LEGISLATIVE COUNCIL

Thursday 10 July 1997

The PRESIDENT (Hon. Peter Dunn) took the Chair at 11 a.m. and read prayers.

LONG SERVICE LEAVE (MISCELLANEOUS) AMENDMENT BILL

Adjourned debate on second reading.
(Continued from 29 May. Page 1464.)

The Hon. M.J. ELLIOTT: I support the second reading of this Bill. The Government first referred to the potential for changes to long service leave provisions during its May 1996 economic statement. From what I have seen, the Government's proposal does not appear to be a response to any major calls from industry for change but seems largely to have emerged from within the Government itself. However, there is no doubt that there is some support within industry. Undoubtedly, long service leave can be a particularly difficult issue for some industry sectors and small businesses, in particular, which may have only a very small number of employees. It is not just the cost of the long service leave that creates the difficulty in a small business but, while an employee is missing, there is a need to bring someone else into that position. Particularly where you are losing a person who has accrued long service leave, you are losing someone with a great deal of experience, who knows how the business works, and you could be bringing in someone who does not have the vaguest idea of what is going on. Clearly, that can be quite disruptive to the industry.

I know from personal experience about the disruption that occurs with long service leave in education. As a teacher I was aware that, when a teacher took long service leave, particularly in a high school, that often led to a shuffle right through the staff room. With the maths teacher going, you had to find someone else with the particular skills (especially if it was a senior class) to come and cover that class. That teacher was taken out of the class and then had to be replaced, and somewhere along the line you would bring a relieving teacher into the staff room as well. Half way through a term that teacher on leave returns, but another teacher then goes on leave and the whole process happens again. There is no doubt that that does cause some disruption.

Having recognised the potential for disruption within industry, whether it be a small business or something quite large such as the Education Department, I believe that there is a very strong case for long service leave and a very strong case for defending long service leave. Again using personal experience, there is no doubt that in education, where large numbers of people stay with the one employer for long periods of time, when you have spent 10 years in the classroom long service leave does make a significant contribution to the mental health of the employee. People return to the classroom refreshed. Not only the employee but also the students gain as a consequence of that. So, there is the other side of the equation: there is disruption and there are some negative aspects to it, and there are the very positive aspects gained for the employee, the employee's family and also for the students.

That is probably true of many other businesses: that a person who has been on long service leave returns with a fresh mental attitude. Sometimes they have had a chance to reassess a few things and overall can be better performers on returning. While the workplace can see the disruption on the negative side, it also needs to be prepared to look at not just the rights of the employee but also the positive aspects that will be gained for the workplace as a consequence of the taking of long service leave. Perhaps what the Government has done here is not nearly comprehensive enough in terms of the considerations that could have been had surrounding long service leave. Basically, the Government's approach at this stage is, first, to allow an individual to try to negotiate something with his employer and, secondly, to try to include it within the enterprise agreement process. I will return to each of those later.

It is a pity that the Government did not, for instance, look at the issue of portability of long service leave, something that has been talked about for a long time. The term 'portability' perhaps has been seen negatively. Certainly, there was a great deal of conflict during the early days when portability was being introduced into the construction industry, which now has an industry-wide scheme of portability.

It was certainly foisted on the building industry, but my information is that, despite the fact that it was foisted on the industry, it has proved to be a success. It is called the Construction Industry Long Service Leave Scheme, and I understand that it is presently returning about 9.4 per cent on investment. From memory, I understand that the scheme requires $20 million to be fully funded and, at present, the fund totals between $24 million to $25 million. At this stage, we have a fully-funded scheme—in fact, we have an over-funded scheme—providing long service leave in an industry where long service is very difficult to get.

It is an industry where one tends to be employed for a project, the project finishes, and one is gone again. Portability has made it possible, in even a very haphazard industry in terms of employment patterns, like the building industry, for long service leave to exist. As I said, despite the negative reactions at the time of its introduction, I am given the very clear impression that it is now working. One cannot help but ask the question: 'Well, if it is working in one industry, why are we not looking at more comprehensive schemes elsewhere in terms of portability?' The Government has not confronted that issue at all. It certainly could be another way to handle questions about a range of employee entitlements in small business.

Under Federal law there is some ability to cash out long service leave entitlements with the approval of Federal bodies. Cashing out long service leave entitlements under this present proposal will be confined only to the private sector and not include the public sector. I believe the major problem with extending this project to the public sector is the Government's massive unfunded liabilities for long service leave. Perhaps it is a pity it had not established a proper long service leave scheme a long time ago.

I have had the opportunity to talk with quite a large number of people in the union movement—and not just members within the union movement but individual employees—and it is fair to say that there is a wide range of opinions on this question of cashing out entitlements. Some unions are supporting it; some are strongly opposed. There is no coherent view, as I have seen it, on this issue. It has been noticeable, as distinct from the industrial relations legislation that we will be debating later, that the union movement as a whole has been nowhere near as vociferous, and that does

reflect that the union movement is somewhat internally divided on this issue. The Government, as I said, has two contentions within the legislation: first, in terms of an individual making a decision about what happens to their long service leave; and, secondly, enterprise agreements.

I believe that the proposition that an individual, once they have become due for their long service leave, should be able to make a decision about what happens to their long service leave is not a bad thing. In fact, some employees argue that their financial position is such that being able to receive the whole entitlement in cash would be a major advantage to them; that they should be able to make a decision whether or not the cash or the leave is more important to them. As long as a decision cannot be foisted upon them, as long as their right to the leave is maintained and as long as there is a properly met agreement between the individual and the employer, if the employee wishes to negotiate with an employer to take the cash because it will help pay off their house or do something else that is important to them, should we impose on that?

As I read the Government's Bill—and the Opposition might like to persuade me otherwise—I believe that this cannot be foisted upon an employee without their consent and, that being the case, why would we choose to tell an employee, 'We know what is best for you. We will insist that you take time off, even if you would prefer to have the cash.' I think that would be unfair. That is quite a different question from whether or not we are prepared to guarantee the rights of long service leave. As I read it in relation to the individual decision that might be made by an employee, the rights are not being taken away. If anything, an additional right is being given out; that is, the right to cash out. I am not disposed to intervene in relation to that proposal at the second reading stage. I think that that is a fair and reasonable thing. I have had contact from any number of employees on an individual basis saying that they want that capacity to be clearly available within the legislation.

The second proposal in the Government's legislation is that it might be covered by enterprise agreements. I have greater difficulty with that proposal. I will be waiting to see how the Government responds to this issue. While I have not indicated any real concern in relation to individual decision-making, trying to incorporate long service leave within the enterprise agreement process has the potential to cause problems and I am not sure how the Government will confront them. To begin with what we need to recognise is that long service leave is an individual entitlement, an entitlement that an employee does not accrue until they have served a certain number of years of service. We could find ourselves in a situation where we have an enterprise agreement being struck in circumstances where the vast majority of the people involved in that agreement may never accrue the entitlement to long service leave, and there may be other people who are close to having long service leave made available to them, yet the group as a whole would be seeking to negotiate away the rights that only some individuals will ever end up exercising.

That is quite a different situation from other entitlements that, under enterprise agreements, we allow to have a cash value and to be transferred. All those other entitlements, as I see it, are entitlements that are equally held and all may equally occur at any particular time. In terms of long service leave, it is very clearly a personal right and some people within a work force already have significant accrued personal rights. I simply do not know how an enterprise agreement will tackle that issue. Certainly this Bill does not seem to address that issue. As I see it, the Bill does not seem to take that into account. It might be something which is worth some further examination. As I read the Bill, as it is now structured there could be an attempt to allow long service leave to be something which can be incorporated within an enterprise agreement, and then effectively to be totally cashed out and traded out not just in terms of cash at the time of long service leave becoming available but transferred into some other right or cash during the employee's term.

That really is a trading away of the right and, from the way in which I read the Government's Bill, that is what appears to be possible. That is a different issue from the Australian Education Union (although it is not covered at this stage) negotiating with the Government to try to find a better way of handling long service leave, and recognising that there are significant disruptions in schools as a consequence, but also ensuring that the very necessary R&R that teachers get is achieved, and that enterprise agreements might eventually look at not taking away the right but defining the way in which that right might be exercised.

The Bill is not constructed in such a way that a sensible negotiation process can occur. It appears to me that it throws the whole of long service leave into the enterprise agreement bargaining pot and, essentially, enables it to be traded right away.

The Hon. R.R. Roberts interjecting:

The Hon. M.J. ELLIOTT: Or even worse: others trading it away for you. I see that as being quite different. There may be a capacity with far more constraints within it to look at how it might work within the enterprise agreement process, but what the Government has now put into the legislation is very blunt and has the potential to be unfair to some workers.

It is on that basis that I express very clear reservations about the way the Government's Bill currently seeks to involve long service leave within enterprise agreements. With those comments, I support the second reading and will listen with interest to the responses from the Government.

The Hon. R.D. LAWSON: I support the second reading of this Bill. The current provisions of the Long Service Leave Act give workers an entitlement to 13 weeks long service leave after 10 years continuous service; and after seven years of service an employee is entitled to a pro rata cash entitlement upon termination of employment, except in cases of serious and wilful misconduct or unlawful resignation.

However, the current statutory provisions do not permit an employer or an employee to agree that an entitlement to leave should be paid out in cash rather than taken as leave. Leave must be taken by the employee or it must be paid out on termination of employment. No alternative courses are available either to employer or employee.

