaw)—

Regulations under the following Acts—
- Botanic Gardens and State Herbarium Act 1978—Fees
- Controlled Substances Act 1984—Fees
- Crown Lands Act 1929—Fees
- Development Act 1993—Fee Variations
- Environment Protection Act 1993—Fees
- Harbors and Navigation Act 1993—Fees
- Housing Improvement Act 1940—Variations
- Meat Hygiene Act 1994—Fees
- Consent to Medical Treatment and Palliative Care Act—Fees
- Motor Vehicles Act 1959—
  - Fees and Provisions
  - Fees
- National Parks and Wildlife Act 1972—
  - Keep, Sell Permit Fees
  - Fees
- Pastoral Land Management and Conservation—Fees
- Public and Environmental Health Act 1987—Fees
- Radiation Protection and Control Act 1982—Fees
- Roads (Opening and Closing) Act 1991—Fees
- Road Traffic Act 1961—Fees
- South Australian Health Commission Act 1976—
  - Compensable and Non-Medicare Fees
  - Health Centre Fee
- Valuation of Land Act 1971—Fees
- Water Resources Act 1990—Fees.

MINISTERIAL STATEMENTS

The Hon. R.I. LUCAS (Minister for Education and Children's Services): I seek leave to table a ministerial statement from the Minister for Industry, Manufacturing, Small Business and Regional Development in the other place on the future of the MFP.

Leave granted.

The Hon. R.I. LUCAS: I seek leave to table a ministerial statement from the Minister for Health in the other place on the consent to medical treatment and palliative care register.

Leave granted.

The Hon. R.I. LUCAS: I seek leave to table a ministerial statement from the Minister for Health in the other place on the Coroner's inquest into the death of Mr Kenneth Maxwell Read.

Leave granted.

UNIVERSITY UNION PUBLICATIONS

In reply to **Hon. A.J. REDFORD** (13 February).

The Hon. K.T. GRIFFIN: Neither I nor any of my ministerial colleagues have received any complaints about breaches of privacy in relation to the University of Adelaide's 1996 *Orientation Guide*.

COMMUNITY SERVICE ORDERS

In reply to **Hon. SANDRA KANCK** (28 March).

The Hon. K.T. GRIFFIN:

1. The Criminal Law (Sentencing) Act 1992 provides for persons liable to pay fines to apply to work off their fines by performing community service. Applications must be in writing, include information about assets and liabilities and income and expenditures. An officer of the court must then decide if the payment of the fine would cause severe hardship and, if so satisfied, will grant the application. The test in each case is 'severe hardship' and is made subjectively by the court officer after assessing each individual's particular circumstances. It is, therefore, incorrect to contend that community service orders are available only to people who have small amounts in their bank accounts.

2. See No. 1.

3. The staff of the Courts Administration Authority who determine Community Service Orders applications have a clear understanding of their obligations under this legislation. They also operate in accordance with a set of guidelines approved by the Chief Magistrate.

WORKCOVER

In reply to **Hon. A.J. REDFORD** (19 March).

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

1. The application of amendments made in May and August 1995 prior to the outsourcing of claims management were minimal, however, since September 1995 there has been a growing awareness within the community that the amendments are being applied by the Claims Agents.

The amendments can be divided into two categories, those which enforce the application of the objects of the scheme to return workers safely and effectively to work, and those which reduce the corporation's liability by allowing the consideration of the worker's capacity to work regardless of the state of the labour market or allowing workers to redeem the corporation's future liability.

Amendments to section 36 provide for a code of practices which allows the discontinuance of weekly payments should the worker not comply with the reasonable requirements of the claims agent in attendance and application to and performance of rehabilitation and return to work programs. These amendments have been applied, but the nature of the provisions are such that when notices are issued the matters are resolved without being litigated. The requirements to adhere to return to work programs have been greatly increased by the application of the amendments.

The amended sub section 36(1)(g) (workers interstate) has been determined to be invalid by the review panel when applied to workers who were interstate prior to the proclamation on 25 May 1995 and the corporation has appealed the matter to the Workers Compensation Tribunal because the transitional provisions of the amending act specifically identified those amendments that were not retrospective. There is a secondary ground of dispute which is likely to be raised at appeal by the worker challenging the validity of the provision on the grounds that it is not consistent with the Constitution as it limits the ability of an Australian citizen to move between States. Consequently the application of the amendment has been restricted pending the outcome of the appeal.

The amendments that will have most effect upon the liability of the corporation are the 'second year review' (section 35(2)(c) and 42A(3)(c) and (d)) and redemption (section 42). During 1995-96, just over 5 000 claimants will be subject to review under the second year review principles. Claims agents have devoted significant resources to the application of the amendments focusing on low age and low disability claims in the first instance. As expected, methodologies vary from agent to agent, however over 50 per cent of reviewed files are being reduced as a result of the application of the amendments. Presently there are approximately 150 review applications dealing specifically with disputes of the assessments.

The impact of the second year review assessments is having a significant impact on claimants wishing to take advantage of the redemption amendments. Over 1 250 claimants have already redeemed the corporation's liability by agreement at an average payment of approximately $35 000. The impact of the redemptions on the Compensation Fund are expected to be significant, however the extent will not be known until the actuary's assessment as at 30 June 1996.

2 and 3. The actuary has recently completed a valuation of the WorkCover Corporation's outstanding liability as at 31 December 1995. This valuation estimated outstanding gross claim liability (including claims management expenses) to be $897.9 million with a total liability (creditors, provisions etc) of $911.2 million. The corporation has assets (excluding other funds) of $677.8 million (including recoveries), which means there is a shortfall (or unfunded liability) of $233.4 million.

This compares favourably to the 30 June 1995 valuation which reported a shortfall of $276 million.

The results reported as at 31 December 1995 contain a level of uncertainty due to the significant changes to the workers compensation environment in 1995 and 1996, in particular the outsourcing of claims management and the legislative amendments. Therefore, although there are positive signs, the 30 June 1996 valuation will provide more certain results.

HINDMARSH ISLAND BRIDGE

In reply to **Hon. A.J. REDFORD** (10 April).

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

The report of Dr Neale Draper of April 1994 with respect to Hindmarsh Island cannot be publicly released as the report is subject to a suppression order issued by the Royal Commission on the Hindmarsh Island Bridge.

WOMEN, DISCRIMINATION

In reply to **Hon. ANNE LEVY** (21 March).

The Hon. K.T. GRIFFIN: At the 38th session of the UN Commission on the Status of Women, Australia co-sponsored a resolution that the commission should examine the possibility of an optional protocol to the Convention on the Elimination of all Forms of Discrimination against Women (CEDAW) 'taking into account the results of any governmental expert group meeting on the question that may be convened.' Although no such governmental group was convened, an independent group of experts met in late 1994 under the auspices of the Maastricht Centre of Human Rights at the University of Lindberg to consider a draft protocol. The meeting produced a draft protocol which included both a communications/complaints procedure and an inquiry procedure. A number of the elements of the Maastricht draft were considered by the CEDAW Committee at its 14th session (January, 1995). Instead of adopting specific wording, the CEDAW Committee outlined the elements of a draft optional protocol, which were passed to the 38th session of the UN Commission on the Status of Women. At the 39th session of the Commission on the Status of Women Australia again co-sponsored a resolution endorsing the elements adopted by the CEDAW Committee. This resolution was adopted by ECOSOC in July, 1995. The 39th session resolution calls for:

> the establishment of an 'in session open ended working group for a two week period at its 40th session (March 1996) with a view to elaborating a draft optional protocol', and the UN Secretary-General to invite Governments, and other interested parties to submit their views on optional protocol.

The Secretary-General has compiled a report on the views expressed on the development of an optional protocol for the 40th session of the Commission on the Status of Women which was held from 11 to 22 March, 1996. I have no information on what transpired at the 40th session.

The Department of the Prime Minister and Cabinet wrote to the Department of Premier and Cabinet in October, 1995 seeking comment on the development of the draft optional protocol. In addition Attorneys-General are being kept informed of developments through the Standing Committee of Attorneys-General.

The response to the Department of the Prime Minister and Cabinet was to the effect that the Government has not considered the matter and offered some comments on the Maastricht draft which differs in many respects from the Optional Protocols under other international instruments.

However, one does have to question the appropriateness of an optional protocol for a country such as Australia with its extensive structure of bodies to give relief to breaches of anti-discrimination laws and its extensive equal opportunity laws.

QUESTION TIME

CITIZENSHIP

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 civics and citizenship education.

Leave granted.

The Hon. CAROLYN PICKLES: It was reported in the *Australian* on 8 May that the Howard Government is reviewing key aspects of the civics and citizenship program as part of the plan to cut expenditure. Under the initiative launched last year this program would provide $25 million over three years to promote civics and citizenship education in schools and the wider community. It is worth noting that the report recommending this program pointed to the dangers of a lack of knowledge about how government worked and the ethos of citizenship. For example, the report pointed out that 87 per cent of Australians have only the sketchiest knowledge of the Constitution, 78 per cent lack knowledge of the High Court and 70 per cent do not understand the

historical basis of the Federal system. That data should have been just as impelling to John Howard as it was to the previous Government, but apparently the Prime Minister has now ordered that all work on the civics and citizenship project is to cease. It is interesting to note, as I outlined in this place yesterday, that the Select Committee on Women in Parliament also recommended strong support for the civics and citizenship education program. My questions to the Minister are:

1. Does the Minister support civics and citizenship education in our schools?

2. Will he undertake to write to the Prime Minister advocating the importance of the Federal program in view of the important decisions to be made about our constitutional development and seek an assurance that this program will not be cut?

3. If this program is axed by the Federal Liberal Government, will the Minister undertake to introduce civics and citizenship education at a State level?

The Hon. R.I. LUCAS: The State Government in relation to civics and citizenship education has been on the public record for a number of months, and I shall be pleased to dig up a copy of the press statement or statement that the Government or I as Minister for Education and Children's Services made supporting the broad notion of civics and citizenship education and provide a copy to the honourable member. It might have been late or in the middle of last year when the Government indicated its position in terms of support for civics and citizenship education. We indicated then, too, that the Government's position was not just contingent on a national initiative: the Government believed it was already seeking to implement some of the broad policy goals of civics and citizenship education already within Government schools, whilst readily conceding that under the previous Government this had not been given the priority that it deserved.

In answer to the third question, clearly the Government's position is that we would intend to continue to do as much as we can in terms of civics and citizenship education. Obviously, if there is additional Commonwealth Government money to be provided by way of a specific purpose program or additional payment, it would obviously make the task so much easier for State Governments such as the South Australian State Government. The answer to the third question is 'Yes', we will obviously continue with the program. If the money was cut off, obviously we would not have access to the Commonwealth funding.

The Hon. Carolyn Pickles: Will you write to John Howard?

The Hon. R.I. LUCAS: No, we will not write to John Howard but we will certainly take up the issue with the Commonwealth Minister. I understand that this issue is listed for the ministerial council meeting that will be conducted within the next month. I forget the exact date of that meeting, but there is one planned to meet with Senator Vanstone and David Kemp, as the two Ministers. I think it is listed as one of the agenda items at that meeting, but I would need to check that. However, if it is not, I would be very happy to raise the issue with the Commonwealth Government through the appropriate Ministers and indicate on the public record the State Government's strong support for civics and citizenship education within all schools in South Australia.

DAIRY INDUSTRY

The Hon. R.R. ROBERTS: I seek leave to make an explanation before asking the Attorney-General, in his own capacity and as Minister representing the Minister for Primary Industries, a question about practices within the dairy industry.

Leave granted.

The Hon. R.R. ROBERTS: Yesterday in this place, during my five minute matter of public interest contribution (*Hansard* page 1519), I spoke of a situation that has been brought to my attention by a constituent who is a dairy farmer based at Bordertown, in relation to the practices of a monopoly dairy processor in that region. My constituent has been sent to near bankruptcy by the alleged actions of the dairy processor. I will not name the dairy farmer nor the dairy processor but will make the information available to the Attorney-General at the conclusion of Question Time today. My constituent asserts that her dairy's milk quality and the subsequent prices that she received for her milk had been at a high level until September last year when her milk was downgraded by the processor from manufacturing quality to market quality milk. This downgrading was accompanied by a decrease in the price paid for the milk.

By way of explanation, I point out that, at the time of the picking up of the milk from a dairy, the processor takes a small sample of milk for quality testing and another sample is kept by the dairy farmer to have tested independently if they so desire. The results of this sampling determine the price that is paid for the milk. However, I am told that all milk collected is poured into the same container—a tanker in this case—along with milk picked up from other dairies, regardless of the quality and the final price paid for it. The downgrading in quality and price paid for this milk and, in the end, suspension of pick up from the dairy has led my constituent to financial ruin. But what is most disturbing is that the test results produced by the dairy processor to back up this downgrading are totally at odds with the results of independent tests done by the South Australian Government's Medvet Laboratories Pty Ltd, a service of the Institute of Medical and Veterinary Science in South Australia.

Examples shown to me, under official letterhead, include samples taken on 15 December last year, where the dairy processor claimed that the milk contained 185 000 bacteria colonies per millilitre compared to Medvet's measure of just 16 000. I point out to members that 50 000 colonies per millilitre represents the cut-off between manufacturing milk and market quality milk. The 17 December sample was claimed by the processor to have a reading of 300 000 colonies, compared to Medvet's calculation of 43 000.

I have other examples which I will provide as evidence to the Attorney-General, which show that the closest the producer got to Medvet's results was a 60 per cent discrepancy. In some cases it was as high as a 1 000 per cent discrepancy. There are numerous other examples where the dairy processor has claimed that the testing has shown the milk to be of poor standard and the price reduced accordingly, even though that milk is simply mixed in with the other milk collected and even though independent tests show bacteria levels to be well below the mark for downgrading.

My constituent finally had the indignity of having the processor refuse to pick up milk from her dairy because of the test results conducted by the processor, even though she had invested many thousands of dollars on new equipment. I am

informed that the practices outlined above are rife within the dairy industry in the South-East and that the Dairy Authority of South Australia, established under the Dairy Industry Act 1992, has failed to act to protect dairy farmers and has told them that they would be better off not raising their concerns in public. My questions to the Attorney-General are:

1. Will he have the appropriate officers investigate the activities of the dairy processor in question to ensure that its pricing practices and determinations are neither monopolistic nor anti-competitive and that it be prosecuted if it is found to be in breach of any statute?

2. Will he ascertain whether the practice of mixing all milk together in the same vats, regardless of quality, constitutes any danger to public health; and, if not, will he ascertain why a price differential is paid to farmers for milk of various qualities?

3. Will he satisfy himself that the Dairy Authority of South Australia is meeting its statutory obligations, and will he report the findings of his investigation of these matters to the Parliament?

The Hon. K.T. GRIFFIN: The structure of the milk industry is particularly complex, and I do not profess to understand that complexity. I will refer the questions to the appropriate Ministers and bring back replies. Of course, there are issues relating to the Australian Competition and Consumer Commission under the Trade Practices Act which might relate to a so-called monopoly situation; there are issues about trade measurements and standards; and there are issues generally about the structure of the industry. The best I can do is to have the matter examined and bring back answers in due course.

LANDFILL DUMPS

The Hon. T.G. ROBERTS: I seek leave to make a brief explanation before asking the Minister representing the Minister for the Environment and Natural Resources a question about landfill refuse dumps and recycling.

Leave granted.

The Hon. T.G. ROBERTS: A number of proposals are being put forward at the moment relating to the consolidation of urban waste and a northern landfill project. A considerable number of people in the metropolitan area are advocating that all metropolitan area landfills be closed, and I have raised that issue in this place on a number of occasions.

The Messenger Press is leading off with an article indicating that civil disobedience will start with respect to the north-east region proposal for an extension of the Highbury dump. That will affect CSR, East Waste and other proponents there. I understand that the Government is looking at the proposal that is being put forward but has not yet made a decision. The decision on the Wingfield dump appears to be for a further extension, and that is aggravating people in the northern region; the non-decision on the Torrens Island dump is of concern to many people in the fishing industry; and the Eden Hills dump is also of concern.

The Opposition supports the Government's position in trying to find a suitable landfill area in the northern region, but unfortunately the way in which it is going about it is causing concern, particularly in the Inkerman and Dublin areas for which there are two proposals. Having taken evidence from people who are opposed to the sites, I tend to agree with their arguments that they are not suitable for landfill for a number of reasons which I will not go into. Suffice to say that environmentally they do not suit the area. It appears that the Government is not going about it in the correct way.

The proponents of the landfill waste management projects are going to a lot of trouble putting together EIS's, buying rural land and making offers to people in the outer metropolitan area to sell their land and homes for proposals that may or may not be successful. It appears that they would be better off working in conjunction with the Government, EPA, PISA, Department of Fisheries, local government, residents and all others that would be affected to locate a suitable site and then find a proponent with a suitable project for the recycling and landfill program.

Will the Government work with the proponents who are putting forward these projects, local government, EPA, PISA, Department of Fisheries and local residents in the outer metropolitan area to chose an appropriate site for a suitable landfill and recycling program for this State? If not, why not?

The Hon. K.T. GRIFFIN: I will refer those questions to the Minister in another place and bring back replies.

YUMBARRA CONSERVATION PARK

The Hon. M.J. ELLIOTT: I seek leave to make a brief explanation before asking the Minister for Education and Children's Services, representing the Minister for Mines and Energy, a question about the Yumbarra Conservation Park.

Leave granted.

The Hon. M.J. ELLIOTT: My question relates to one of the world's largest protected areas of mallee wilderness, Yumbarra Conservation Park on South Australia's West Coast. It has been assessed by the Federal Government's national wilderness inventory as high quality wilderness and is among the best in the world. It provides important habitat for endangered species such as the mallee fowl and other vulnerable, rare and threatened species.

As members would be aware, a magnetic anomaly was detected within the park during the South Australian exploration initiative which has led to a push for the degazettal of part of the park and the establishment of a Lower House parliamentary committee on the issue. In the Minister's public statement on the issue on 3 April, he stated that an extraordinary magnetic anomaly was found in the park.

In the Minister's letter to the South Australian Nature Conservation Society dated the same day, he referred to the anomaly as the most significant indication yet identified during the aerial survey. Similarly, in a letter to the South Australian Conservation Council dated 9 May the Premier referred to the anomaly as the most significant finding yet of the geological survey.

Information which I have received from experts in the geological field suggests that discoveries from the South Australian exploration initiative cannot (and I stress that) be absolutely ranked in importance with respect to either their geological significance or their economic potential. At this stage, any on-ground surveys undertaken in the area which could make such a determination would have to be done illegally, due to the status of the park. I also note that whilst the State-wide geological exploration initiative has been completed the State-wide biological survey still has another 20 years before it is likely to be completed—an issue that was raised by a joint House committee of this place. My questions to the Minister are:

1. How was the assessment made of the relative potential of different deposits located during aerial magnetic surveys, as my advice is that that cannot be done?

2. Can the Minister justify his Government's statements that the anomaly within the park has been identified as the most significant indication yet identified during this survey?

3. Have any electromagnetic, geochemical or other on-ground surveys been undertaken over the area to justify the statements made by the Premier and the Minister for Mines and Energy?

4. Does the Minister agree that decisions in this State could be facilitated by having the State-wide biological survey completed as a matter of urgency?

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

WOMEN'S STUDIES RESOURCE CENTRE

The Hon. ANNE LEVY: I seek leave to make a brief explanation before asking the Minister representing the Minister for Employment, Training and Further Education a question about the Women's Studies Resource Centre.

Leave granted.

The Hon. ANNE LEVY: The Women's Studies Resource Centre was set up over 10 years ago and has operated extremely efficiently since that time. It has had two staff members throughout its history, one funded by the Department of Education and the other by the Department of Employment, Training and Further Education, and the Education Department in addition has provided a small grant for recurrent costs such as telephones, a fax and other necessary resources. At the beginning of this year, TAFE withdrew the position which it had provided for many years leaving the Women's Studies Resource Centre with only one staff member. This, of course, makes it virtually impossible for the resource centre to carry out its responsibilities. If the sole officer needs to leave the office to visit a school or search for materials, the doors must be closed, and it becomes like a police station which is officially open but has its doors closed.

In place of the staff member, TAFE allocated a maximum of $10 000 to be awarded on a project basis. Of course, financially, this is about a quarter of the value of the previously seconded staff member. It has certainly caused great difficulties for the Women's Studies Resource Centre. I understand that a great many people have complained about this either directly to the Minister or through their local member of Parliament who would doubtless have informed the relevant Minister of the complaints which had been raised. It is not clear from the current budget papers whether the Minister has reconsidered funding for the Women's Studies Resource Centre. As funding for the resource centre is on a calender basis, it would not become operative until January next year. My questions to the Minister are: how many complaints have been received regarding this drastic cut in funding by TAFE for the Women's Studies Resource Centre?

The Hon. A.J. Redford: 'Drastic' is opinion.

The Hon. ANNE LEVY: I would have thought that a 75 per cent cut could be regarded as drastic. I ask the Minister: has he reconsidered the staffing allocation for the Women's Studies Resource Centre for the calendar year 1997; will he again provide a seconded staff member from TAFE rather than the $10 000 grant of project money; and, if not, will he increase the $10 000 project money to a sum equivalent to the employment of the staff member who has been slashed from the Women's Studies Resource Centre?

The Hon. R.I. LUCAS: Knowing the views of the Minister and the considered way in which he makes his decisions, I suspect the answers to the honourable member's questions are 'No' and 'No', but—

The Hon. Anne Levy: There was another question: how many complaints.

The Hon. R.I. LUCAS: I will certainly ask him and his officers to count how many complaints, if any, they have received in their office and bring back a reply as soon as possible.

WATER SURVEY

The Hon. CAROLINE SCHAEFER: I seek leave to make a brief explanation before asking the Minister for Consumer Affairs a question about CASA's water survey.

Leave granted.

The Hon. CAROLINE SCHAEFER: In the latest edition of its magazine, *Consumers Voice*, the Consumers Association of South Australia has published the results of its water survey. CASA posed four questions in relation to the management and maintenance of the State's water supply after United Water became the successful tenderer for the contract. The findings appear to reveal that consumer confidence is low in this area and, based on the response CASA has received, it is recommending an independent complaints body to handle any disputes that occur. What is the Minister's reaction to the Consumers Association findings, and will the Government provide an independent complaints body?

The Hon. K.T. GRIFFIN: It was interesting that, in about February or March, the Hon. Angus Redford asked a question about the proposed survey, and drew attention to the questions that were being asked by the Consumers Association, presumably to those who received its magazine, and flagged at that stage some potential difficulties with the questions, particularly because they were in the nature of leading questions. We now have the answers to the survey. According to the Consumers Association magazine article, 110 responses were received. That number of responses on that sort of issue is not particularly many and, as I say, they appear to be responses from those who read this particular magazine.

I would query the validity of both the survey and the results, because it is not obviously a random survey: it is directed towards those who subscribe to the magazine or who are members of the Consumers Association, because presumably they will have particular views about consumer issues and be much more attuned to some of the issues than perhaps if the survey was conducted among those of the community who did not have any particular association with the Consumers Association. I would suggest that, no matter who actually had responsibility for the provision of water resources in the metropolitan area of Adelaide, the questions, because of their leading nature, might well have provoked the same sort of response.

In relation to the issue of the independent body, it is important to note that an independent body is not needed to deal with the issue of complaints, and in any event it is not intended to establish any independent body. It is important to recognise that, for metropolitan water supply and sewage treatment, the process for consumers who dispute an issue or want to raise a matter of concern about the water supply with respect to price, quality, and so on should continue to deal with SA Water. SA Water continues to be the Government

body responsible for the provision of water, and contractual arrangements exist between SA Water and United Water in relation to the provision of those services. But United Water is answerable to SA Water and SA Water is answerable to the public because it is an instrumentality of Government.

The Hon. R.R. Roberts interjecting:

The PRESIDENT: Order! The Hon. Ron Roberts will have plenty of time to ask a question afterwards.

The Hon. K.T. GRIFFIN: It is also important to recognise that, because SA Water is a statutory authority, the jurisdiction of the Ombudsman is still relevant to inquiries or complaints about administrative acts. So that after dealing with issues of complaint directly with SA Water customers can then go directly to the Ombudsman. It costs them nothing. They can have it independently investigated by the Ombudsman. If one were to establish another independent body to deal with complaints, quite obviously an additional cost is associated, and there is no indication that it would be better equipped to deal with the resolution of complaints than SA Water initially and then ultimately the Ombudsman.

It is important to note that, when one looks at the results that have been published in the magazine of the Consumers Association of South Australia, the questions referred to have a slightly different emphasis in the responses from those which were apparently asked, or at least which were flagged, in February or March by the Consumers Association. That gives a different spin to the responses, in any event, if one were to place any reliability on the representative value of the responses that have been referred to in the survey. It is important for those who might be reading that survey to understand at least some of those issues to qualify the way in which the survey was conducted, the results that have been reported, and the information which they convey.

The Hon. T. CROTHERS: I have a supplementary question. In the contractual arrangements to which the Attorney has just referred, has any provision been made with the contractor or contractors, whatever the case might be, in respect of local research and development projects?

The Hon. K.T. GRIFFIN: That was one of the big issues that seemed to be hitting the headlines: export development, particularly, and the involvement of South Australian companies in providing research, development and product to United Water as it undertook the local management as well as the development of export activities. Yes, all of that is part of the contractual arrangement.

The Hon. T. Crothers interjecting:

The Hon. K.T. GRIFFIN: It is my understanding that that is the case but, in any event, in the normal practice of managing the contract for provision of services there is a reliance upon South Australian businesses to provide both research, development and product to assist in the performance of a contract.

The Hon. T. Crothers: If there is no provision, then one must pay for overseas developed technology—

The PRESIDENT: Order!

The Hon. K.T. GRIFFIN: That was not the question. The issue was about whether there was a capacity for research and development that would involve local firms, and my understanding is that there is.

ST PETERS COUNCIL

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

Leave granted.

The Hon. P. NOCELLA: In December last year, in this very building, the Premier and Minister for Multicultural and Ethnic Affairs launched solemnly a document entitled 'Declaration of principles for a multicultural South Australia'. This was witnessed by a number of members of Parliament, including members of this Council and a large contingent of people from different ethnic backgrounds. They came away from that occasion reassured that, as citizens of South Australia, they would be protected by the principles illustrated in the declaration, that is, all of them except those living in St Peters because, as a result of a vote taken yesterday by that council, the denizens of St Peters are not going to be covered by those principles.

In the document the Government said that it recognises that the diverse cultural assets of South Australia are a valuable resource for the development of a stronger community for the benefit of all South Australians and that the Government of South Australia is committed to the principle of access and equity for all South Australians and the prevention of discrimination on the basis of race, ethnicity, language and culture.