The Act also makes it an offence for an employee to accept employment with the employer during the period when the employee should be on leave. Therefore, it is not possible for an employer to engage a worker who is on long service leave to continue doing his or her same work and receive, in effect, double pay for it. That practice would lead both parties to be liable to prosecution, notwithstanding the fact that in very small enterprises it has occurred.

In May this year in the Premier's statement on micro-economic reform he did announce this intention to introduce this current Bill to permit employers and employees to agree to cash out long service leave entitlements. The feedback I

have received from members of the community since that time has been positive.

It seems to me that there are two principal reasons why this measure ought be supported. First, it does remove an unnecessary and paternalistic restriction upon the freedom of both a worker and an employer to agree upon matters relating to their relationship. This Bill reinforces the principle of individual freedom and the principle that individuals should be responsible for decisions about their lives and their jobs rather than have those decisions imposed upon them by Parliaments or unions.

Presently, Parliament has imposed restrictions upon both worker and employer; neither is permitted to deviate from something that this Parliament has dictated. I am not one of those who says that there should be complete freedom in the relationship and that, for example, a worker should be able to bargain away safety standards, and there are many other necessary protections, but this is not a provision of that kind. This Bill will give to workers the right—if they wish—to take payment in lieu of their long service leave.

The second reason is that this measure will achieve a degree of flexibility in our industrial relations which does not presently exist: this is one area of great inflexibility. There are countless cases of a small enterprise faced with a worker entitled to long service leave but where the employer does not want to allow the employee to take the leave because the employer will have to hire additional or untrained labour and will suffer a setback and detriment for some time.

It is easy to be flexible and provide relief staff in a large enterprise: it is not so easy in a small enterprise. But what if, for whatever reason, that worker wants to continue working and cash out his benefit because he needs the funds for some purpose and has no desire to take long service leave? The two parties want to achieve that result but the law presently restricts it. That seems to me to be entirely inflexible and inappropriate.

It is interesting to see the reasons advanced in the House of Assembly by the Deputy Leader of the Opposition, Mr Clarke, in expressing the Labor Party's opposition. It is rather difficult to discern these reasons, because they seem illogical, but the principal reason is encapsulated in the following passage, where he states that this measure will treat workers like machines: why not have workers work their 38 hours continuously and then knock off? He continues:

> Why have annual leave? Why not let people annualise it? Let us treat them as workhorses and simply say, 'This is worth so much money: we will annualise your salary. Don't take annual leave. You're not a human being who should experience life, recreation and enjoyment. You should just be like a machine and work seven days a week.' Let us work everyone continuously seven days a week and, after six months, they can knock off and take the next six months off.

This is an extreme and illogical position to take in respect of this very modest measure; it is hardly an argument at all. If the Deputy Leader of the Opposition and the Labor Party think this is opening the floodgates for the removal of all protections for workers, they are grossly exaggerating the position.

I thought it was interesting to read the Deputy Leader's acknowledging that in his own experience as a union official it was quite common for an employee to come to him and say that he had 13 weeks off but the wages he would receive for long service leave would not enable him to go anywhere by the time he met his mortgage commitments and other expenses. As Mr Ralph Clarke says, 'They could only look forward to 13 weeks of pulling out the weeds in the garden.'

Mr Clarke went on to say that he might well be persuaded that he would prefer to stay at work rather than pull out weeds in the garden. If a worker does not want to sit at home for 13 weeks pulling out weeds in the garden but wants to cash out his long service leave, it seems to me entirely appropriate that he should be able to do that.

The only other argument apparently advanced by the Opposition in that contribution was the proposition that it would enable employers to pay out long service leave at current rates of pay rather than at the higher rates of pay which might be expected to inure at some time in the future. The clear protection here is in this Bill, namely, that no worker will be required to cash out his or her long service leave. The decision is as much for the worker as it is for the employer. If a worker decides that it is not in his or her own economic interest to cash out their long service leave at this time rather than at some later time the decision will be one for the worker to make, and there are quite adequate protections in the Bill to ensure that there will be no injustice in relation to this matter.

I support the reasons given for this beneficial measure which were set out in the second reading speech of the Attorney when he introduced the Bill; and I support the second reading.

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

RETAIL SHOP LEASES AMENDMENT BILL

Consideration in Committee of the House of Assembly's amendment:

> Page 5, line 23 (clause 10) [proposed section 20C(1)]—Insert 'entered into after the commencement of this Division' after 'centre'.

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

A quorum having been formed:

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

> That the House of Assembly's amendment be agreed to.

The issue in relation to this Bill is whether or not that package of amendments which seeks to give preference to existing tenants at the end of a lease should apply only to those leases which are entered into after the commencement of this legislation or should apply right across the board to all existing leases, regardless of the arrangements which have been negotiated between the parties and which are in place in a tenancy or lease agreement.

The Government has a very strong view that, consistent with past practices, not only in relation to this legislation but in relation to other legislation, where there are established legal relationships, unless issues are of a procedural nature only, if the legislation amends substantive law and the substantive arrangements between parties, it should not be made retrospective. There will be an argument about what is or what is not retrospective but, where there are parties which have entered into agreements on the basis of what the law is, as a matter of principle Parliament should not seek to override those legally binding agreements in a substantive fashion, and that is what will happen with the amendment that was passed by the Legislative Council.

The Government does not support the amendment and rejects it completely, not only on the basis of principle but also on the basis that, after eight months of discussions in the Retail Shop Leases Advisory Committee where an agreement

was reached between various interests, both on the landlords' side and on the lessees' side, the agreement ultimately was physically signed off by every interest group, and I have already tabled the signed-off provisions in this Chamber. It was clear right throughout the negotiations that whatever was negotiated would be applicable to new leases and not to existing leases in so far as it relates to retail shopping leases coming to the end of their term.

Anyone of that group who suggests that they were not aware of that just did not read the documents. It was there on the face of the documents on each occasion that the documents were forwarded to members of the small working group and to members of the full Retail Shop Leases Advisory Committee. This seems to have gone off the rails as a result of a suggestion from the Hon. Mr Elliott that I was deceiving some of those who participated. The Hon. Anne Levy—

The Hon. M.J. Elliott: You won't find that quote anywhere in *Hansard*.

The Hon. K.T. GRIFFIN: You said that I was deceiving them.

The Hon. M.J. Elliott interjecting:

The Hon. K.T. GRIFFIN: You did, and that was my recollection of the discussion. I took that personally. The Hon. Anne Levy wanted assurance that there was no coercion when everybody signed off, and I refer to adult men and women who negotiated freely around the table. One of the members of the Retail Shop Leases Advisory Committee rang everybody and everybody agreed.

The Hon. M.J. Elliott: They did not speak to everyone.

The Hon. K.T. GRIFFIN: They did not speak to Mr Baldock, and that is the one issue. They spoke to Mr Brownsea.

The Hon. Anne Levy: They still put Mr Baldock's name on it.

The Hon. K.T. GRIFFIN: Mr Baldock is the Chairman of the Small Retailers Association. His name should not have gone on there, and that is acknowledged. It related to an issue of coercion. If members talk to Mr Baldock, he will acknowledge that there was no coercion.

The Hon. T.G. Cameron: Are you sure about that?

The Hon. K.T. GRIFFIN: As sure as I can be. I acted in good faith, having been presented with a piece of paper which purported to be signed off by all the members of the Retail Shop Leases Advisory Committee.

The Hon. T.G. Cameron interjecting:

The Hon. K.T. GRIFFIN: Just a minute. I read it into *Hansard*. There was an assurance from Mr Brownsea and the material had been faxed to Mr Baldock, but where it fell down, and I did not know this at the time I made the ministerial statement, was that Mr Baldock had not personally signed off on the statement that there was no coercion. Mr Brownsea did.

The Hon. T.G. Cameron interjecting:

The Hon. K.T. GRIFFIN: I do not have to contact everybody.

The Hon. T.G. Cameron interjecting:

The Hon. K.T. GRIFFIN: Oh, come on! I am telling members honestly what happened. I want to put it on the record because I do not mislead Parliament. I was asked in good faith because the question of coercion had been raised. I understood that the statement which was presented to me had been agreed by all of the persons whose name appeared on it. Everybody except Mr Baldock agreed but the small retailers, through Mr Brownsea, had agreed. That is important to remember. They agreed that there was no coercion. They wanted me to express that in Parliament, which I did in a ministerial statement. It got out of hand because Mr Baldock's name was on it and physically he had not said, 'Yes, my name should be on it.'

The Hon. T.G. Cameron interjecting:

The Hon. K.T. GRIFFIN: You can argue how you like. The fact is that there was an agreement, and it was signed off by everybody around the table. No impression was given to me that there was any coercion about it. It was an historic agreement because, for the first time, members of the property-owning industry had agreed—out on a limb and far away from anything that anybody interstate would have been prepared to agree—that, at the end of a lease, an existing tenant should be given a preference in terms which everybody agreed. It was historic.

Retailers did not get everything that they wanted and they put that on the record, but they acknowledged that this was unique in Australia and on that basis, in good faith, I proceeded with it and the Government proceeded with it. That is the way in which I hope members both on the cross benches and opposite will see this position. It is a significant advance on what is in the current law, and it has taken a lot of effort and goodwill to get to that point. I would be very disappointed if it was all thrown in a heap because of the misunderstanding that has occurred over the past few days.

The Hon. ANNE LEVY: I oppose the Minister's motion and support the proposition that we insist on our amendment. I appreciate the comments made by the Attorney: it is obvious that he was misled by the fax which he received and which he read into *Hansard* a few days ago. I would like to read into *Hansard* the fax received by a number of people from Max Baldock in response to the fax sent to the Minister and presented to Parliament by members of the Retail Leases Advisory Group.

The Hon. K.T. Griffin interjecting:

The Hon. ANNE LEVY: It seems to me that, if one fax can be read into *Hansard*, the other should likewise be read into *Hansard*. This fax reads as follows:

> I have read with amazement the fax statement from the Retail Leases Advisory Group, from the Property Council of Australia to the Hon. K. Trevor Griffin, Mike Elliott and Anne Levy from Bryan Moulds, Executive Director. I can categorically state that I did not give my support in any form to this document and I understand that John Brownsea has not given his support to the document either. Apart from the content of the fax, we believe the whole issue is out of hand. The Small Retailers Association took an undertaking not to take political opportunities or go public on the issue until the Bill had taken its course through Parliament. This undertaking we have upheld.
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> Now to find that a member of the Retail Leases Advisory Group is using our name to an agreed position that has not occurred is outrageous. I will be making a statement on the amendment to the Act (whatever form that might take) in due course, and in particular to the issue of protection now given (or otherwise) to the existing tenant, which as all the group well know was one of my prime objectives. I also would like to state that I was most disappointed that I had to read from *Hansard* that I had missed a vital interchange on retrospectivity that occurred at the only meeting at which I was absent, a meeting that I felt I was not to attend.

It is signed by Max Baldock. I think it fair that that also be in *Hansard*. I appreciate that the Minister was misled when he received the previous fax, but I am sorry that, once he became aware of what had occurred, he did not ring Mr Baldock himself to set straight the misunderstanding that had obviously occurred. I am not suggesting that he should have checked with all members whose names were put on the

fax to him before he released it but, once he found what had occurred, it might have been courteous for him to contact Mr Baldock. However, in some ways, that is beside the point and we can come back to the substantive issue that this whole process of the retail shop leases saga was set in train in order to bring some relief to the existing tenants, who are suffering considerably.

We have had two Bills before the Parliament. We had a select committee that took a great deal of evidence and considered the matter very seriously and, I am sure the Attorney would agree, in a non-partisan manner and came back with recommendations. The resultant Bill before us was to implement the recommendations of the select committee. I maintain that the amendment moved to the original Bill in this Chamber implements the recommendations of the select committee to a greater extent than the Bill that the Attorney brought in: but only on this one matter, I may say. The rest of the Bill, we are all agreed, is implementing the recommendations of the select committee, and there is no argument about this.

In that respect I think the whole process has been very satisfactory and has achieved a great deal. But there is this one remaining point of contention and, both to support small retailers who are suffering at the moment and who do not want to wait 15 years before there is any relief for them, and adequately to implement the recommendations of the select committee, I feel that the Legislative Council should stick to its amendment.

The Hon. M.J. ELLIOTT: The difficulty that this Bill has had and the difficulty with previous legislation that the Attorney-General brought into this place is that at the end of the day the Attorney-General has tried to implement to the letter those things that were agreed to, that is, the compromise reached between the two parties. I have always argued that in this case there is one party—the landlord (in a generic sense)—who has in some cases been getting away with absolute blue murder, and any compromise position, a position taken between the two, might still end up very much in their favour. It would be fair to say that they have given something in the process but, at the end of the process, the Bill that emerged is still heavily in favour of landlords, because any person who is in a lease agreement right now, when that lease expires will not have any right of renewal at all. It could even take more than 15 years.

I understand that Westfield right now is offering 15 year tenancies out at Tea Tree Plaza, take it or leave it, and if anyone signs up for one of those it will only be with the lease they take out after that, when it comes up for renewal, that they will be eligible for right of renewal. So, right now they are being told 'Sign the 15 years or not', knowing that if they do not sign it they may not get a lease, and knowing that at the end of it, when they sign it, they will have no right of refusal at the end of that and it will only be the lease after that in which they get protection. This Bill is offering protection that, in fact, is a minimum of probably 20 years away, because the Bill says that there will be a minimum of five years and that will be after the 15 years, so in 20 years time perhaps they will be able to implement the right of first refusal.

The Attorney is right in saying that the question of what is retrospective will be argued. There is no way known that you can uphold an argument that says that, when a current lease expires and you have a right of refusal after that first refusal, that is retrospective. The fact is that the lease has expired and it is the expiry of leases, what happens at that point, that this issue is trying to address. This Bill has put in a lot of protections for the landlord, protections which the select committee supported and which are supported by all members of this place.

If the landlord wants to change the tenancy mix the landlord would be able to do so, and the existing tenant whose lease is expiring would have no recourse. If the tenant has been guilty of breaches or persistent breaches of the lease, the landlord can refuse to renew. A wide range of reasons are available to the landlord: if the lessor requires vacant possession for reasons of demolition or substantial repairs or renovation; if a lessor does not propose to relet the premises, or requires vacant procession for the lessor's own purposes; or, and this is a very general term, if the renewal or extension of the lease would substantially disadvantage the lessor.

The landlord can say, 'Look, I will not renew because I will be better off putting in a different tenant of a different type', or 'I will be better off because you have not been paying your rent on time and that has been a major problem', or 'I will be better off because I want to take it over myself and put my son or daughter into the business', or 'I want to remodel the building' and, finally, even with a first right of refusal, 'Someone else is prepared to pay more.' The landlord will not be disadvantaged under right of first refusal. The only disadvantage landlords will have is that they will no longer be able to bribe lessees by saying, 'I will not renew your lease unless you pay a much higher rent.' That is the blackmail they have been putting on lessees time and again.

The landlord's legitimate rights are clearly protected within this Bill and, while it is fair for the Attorney to argue that the landlords have given some ground, I do not believe that the ground they have given has taken us to a just position here and now. It does absolutely nothing for existing tenants who, the next time they apply for a renewal, will not be offered the protections that this Bill now says should reasonably be offered to people. It is right to give this sort of protection, to even the balance, and to have that level playing field in negotiations to ensure that tenants are paying a fair market rent, and that is what first right of refusal will do.

At the end of the day, it will ensure that people pay a fair market rent because, if they do not, someone else who is offering more will be able to get it. It is doing nothing more nor less than forcing a fair market rent and allowing market forces to work without the landlord's being able to say, 'I will not renew unless you agree to pay extra rent over and above what the market would be prepared to pay.' That is why the legislation is here, and there is no reasonable justification for not applying it. It is not retrospective: it is applying to a future event after a lease has expired; that is the first point.

The Hon. K.T. Griffin interjecting:

The Hon. M.J. ELLIOTT: It is certainly creating a new right, but I am saying that it does not create a disadvantage to the landlord. The one thing the landlord loses is the potential to bribe a person by saying that they will not renew the lease unless the tenant pays extra rent. That is the only thing the landlord will lose. Landlords are not losing that now: they will be losing it next time a lease comes up for renewal. If the landlord can make more money by someone else coming in, they can put them in. If the landlord can do better by putting their son or daughter into the premises, if the landlord wants to change the tenancy mix, if the landlord wants to do a whole lot of things this Bill allows, the landlord can do it.

Why are we defending the landlord? Why are we defending that position? The only defence is that it was agreed to. The landlords dug in their heels and they gained a bit of ground, but the agreed position was not the right position, and that is the argument. The agreed position was not the right position; it was never going to be. I must say that when I first read the Bill I thought that the Government had actually got it right, and I was stunned. I telephoned up a couple of people and said, 'You must be feeling pretty good about this.' They said, 'Yes, we are,' including the small retailers. I had had the Bill for only a couple of days and I had read right over the top of the division in terms of the way it applied.

The Bill talked about this division applying to leases that are taken out after the Act is brought into force. I read it on the first instance wrongly as, it appears, did other people. I read it and thought, 'Well, okay, they are doing the renewal and now it is applying.' I did not read it as it is to be legally interpreted: that the lease must be renewed and, having been renewed, it is the following renewal to which the division applies. I read that wrongly, and the fact that I read it wrongly was demonstrated when I came into this place during the second reading stage when Parliament resumed and asked the question of the Minister in relation to that.

The Hon. T.G. Cameron interjecting:

The Hon. M.J. ELLIOTT: They are pretty busy on it at the moment. I misread it. I had a conversation with a couple of people, including Max Baldock. I said, 'Did you realise this?' He said, 'No, I didn't.' He confessed to being somewhat mystified. He could not understand how or why he had the misunderstanding because he did not think that that was the way it would work. In further telephone conversations I spoke with Mr Shetliffe, and a letter he wrote has been read into this place. The reason I quoted my conversation with Mr Shetliffe was not—

The Hon. T.G. Cameron interjecting:

The Hon. M.J. ELLIOTT: Okay. The reason I quoted my conversation with Mr Shetliffe was that he made it plain that he would support the Bill, and I said that in the comments I made. My very clear understanding also was that it was not his preferred position but it was what they could achieve and, on that basis, they would be happy to take it and, of course, you live to fight another day. I certainly did not quote him word for word, but I think it was an accurate reflection that he was supporting the Bill: he was not asking for amendments, and I said that in my comments. The major reason I quoted my conversation with Mr Shetliffe was that he had said to me that it was discussed within the advisory group but that Max Baldock was not present at the meeting at which those key discussions took place.

If members read the fax read into *Hansard* today by the Hon. Anne Levy they will see that Mr Shetliffe makes the comment that he had not realised, until I had reported in the Parliament, that major discussions had taken place within the wider advisory group. It was only after I had quoted Mr Shetliffe's conversation that he realised why he had misunderstood. Max Baldock was involved in a small working group which involved four people—two from the retail side and two from the landlords' side—and, after that group had done most of the leg work, it met with the wider group.