I am now informed that a draft report 'Strength Through Diversity' was presented by the Local Government Association and was discussed by the St Peters Council after it had been asked for an expression of opinion on that report on the basis of seeking approval from all councils throughout South Australia for the principles contained in the Declaration of Principles launched last year. This draft report was soundly defeated and it now appears that the denizens of St Peters will not be given the benefit of these novel principles contained in the declaration. My questions to the Minister are:

1. As a matter or urgency will the Minister investigate the circumstances surrounding the St Peters Council's decision?

2. Will the Minister ensure that the principles listed in the declaration issued last December apply equally to all citizens, including those living in St Peters?

The Hon. R.I. LUCAS: I will refer the honourable member's questions to the Minister and bring back a reply. Whilst I am not aware of all the details, there are important issues as to what are the responsibilities of the State Government and what are the legitimate responsibilities of local government. I point out that the principles that the Premier and Minister for Multicultural and Ethnic Affairs has laid down, some of which the honourable member has referred to in his question, apply to all citizens in South Australia.

The Hon. Carolyn Pickles interjecting:

The Hon. R.I. LUCAS: The Minister is indicating the overall direction of the State Government in terms of the policies of the State Government as they apply to all people in South Australia. What authority and possibility there is for the Minister to be seeking to interfere in the decisions that a local government council takes is obviously an issue that I will refer to the Premier and bring back a reply. It is important to at least acknowledge the distinction in terms of the powers or separation of powers there. I will refer the honourable member's question to the Premier for a response and will try to bring back that response as soon as I can.

NORTHERN TERRITORY

The Hon. R.D. LAWSON: I seek leave to make a brief explanation before asking the Minister for Education and

Children's Services, representing the Premier, a question about Northern Territory statehood.

Leave granted.

The Hon. R.D. LAWSON: It has been reported that the Northern Territory has stepped up its campaign to become Australia's seventh State. The Northern Territory wishes to achieve statehood by the year 2001. The matter has been placed on the agenda for this month's Heads of Australian Government Meeting. The present population of the Northern Territory is 173 000. Although the facilities and economy of the Territory have advanced greatly since it obtained self-government in 1978, the Territory still receives 77.5 per cent of its recurrent expenditure from Canberra. At 173 000 its population is less than the 304 000 people in the Australian Capital Territory and substantially less than the least populous State in Australia, Tasmania, which has a population of 473 000. There have been close links between this State and the Northern Territory since the Territory ceased to be part of South Australia in 1911.

The Hon. T. Crothers: It's a dorothy dixer!

Members interjecting:

The Hon. R.D. LAWSON: Perhaps before coming to my question I should say, in the light of the great interest being shown by those opposite, in further explanation—

Members interjecting:

The PRESIDENT: Order! I suggest that the questioner ignore the interjections.

The Hon. R.D. LAWSON: It has been suggested that statehood for the Territory would pose constitutional issues, not the least of which is whether the Northern Territory would be entitled to be represented by the standard 12 senators, which applies for the other States. Will South Australia support the push of the Northern Territory to become a State by the year 2001?

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

GOLF BUGGIES

The Hon. G. WEATHERILL: I seek leave to make a brief explanation before asking the Minister for Education and Children's Services, representing the Minister for Transport, a question about Yamaha four-wheel drive carts.

Leave granted.

The Hon. G. WEATHERILL: I have been contacted by people who are incapacitated and who use these four-wheel drive Yamaha carts to get around golf courses, etc. On one golf course there are about 20 of these carts for people who have an incapacity. I am also advised that throughout the State there are a number of these carts. At present people get a doctor's certificate for the Department of Transport in order to get a licence to drive these carts on the road. Many people are doing this but a matter of great inconvenience has arisen in respect of the department because these people with incapacity have been asked to renew their licences twice a year. Therefore, their request to me was whether the Minister for Transport would investigate the matter so that they can obtain a licence to drive on the road—as they can at the present time—and have a licence provided for a period of, say, three years, like a driver's licence.

The Hon. R.I. LUCAS: I will refer those questions to the Minister and bring back a reply.

ECONOMY

The Hon. T. CROTHERS: I seek leave to make a brief statement prior to asking the Minister for Education and Children's Services, representing the Treasurer, some questions about the national economy.

Leave granted.

The Hon. T. CROTHERS: Mr President—

The Hon. A.J. Redford interjecting:

The Hon. T. CROTHERS: It would be difficult for you to know, given the narrowness of your vision. On page 5 of the *Advertiser* of 4 June this year a major article appeared under the heading 'Howard praises Labor on economy' and the article goes on to say:

> The Prime Minister, Mr Howard, has conceded for the first time he has inherited an essentially strong economy.

This statement was made at a meeting of the International Monetary Conference, involving men who are experts in this field to whom the truth is well recognised when told. In Sydney on 3 June this year the Prime Minister further told the meeting:

> There was no doubt the Australian economy continued to enjoy strong growth by world standards.

He also said:

> Three months after taking over government the economy was performing well—a little better than just good in parts. . . There's no doubt that the Australian economy continues to enjoy very strong growth.

There are people who remember Mr Howard's claim during the last election campaign that Australia, under the Keating Government, was experiencing only 'five minutes of economic sunshine'. Those people will probably find this sudden conversion very curious. Indeed, it has been put to me by a person I respect very much that it is the greatest conversion in world history since Saul the tax collector was converted into Paul the Christian disciple which he experienced through the agency of a blinding flash of light whilst on his way to Damascus. My questions are:

1. Does the Treasurer agree with his Liberal colleague the Prime Minister when he says, 'The economy is a little better than just good in parts' and 'There's no doubt that the Australian economy continues to enjoy very strong growth'? In the light of the Prime Minister's second quote in question 1, the next question is:

2. How does the Treasurer explain the fact that unemployment figures in South Australia appear to be falling behind the improved employment figures in other States of Australia?

The Hon. R.I. LUCAS: I will refer the honourable member's questions to the Treasurer and bring back a reply. I will make a few brief comments. One of my colleagues suggested that, given the honourable member's interest in matters Federal in the past few weeks, he might like to express an interest in a coming or impending Senate vacancy and contest that against Mr Quirke, who I understand will be one of the other contenders to be sent off to Canberra. We would be interested in supporting the Hon. Mr Crothers.

Members interjecting:

The Hon. R.I. LUCAS: Yes. The Hon. Mr Crothers is a man of some substance.

Members interjecting:

The Hon. R.I. LUCAS: Considerable substance! Given the Hon. Mr Crothers' interest in these matters of a Federal nature over the past few weeks, it may well be that this is an

indication of new horizons for the Hon. Mr Crothers. If my colleagues (the Hon. Mr Redford and the Hon. Mr Davis) and I can be of assistance, please do not hesitate to be in touch.

Members interjecting:

The PRESIDENT: Order!

The Hon. R.I. LUCAS: I must admit that I read the article to which the honourable member referred. I was attracted to the headline, which was quite striking. I suspect that, if I were able to have a private conversation with the Prime Minister—which, of course, I am unable to do—he may well say to me that that probably was not a fair reflection of what he said to the meeting of the IMF or whatever that distinguished body was. When one reads down into the body of the article rather than just looking at the headline and the introductory paragraph, one sees that the Prime Minister highlighted (and the Hon. Mr Crothers was not generous enough to share the rest of that article with all members) some of the fundamental and underlying problems with the Australian economy as he saw it.

Members interjecting:

The Hon. R.I. LUCAS: No, the Keating Government was not addressing the fundamental issues of the industrial relations system that the Prime Minister highlighted. The Prime Minister highlighted a number of significant economic and structural concerns he had with the Australian economy. As I said, one of those prominent in his comments in that article, but further down in the article, was in effect the major problems with the industrial relations system in Australia which the new Commonwealth Government has pledged to address.

Members interjecting:

The PRESIDENT: Order!

The Hon. R.I. LUCAS: But the previous Commonwealth Labor Government had been unprepared to do so, as it was beholden to the ACTU and their fellow travellers. As I said, I suspect that, if we had the advantage of having the Prime Minister here, he would argue to the Hon. Mr Crothers that that—

Members interjecting:

The Hon. R.I. LUCAS: Well, he might not. He is a very courteous Prime Minister, so I am sure he would respond to the Hon. Mr Crothers. He would argue that that probably was not a fair reflection of his comments. It is fair to say that the Prime Minister indicated that there were some good aspects to the Australian economy, whereas there are also some continuing weaknesses and problems. I will refer the honourable member's questions to the Treasurer and, if the Treasurer can add anything which is useful and which is additional to my own comments, I would be pleased to provide it to the honourable member.

POLICE FORCE

The Hon. SANDRA KANCK: I seek leave to make a brief explanation before asking the Minister representing the Minister for Police a question about use of police time.

Leave granted.

The Hon. SANDRA KANCK: My office has been contacted by a constituent who had attempted to find out how many hours the police spent each year enforcing this State's cannabis laws, particularly for the 1994-95 year. He was told that it was not possible to produce this information for him. I do not know whether this means that this man is being refused the information or whether the Police Department is—

Members interjecting:

The PRESIDENT: Order!

The Hon. SANDRA KANCK:—actually incapable of bringing together the information in one document. My constituent makes his own comment about this, and I will quote from his letter to me, as follows:

> I find this a very poor state of affairs. If the police administration does not know how officers' time is spent there is very little accountability for police activities. Who knows what the officers are doing when they are meant to be on patrol? In any private enterprise every minute has to be accounted for and charged against the particular task on which the time is spent.

We have had legislation in this place to allow speed cameras to be operated by non-Police Department personnel on the basis that the police had more important things to do, and this presumably was based on some sort of analysis of the demands on our Police Force, and one assumes that such figures would be necessary to allow the Government to present its case effectively in enterprise bargaining. I understand that the Police Department has in place a system which should allow for workload statistics to be extracted. My questions to the Minister are:

1. Is the Police Department able to prepare a breakdown of the time spent on tasks by police officers and, if not, why not?

2. If such information is able to be extracted, what was the number of hours spent in the 1994-95 financial year policing (a) cannabis laws; (b) domestic violence laws; (c) prostitution laws; (d) drink driving laws; and what percentage of police time does each of these figures represent?

3. Will the Minister provide a complete breakdown, by function, of the total time police spent during the 1994-95 financial year?

The Hon. R.I. LUCAS: I will refer the honourable member's questions to the Minister and bring back a reply. If the honourable member was to think through the practical implications of the questions that she has just asked, it is an extraordinarily difficult, expensive and time consuming proposition that she is putting in terms of the percentage of time that every individual officer is spending on every separate issue. If police officers are on patrol, or whatever else, they could be called out for one reason or another, and when they get there something else may arise. There could be a drug offence that may well be part of something that started off as a domestic violence issue or something along those lines. I suspect that the implications of what the member has asked are impractical. Do we want our police officers serving the community and trying to combat crime wherever it might occur, or do we want them spending all their time filling out forms and logging how many five minutes they have to spend on particular functions?

The Hon. T.G. Cameron interjecting:

The Hon. R.I. LUCAS: The Hon. Mr Cameron supports a process of more and more paperwork to tie up the police. This Government does not seek, in effect, to impose additional layers—

The PRESIDENT: Order! The time for questions has expired.

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

FAIR TRADING (MISCELLANEOUS) AMENDMENT BILL

The Hon. K.T. GRIFFIN (Attorney-General) obtained leave and introduced a Bill for an Act to amend the Fair Trading Act 1987. Read a first time.

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

That this Bill be now read a second time.

These amendments arise as a result of the legislative review process implemented by me and are based on the recommendation of the Legislative Review Team. After reviewing the *Fair Trading Act 1987*, which is the key piece of empowering legislation for the Commissioner for Consumer Affairs, the review team recommended that there was no need for wholesale change to the Act. Instead the review team recommended a small series of amendments which improve the Act's effectiveness and clarify some of its terms.

Section 8, which sets out the powers and functions of the Commissioner for Consumer Affairs, is amended to recognise the Commissioner's new role as a licensing authority and in order that his powers under the Fair Trading Act, such as his powers of investigation, are applicable with regard to those functions.

Section 14, which deals with door-to-door trading, is amended to close a loophole whereby competition entry forms were being used to obtain lists of persons' names and addresses for the purposes of door-to-door trading. Persons entering a competition often unwittingly fill in an entry form which invites the trader to call at their home.

Part IX of the Act which deals with third-party trading stamps has been repealed and a new section substituted to address issues relevant to technological changes in the trading stamps area, including the electronic transfer of points. Such schemes will be generally permitted and may seek my specific approval to operate. I will have the right to prohibit undesirable schemes.

The Commissioner's power to accept assurances has also been amended, making the assurance a positive as well as a negative tool by which the Commissioner can seek an undertaking from a trader to do certain things as well as to refrain from doing certain things.

An assurance will now also be able to be sought for action which would constitute disciplinary action. At present an assurance can only be accepted for specific breaches of the Fair Trading Act and related (i.e., licensing) Acts. Such a change will give the Commissioner greater flexibility when dealing with persons whose miscreant actions are of only a minor nature and where a full court action would not be appropriate.

Where either the Commissioner or the Minister issue a public warning no liability will lie against either of them personally or in their official capacities if the warning was given in good faith to warn the community of trading activities that may be dangerous or to the community's detriment.

The amendments to the door-to-door trading provisions have the strong support of the Legal Services Commission. Industry groups particularly welcome a more flexible assurance power as well as a power to seek assurances for conduct that would constitute grounds for taking disciplinary action.

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

Leave granted.

Clause 1: Short title

Clause 2: Commencement

These clauses are formal.

Clause 3: Amendment of s. 8—Functions of the Commissioner

This clause recognises the Commissioner's responsibility for the licensing and registration of traders under other legislation.

Clause 4: Amendment of s. 14—Application

The principal Act applies to door-to-door trading that occurs 'otherwise than at the unsolicited invitation of the consumer'. The effect of this amendment is to ensure that where an invitation results from the delivery or return of a ticket or form made available by or on behalf of the supplier and the delivery or return is a condition (or one of a number of conditions), compliance with which gives rise, or apparently gives rise, to an entitlement, chance or opportunity to receive a prize, gift or other benefit, the invitation will be regarded as having been solicited.

Clause 5: Substitution of Part IX

PART IX

THIRD-PARTY TRADING SCHEMES

44. Interpretation

An 'approved third-party trading scheme' is one in relation to which a notice has been given under section 45.

A 'prohibited third-party scheme' is one that is the subject of a declaration under section 45A.

A 'third-party trading scheme' is a scheme or arrangement under which the acquisition of goods or services by a consumer from a supplier is a condition, or one of a number of conditions, compliance with which gives rise, or apparently gives rise, to an entitlement to a benefit from a third party in the form of goods or services or some discount, concession or advantage in connection with the acquisition of goods or services.

45. Power of Minister to approve third-party trading schemes

Subsection (1) empowers the Minister, on application, to give notice in writing that a specified third-party trading scheme is an approved third-party trading scheme. Subsection (2) allows the Minister to give an approval subject to conditions. Subsection (3) provides that the Minister must not give an approval unless satisfied that the scheme is genuine, reasonable and not contrary to the interests of consumers.

45A. Power of Minister to prohibit third-party trading schemes

Subsection (1) empowers the Commissioner to recommend to the Minister that a third-party trading scheme be declared to be a prohibited third-party trading scheme if—

- the scheme is not an approved third-party trading scheme and the Commissioner is of the opinion that the scheme is not genuine and reasonable or is contrary to the interests of consumers; or
- in the case of an approved third-party trading scheme—a condition of the approval has been contravened or not complied with.

Subsection (2) empowers the Minister, on the recommendation of the Commissioner, by notice published in the *Gazette*, declare a third-party trading scheme to be a prohibited third-party trading scheme. Subsection (3) empowers the Minister to revoke a declaration making a scheme a prohibited third-party trading scheme.

45B. Offences

If a third-party trading scheme is declared to be a prohibited third-party trading scheme, a person who acts as a promoter of the scheme, supplies goods or services as a party to the scheme, or publishes an advertisement relating to the scheme, is guilty of an offence. The maximum penalty is a $5 000 fine.

Clause 6: Substitution of heading to Part XI Division II

DIVISION II—ASSURANCES AND ENFORCEMENT ORDERS

Clause 7: Substitution of s. 79

79. Assurances

At present the Commissioner can seek an assurance from a trader only if it appears to the Commissioner that the trader has contravened, or failed to comply with, a provision of the principal Act or a related Act. The new section empowers the Commissioner to seek an assurance if it appears to the Commissioner that the trader has engaged in conduct that constitutes grounds for disciplinary action against the trader. It also allows the Commissioner to accept a voluntary assurance given by a trader as to the trader's conduct. Such an assurance may be of a positive or negative nature, that is, an undertaking by the trader to take certain action or to refrain from certain conduct.

Clause 8: Substitution of s. 82

82. Enforcement orders

At present the Commissioner can seek an order prohibiting a trader from engaging in specified conduct if the trader has acted contrary to an assurance accepted by the Commissioner. The new section widens the powers of the District Court to make orders relating to the enforcement of assurances, based on the powers given to the courts by section 87B of the federal *Trade Practices Act 1974* in relation to undertakings given under that section. These additional powers include—

- an order that the trader refrain from specified conduct;
- an order that the trader take specified action to comply with an assurance;
- an order that the trader pay to the Crown an amount up to the amount of any financial benefit obtained by the person (directly or indirectly) that is reasonably attributable to the breach of, or non-compliance with, the assurance;
- an order that the trader compensate any person who has suffered loss or damage as a result of the breach of, or non-compliance with, the assurance;
- any other order that the Court considers appropriate.

Clause 9: Insertion of ss. 91A and 91B

91A. Public warning statements

The proposed section is based on section 86A of the New South Wales *Fair Trading Act 1987*. It empowers the Minister or the Commissioner, if satisfied that it is in the public interest to do so, to make a public statement that identifies and warns or informs of dangerous or unsatisfactory goods, services supplied in an unsatisfactory manner, unfair business practices and any other matter that adversely affects or may adversely affect the interests of consumers. Such statements may identify particular goods, services, business practices and traders.

91B. Immunity from liability

The proposed section is based on section 10 of the New South Wales Fair Trading Act. It includes a standard provision giving the Minister, the Commissioner and authorised officers immunity from personal liability for honest acts or omissions in the exercise or discharge or purported exercise or discharge of powers, functions and duties under the Act, and transfers such liability to the Crown. The proposed section also gives the Crown immunity from liability for a public warning statement made by the Minister or the Commissioner in good faith, and protects any person who, in good faith, publishes such a statement or a fair report or summary of such a statement.

The Hon. ANNE LEVY secured the adjournment of the debate.

ELECTRICITY CORPORATIONS (SCHEDULE 4) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 5 June. Page 1539.)

The Hon. SANDRA KANCK: Yesterday, I reminded members of what had happened over the past 18 months with the various structures of ETSA. I repeat what I said when I was dealing with other electricity Bills this week: that we probably would not have to deal with this now if the Government and Opposition had listened to the Democrats. This Bill is what we would call a rats and mice Bill: it just follows on from the other two Bills. I have a couple of questions which arise from it and which, if they cannot be answered at the end of the second reading debate, I should like answered in the Committee stage.

In clause 4(d) the major difference that we are talking about between the Act and these amendments relates to the words 'under its control,' 'its' referring to the generation corporation. In clause 4(d) it is 'any transmission or distribution system under its control'. I should like to know which transmission or distribution systems we are talking about; which ones will be under its control and which will not; and, if they are not under the generation corporation's control, under whose control they will be.

In regard to clause 4(n), which relates to vegetation clearance, the wording is not substantially different from the Act, except that again it refers to those 'public supply lines under the corporation's control'. It begs the question for me: if these lines are not under the corporation's control, whose control will they be under? Is this another possible preparation for putting in private managers, as happened with the Water Corporation?

Those are the only particular concerns that I have about this Bill. However, as it is part of this whole process of putting the generation corporation into the national electricity market, I indicate that the Democrats oppose the second reading.

The Hon. R.R. ROBERTS: I support the second reading of this Bill, which has been brought about as a technical adjustment to the Bills that passed through this place last year in respect of the restructuring of the ETSA Corporation. Members will recall that those Bills were rushed through in a late session of Parliament with the cooperation of all members, except perhaps the Democrats, who expressed some concerns at that time. We were assured by the Minister for Infrastructure that it was necessary so that South Australia could participate in the national grid and the renewed arrangements relating to electricity distribution in Australia. A consequence of that rushed operation, which in some sense justifies the Democrats' position, was an oversight in respect of ETSA's responsibility to pay council rates.

There was another omission in respect of the liability of ETSA Corporation and its subsidiaries which, as I understand from the definitions, referred to the four sections as defined after the passing of the original Bill. There is an anomaly in that it was not clear that ETSA Corporation's subsidiaries would in fact have liability. This Bill seeks to adjust that situation and bring it into line with what was the expectation of members of both Houses of Parliament. Therefore, we shall support it. The Bill also makes clear that work delegated by the corporation to subcontractors still falls within and will be embraced under the liability of the corporation's participating four parts. The Opposition will move no amendments and will support the passage of this legislation.

The Hon. R.I. LUCAS (Minister for Education and Children's Services): I thank members for their contributions to the second reading. I indicate at this stage that we will need to delay the Committee stages until a little later this afternoon because I await the arrival of an officer to assist in the provision of a response to the Hon. Sandra Kanck, who has asked questions in relation to clause 4(d) and one other aspect of the Bill.

Bill read a second time.

COMPETITION POLICY REFORM (SOUTH AUSTRALIA) BILL

Adjourned debate on second reading.

(Continued from 5 June. Page 1539.)

The Hon. SANDRA KANCK: This Bill seeks to make the most sweeping changes to the role of Government in Australia since Federation, because not only will competition be a desirable economic phenomenon but also it will be the law of the land. It represents a radical change in the role of Government within a narrow ideological framework based on

the idea that competition, like greed, is good at all times: it is a desirable end in itself.

One needs to look at this Bill in the light of other activities of State Governments and the Commonwealth, in particular, the commissions of audit which have sprung up around the place following the election of conservative Governments. These have all produced reports steeped in the same right-wing ideological dogma which recommends that any activity currently performed by the Government which can be parcelled into a commercial style contract should be.

The Hon. R.D. Lawson: Hear, hear!

The Hon. SANDRA KANCK: I am glad that the Hon. Mr Lawson has put that on the record. The scope of these competition reforms reaches far beyond merely the organisations covered by the Public Corporations Act 1993 in this Parliament. The definition of 'Government business enterprise' to which this Bill applies will include all activities which can be made contestable, that is, any area of Government activity to which competitive market conditions can be applied.

We are told that the purpose of this Bill is to change the rules about how Government business enterprises operate in our society on the basis that obliging them to compete with private business enterprises is a desirable outcome. This is because, allegedly, Government enterprises are given favourable treatment over those businesses which may be in direct competition, and therefore creating greater competition through a so-called level playing field will improve economic efficiency.

It is said that this increased economic efficiency will lead to taxpayers and the community being better off. But the Bill will not just enshrine in law the pricing oversight of Government monopoly business, the structural reform of public monopolies, the idea of competitive neutrality, the review of legislation which restricts competition and access to significant infrastructure. By applying principles from trade practices legislation, this Bill also outlaws the following activities: anti-competitive behaviour, agreements or arrangements that restrict competition, price fixing, boycotts other than industrial boycotts (which are covered by the Industrial Relations Act) that lessen competition, misuse of market power, exclusive dealing, and resale price maintenance.

This virtually compels Government businesses competitively to tender all functions proposed for outsourcing, and it may lessen their ability to deliver on community service obligations or environmentally beneficial outcomes. Instead of leaving these matters of accountability to the electorate through the political process, they will now be a matter for the market.

Under this Bill it will be illegal for Governments to reduce competition in supplier markets by, say, demanding that contracting companies achieve environmental protection standards in their operation or by adopting a 'buy Australian' policy to encourage local industry. We will not be able to do that in the future, despite the fact that policies such as these are clearly desirable. But under this legislation they would be effectively illegal. The Democrats do not accept this sort of rubbish about the so-called level playing field peddled by the ideological right. Whether or not the playing field is level is essentially immaterial as regards the Government activities affected by this Bill.

The nature of private enterprise is financial risk, while, at least in the past, the nature of public enterprise has been community service. Government enterprise is geared for community service in an environment without financial risk, while private enterprise is geared for profit in an environment of financial risk. Government enterprise is risk averse and has its hands tied by the fact that it cannot take financial risks. Therefore, a policy aimed at creating competition, such as the one embodied in this Bill, will mean that eventually Government enterprises will one day cease to be found, let alone compete, on the playing field, regardless of how level it is. This Bill is about the prime goal of the ideological right to reduce the size and influence of Government; hence, I find it difficult to understand the Opposition's acceptance of this legislation.

Let us look at the specific South Australian Government businesses affected. In respect of health, this Bill will see a change in the long-term role of Government in the provision of health services, and it is documented that this Government believes that its core business is not to operate hospitals and other health services in the health field. Over the past two years we have seen an increase in the contracting out of services in terms of handing over the management of hospitals to a private management company and an increase in purchasing services from private hospitals, despite the fact that it is well documented that the provision of public health is the most cost-effective and efficient means of providing health services.

One of the main articles of faith of competition policy is the belief that the private sector is more efficient. However, if we compare our historically public health system with the competitive model operating in the United States, we know that in 1993 the United States, a basically privatised system, spent 14 per cent of its GDP on health whereas Australia, a basically public system, spent only 7 per cent of GDP on health.

To put that into a larger perspective, the Australian system has universal access whereas in the United States, one of the wealthiest countries in the world, 35 million people do not have any access at all to health services and a further 30 million people do not have even an adequate level of services. Therefore, it is quite dishonest to say to the electorate that we should replace our public health system with a private competitive system when the evidence shows that such a move will result in greater health costs as well as unfair access.

The Hon. M.J. Elliott: A Government of fools.

The Hon. SANDRA KANCK: Yes. We have had a whole series of Governments (Labor and Liberal) at both State and Federal level who have advocated this sort of thinking. One of the aims of competition is to drive down labour costs wherever possible. It is particularly attractive for managers of service industries where labour costs make up the majority of the costs of the enterprise. The impact of competition policy on health services is that we will end up with two health systems: a superior well-cashed system for the rich and an inferior unfunded public health system for those people who cannot afford private health insurance. It has become fashionable for people from the political right who want to believe that the economic system can deliver to dismiss negative comments as a fear campaign. However, we only have to turn to the health system in America to see the outcomes of a truly competitive health system policy: it is neither cost-effective nor fair.