My understanding is that Mr Baldock went to the first meeting of that wider group. I do not think the Attorney-General is aware of this; in fact, I am sure he is not. One member of that group confronted Mr Baldock after that meeting and said, 'You should not have been here. You have been an embarrassment.' Mr Baldock did not attend the next meeting, and it was that next meeting at which the extensive discussions took place about this renewal and what it should apply to. I believe the Attorney is not aware of that fact. The legislation was then drafted. It was sent to Max, who—

The Hon. K.T. Griffin interjecting:

The Hon. M.J. ELLIOTT: Okay. The final signing off happened in a relatively short time frame but, nevertheless, Mr Baldock said to me that he made the mistake of misreading and misunderstanding that provision. He has quite freely acknowledged that but I am trying to put into context some of the other events surrounding that and why I think it was easy for a lay person to misunderstand. As I said, I misread and misunderstood that division. If members read the end of my comments they will see that I congratulated the Attorney-General very fulsomely on what had been achieved. I had misread it and thought that it was applying to existing leases and, on a first reading, that was possible.

At least I have read a lot of Bills over the past 11½ years; and other people with less experience would be more likely to make the mistake that I made. As I understand it, that is how the misunderstanding was created. It is indeed very unfortunate but also understandable. I do not think any mischief has been involved in all of that, but that is the full context of how we suddenly found ourselves in this situation.

It is then unfortunate that a document was proffered to the Attorney-General telling him that it had been agreed to by all the people on the committee when one of those people had not agreed to the document at all. I will describe that as unfortunate, but I knew even at the time that it was being read in that it was not accurate because I had been sent a copy earlier, done a ring around to check it and found that it was not accurate.

This Bill, with the amendment that this Chamber inserted, would be an absolute brilliant Bill. It would have offered to existing tenants something which they rightfully should have had. There was no reasonable argument why they should not have it, particularly since the Parliament is now agreeing that people who sign new leases will have it when their lease expires. It has now been acknowledged, even by the landlords in that context, that it is a reasonable thing to happen. I will have to assume again that it was not intentional: even the release put out by the Attorney-General said, 'Existing tenants will be protected.'

Under the legislation people who are existing tenants in five years time will be protected, but I am sure many people who have had a lot of problems—and there are a lot of them, and that is why this issue has been so hot for the past couple of years—and who on reading the *Advertiser* would have thought, 'At last the problem is fixed.' I can only imagine the huge disappointment and the bitterness and anger that will develop when they suddenly find out that justice will still be denied to them, and they will have to hope that the next lease negotiation, which is not protected, goes all right for them because, if it does, they will be getting the due and proper protection.

As I made the point in previous legislation, expecting the agreement between the parties to have been the right thing would always have been to expect too much. The Attorney-General can feel a great deal of pride that so much has been achieved. I do not want to take away what he has achieved—he has achieved a great deal—but I think he achieved perhaps even more than we might have expected out of the negotiation where clearly one party always had the upper hand, in a sense, in that they could give some ground and the other party

would be pleased for anything they got, whether or not it was right and whether or not true justice had been achieved.

I indicated when I first spoke that I might be forced to accept the Bill as first introduced, but at this stage I will continue to insist on the amendment and give it at least one more chance during the conference stage to see whether there is some way of resolving it other than having the Bill as first introduced.

The Hon. K.T. GRIFFIN: I just want to clarify one aspect. We have had the substantive debate. In relation to the Retail Shop Leases Advisory Committee, it is correct that Mr Baldock is not formally a member of that: Mr John Brownsea of the Small Retailers Association is. There was a meeting which Mr Baldock did attend. I welcomed him. I took no point that he was not formally a member because I thought it was helpful that he be there. He then, at my instigation, was one of those persons on the small working group, which comprised Mr Baldock, Mr Shetliffe, Mr Lendrum and Mr McCarthy, because the whole group agreed that it was going to be unmanageable to try to work out what might be a satisfactory outcome with a large group, although the large group was the body to which ultimately the small group reported.

Then, after the small group had been working and had actually worked over amendments—and there were a whole series of drafts of amendments and they were going on for six or eight weeks at least (and, if it becomes a matter of issue, I can, I hope, dig up all the various progressions)—it was always in those amendments the extent to which the provisions would apply to new leases.

But it is correct that the issue of the leases to which the amendment should apply was discussed at a meeting of the Retail Shop Leases Advisory Committee which Mr Baldock had not attended, and I was concerned that he was not present. There had been a misunderstanding within his organisation—not between me or the Retail Shop Leases Advisory Committee and him, but within his organisation. I rang him subsequently—

The Hon. M.J. Elliott interjecting:

The Hon. K.T. GRIFFIN: I do not know who confronted him. I have never confronted Mr Baldock. I realise that he has particular interests and I have endeavoured to work with everyone on the committee. However, I subsequently rang him after this meeting when we had scheduled another meeting. He explained to me that he was unsure whether or not he should be there. I said, 'Well, I am sorry; you would not have got that message from me. The fact is that I expected to you be there, and I would hope that you will be at the next meeting.' That was how it was left. He did arrive and we considered the final sign off and, after that, there are a couple of minor amendments about capital obligations which the parties had been discussing and on which did some finetuning. However. we did not deal with the substance of the amendment.

That is the sequence of events. I have endeavoured to ensure that everyone has dealt with this issue frankly and openly and around the table, and I have not been concerned about to whom they have or have not talked. That is the framework in which I endeavoured to get this arranged. It will obviously go to a conference and we will resolve the issue one way or the other at that point.

Motion negatived.

The following reason for disagreement was adopted:

Because the Council is of the view that the application of the Bill should be wider.

LIQUOR LICENSING BILL

Consideration in Committee of the House of Assembly's amendments:

No. 1. Clause 11, page 9, line 30—Insert 'if the information is disclosed in a form that does not identify the person to whom it relates—' before 'to any other person'.

No. 2. Clause 107, page 54, lines 15 to 17—Leave out subclause (2) and insert:

(2) However, this section does not prevent the employment of a minor to sell, supply or serve liquor on licensed premises if the minor is of or above the age of 16 years and—

(a) the minor is a child of the licensee or manager of the licensed premises; or

(b)—

(i) the minor is undertaking a prescribed course of instruction or training; and

(ii) the licensee has been given an apparently genuine certificate issued by the person in charge of the course approving the employment for the purposes of the course; and

(iii) the licensee complies with any conditions of approval stated in the certificate with respect to the employment of the minor; and

(iv) the minor is adequately supervised at all times while selling, supplying or serving liquor in the course of the employment.

No. 3. Clause 119, page 60, lines 32 and 33—Leave out subparagraph (vii).

Amendment No. 1:

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

That the House of Assembly's amendment No. 1 be agreed to.

There are three amendments. It may ultimately be that the matter will go to another conference. The first amendment relates to the issue that was raised by members about the information that the Liquor Licensing Commissioner could make available. There was a concern that it was much too broadly expressed. I indicated that the information that was intended to be disclosed was of a statistical nature. I have sought to address the issue which has been raised by ensuring that information does not identify the person to whom it relates, and I think that overcomes the concern.

The Hon. ANNE LEVY: I welcome this amendment and am happy to accept it. I am glad that the Attorney has addressed the question which was raised in the debate in this place. I realise that invasion of privacy was not intended but, as previously expressed, it would have enabled the Liquor Licensing Commissioner to release information about anyone to anyone if he felt it was in the public interest, whereas the amendment before us makes clear that it is not to be identifying information and, consequently, will be limited to statistical matters and summaries of information. As I say, I am pleased that this matter has been addressed by the Attorney and am happy to support it.

The Hon. M.J. ELLIOTT: I indicate that the Democrats are happy to support this recommendation.

Motion carried.

Amendments Nos 2 and 3:

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

That the House of Assembly's amendments Nos 2 and 3 be agreed to.

Amendment No. 2 relates to a minor, 16-years of age or over, being able to serve liquor on licensed premises. The issue of the minor being a child of the licensee or manager of the licensed premises is not, as I recollect from the debate, a matter in issue. Paragraph (b) is a matter that will still cause some concern, but I endeavoured as a result of the debate in the Legislative Council to take notice of the concerns which

were raised about this being an invitation to allow any 16-year-old to 18-year-old to serve liquor to more specifically limit it to the minor undertaking a prescribed course of instruction or training. The licensee has been given an apparently genuine certificate issued by the person in charge of the course approving the employment for the purposes of the course. The licensee complies with any conditions of approval stated in the certificate. The minor is adequately supervised at all times while selling, supplying or serving liquor in the course of the employment. That is a different form from that which the matter was dealt with in the Council, but from the debate in the other place I suspect that that is a matter for further consideration.

Amendment No. 3 relates to whether or not an industrial award or agreement is relevant to the conditions of a licence. As the matter is going to conference, I do not intend to pursue the substantive debate further.

The Hon. ANNE LEVY: I oppose these two amendments. I will not speak to amendment No. 3 because this was fully debated previously and nothing has occurred to change my view in this matter.

With regard to amendment No. 2, it is certainly an improvement on what we had initially objected to, but it seems to me that there are still two questions that it does not address. One is the question that the minor will still be subject potentially to harsh penalties when serving liquor if they slip up at all and provide drinks to people who are intoxicated. This is not a responsibility which 16 and 17-year-olds should have.

My second objection, if we are looking at the detail, is that it provides 'if the minor is undertaking a prescribed course of instruction or training'. This is meaningless. This Government is given to regazetting any regulations which are abolished by the Legislative Council. To suggest that Parliament has some oversight of the course of instruction or training is a nonsense. We might as well have any course of instruction picked out of the air because, however unsatisfactory it might be, if the Parliament disallowed it, this Government would promptly regazette it the next day. So, parliamentary oversight is totally irrelevant.

I hope the Government realises that its actions in these matters have reduced any trust that the Parliament might have in the Executive to take note of the Parliament and accept its verdict when regulations are disallowed by the Parliament. Its flaunting of the meanings of the parliamentary process means that we can have no faith whatsoever in the whole process of disallowing regulations. I oppose the amendments, and this will obviously be discussed further in conference.

The Hon. M.J. ELLIOTT: I do not believe, either, that the apparent protections offered here are anywhere near sufficient. As stated by the Hon. Anne Levy, unfortunately, the use of regulation has been abused by the Government. It has to realise that what goes around comes around; as you sow so shall you reap. On a number of occasions in this Parliament the Government has clearly abused the process. It cannot expect to do that and then not expect that the conference and the process will diminish. The Parliament, by allowing regulations, is putting some faith into the Executive. That faith has been let down on a number of occasions.

I recall in the previous Parliament when the Attorney-General was in Opposition that he sought most often to put into legislation something which was proposed to be in regulation, and he also sought those things which were to be done by Ministerial fiat at least to be in regulation. In other words, he tried to push things closer to the Parliament. I agreed with him on a number of occasions when he moved amendments along those lines. I held that view even before the regulation process was flaunted badly on several occasions in this Parliament.

I do not see a justification other than a child of a licensee or manager being able to work in a hotel. I do not see any good justification with or without apparent safeguards, but as I see it these safeguards are not particularly strong, anyway. I do not see the concept of 'adequate supervision'—whatever that might mean—in subclause 2(b)(4) as being any adequate safeguard at all, because that is a fairly loose term. This will have to go to conference, and I must say that I am not at all attracted to the whole proposition. It will take a pretty powerful argument to move me from opposition.

Motion negatived.

The following reason for disagreement was adopted:

That the Council is of the view that the amendments do not improve the Bill.

MOTOR VEHICLES (FARM IMPLEMENTS AND MACHINES) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 3 July. Page 1687.)

The Hon. T.G. CAMERON: The purpose of this Bill is to exempt walking speed self-propelled farm machines from registration and therefore third party insurance. This would include cherry pickers and hydraulic lift platforms. These machines are capable of self-propulsion. However, they are usually towed from site to site and usually only driven for the purposes of repositioning the vehicle on the site. However, that does not occur all the time. There are occasions when these vehicles are under their own propulsion on public roads. The Bill proposes that these vehicles be exempted from registration and third party insurance, resulting in no recourse to third party insurance if a person is injured by the negligent operation of one of these machines. The Bill also proposes compulsory third party insurance cover of a towing vehicle to be extended to include a farm machine when it is being towed. The Bill also proposes to limit the use of the term 'farm implement' to those farm vehicles that are not self-propelled and introduce the term 'farm machine' for self-propelled farm vehicles. The Bill also renames the responsible operator concept proposed under the National Road Transport Commission.

The Australian Labor Party supports all the changes to the Act proposed by this Bill, with the exception of the amendments to clause 4, which would allow these machines to be unregistered and therefore have no third party insurance. We have lodged two amendments for consideration by members of the Council; however, we will be proceeding with the second version, which seeks to remove the necessity of these vehicles being registered but require these machines to have third party insurance. I understand that there are only about 300 or so of these machines in South Australia but, while our investigations show that no claims have been made in recent years, I contest the assertion made by the Hon. Caroline Schaefer that their chances of being involved in an accident would be about one in every 2 million. I wonder: one in every 2 million what? The Hon. Caroline Schaefer is clutching at straws when she claims '. . . and the chances of anyone being injured by running into a vehicle that is moving at walking speed would be considerably less than the chances of someone being run into by for instance a cycle, which of

course moves considerably faster than one of these vehicles'. If I had a choice of being run into by or running into a bicycle or a self-propelled cherry picker or elevated platform I would pick a bicycle any day.

The Hon. Caroline Schaefer further states that 'they could claim on the public liability insurance of the machinery owner'—that is, if they have public liability insurance and if their policy has been specifically altered to include public liability for those machines whilst they are being driven on public roads off their property. The Hon. Caroline Schaefer knows how difficult things are for the rural sector. She has often spoken on their behalf in this Council and from my observations she has been a good advocate for the rural sector's interests. But I would ask the honourable member to consider: what if they have not altered their policy? What if the specific wording provides a loophole, they have not renewed their policy or they are experiencing financial difficulties?

I am sure that as much as anyone in this place the Hon. Caroline Schaefer would appreciate the difficulties which the rural sector is currently facing. If you are a farmer faced with a choice between the bank foreclosing on the mortgage or paying an insurance policy that you might be able to renew three months later when the crop comes in, I can tell you that it is always the insurance policy that misses out. The priority, quite correctly, is given to repaying the mortgage. I suspect that one of the reasons for this Bill is revealed by Caroline Schaefer's comments in her address on 5 June when she said:

> The Government does not make money out of the registration of farm vehicles.

From our investigations that is a correct observation. Because of the low registration fee and the low fees charged for third party insurance it would be difficult for the Government to make money out of insuring these vehicles. But what the Australian Labor Party is talking about is continuing the protection that the people in this State currently enjoy, and that is that there is third party insurance in place to ensure that their lives and the lives of their families are not devastated by a so-called 'one chance in every million' accident. We seek support for the amendment.

The Hon. DIANA LAIDLAW (Minister for Transport): I thank members for their contributions, consideration and cooperation.

Bill read a second time.

In Committee.

Clauses 1 to 3 passed.

Clause 4.

The Hon. T.G. CAMERON: I move:

Page 2, lines 16 to 24—Leave out subsections (2a) and (2b) and insert new subsections as follows:

(2a) The Registrar may, on application by the owner of a prescribed farm machine and payment of the prescribed fee, exempt the machine from registration under this Act.

(2b) An exemption from registration under subsection (2a)—

(a) is subject to a condition that the prescribed farm machine to which the exemption relates must not be driven on the carriageway of a road except—

(i) to move the machine across the carriageway by the shortest possible route; or

(ii) to move the machine from a point of unloading to a worksite by the shortest possible route; or

(iii) to enable the machine to perform on the carriageway a special function that the machine is designed to perform; and

(b) is subject to such other conditions (if any) as the Registrar thinks fit to impose; and

(c) continues in force for the period specified by the Registrar.

This amendment will allow for these machines not to be registered but will require them to have third party insurance, thereby ensuring that anybody who has the misfortune either to be hit by one of them or run into one on a public road will have recourse to third party insurance.

The Hon. DIANA LAIDLAW: The Government opposes the amendment. We feel very strongly about it. The effect of it is to introduce a system of registration without fee. The amendment's implications are that the owner still must pay CTP; the owner must apply for an exemption each time the CTP is due, either at three, six, nine or 12 months, or two or three year periods, to the Registrar of Motor Vehicles; and that the Department of Transport will need to create an administrative process to be complied with on each occasion. We see this administrative process as an expensive exercise for the department to undertake. The process envisaged will be very cumbersome for the owners of these farm implements, and will be expensive and cumbersome and way out of proportion for the number of farm implements that we are talking about and their type of operation.

Number plates will not be allocated to the vehicle under the amendment but we know for a fact that vehicle identification is important for the administration of the CTP scheme. Consequently the owner will still need to provide vehicle identification information to the Registrar of Motor Vehicles—a further example of why this process as outlined, albeit with good intent, would be a particularly tedious one, and unnecessarily so for the farmer, or the horticulturist in this instance.

It is important again to point to the type of vehicle that we are discussing. This matter was raised by the Hon. Sandra Kanck and it is true that she, like me, and I think the Hon. Terry Cameron, are pretty urban based in terms of our interests.

The Hon. T.G. Cameron: I live on a farm.

The Hon. DIANA LAIDLAW: A hobby farm?

The Hon. T.G. Cameron: A farm.

The Hon. DIANA LAIDLAW: I admit that currently I have an interest in vineyards, but that does not concern fruit trees which essentially these cherry pickers are used for. The farm implements to be embraced by this Bill are post hole borers with hydraulic lift platforms and grain augers. I do not have any experience of these implements but many of my colleagues have daily experience and a working knowledge of them.

I am advised that, although these vehicles are capable of being driven at walking speed under their own motor power, they are generally not used on the road for travel purposes and that the travel is between trees on a block and from one block to another. The vehicles are either carried on or towed by another vehicle. The Bill proposes that the CTP of the towing vehicle be extended to cover the implement or machine that is being towed. The Bill proposes that when this implement is being towed, which is the general practice, the towing vehicle's CTP will cover the implement that is being towed. We believe that we have covered the circumstances of the way of working for these farm implements such as post hole borers and the like.

I will outline four more points why the Government has promoted this exemption from registration. The implements will be covered by CTP when they are being towed by a primary producer's vehicle and by public liability insurance

when they are being driven. If these provisions are not met a third party vehicle may be able to claim against the nominal defendant, or the Motor Accident Commission in this instance. We believe that all the circumstances in which these vehicles will be operating have been addressed by this exemption from registration. Generally these vehicles are towed to a work site by another vehicle. As long as the towing vehicle is owned by a primary producer, the farm implement provisions of the Bill ensure that the CTP covers the vehicle while it is connected.