Regarding ETSA, I have spoken in the past few days quite critically on other Bills related to the restructure of ETSA and the formation of the national electricity market, so I will not go into great detail at this time. However, the South Aus-

tralian taxpayer will suffer, because the annual return to the budget will reduce as ETSA is forced to compete with interstate generators. Eventually, privatisation must occur as the Government becomes unwilling to reinvest in the upgrade of the Thomas Playford Power Station and perhaps even the Torrens Island Power Station in the longer term. The environment will suffer, because it will be left to the market to reduce the greenhouse gas emissions caused by the use of non-renewable energy sources and to increase the use of renewable energy sources—and the market will not care a fig. Accountability will suffer because contracts to supply electricity will be commercially confidential.

The Ports Corporation is another area which will be affected by competition policy. The Ports Corporation, which is responsible for managing South Australia's ports infrastructure, including the 10 commercial ports, will be obliged under this legislation to allow access to its infrastructure. How stupid! Pressure for privatisation will be considerable, particularly given the Federal Government's agenda to reform Australian coastal shipping. The current good returns from the Ports Corporation to the State budget will be jeopardised under these circumstances, and rural producers who rely on many of the ports to move their produce will be the losers.

It was interesting to read the comments of members in the Lower House (both Labor and Liberal) regarding this legislation. They could find virtually nothing positive to say about the Bill; nevertheless, they are willing to support it. I do not believe that you can have it both ways. If you do not like what is happening, surely you vote against it. South Australians are entitled to ask for an explanation from our members of Parliament who are doing this. I do not think that when they ask that question it will be adequately answered, because I think this Bill is about ideology not good government. It is an ideology which the Opposition is supporting when it supports this legislation. These reforms will inevitably apply to health, education, welfare, employment, community service and environmental protection programs. In terms of access to infrastructure, while these reforms guarantee access by private operators to public infrastructure, they fail to guarantee quality services to all users and beneficiaries of that infrastructure. This is left to the market—nothing is mentioned about community service obligation—and in a market environment there are always losers.

There will, in actual fact, be a whole series of losers from this Bill. The first loser will be in terms of employment. The jobs of thousands of workers in the public sector will be scrapped, and the wages and conditions of employment of the workers who remain will be reduced. The second group of losers will be the consumers, particularly the retail consumers of Government services. They are likely to pay more and get less in the longer term in terms of many of these services. The third group of losers will be those involved in the education system, where schools could be forced to compete with each other, to accept commercial constraints, to erect phone towers in the schoolyards, to contract out core services, and to charge higher user-pays charges for parents—and all this without any consideration of the likely impact on educational standards. Market forces would not only set quality standards instead of the education system itself, but set the values on which a student's education is based.

The fourth loser will be the environment. Market forces will provide the outcome for the environment, not community values or future generations from whom we are borrowing all our natural resources. The fifth loser will be accountability. With almost monotonous regularity, this Government has hoisted the commercial-in-confidence flag to prevent public scrutiny of many important Public Service functions. This can only be increased under this Bill as private companies will refuse to accept the same standards of public accountability for service delivery and quality with which Government departments are required to comply. Lack of accountability will rob the public of adequate lines of redress.

The sixth loser will be rural and regional South Australia. While this will take longer to become apparent, it will happen as cross-subsidisation disappears and Governments look for easy ways to cut spending. This pressure will be felt mainly by State Governments, which will be responsible for paying the subsidies, or not paying them, as may be the case, directly from their budgets. The seventh loser is democracy itself. In making competition the law of the land, the idea of citizenship is subverted by the idea of consumership. The ideology of competition will not create a cohesive community of participative citizens able to meet the whole spectrum of human needs but a divided anti-society of individuals searching for satiation of only their most basic animalistic impulses, and only those impulses on which profit-making enterprises can be built.

The Commonwealth Competition Policy Reform Bill was rushed through the Federal Parliament during the budget session of 1995. The publicity received by the Federal budget guaranteed that little public airing was given to the national competition policy reforms. The lack of attention suited the Labor and Coalition Parties, both of which did not want the Bill scrutinised or open for widespread community debate. I cannot help but feel that history is repeating itself with this Bill now before us. Senator Cheryl Kernot summed up quite succinctly the Democrats' position on these reforms when she spoke to the Commonwealth Bill in 1995. I quote from Federal *Hansard*, as follows:

> In the Democrats' view, competition policy represents the victory of economics over equity, of competition over compassion and of accounting over accountability in the management of public services. . . Competition policy has great potential for banditry and bastardry. We want to make sure that we keep the bandits and the bastards as honest as possible. We will need to make sure that higher user charges, the end of cross-subsidisation, the narrowing of community service obligations and the inevitable path to privatisation paved by this package do not lead to fewer public services to those who need them most—low income earners and, especially, regional Australians.

Unfortunately, there is nothing in this Bill before us that will ensure that we can have any degree of satisfaction about those questions being answered. I oppose the second reading.

The Hon. M.J. ELLIOTT: I also oppose the second reading.

An honourable member interjecting:

The Hon. M.J. ELLIOTT: We are about to debate it. We are debating the second reading, but perhaps you haven't noticed. The economic debate in Australia at this stage in my view is intellectually corrupt. It is rhetoric driven: the same phrases emerge from every mouth. It is like the emperor's new clothes: no-one dares to speak up against the now conventional wisdom of the dry economists.

It is a debate which is focused entirely upon the economy and which chooses to ignore that we are a human society of which the economy is but one part. It is now being treated as the pre-eminent part, and we are told that if we get it right everything else will work. We are told that if we get the economy right then automatically the society will be just and

fair, and that the environment will be cared for which is, of course, a nonsense. Even worse than that is that at the economic level itself whether or not the sorts of directions we are now taking will actually be the most efficient is highly questionable. I will be addressing a number of those issues in my contribution today.

The legislation follows from inter-governmental agreements that have been signed by all Australian Governments at Federal and State levels by both Liberal and Labor Parties. The purpose of this State Bill is to overcome the constitution requirements to include bodies or authorities formed by the States, such as ETSA, water and local government. The Bill mirrors Federal legislation. As inter-governmental agreements were signed in April 1996, we have been told that there is no flexibility in this Parliament to make any changes. It is interesting to note that the Liberal Party that so often proclaimed the importance of the States and urged us to beware the Canberra octopus—and I recall on many occasions full page ads about the Canberra octopus—is now quite willingly and regularly signing away the State's involvement in matters about which it should have a legitimate concern.

Only yesterday, the Hon. Sandra Kanck referred to electricity reform, and here we are intending to implement regulations under State legislation which the State Parliament could not disallow. Absolutely amazing stuff! But that is the direction in which we are going. I note too that the Federal Government has offered substantial financial bonuses (it is a bit like getting a car) to the States if they get their competition policy legislation passed before 31 July this year. Even though State Parliaments and the Democrats have been locked out of any decisions being made about the implementation of competition policy operating in this State, the Democrats are taking this opportunity to make known the concerns we have with competition policy.

We are concerned about the social and environmental implications of the implementation of competition policy and, as I said, I even question the economic merits of it. I quickly add that such a concern should not be confused with the matter of financial accountability, and the need to recognise that financial management and accountability of governments is extremely critical. We would support moves that enhance such practices. Too often Governments, both Liberal and Labor, confuse the practical application of financial management and accountability with the ideology of economic theory.

Competition policy does not directly correlate with the management of Government finances—even though it is often dressed up that way—but has everything to do with the ideological debate of economic rationalism. Unlike the Liberal Party and the ruling faction of the Labor Party, the Democrats do not blindly embrace the economic and political assumptions behind economic rationalism. From an economic perspective, the assumptions are often dubious and from a social viewpoint they are simply dangerous, unfair and irresponsible.

We are told that the purpose of this Bill is to change the rules about how Government business enterprises compete in the economy on the basis that (a) inequities arise out of Government enterprises operating under different and more favourable rules to those of business which may be in direct competition; and (b) greater competition will improve economic efficiency. That is, it is believed that public sector enterprises have too many unfair economic advantages, and the promise is that taxpayers and the community will be better off if these enterprises operate in the same economic environment as the private sector. The policy elements that are required to promote genuine competition are outlined as follows: (a) price oversight of Government monopoly business; (b) structural reform of public monopolies; (c) competitive neutrality; (d) review of legislation which restricts competition; and, (e) access to significant infrastructure.

There is no doubt that these changes will impact significantly on the role of Government as we know it. The arguments surrounding the debate of this legislation relate to the core of political and economic ideology. That is, one's views about the merits or otherwise of competition policy is determined by one's belief and a particular ideology about the way society does or should work. The speeches given by members in the Lower House made interesting reading. Members of Parties who had signed inter-governmental agreements seemed to be struggling to say anything good about the Bill, but were prepared to support it. I notice that those members appeared to be somewhat sceptical about the capability of competition policy in determining some outcomes, but they were nevertheless willing to accept it blindly on the basis that they hoped that, first, it would work and, secondly, that the vague protections offered to South Australia would be forthcoming. I will say more about other contributions from members later.

With respect to the issues of the debate, as many people have stated, the Bill is complex and the outcomes are very unclear, despite potentially having a very extreme consequence upon our society. I now discuss the main issues of this legislation, which I believe to be crucial in the implementation of competition policy: first, the argument that competition policy is claimed to be a neutral public sector management tool, but is based within the framework of free market economics; secondly, issues about equity and social justice; thirdly, the impact competition policy will have on the environment; and, fourthly, a brief comment about the political aspects of comparing power of Government versus power of big business under the new regime.

I deal first with the public sector management tool versus economic ideology. Competition policy has been presented as a public sector management tool to make the public sector more efficient. However, one does not have to delve very far to realise that proponents of competition policy have a personal belief in the superiority of free market economy in delivering all things good in society. Like many Liberal and Labor members who have spoken on the Bill in this Parliament, the Democrats are very sceptical about many of the Bill's claims. For instance, proponents of competition policy believe that if traditional public utilities, such as water and electricity, are provided under the principles of the free market then those services will be, first, of a higher standard and, secondly, cheaper. Such claims are very debateable.

Arguably there are other more effective public sector management tools that could be used to increase public sector efficiencies rather than turning these public monopolies into private monopolies, which I argue is what this policy ultimately results in. It was interesting to read the Industry Commission Report which commented on the implementation of national competition policy, and that such a policy is not intended to promote either public or private ownership. However, this is just farcical. The mere fact that the public sector firms will have to compete with the private firms means that they will be forced to behave like firms in the private sector.

One of the more common ways of getting a public utility to operate like a firm in the private sector is to split the asset from the service delivery. For instance, with the outsourcing of South Australia's water supply, South Australians will own the infrastructure but the delivery of water service is outsourced to a private company. The split between the provision of service delivery and the asset is not sustainable in the long run. The core service of the water industry is to supply water and discharge waste water. This service has been outsourced to a private firm and the assets are left in public hands. In order to ensure the supply of water, substantial assets, such as reservoirs and pipelines, need to be maintained.

However, with the profits of the service delivery going to the private company providing the service, the assets are left without adequate maintenance funds. Traditionally, both collection of moneys from the provision of service and the upkeep of assets were undertaken by the same authority. Under new competitive arrangements it is inevitable that the assets will have to be sold in order to be upgraded. For any business to undertake this project it would have to lease the asset to the private company providing the service. This cost, of course, would then be passed onto the consumer. If the end result is that these public sector utilities turn into fully private businesses, then the community can expect all the negative impacts of privatisation.

The handing over of the public sector to the private sector frustrates the role of Government in serving the community. The Democrats strongly believe that there is a role for Government in providing for the community, and privatisation is unashamedly individualistic by nature. The privatisation of these essential services, many of them being natural monopolies, negates the Government's role in undertaking community obligations. I will have more to say about the role of Government responsibility later.

Quite justifiably, there have been legitimate concerns surrounding wastage within the public sector. Of course, this is a familiar weakness of any monopoly, public or private, the difference being that with a private monopoly the economic rents or super profits go towards the high salaries of directors or lavish perks for staff generally or shareholders of the company, whereas in a public monopoly some of the potential economic rent is wasted on inefficient work practices but it also goes to Government revenue and offsetting cross-subsidies.

Having said that, it is not all that convincing that competition policy will necessarily make the public sector more efficient. In fact, it is argued that the ultimate result of competition policy will lead to the privatisation of public utilities, thereby shifting from a public monopoly to a private monopoly. The business sector would strongly disagree but the main reasoning behind this is because they consider more competitive labour costs, that is, cheaper labour, more like that of our trading partners, means that a firm is more efficient.

On issues of equity and social justice there is no doubt that the passing of this legislation challenges the long held Australian notion of a fair go. The member for Price states:

> I acknowledge that competition policy is delivering a degree of pain in the community. It is important that we closely look at the impact of competition policy in this State to ensure that we do not forfeit our rights and endure unnecessary pain.

Australia once prided itself on its egalitarian society. However, in the greed for profits, the strong lobbying and power of the business sector is finally influencing Governments to make policies which go against this heritage. The doctrine of economic rationalism has been on the Australian political scene since the 1980s and the implementation of competition policy is really just another aspect of this doctrine.

Given this, it is worth mentioning the impact that economic rationalist policies have had on Australian society. In commenting about the income distribution in Australia, it is worth quoting the work of John Nevile, published in a CEDA study of July 1995. Nevile demonstrates that the gap between the rich and poor Australians did widen in the 1980s and he sums up what happens in the 1980s with the following four statements:

> 1. Income distribution in Australia became more unequal but, except for couples over 65, not as much more unequal as is commonly thought.
>
> 2.Generally speaking, in each category the average real income in each category increased much the most in the top quintile and the second quintile from the top did the second best.
>
> 3.The second quintile from the bottom generally did the worst.
>
> 4. The increase in inequality was significantly ameliorated by two factors. The increasing participation of women in the work force and social security payments.