When under their own power, machines are usually driven only very short distances (a point I made a little earlier in terms of going from one tree to the next) and carry no passengers. Drivers cannot make a claim against CTP, hence the risk of a compensable accident is extremely low. In terms of the research undertaken in the Riverland, where this exemption will principally apply, we are not aware of any accident history. So, when we say that it is extremely low, that is an historical fact.

As with motorised golf vehicles, the exemption shall be dependent on a policy of public liability insurance being in force, and I do not think that anyone in business, particularly horticulture in this instance, would not have a public liability insurance policy. We believe that that would be covered in terms of the public liability area. I have indicated that there will be an extension of CTP when such a vehicle is being towed, and the nominal defendant scheme would apply in other circumstances.

For those reasons, the Government is totally opposed to the amendment that has been moved by the honourable member. Those comments apply to all the amendments that the honourable member has on file in relation to this matter.

The Hon. SANDRA KANCK: We support the Opposition's amendment. I discussed this matter with my colleague, the Hon. Mike Elliott who, prior to his election to Parliament, was a resident of the Riverland and had his own fruit block. Even though I have not had firsthand experience with these vehicles, he has verified that they have a very solid base and he has concerns about the prospect of someone accidentally colliding with one of these vehicles, whether they are towed or driven. The Minister seems to be suggesting that, by towing it, the problem is solved.

I refer the Committee to my second reading speech, where I gave an example of an agricultural sprayer being towed and beheading the driver of a car. These accidents happen, and the question is not whether they are towed or driven. Being told that it is a one-in-a-million chance is not enough for me. It is a question of when one of these collisions happens rather than if, and that is why I am prepared to support the Hon. Terry Cameron's amendment. I am not sure that his amendment is perfect, and we might need to further talk through the issue, but nothing better has been proposed, so that is what I support.

Amendment carried; clause as amended passed.

Clauses 5 to 7 passed.

Clause 8.

The Hon. T.G. CAMERON: I move:

Page 3, line 19—Leave out 'or insurance'.

The Hon. DIANA LAIDLAW: This is consequential.

Amendment carried; clause as amended passed.

Title passed.

Bill read a third time and passed.

ROAD TRAFFIC (EXPRESSWAYS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 4 June. Page 1528.)

The Hon. T.G. CAMERON: The purpose of this Bill is to amend the Road Traffic Act 1961 so as to provide for the safe and efficient operation of the Southern Expressway. The design of the Southern Expressway provides for emergency stopping lanes. From time to time there will be a need to tow away vehicles similar to any other road on the network. Section 86 of the Road Traffic Act currently provides for police and council officers to arrange the towing away of unattended vehicles. In her second reading explanation, the Minister stated:

> The Bill extends this power to authorised officers of the Department of Transport in the case of the Expressway.

However, by my reading of clause 4, which amends section 86, it also provides that such a power may be exercised by a person approved by the Minister. This could mean anyone. It could mean private tow truck operators or it could mean that the Government could enter into a contract with an individual or an organisation to tow vehicles away. Tow truck operators could even be employed under that clause on a fee-for-service basis or perhaps even an incentive system. We just do not know.

I understand that this work was previously restricted to police officers and council officers. The Opposition supports the intent of this legislation but it does not support creating a situation where anybody could be authorised to tow vehicles away. It was the case that the only people who were authorised to tow such vehicles were police officers and council officers. We see our amendment as an interim step to extend this power to officers of the Department of Transport or, in fact, any other Public Service employee, but we are not prepared at this stage to go further than that.

Further down the track, after we see how it operates, we may give consideration to the proposal. We are prepared to support extending the power to authorise to officers in the Department of Transport or Public Service employees, but we are not prepared to go further than that. The amendment filed by the Opposition is a pretty simple one and further extends the power to public servants, which would include officers of the Department of Transport.

The Hon. SANDRA KANCK: I thought it unfortunate that, in speaking to this legislation, the Minister chose to use it as an opportunity to promote the Southern Expressway *per se*, when this Bill could be used on any other. Also, she used it as an opportunity to sing what she sees are the praises of this project. Given that she has introduced that into the argument, in a limited fashion I intend to answer what she has said. I still find it amazing that the Government continues to say that this is a great thing. It is a project that is encouraging people in the southern areas to hop in their cars to come to town. If the Government had had any vision, there was an opportunity to put in a decent sort of rapid transit public transport system, such as light rail, which would have been ideal. If the Government had done that, I assure the Minister that I would be applauding anything she had to say.

But when something has been done that will encourage more people to get in their cars and come to town; that will add more to the bottleneck of traffic once people reach Darlington; and that will give people a greater expectation

that roads will be widened on the way into town to cope with that expectation, it is a backward move in the 1990s. However, I am aware of the major purpose of this Bill, and my main interest is this issue of the impounding mechanism. The Minister has said in the second reading explanation that there are already provisions within the Act to provide power for police and council officers to arrange the towing away of unattended vehicles causing obstruction or danger. I would be pleased to hear from her a little bit of elaboration as to how that works. I assume that the power that has been given to these authorised officers will be identical in every way to the powers that are currently in the Act for police and council officers. Subject to the reassurance that they are identical powers, we support the second reading.

The Hon. DIANA LAIDLAW (Minister for Transport): I thank members for their contributions and their support for this measure. I also want to acknowledge that there has been a bit of a misunderstanding between my office, the Department of Transport and Parliamentary Counsel. I noted only quarter of an hour ago that an amendment that I had discussed with the Department of Transport had not yet been placed on file. Courtesy should be extended to members to look at that amendment, and I wonder whether over the break I could extend that courtesy. The amendment is technical, in a sense. There is provision in the Act now for the towing away of vehicles, and that is the basis for the whole towing roster that operates in this State.

There was some concern by Parliamentary Counsel and some legal minds that we should not be providing that towing power through the legislation before us by regulation, and that, because it was stipulated in the principal Act, it should be stipulated in this Bill in the same form and not by regulation. That is why this amendment hot off the press has been proposed. I will have a comment to make on the honourable member's amendment about authorised officers. We would not wish to support that, because it would exclude people currently eligible for the towing roster from being eligible to work on the Southern Expressway if that work is so demanded. I will provide information to the Hon. Sandra Kanck on the powers and terms of police officers, council workers and the authorised officers. Police officers will always have wider powers than any other in any traffic management sense, so I will need to seek clarification on that matter. I seek leave to conclude my remarks later.

Leave granted; debate adjourned.

[Sitting suspended from 12.59 to 2.15 p.m.]

NURSES BILL

A petition, signed by 79 residents of South Australia concerning certain issues raised in the Nurses Bill 1997 and praying that this Council will ensure that the legislation takes into account the issues raised in the interests of the public and nurses of South Australia, was presented by the Hon. Sandra Kanck.

Petition received.

MULTICULTURALISM

A petition, signed by 319 residents of South Australia concerning extremist views and myths being presented and circulated as facts in South Australia, and praying that this Council will provide leadership, expose and condemn these extremist views and myths and affirm the policy of multiculturalism which involves rights and responsibilities and a 'fair go' for Australia's culturally diverse population, was presented by the Hon. Bernice Pfitzner.

Petition received.

BOLIVAR SEWERAGE PLANT

The Hon. R.I. LUCAS (Minister for Education and Children's Services): I seek leave to table a copy of a ministerial statement made by the Minister for Infrastructure in the other place on the Hartley report.

Leave granted.

The Hon. R.I. LUCAS: I also seek leave to table two volumes of the independent audit of the Bolivar Waste Water Treatment Plant.

Leave granted.

QUESTION TIME

FISH WATCH

The Hon. R.R. ROBERTS: I apologise for the absence of my colleague, the Leader of the Opposition: she has an illness in her family. I seek leave to make a brief explanation before asking the Attorney-General, representing the Minister for Primary Industries, a question about Fish Watch in South Australia.

Leave granted.

The Hon. R.R. ROBERTS: Members would be aware of the reduction in the number of compliance officers and the closure of a number of depots housing compliance officers in South Australia over the past couple of years. In line with the cutback in the number of compliance officers, a new system of protecting the fish stocks in South Australia has been established. An important facet of that is Fish Watch, which relies on people advising the service of alleged breaches of the Fisheries Code in South Australia.

I note that in recent times a number of people have been caught by Fisheries officers as a result of calls to the Fish Watch hotline. Some recent reports claim that the Fish Watch hotline has proved to be very effective. As I understand the reports, the seriousness of the offences and breaches has varied, and I note that a report appearing in the *Advertiser* of 5 July stated that two men had had their boats, worth $60 000, seized. Those men were charged with catching more than 170 kilograms of large snapper off Port Broughton—a significant part of our fishery. It was also reported that the Fish Watch hotline number had received a total of 3 688 calls in the past 12 months and, more recently, had received a total of 136 calls in the month of June.

Anecdotal evidence from a number of professional and recreational fishermen shows that a significant number of calls to the Fish Watch hotline are made by jealous, vindictive, or indeed incompetent, fishers making vexatious allegations—usually anonymously—against the more successful fishermen. My questions to the Minister are:

1. How many people across South Australia are now involved in the volunteer program?

2. How many Fisheries' compliance officers operate the Fish Watch program?

3. Of the 3 688 calls received last year, how many resulted in successful prosecutions; has the number of calls increased in the past year; and, if so, by how much?

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

AIR QUALITY

The Hon. T.G. ROBERTS: I seek leave to make a brief explanation before asking the Minister for Transport, representing the Minister for the Environment and Natural Resources and the Minister for Health, a question about air quality in the western suburbs.