He concludes by saying:

> The major underlying cause of the increases in inequality in the 1980s appears to be the effects of economically rationalist policies. Reich's arguments about the deleterious effects of changes in technology on income distribution do not seem to have been applicable in Australia in the 1980s. This is not altogether good news. One interpretation of what is happening is that most of the effects of globalisation on income distribution have still to hit the Australian economy. If, or perhaps when, they do, the problem of the poor becoming poorer, as the rich become richer, may be much more intractable than it proved to be in the 1980s.

No doubt competition policy will be of some assistance in ensuring that Nevile is correct in his conclusion. As the essential public sector utilities start operating as a private sector organisation they will not be able to undertake social goals. As I have already mentioned, the eventual transfer of public sector utilities to the private sector will probably result in higher costs or at least such cost benefits will be dubious.

Of course, at the world level we have ample demonstration, and the Hon. Sandra Kanck referred to the cost of the provision of medical services in the United States as against Australia. There is a difference in GDP: the United States is 14 per cent and Australia is 7 per cent. In Australia, delivery of health is to all Australians; in the United States, a substantial part of the population is precluded from access to the system. That is what full private competition with no significant public involvement creates.

In relation to cross-subsidies, what is certain, because it is part of the design, is that public utilities will not be able to cross-subsidise to assist regional Australia or poorer households. The well known argument espoused by the Industry Commission and other economic bodies in response to the concerns of no longer having cross-subsidies is that such social assistance is a function of Government and, in particular, fiscal policy. However, many people in this Parliament would be only too well aware of the drawback of relying on fiscal policy in providing social benefits, particularly anyone who has lived in country areas. Indeed, the member for Custance in another place stated:

> I know that the Hilmer report says that we have to be nationally competitive but, as a person living in regional South Australia, I am concerned that the subsidies provided for country areas will not stand up under this policy.

He further states:

I am aware that many of our country services are subsidised by government, particularly water and more so power because the cost to provide services to country South Australia by necessity, because of the geographics of our State, is very expensive.

The member for Giles states:

I am not interested in Hilmer and the free market. I am with the member for Custance and all the other rural members in saying that all this competition is nonsense. All this free enterprise is absolute rubbish and that we are for a very strong centralised system. Anyone who goes outside that system we whack severely around the ears.

Right now in Canberra a debate is taking place about pressure to make severe cut backs in social services due to the demand by the business community to not only reduce the unplanned budget deficit but to work towards having a budget surplus. Of course, we will see the impact of that in the Federal Budget and then, following that, the next mini State Budget. It is guaranteed that regional South Australia will lose a great deal during that process. I note that members, particularly those from regional electorates, were concerned about the impact of competition policy on their communities. The member for Giles is not all that optimistic about the State as a whole, let alone his region, and he says:

My guess is that, if market forces prevail, South Australia will initially have unemployment of 30 or 40 per cent and then of course depopulation will follow that. That is what the market will provide.

He further states:

The other States are quite happy for South Australia to disappear. They could not care less and neither could Federal governments.

I note that Wayne Matthew, the Minister in another place, has an answer to all of that: we can simply just merge with Western Australia and have Perth as a capital. What an absolutely brilliant idea and I do not know why he is not made Premier straightaway.

The Hon. Caroline Schaefer: It would put us on a decent time.

The Hon. M.J. ELLIOTT: I take it that the Hon. Caroline Schaefer, coming from the western part of South Australia, actually supports and is in the Matthew faction on this issue. Competition is about survival of the fittest, which usually means the largest. Therefore, there will be difficulties experienced by South Australia as a small State, more so than regional areas. I believe that they have every reason to be concerned. For instance, my colleague Sandra Kanck, the Democrats spokesperson on infrastructure, is convinced that, following the implementation of competition policy in electricity, the Port Augusta Power Station will close because it will not be able to compete with interstate power supplies. Anyone who does not acknowledge that as a high probability would be a fool.

The Hon. T.G. Roberts: Unless there are new markets to draw off in the north.

The Hon. M.J. ELLIOTT: I doubt it. Clearly, there will be impacts on the environment. I note that Minister Wotton in the *Advertiser* on 5 June (page 13) said:

The environment does not belong to the Government alone. It belongs to us all. The responsibility is a shared one and one we will all be judged on by future generations and by our overseas trading partners. The environment or economy and our quality of life are inextricably linked.

The Minister for the Environment and Natural Resources makes many good noises about the environment but, unfortunately, he is functioning within a Party that has no understanding or real feeling for the issues at all. The environment, along with social justice, are going to be two areas which suffer badly under competition policy because we will lose the flexibility to make decisions within South Australia which are anything other than what is the lowest cost and the lowest cost will not always produce the best long term result, and if I may illustrate that by way of example.

The brown coal fields of Yallourn in Victoria can be run very efficiently. They can drag the coal directly from the ground straight onto conveyor belts and straight into the plant. They can produce electricity very cheaply, but with a fuel which is by far the worst of all the greenhouse fuels. It is very low quality brown coal. We have a Federal Government that says we cannot possibly reach our greenhouse targets. We have a State Government that says, 'Look, if we can get cheaper electricity, blow the consequences in relation to greenhouse targets.'

The Hon. Sandra Kanck: Especially if it comes from Yallourn.

The Hon. M.J. ELLIOTT: Yes. In fact, they are saying that that is of no consideration to them whatsoever, that if that provides the cheapest power then they will take it. That is the height of irresponsibility and in the long term will have economic consequences as well. Already, Government bodies are having to reassess some of their engineering works, realising that frequency and severity of storm events will change, and what used to be a once in a 100 year storm can become a once in 30 year storm. You suddenly find that your design of cities is inadequate. If there is any reason why some of those issues will not be addressed it is that much of the infrastructure will have been privatised as well. It probably will not be addressed and we will suffer further consequences along the way. It will all happen because we have chosen to look at economics in terms of short-term gain and because we have decided to ignore everything else. It is highly likely that we will make decisions that will come back to haunt us not just in a social and environmental sense but will produce significant economic costs that will be a significant economic disbenefit to future generations.

There is an inconsistency between concern about Australian GBEs having a monopoly. Proponents of competition policy and privatisation try to deride those people dubious about its merits by arguing that those people are concerned about losing their comfortable positions. This is an interesting argument, because competition policy itself is not exactly occurring out of a vacuum but, rather, arises from strong lobbying by the business sector. The business sector hopes to achieve and will achieve an increase in the profit share under competition policy.

By way of example, we should take the privatisation of South Australia's water. It was once a very efficient public utility. It is now managed by a multinational firm, which is one of the world's largest managers of water. Why is it that the Liberal Government is not concerned about this extremely powerful, private multinational monopoly but, together with Labor, is anxious to reduce the power of Australian public sector monopolies? Why is it that it sees a significant benefit in profit generated in South Australia leaving this State? Quite frankly, it does not add up.

Quite topical at present is the fact that large multinational companies are setting the States up against each other in order to bid down costs. The fact that State governments are willing to offer tax incentives and other benefits to these multinational firms, when our local firms have to pay all the required taxes, is simply a nonsense. I understand, like competition policy, that this issue needs to be addressed at intergovernmental level. These companies are abusing their power and, if the Government was seriously concerned about equity

in the market, this matter should be taken up as a matter of extreme urgency.

The Government has tried to alleviate concerns about the impact that competition will have on South Australia as a small State and on regional areas by saying, 'We will and can apply for special exemptions.' Unfortunately, such special exemptions are by no means certain. In order to qualify for them, the appropriate legislation has to go through our Parliament, as the onus is on us to prove that such exemption will have proven community benefit.

As the underlying message of this policy is that we are looking at the nation as a whole, it could be very difficult to argue that the community benefits in our State are any more important than community benefits in other States. At the end of the day, I contend that the protection offered in this State will have a minimum consequence to the outcome. However, it serves its purpose. Members can merrily go along and support this Bill, believing that such protection will be afforded to them.

I note that in his speech Mr Cummins says that he is really glad that we have to look at social welfare and equity considerations. He referred to such things as community service obligations, access and equity, industrial relations, occupational health and safety, economic and regional development and interests of consumers generally. However, as I have said already, community service obligations and matters of access and equity will be handed over to fiscal policy and, because taxes are generally very unpopular, such concerns will not be adequately dealt with. In relation to industrial relations, competitive forces will put pressure on wages to be reduced and occupational health and safety issues will be under great pressure and seen as a low priority, more in line with our trading partners in Asia.

I have commented so far in relation to the impact of this Bill on Government bodies, but it also relates to a large number of smaller firms operating within the South Australian jurisdiction and, as I understand it, brings them under sections of the Trade Practices Act. That is a fine theory—that now we will have all the private economy, big and small, throughout Australia, operating under the same legislation. The reality will be somewhat different. I see that it will be used as a club against smaller operators. I can think of any number of businesses where one or two companies dominate the top end of the market as buyers, and a larger number of small businesses operate at the other end as suppliers.

Very rarely do we find trade practices legislation being enforced against the operators at the big end of town. It is almost impossible to prove but, undoubtedly, it occurs on a regular basis. However, at the other end, large numbers of smaller suppliers have in the past been protected in a whole range of ways by Government boards—many of which have been abolished over the past decade—or by other legislation. Of interest to us here will be proposals to abolish some protections for chicken meat producers. In the absence of any legislative protection, if these people get together to try to get a reasonable price for their produce, as I understand it, they will be anti-competitive.

So what we are doing is giving the big operators, whether it be Steggles and Inghams in the chicken industry or Coles Myer and Woolworths in supermarkets or whatever else, more power to dominate the market and to squeeze the small people. I guarantee that a whole lot more primary producers, small manufacturers and other suppliers will go through the hoop as a consequence of this. It will not produce genuine competition across the whole of industry and the economy.

In fact, it will allow grossly inefficient companies such as Coles Myer that are struggling to make a decent profit, despite all its advantages, to continue to survive and to continue to use what are anti-competitive practices. At Westfield, Coles Myer would be paying 10 per cent of the rent of other operators with whom they are competing, where largely they use juniors on junior wages and have done a rather nice deal with the union such that they have cheaper labour costs. They have a whole lot of other competitive advantages such as the buying power and the squeeze that they put on their suppliers—and they can still barely make a profit because they are grossly inefficient.

The sort of economy that we are structuring in Australia now will reward the large and inefficient and will punish the small, no matter how efficient they are. Small and efficient producers, whether they are industrial or primary, will continue to go to the wall as they have done for the best part of two decades as the monopolies have grown and there has been no willingness by Government's of any persuasion to take them on. We are talking not about competition in Australia but about lining the pockets of the rich and powerful. We are not talking about efficiency, equity or protecting the environment; we are talking about stupidity.

I reiterate that the implementation of competition policy symbolises the beginning of the end of Australia's notion of a fair go. The traditional role of Government has been to make policies which take into account the community's interests. However, in implementing competition policy Australian Governments are handing over this role. Under competition policy we will see a predominance of market forces determining outcomes, such outcomes serving the interests of wealthy Australians and big business, be they Australian or multinational, at the expense of the rest of the community. Competition policy has been sold to Australians on the basis that they will be better off because of higher quality services and cheaper prices. Unfortunately, the reality is that competition has brutal outcomes, and thus we will see a deterioration of a sense of community. As the member for Norwood said:

> This legislation is difficult to understand and will be even more difficult to implement, so we shall need a lot of time to consider its ramifications.

The Bill is going through Parliament today, so he can consider it at his leisure after it has passed through the Parliament.

The Hon. T.G. Roberts: Did he vote for it?

The Hon. M.J. ELLIOTT: Of course he voted for it. We cannot deny the need for competition and constant economic change. There is no doubt that there is a place in legislation for changes, sometimes quite dramatic changes, but there is no excuse for legislation which is driven more by rhetoric than by good economic sense. This is legislation at both Federal and State level that has not been thought through. It is legislation which again reinforces the notion which seems to be running through political circles that if we get the economy right everything else will be right. I say that we will not even get the economy right with this legislation and that we have no hope at all in terms of equity, the environment and the community generally. I oppose the second reading.

The Hon. R.I. LUCAS (Minister for Education and Children's Services): I thank members for their contributions to the second reading debate. It is fair to say that the

Hon. Mr Elliott has acknowledged in the past that he has no background in economics, and his contribution has amply demonstrated that he has no background or training in, or indeed understanding of, economics.

Members interjecting:

The Hon. R.I. LUCAS: It is quite the reverse, because the Hon. Mr Elliott often uses that line in relation to education because he was a teacher and I, as Minister for Education and Children's Services, was not and, therefore, have no background in and do not understand education matters. The shoe is on the other foot now. I am able to use that argument against the Hon. Mr Elliott, because he has conceded that he does not have a background in economics. He has not undertaken any—

The Hon. Sandra Kanck: Do you?

The Hon. R.I. LUCAS: Yes, I do. The Hon. Sandra Kanck has no background in economics, either. That is fair enough. The Hon. Mr Elliott has indicated that and, like all members, he is entitled to express a view on this issue. It is important to put on the record—

The Hon. M.J. Elliott interjecting:

The Hon. R.I. LUCAS: I listened to the Hon. Mr Elliott in silence; I made not one interjection during his contribution. He made a number of provocative and inflammatory comments and I did not interject. I listened in silence to his inflammatory comments, calling supporters of the whole argument for legislation stupid. Obviously, in the short space of two minutes the Hon. Mr Elliott has not been able to restrain himself in relation to my opportunity to respond to the comments that he made and to put some facts on the record.

It would be lovely, as the Australian Democrats tend to do on occasion in relation to economic matters, to look at the world through rose-coloured glasses, because it means that one can look at the world as one would like or wish it to be or how it used to be and ignore reality.

I will refer to some of the comments made by the Hon. Mr Elliott. He said that South Australia had a very efficient EWS. That was a comment that I wrote down at the time that the Hon. Mr Elliott made relating to our public sector utilities.

The Hon. M.J. Elliott interjecting:

The Hon. R.I. LUCAS: Well, I wrote it down. Last night I had dinner with someone who was an employee of the EWS back in the time when it was a very efficient agency, according to the Hon. Mr Elliott. His job with EWS was to fill up the stationery cupboard.

The Hon. M.J. Elliott interjecting:

The Hon. R.I. LUCAS: It must have been a very big cupboard. He was regaling my group, saying that it was a very important task, filling the stationery cupboard, and that was his job in life. Then at a particular stage in the year he started to wonder because he filled up the stationery cupboard and overnight the contents, which normally lasted a week or so, suddenly disappeared.

The Hon. M.J. Elliott: End of the financial year.

The Hon. R.I. LUCAS: No; it was the start of the school year. All the pens, pencils, pads and whatever else disappeared from that location. That is a very small example, but he indicated other more important examples of the inefficiencies of that public sector agency. Over the past year—I do not have the figures with me—the numbers of full-time employees in the EWS have been reduced by thousands, I suspect, yet we are still delivering a quality product at a very competitive price, and under the new arrangements there will be protection of those particular aspects.

The Hon. M.J. Elliott interjecting:

The Hon. R.I. LUCAS: I am making the point that the Australian Democrats see the world and our public sector agencies through rose-coloured glasses. The Hon. Mr Elliott said that in the past we had efficient public sector agencies, such as the EWS. It is that sort of thinking that has created the significant economic and financial problems that confront South Australia and its new Government at the moment. Frankly and objectively, anyone with an ounce of economic nous would know that many of our public sector agencies have been closeted from competition of any sort at all and that it is time that the blowtorch of competition and efficiency was applied in the interests of the taxpayers of South Australia. Even through the rose-coloured glasses view of the world of the Australian Democrats, it is the little people who pay the extra costs of the inefficiencies that our public sector utilities, our trading enterprises, would have continued to impose upon the taxpayers of South Australia.

Neither the Hon. Mr Elliott nor I—members of Parliament are probably in the top 5 per cent of income earners in South Australia—will suffer the problem of having to pay higher costs because we are relatively comfortable compared with the little people of this State. It is the rest of the South Australian community who will have to pay increased costs over and above what is required for the protection, for ideological purposes of the Australian Democrats, of public sector agencies.

The Australian Democrats create this straw person argument, which I will address in a moment, that everything in the private sector is wonderful and that competition will solve all the problems. In effect, the reverse argument and criticism can be made of the Australian Democrats, that is, the Australian Democrats' attitude is that everything in the public sector automatically is good and that everything in the private sector—

The Hon. Sandra Kanck interjecting:

The Hon. R.I. LUCAS: Equally. As that is an overstatement of the Australian Democrats position, so, too, is the Australian Democrats' description of the Government, both State and Federal, a gross overstatement for political purposes of the Government's position and, indeed, in this case, the alternative Government's position as well. It is an unfair criticism of the intentions of the legislation before the Parliament.

The Hon. Mr Elliott said on a number of occasions that we are told that if we get the economy right everything else, such as the environment, will be right and that we will not have to do anything else about those sorts of things. In effect, he said that if you pull the lever everything else will resolve itself. That is just nonsense. The State Liberal Government is not saying that if you get the economy right you do not have to worry about the environment or about social issues, because automatically, in pulling the levers and getting the economy right, those other issues will be resolved.

For the Australian Democrats to say that that is what the Bill and the State and Commonwealth Governments are about is, in effect, false. The Democrats know it to be false, because the State Government's policy does not embrace the idea that simply by getting the economy right all the other issues will resolve themselves and that we do not need to have an environmental and social policy which balances the economic objectives of the Government as well.

The Hon. Sandra Kanck: There is no place for them.

The Hon. R.I. LUCAS: Again, that is just simplistic, naive nonsense. The Hon. Sandra Kanck may well genuinely believe that, but if she does I can only say it again: it is simplistic, naive nonsense to put a proposition—

The Hon. Sandra Kanck interjecting:

The Hon. R.I. LUCAS: I am responding to the question that the honourable member just put to me. To suggest that this State Government or, indeed, the Commonwealth Government will completely leave to the vagaries of the free enterprise market issues in relation to social and environmental policy is a nonsense. The Hon. Sandra Kanck may well disagree with decisions that the State Government makes with respect to the environment and social policy, but it is a nonsense to suggest that the State Government argues, as her Leader sought to portray in his contribution, that once we get the economy right everything else such as the environment and social policy will be right and that we will leave them to resolve themselves. That is not a fair—

The Hon. Sandra Kanck interjecting:

The Hon. R.I. LUCAS: I will give credit to the Deputy Leader of the Democrats: she did not, indeed, say that—her Leader made that claim. I make no criticism of the Deputy Leader of the Democrats for making that statement, because it was made by the South Australian Leader of the Australian Democrats. My criticism is directed to his comments, because they are a very unfair and inaccurate portrayal of the Government's position. In talking about the environment, again, the Hon. Mr Elliott sought to criticise indirectly the Minister for the Environment and Natural Resources. He also criticised the State Government's environmental record. I remind the Hon. Mr Elliott that this State Government has done more for the environment as a Government than he has ever done or is ever likely to achieve as a member of the Australian Democrats.

The Hon. Mr Elliott can sit on the crossbenches and pontificate for decades (as he may well do) about the environment. However, the reality is that this Government has done more for the environment than the Hon. Mr Elliott has every done or is ever likely to do for however long he is likely to be in the Legislative Council. The Government's record in South Australia in just over two years on the Patawalonga, the Torrens River, the Murray River, Landcare, wetlands management, the marine park and, indeed, many other areas are examples of the fine record of the Government and the Minister for the Environment and Natural Resources in terms of matters of the environment in South Australia.

Recent decisions made by the Government in relation to the marine park were, whilst opposed and criticised on occasions by members of the Democrats, supported by a number of prominent members of the environment movement in South Australia as an indication of—

The Hon. M.J. Elliott interjecting:

The Hon. R.I. LUCAS: The Hon. Mr Elliott supports it; I am delighted to hear that. I did not say 'parliamentary members': I said 'members of the Australian Democrats'.

The Hon. M.J. Elliott: Name them.

The Hon. R.I. LUCAS: I will name a few for you if you like. This is another example of where members of the environment and conservation movement have been prepared publicly to acknowledge the worth of the Government's programs and policies in the environment area.

The Hon. M.J. Elliott interjecting:

The Hon. R.I. LUCAS: Even if it is only one from the Hon. Mr Elliott's viewpoint, it is one more than the Hon. Mr Elliott has achieved or will ever achieve in terms of being in the Parliament, because this Government is there and it is doing things. The Australian Democrats can always comment from the sidelines—

An honourable member interjecting:

The Hon. R.I. LUCAS: I am saying to the Hon. Mr Elliott that this Government has achieved more in the area of the environment than the Australian Democrats and the Hon. Mr Elliott have or will ever achieve. I will defend the Government's record as well as the very worthy record of the Minister for the Environment and Natural Resources, the Hon. David Wotton, from 1979 to 1982 and in the past two years of the Government.

The other inference made by the Hon. Mr Elliott was that this legislation was all about turning public sector monopolies into private sector monopolies and that that was, in effect, a policy goal of the legislation. Again, it is just nonsense to suggest that the policy goal of the competition policy Bill is to turn public sector monopolies into private sector monopolies. In a number of areas the Bill talks about introducing competition. In relation to the Bills before the Parliament, the Minister for Infrastructure has indicated his commitment that ETSA will not be privatised. Indeed, he refers to introducing, under the competition policy principles, greater principles of competition in terms of ETSA as a public sector enterprise competing—whether that be with other public sector or private sector enterprises I guess only the future will tell—but there be competition, and that this electricity generation package of Bills is not part of a package of Bills to privatise ETSA Corporation.

The Hon. Mr Elliott also indicated that, in effect, the result of the introduction of the competition policy principles would lead to higher costs for consumers. Again, I addressed that earlier. I would be very happy to share with the Hon. Mr Elliott a first year primary in economics, if he desires, as it will show how ridiculous is his claim that in some way a system where we can introduce greater competition into our trading enterprises or other areas of government will lead in all these examples to higher costs for consumers. I think the best example of that is the one that I have cited already in relation to the EWS in terms of its costs of a number of years ago and its costs now and the fact that the consumers of South Australia are benefiting from those particular changes.

A number of issues have been raised, but I do not intend to respond to all the comments of the Hon. Mr Elliott and the Hon. Sandra Kanck. I think there are some issues in relation to the competition policy debate which in a rational and sensible way can genuinely be argued both for and against. I acknowledge that some of the questions raised by the Hon. Sandra Kanck and the Hon. Mr Elliott involve issues that I could categorise as elements of a rational debate about competition policy, and other members in another place have raised some genuine issues which ought to form part of a rational debate about competition policy. However, what does irk me, as I have said, is when we move beyond that element of rational debate into the realm of some of the outrageous claims that have been made by the Australian Democrats in relation to the Government's real intentions in terms of this legislation and some of its implications. There are genuine concerns, there can be genuine and rational debate, but let us keep it within that particular arena rather than extend it into the realm of the irrational and illogical.

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

PUBLIC FINANCE AND AUDIT (POWERS OF ENQUIRY) AMENDMENT BILL

Adjourned debate on second reading.
(Continued from 30 May. Page 1474.)

The Hon. CAROLYN PICKLES (Leader of the Opposition): The Opposition supports the second reading. The Opposition takes the view that this Bill appropriately extends the powers of the Auditor-General but, if it is the Government's intention to extend the powers of the Auditor-General with a view to gaining political capital out of a particular investigation proposed by the Auditor-General, the Government should be aware that the provisions of this Bill are of general application and they may well be used one day to the embarrassment of the Liberal Government. That would be perfectly proper in the interests of public accountability.

As the shadow Treasurer has indicated in another place, there is probably more scope in examining the powers of the Auditor-General. The Opposition has chosen not to propose amendments to the Public Finance and Audit Act at this stage. It may be that we will reassess the need for legislation to facilitate the Auditor-General's work in the light of the Estimates Committee process and the way in which this Parliament deals with the Auditor-General's Report, which is expected later in the year. At this stage, the Opposition is happy to support the second reading.

The Hon. R.I. LUCAS (Minister for Education and Children's Services): I thank the honourable member for her contribution and her indication of support from the Opposition.

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

ELECTRICITY CORPORATIONS (SCHEDULE 4) AMENDMENT BILL

Resumed on motion.
(Continued from page 1552.)

In Committee.
Clauses 1 to 3 passed.
Clause 4—'Amendment of schedule 4.'

The Hon. SANDRA KANCK: In my second reading contribution I raised the matter of wanting some explanation about the wording of clause 4(d), which reads 'any transmission or distribution system under its control' and clause 4(n) which provides:

> to keep vegetation of all kinds clear of public supply lines under the corporation's control.

I was attempting to find out whose control they will be under, if they are not to be under the control of the corporation?

The Hon. R.I. LUCAS: I am told that the aim of clause 4 throughout is simply to extend the rights, responsibilities and immunities which ETSA Corporation has to its subsidiaries. The networks will be owned by ETSA Power and ETSA Transmission, so perhaps the honourable member could concentrate on clause 4(d) and, if there is anything more I am able to offer her, she might more clearly define the exact nature of the question she has about clause 4(d).

The Hon. SANDRA KANCK: We are talking about ETSA Generation in this instance, and the impression is created that ETSA Generation could have parts of the transmission or distribution system under its control. The inclusion of those words seems to indicate that it could have them under its control. As I see it, the substantial difference in clause 4(d) is the wording 'under its control'. Why have those words been inserted? They clearly have a purpose.

The Hon. R.I. Lucas: A substantial difference to what?

The Hon. SANDRA KANCK: To what is in the existing Act.

The Hon. R.I. Lucas: Those three words have been added?

The Hon. SANDRA KANCK: Yes, and that is what interests me.

The Hon. R.I. LUCAS: Previously we had only one electricity corporation, but now that we have ETSA Power, ETSA Transmission, ETSA Generation and ETSA Energy we must include the words 'under its control'. Previously there was only ETSA Corporation, but now that there are four separate electricity corporations the Bill must refer to the particular systems under its control.

The Hon. Sandra Kanck: The word 'its' is a little misleading then.

The Hon. R.I. LUCAS: The indication is that whatever electricity corporation is being talked about and whatever is under its control is in effect defined in that way. It may well be that it is parliamentary counsel's suggestion, but I do not think there is anything sinister or conspiratorial in this

The Hon. SANDRA KANCK: It still does not make sense to me.

Clause passed.
Title passed.
Bill read a third time and passed.

STATUTES AMENDMENT (SENTENCING OF YOUNG OFFENDERS) BILL

Adjourned debate on second reading.
(Continued from 4 June. Page 1511.)