Leave granted.

The Hon. T.G. ROBERTS: I have previously asked a number of questions, and one recently, in relation to this same problem—air pollution and air quality in the western suburbs. The *Portside Messenger* recently claimed that air quality in the western suburbs has been identified by local veterinarians as making pets sick. As I pointed out in a preliminary lead-up to a previous question, epidemiological studies are normally carried out after people living in particular areas have cause for concern for either their own health or that of others in matters related to air quality and exposure to unknown pollutants.

An ever-increasing dossier of information on this problem which is not based on best scientific evidence is being collated because, as I understand it—and I do not have a reply to my first question—sophisticated testing needs to be done in conjunction with an epidemiological study. Results of that testing is then cross-matched with air quality to try to determine either point source pollutants or a combination of those pollutants that form, in some cases, toxic cloud. However, I do not think that is the case in the western suburbs: the concern is the constant air quality causing health problems that are being enunciated in the Messenger Press and in the investigation carried out by the relevant committee.

Veterinary surgeons are now finding that animals are starting to show signs of stress and symptoms as a result of exposure to pollutants and, according to the article written by Mat Deighton in the *Portside Messenger*, 'There are enormous amounts of tumours—lung, liver and spleen.' A local vet in the same article was quoted as saying:

> I am also removing a large number of skin masses on dogs.

The article further states:

> Two vets working for me [Dr Brown] have developed asthma within months of starting here. Another woman here has developed nasal problems and a child has developed chronic asthma.

I understand that these are anecdotal stories by individuals. I will not say that the Health Commission and the EPA conducted a cursory examination, but because of their efforts and the anecdotal evidence it appears that there needs to be a detailed examination of air quality and the health of people living in the western suburbs.

One interesting anecdote that came out of the report was that people in the western suburbs smoke more than those in the eastern suburbs, thereby increasing the blame load back on individuals when it could be as a result—and I am not making any assumptions until the best scientific evidence is available—of the air quality. Having lived in the area, I know that the air there is of a much lower quality than the air in the eastern suburbs. By apportioning blame to individuals does not do anyone any good, if a general problem is constantly connected with air quality. My questions are:

1. Have all possible sources of potential health problems been identified and sourced?

2. What community health programs are being contemplated to assist residents in monitoring their own health in conjunction with some of the air quality problems which may exist and which will take perhaps months, if not years, to eliminate?

The Hon. DIANA LAIDLAW: I am aware that the Dale Street Community Women's Health Centre has done a lot of work on these environmental and health issues and money has been invested through the Health Commission in many of their programs. I am not sure of the extent of those programs, so I will certainly refer the honourable member's questions to the two Ministers to coordinate replies.

TORRENS RIVER, HORSES

In reply to **Hon. G. WEATHERILL** (4 June).

The Hon. DIANA LAIDLAW: The Minister for the Environment and Natural Resources has provided the following information.

The Torrens Catchment Water Management Board has prepared a draft concept plan for rehabilitating the Breakout Creek section of the River Torrens. One issue identified in the plan is the agistment of horses.

Horse agistment with direct access to the watercourse is not consistent with recognised best practice nor with the River Torrens Linear Park concept. This is due both to the potential for increased pollution and difficulty with maintaining vegetation which in turn leads to erosion. These problems also arise wherever stock is grazed along and in watercourses within the entire Torrens catchment. For this reason, farmers in the rural part of the catchment are fencing off watercourses to prevent stock from having direct access to these sensitive areas.

The draft plan proposes the creation of a wetland that would help improve the quality of the river's water prior to its discharge to the sea. In addition, the draft plan recommends that horse agistment be relocated away from the river. However, it also recommends the development of a horse trail at Breakout Creek where horses agisted nearby could be ridden. The Torrens Catchment Water Management Board is therefore not suggesting that horses should be prohibited from the area.

The initial phase of community consultation on the draft plan ended on 20 June 1997. The board is now reviewing the plan in light of the comments received. There are clearly a number of issues yet to be worked through, and the board will continue to consult further on these issues.

NORTHERN ADELAIDE AND BAROSSA CATCHMENT MANAGEMENT BOARD

In reply to **Hon. T.G. ROBERTS** (29 May).

The Hon. DIANA LAIDLAW The Minister for the Environment and Natural Resources has provided the following information.

The Northern Adelaide and Barossa Catchment Water Management Board, when established, will be required to develop a catchment water management plan outlining, amongst other things, the board's goals in relation to water resources management. Pursuant to the Water Resources Act 1997, the board will be required to prepare a proposal statement setting out in general terms the proposed content of the catchment water management plan and specify matters that will be investigated by the board before preparation of the draft plan.

Local councils, amongst others will be asked to comment on this proposal statement prior to its approval.

The board will then be required to prepare the draft plan, based on the proposal statement, and in so doing consult again with each of its constituent councils and general community of the district. Once the draft plan is completed the board must give a copy of the plan to the Minister and to each of the constituent councils. The Minister must then, before adopting the plan, again consult each of the constituent councils and have regard for their submissions.

This process has been deliberately designed to ensure that the content of the board's plan is well accepted by all of the stakeholders in the catchment, including the local councils. In this way the board and its constituent councils can ensure that they work cooperatively in undertaking works and measures that will complement each other and provide the best possible environmental outcomes for their catchment communities.

This Government is aware of the innovative work that the City of Salisbury and others have been undertaking in their area and recognises that much of this work is best practice in water management. No decision has yet been made on the boundary for the proposed Northern Adelaide and Barossa Board, and the Minister met representatives of the Councils of Salisbury, Tea Tree Gully, Port Adelaide Enfield and Charles Sturt to discuss issues surrounding the boundary of the proposed new Board. The final decision will certainly aim at promoting best practice in water management to improve water management for the benefit of all communities in the catchment area.

WATER RESERVES

In reply to **Hon. M.J. ELLIOTT** (3 June).

The Hon. DIANA LAIDLAW: The Minister for the Environment and Natural Resources has provided the following information.

SA Water is currently preparing a report on a State-wide assessment of all property holdings, with a view to disposing of those properties that are no longer required. The property known as Mount Billy Water Reserve is expected to be considered surplus to requirements.

It has been recognised for some time now that this 200 hectare property possesses outstanding natural qualities, and would make a valuable addition to the park system.

The possible terms of transfer of Mount Billy Water Reserve are still subject to negotiations between SA Water and the Department of Environment and Natural Resources. Should agreement be reached to add the land to the State's reserve system, I am advised that my colleague, the Minister for the Environment and Natural Resources, would certainly advocate that the terms of transfer minimise the outlay of any funds from Department of Environment and Natural Resources.

In respect to the second question, the Department of Environment and Natural Resources will assess any surplus water reserves as they come up for disposal in order to determine if they provide an opportunity to add to the comprehensiveness, adequacy and representativeness of the State's reserve system.

SCHOOL SPEED SIGNS

In reply to **Hon. J.C. IRWIN** (6 March).

The Hon. DIANA LAIDLAW:

1. The 'school' and 'school crossing ahead' signs were removed and replaced to meet the new standard for school zones and Koala (flashing light) crossings, respectively. The new signs display to drivers their duty at the facility unlike the previous signs that required knowledge of a section of the Road Traffic Act.

2. It is understood that the magistrate was referring to the 60 km/h speed limit in a municipality, town or township. The 25 km/h speed limit signs are used to define a speed zone and, under the Road Traffic Act, drivers must observe these signs.

3. Sections 49(c) and (d) of the Road Traffic Act that refer to school zones and flashing light school crossings are to be amended to reflect the new arrangements. This amendment is not urgent as the current law does not invalidate the new signs.

4. A reply is being sought from the Minister for Police. I will forward the information to the honourable member in due course.

5. Department of Transport (DoT) approval is required before an Emu crossing is installed on any road. DoT is not aware of any Emu crossing being installed without approval, or being installed contrary to the approved plans.

The road authority having the care, control and management of the road, council or DoT, is responsible for ensuring the Emu crossing is installed in accordance with the approved plans.

6. To give insight to the honourable member's concerns, he provided me with maps illustrating the signing in the vicinity of the Edwardstown and St Leonards Primary Schools, which I asked DoT to investigate.

The two Councils responsible for the care, control and management of the school zones for the two schools have, acting on advice from an officer from DoT, rectified the school zone signs so that they state the same times for the respective morning and afternoon periods and the signs have been located such that all drivers are aware that they are entering a school zone.

ROADS, MARKING

The Hon. T.G. CAMERON: I seek leave to make a brief explanation before asking the Minister for Transport questions about the length of time that road line marking work is taking to be completed.

Leave granted.

The Hon. T.G. CAMERON: My office was recently contacted by a constituent who was concerned over the length of time it was taking for a set of recently installed traffic lights to be activated. The lights, which are located on the corner of Hectorville and Montacute Roads, Hectorville, were completed in early May but were not activated until 23 June. I am informed that the lengthy delay was caused by the difficulty of getting the line marking company to attend and paint the road lanes.

The Hon. P. Holloway: Had it been contracted out?

The Hon. T.G. CAMERON: It has been contracted out to private contractors, yes. The Department of Transport has told my office that before the lights could be switched on they needed to install loop protectors which activate the length of time traffic light sequences operate. The loop protectors could not be installed until the road lanes had been painted, but the line marking company took more than four weeks to get around to doing the job. Apparently, the line marking companies are slow to respond to the smaller jobs such as this as they only get paid for the work when completed. When line marking was undertaken by the Department of Transport such a job would have been finished within a few days. I should mention that this concern is only the latest of a number of complaints over line marking that have recently been brought to my attention. My questions to the Minister are:

1. Is the Minister aware that line marking companies are taking unacceptable periods to attend to the smaller but nevertheless important line marking jobs and, if so, what is she doing to ensure that they complete such work in a reasonable time period?