The Hon. SANDRA KANCK: I am sure the Government is delighted to know that I support this Bill. The last four Bills I have not supported but this Bill I am supporting. As the Bill deals with a specialist youth area, juvenile justice, the Democrats sought input from the Youth Affairs Council. I note also from the Opposition's second reading contribution that the Labor Party also received input from the Aboriginal Legal Rights Movement. I note some concern that the Attorney-General is pre-empting the Juvenile Justice Advisory Committee's report. The Attorney said that he did not wish to pre-empt the report but he understood that the committee's report would be to the effect that the new system was working relatively well, and then went ahead to pre-empt it. I do have some concern that the Juvenile Justice Advisory Committee is being sidelined.

For the most part the Democrats support the Government's proposed amendments, but I comment on two areas: restorative justice versus general deterrence; and the question of levels of funding. Clause 30 deals with juvenile justice and is based around the notion of general deterrence rather than restorative justice. I understand that submissions were made to the then Labor Government in 1993, which argued that there was no evidence to suggest that general deterrence was effective in preventing juvenile crime.

Submissions from the community at that time argued that Government crime prevention strategies were more effective in reducing juvenile offences than deterrence but, in response

to perceived community demand, this Government wants, it appears, to be seen to be tough on criminals. If the evidence is that general deterrence does not work with young offenders and that there are more effective methods to use, then we would not be serving the community at all by imposing this concept. The Government would better serve the community if it were to listen to the experts in the field, rather than opting for policies which sound tough and which might appease some members in the electorate but which ultimately do not work.

The cost of running prisons is very high. If it is the case that general deterrence is not effective in preventing crime, then taxpayers' money would be better spent on other crime prevention strategies. The Youth Affairs Council has said to me that, should the implementation of general deterrence result in a harmful outcome for the young offender, it would contravene article 3 of the United Nations Convention on the Rights of the Child and the UN Convention on the Administration of Juvenile Justice, which promotes the separate treatment of juvenile offenders, preventive action using family and community resources and the minimum intervention required for effective rehabilitation. So, I would be interested to know the reasoning behind the Government's changes which direct that a court must take general deterrence into account when sentencing a youth as an adult and in other cases as the court thinks appropriate. What research backing does the Government have to make it think it is the correct way to go?

My second area of concern is the difficulty in providing appropriate types of criminal justice to young people due to inadequate levels of funding, especially in relation to home detention and community service orders. The Youth Affairs Council believes that home detention is a useful reform and that home detention provides for conditional participation in community life subject to the conditions of the court. However, it notes that such a reform must be adequately resourced if such a scheme is to work effectively. The other reform that requires adequate resourcing is community service orders (CSOs).

The Youth Affairs Council has said that the most pressing issue in this area surrounds the obvious under-resourcing of the CSO system. The Youth Affairs Council is aware of a significant number of young offenders not completing CSOs due in part to insufficient funding. Ironically, money is being wasted because non-compliance of CSOs has led these offenders back into the court. Along the way it has contributed to the recent negative media coverage about CSOs. If the Government is going down the path of general deterrence, will it give adequate resourcing and funds to ensure that home detention and CSOs for young offenders can work properly? With those reservations, I support the second reading.

The Hon. K.T. GRIFFIN (Attorney-General): I thank honourable members for their consideration of the Bill. In relation to the matters raised by the Hon. Carolyn Pickles, I wish to give some information to members. She asked a number of questions, the first of which was whether the inclusion of general deterrence in section 3 of the Young Offenders Act will lead to substantially longer periods of detention for young people. Will it lead to more young offenders being detained and will it lead to substantially longer period of detention for young people?

The Hon. Sandra Kanck has made some reference to the issue of general deterrence and, to some extent, the information that I will now provide, will hopefully assist her to understand what the Government is attempting to do. The first thing to do is to note that the amendment in the Bill does not seek to apply general deterrence to the sentencing of all young offenders. That was the provision in the legislation but, since the decision of the Supreme Court in *Schultz v Sparks* we have had to revisit that principle. The Bill seeks to apply a general deterrence in the sentencing of young offenders who have been dealt with as adults and in other cases, where the court thinks it is appropriate because of the nature or circumstances of the offence. So, it becomes a much more discretionary matter than it was before the decision in *Schultz v Sparks*.

As I said in the second reading report stage, the amendment is designed to restore in part what was thought to be the law before the Supreme Court decision in *Schultz v Sparks* and what Parliament appeared to intend when the section was enacted. We have to remember that it was the select committee looking at issues relating to juvenile justice and juvenile offending which recommended that general deterrence should be regarded as an important principle in the sentencing of young offenders. It is not possible to predict what the effect of the amendment will be on the sentencing of young offenders. It is not clear to what extent the courts were already taking general deterrence into account in sentencing young offenders prior to the case of *Schultz v Sparks*.

Courts do not indicate what part of their sentences are attributed to what factor. However, if general deterrence is taken into account, then if the courts had not previously been taking that into account, it may be that some sentences would increase. But again it is important to recognise that we are seeking to not put back into the legislation deterrence as an overriding principle in every case but only in limited circumstances. I would hope, notwithstanding the views of the Youth Affairs Council and others who seek to argue that general deterrence should not be a principle recognised in whole or in part in this legislation, that the proposal which I have in the Bill will receive support from the majority of members.

The Hon. Carolyn Pickles raised questions about whether Parliament should give the court some guidance when considering whether or not an offender should serve his or her sentence in an adult prison or remain in the youth system under section 36 of the Young Offenders Act. I have given some consideration to this. The conclusion I have reached is that the provision should remain as it is. Unless we can spell out all the matters the court can consider, I think it is preferable for the court to have an unfettered discretion. One would expect that the court would take into account the sorts of matters referred to by the honourable member.

The Hon. Carolyn Pickles also refers to the lack of statutory criteria to guide courts as to when home detention might be appropriate and requests a guarantee that the court or the Family and Community Services officers, on behalf of the court, ensure that the residential environment is appropriate for young offenders subject to a home detention order. I am obviously unable to give the guarantee the honourable member seeks, but I think it is fanciful to suggest that a court would make a home detention order without assuring itself of the suitability of the place where the home detention is to be served. It is implicit in the provisions that the court must be satisfied of the suitability of the accommodation. New section 37C(2)(b) provides that if the court is satisfied that the residence specified in the order is no longer suitable for the youth and no other suitable residence is available, the court may revoke that order for home detention. While I am

satisfied that the provision in the Bill is adequate as it is, I will be moving an amendment to spell out in more detail that the young offender will be properly cared for while in home detention.

The Hon. Carolyn Pickles also refers to the need for the punishment of a particular individual to fit the crime committed by that individual in the context of that individual's social and cultural background. Section 10 of the Criminal Law (Sentencing) Act lists the factors courts should have regard to in sentencing offenders, and this provision applies to young offenders in so far as it is not consistent with section 3 of the Young Offenders Act. The factors listed in section 10 include character, antecedence, age, means and physical or mental condition of the defendant. The court is also directed to take into account any other relevant matter. These provisions in the Criminal Law (Sentencing) Act allow the sentencing court to take into account the matters raised by the honourable member. That addresses all the matters raised by the Hon. Carolyn Pickles. I hope that, in relation to the issue of general deterrence, the matters to which I have referred will answer the matters raised by the honourable Sandra Kanck.

The Hon. Sandra Kanck also raised two other issues. She made reference to the Juvenile Justice Advisory Council review of the operation of the Young Offenders Act and made a suggestion that the council has been sidelined and that, by these amendments, we are preempting the report of the council. That is just not correct; the council is not being sidelined. When it presents its report, there may well be other amendments that have to be made to the juvenile justice package of legislation. There are important amendments here that cannot await the outcome of the Juvenile Justice Advisory Council's consideration of the operation of the scheme.

There are matters that the Senior Judge of the Youth Court has requested we proceed with as a matter of urgency. There are other matters which ought to be clarified and which are of a technical or drafting nature, and they are not matters which will prejudice any changes to the law which might flow from the report of the Juvenile Justice Advisory Council. In those senses, I can assure members that we are not seeking to sideline the Juvenile Justice Advisory Council. Its report will be an important report on both the philosophy and operation of the scheme of this legislation. What is before us are matters which, in the application of the legislation, need to be addressed as soon as possible in order to ensure the proper operation of the scheme.

The other issue raised by the Hon. Sandra Kanck relates to community service orders and resourcing of those and the system which supports and enforces community service orders. I do not have all that information at my fingertips but I will undertake to have some answers prepared after research has been undertaken, and then deal with those in Committee.

Bill read a second time.

FRUIT AND PLANT PROTECTION (ENFORCEMENT) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 11 April. Page 1385.)

The Hon. M.J. ELLIOTT: I rise to speak to the second reading of this Bill. I am glad that the Attorney-General is handling the Bill in this place, because the issues of concern to me relate more to issues which would be in his portfolio than within the Primary Industries portfolio. What is causing me some concern—and I hope the Attorney will address this when he replies at the end of the second reading—is the fact that under this Act all members of the Police Force will be made inspectors for the purposes of the Act. The reason for my concern in relation to this is that inspectors have quite significant powers. The current Act provides:

> 9.(1) An inspector may, for the purposes of exercising any power conferred on the inspector by this Act or determining whether this Act is being or has been complied with—
>
> (a) enter and search any land, premises, vehicle or place;
>
> (b) where reasonably necessary, break into or open any part of, or anything in or on, the land, premises, vehicle or place. . .

Those are the two main powers but there is a range of other powers in terms of their capacity to enter and to inspect. When we consider a fruit and plant inspector having such powers, one would normally expect that they would be used to inspect vehicles that have come into South Australia from interstate through a checkpoint, or where they have had a report that perhaps a load of fruit or vegetables have come in and have somehow or other bypassed normal checks. In those circumstances, the powers are necessary. In terms of a vehicle coming into South Australia, one could not expect that a fruit and plant inspector would have to get a warrant or be able to produce a case for reasonable suspicion every time they wanted to stop a car to check for fruit or plants coming in from interstate.

However, we all have a very clear understanding about when a fruit and plant inspector is likely to inspect a vehicle. As I said, probably 100 per cent of the time, as far as vehicles other than trucks are concerned that would be at an inspection point at the border or perhaps at Ceduna, for fruit coming in from the west. But now we are giving this power to inspect vehicles to the police with, as far as I can see, no real constraint whatsoever. It appears to me that what we may be doing is giving a very general power to the police in a way that they do not currently have: without any reasonable cause for suspicion to stop a vehicle or to enter a premises to inspect for fruit. There does not seem to be any real limitations on inspectors, any need to establish any real grounds for wanting to carry it out, just simply that they can.

As I said, as long as it is a fruit and plant inspector using those rights, it is hard to see how they could be used in any other way. It seems to me that we are giving to police officers quite broad powers of inspection which go well beyond fruit and plants. In general terms, it is a complete contradiction to the general direction the Government is going. It is keen to hand over radar detection to non-uniformed officers, and they are keen to take a lot of policing work away from police—

The Hon. T.G. Cameron: Trade plates to the Motor Trade Association.

The Hon. M.J. ELLIOTT: Yes, but in relation to fruit and plant protection they are going in exactly opposite direction and wanting to empower all police officers to become inspectors. On the face of it, it might seem reasonable but, as I said, if it can be used in a general way, it would cause a great deal of concern to anyone who has any interest in civil liberties. We are State that has, in the past, been very loath to give very general powers to police. Powers to move on in relation to loitering and vagrancy and those sorts of powers have long since been taken away. Normally there is a need to establish some reasonable suspicion or to get warrants, but that is not necessary under this Act. It appears

to me that we are giving a power which ultimately can be abused.

I ask the Attorney-General to address that general question to start off with. Then I would pose a further question: if the reason for giving these powers to police is in relation to the fact that the roadblocks are too expensive to run 24 hours a day, which might be one of the excuses, why is that perhaps this Bill has not been amended to say that these powers apply in areas, such as at borders and inspection points or under particular circumstances rather than taking what seem to be general and quite extraordinary powers and making them generally available to be used?

I have written to the Law Society, among other groups, seeking its reaction to the legislation. I may have more to say in the Committee stage when we return after the Estimates Committees have been completed. However, I want to put on record my concern that something which may be granted on quite reasonable grounds has not had sufficient constraints placed upon it in terms of when those powers can and cannot be used.

I have no other difficulties with the legislation. The other changes relate mainly to penalties, which in many cases in the past have been too light. I shall not express support for or against the Bill until I have had responses to my questions.

The Hon. P. HOLLOWAY secured the adjournment of the debate.

STATUTES AMENDMENT (ABOLITION OF TRIBUNALS) BILL

Consideration in Committee of the House of Assembly's message intimating that it insisted on its amendments to which the Legislative Council had disagreed.

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

That the disagreement to the amendments be not insisted on.

This message deals with the disagreement of the House of Assembly to two amendments relating to the abolition of a series of tribunals. Two key amendments were moved and supported by a majority in the Legislative Council which sought to give the Environment, Resources and Development Court responsibility for determining appeals under the Soil Conservation Act and the Pastoral Land Management Act. The Government did not support that, so the matter is obviously going to a conference.

Motion negatived.

A message was sent to the House of Assembly requesting a conference at which the Legislative Council would be represented by the Hons M.J. Elliott, K.T. Griffin, Anne Levy, Carolyn Pickles and Caroline Schaefer.

ADJOURNMENT

At 5.26 p.m. the Council adjourned until Tuesday 2 July at 2.15 p.m.