2. Is this not just one more example of the Government's desire to outsource a core responsibility to the private sector no matter what the consequences or the fall in the quality of work?

The Hon. DIANA LAIDLAW: I certainly do not accept the last statement by the honourable member because in each instance a thorough assessment of the propositions was put forward by the line marking contractors for each sector that was let by the Department of Transport. I am aware that about four companies are now doing this line marking work in South Australia, and I concede that we have had some particular difficulties with one company.

In relation to the other companies, my advice from the Department of Transport is that they are performing to their contracted conditions and the department is satisfied with the quality of the work and the response to that work in terms of requests being forwarded by it. One company has been a problem.

To speed up some of this work program, I should alert the honourable member to the fact that the Department of Transport has negotiated for companies to do the majority of their work in the evenings, and that has been working well, although we have been receiving complaints from some neighbouring residents in recent times, so that arrangement is also now being looked at.

I will look in particular at the issue that the honourable member has raised in terms of the lights at Hectorville, the

loop protectors and the line marking, and I give an undertaking that, in terms of the one company that has been causing some difficulties in relation to line marking, very active work is being done by the Department of Transport to improve performance standards or to look at someone else doing that contract work.

RAILWAY STATIONS

The Hon. SANDRA KANCK: I seek leave to make a brief explanation before asking the Minister for Transport a question about the state of train stations on the Outer Harbor line.

Leave granted.

The Hon. SANDRA KANCK: Last month the *Portside Messenger* published an audit of the stations on the Outer Harbor line. This audit, which was not an official one, was conducted by Neil and Carla Baron of the group People for Public Transport. It painted a damning picture of the condition of the stations on the line. Their audit assessed six categories ranging from security and safety to accessibility of car parking, and each category carried 10 points. Amongst the 21 stations on the line only four were awarded more than 30 points, with the stop score being a dismal 34 out of 60.

After reading the Messenger report, I decided that I would travel the line and assess the stations, and I did that a fortnight ago. Unfortunately, the audit's very harsh appraisal was only confirmed by my own observations. Common among the line were stations with locked facilities, inadequate signage and unkempt platforms. Evidence of neglect and decay was readily apparent without even leaving the carriage. However, I did alight from the train at two of the stations. The first one onto which I stepped was the Outer Harbor station at the end of the line. I found that the station structure was riddled with rust and has peeling paint on the supporting beams. The platform is tufted with grass and it is strewn with pigeon droppings. The audit's description of the station as dilapidated is succinct.

The other station at which I stopped was Port Adelaide. Historic Port Adelaide is rightly touted as a major tourist destination. The Maritime Museum, the New Land Gallery, the Port Community Arts Centre, Fishermen's Wharf Market, the Ozone Fish Cafe and the Railway Museum are just some of the attractions to be found at the Port.

Considerable amounts of taxpayers' money have been spent restoring the Port to its former glory, but, unfortunately, the same thing cannot be said about the train station. The public transport gateway to the Port is a grim looking windswept structure. The rough platform is pockmarked with holes that present public liability concerns. As it is an elevated station, I should mention to the Minister that in a couple of places through the cracks in the asphalt on the station I could see the road below. The bins are battered and the shelters uninviting. Piles of litter—and mostly they are non-deposit beverage containers—and irregular squares of drab olive paint covering the graffiti complete the shameful picture.

This station is actually recommended in tourist bureau pamphlets as a means of accessing the cultural delights of the port. I wonder what is the memory of Port Adelaide if this is the way tourists leave the area. It has been suggested to me that a general upgrade of all metropolitan stations is essential for the rejuvenation of our ailing metropolitan train system. Aside from attracting more people to public transport, the rejuvenation could also be used to provide some of our many thousands of young unemployed with a job and some much-needed skills development. My questions to the Minister are:

1. Has the Minister inspected the Port Adelaide station? If not, will she do so?

2. Does the Minister consider the condition of the Port Adelaide station to be adequate?

3. Does the Minister consider the overall condition of any of the Outer Harbor line stations to be adequate?

4. Will the Minister commit the Government to the improving of conditions for patrons of the Outer Harbor line?

The Hon. DIANA LAIDLAW: I do use rail on a pretty regular basis and, most recently, a couple of weeks ago at the Outer Harbor line when I took my bike to Semaphore and checked the railway stations. $500 000 has been spent on upgrades of those railway stations owned by TransAdelaide. Of this sum, $150 000 was spent in 1995-96 on the Outer Harbor line, $223 000 in 1996-97, and $310 000 is proposed for this financial year. So, three-fifths of the funding for railway station upgrades will be spent on the Outer Harbor line in the coming year. The reason why that money has not been allocated at that high proportion is that the bulk of the funds has been used in the last two years on the Belair line, because following single track operation it was considered that some investment must be made to improve the stations on that line—and that was the priority in terms of upgrading funds. Now that some of that work on the Belair line has been undertaken—not to everyone's satisfaction, because we have to work within the budgets that are provided—it has freed up funds for the Outer Harbor line.

I should also point out that, of the 85 railway stations which are the responsibility of TransAdelaide, 49 work on an 'adopt-a-station' basis; 18 of those are on the Outer Harbor line. It is with the great support of the community and some of the schools in that area that these stations are upgraded and maintained on a good basis. Port Adelaide is not in a high standard of condition by anyone's interpretation, and I acknowledge that. The Government as a whole has picked up a huge backlog of infrastructure issues, and I readily acknowledge that. We are working through those, and with the community via 'adopt-a-station' we have been able to generate a great deal more work than we would have been able to do on our own. In fact, on the way to Question Time today I spoke to a bus operator who told me that with respect to the Port Adelaide bus depot they are keen to do some work and adopt the Outer Harbor station so that they can have a relationship between rail and road there. Throughout the area there are more people taking a more active interest and pride in the railway stations.

I have to acknowledge, as the honourable member would in having recently used that line, that vandalism on that line is a greater problem than it is on any other part of the public transport system. So, we spend a lot of money just maintaining those facilities, let alone upgrading them. It can be a debilitating force not only for the local community but also for those involved in the maintenance program. I reinforce to the honourable member that I am aware of this issue and that that is why three-fifths of the money for upgrading purposes will be devoted to this line in the coming year.

ROXBY DOWNS

The Hon. L.H. DAVIS: I seek leave to make an explanation before asking the Leader of the Government a question about Mr Rann and Roxby Downs.

Leave granted.

The Hon. L.H. DAVIS: Olympic Dam is situated 560 kilometres north-west of Adelaide and has become one of the leading producers in the world of copper, uranium and other products such as gold and silver. It is a very large underground mine which was first discovered in 1975 and brought into production 13 years later in June 1988. $1 billion was spent on developing the operation and the infrastructure. The modern and very attractive township of Roxby Downs, 16 kilometres south of the site, now boasts almost 3 000 people.

The Hon. T.G. Roberts: Have you got a weekender up there?

The Hon. L.H. DAVIS: No, it's a mirage Terry; no-one has a weekender up there; you just settle down. Almost 1 000 jobs are provided at Roxby Downs, and the multiplier effect means that another 3 000 jobs in South Australia are created as a direct result of that new mining operation. On an annual basis, sales revenue is $350 million, and $270 million of product is exported each year. It provides royalties to the South Australian Government of $10 million, payroll tax of $3.5 million and other miscellaneous taxes. Salaries and wages at Roxby Downs are $56 million. Interestingly, a point that is not often made is that 8 500 tourists visit Roxby Downs each year—it has become a tourism destination—and 7 500 people visit the Olympic Dam site each year.

The uranium sales from Roxby Downs, one of the great uranium mines in the world, are made to 14 customers in eight countries under long-term contract. Each of those countries depends on nuclear power for a large portion of their electricity and each has a commitment to the safe, peaceful use of nuclear energy. Indeed, it is worth noting that, in 1995, 17 per cent of the world's electrical supplies were generated from nuclear power.

Members interjecting:

The Hon. L.H. DAVIS: I am delighted that the Labor Party has such a lively interest in this topic.

The PRESIDENT: Order! There are about six conversations taking place at the moment.

The Hon. L.H. DAVIS: Not so long ago the Chief Executive Officer of Western Mining Corporation (WMC), Mr Hugh Morgan, delivered a luncheon address to the South Australian Chamber of Mines—

Members interjecting:

The Hon. L.H. DAVIS: Mr President, they are in a continued state of denial on Roxby Downs. It has been operating for nine years and they still do not believe it, and by the time I finish the question we will all understand why.

The Hon. R.R. Roberts: By the time you finish it will have operated for another nine years.

The Hon. L.H. DAVIS: And you would vote against it. In this very informative address, of which I will provide members opposite with a copy, Mr Hugh Morgan said—

Members interjecting:

The Hon. L.H. DAVIS: Let me read what he said and wipe the smile off your face. He said:

> The Government and the people of South Australia—

Members interjecting:

The PRESIDENT: Order!

The Hon. L.H. DAVIS: I will blow Mr Holloway away now. He said:

> The Government and the people of South Australia have been from the first days of exploration on the Stuart shelf [which started in 1975] very supportive of the minerals industry in general and of WMC in particular. It is true that a small number of people were strongly opposed to the uranium component of the Olympic dam ore body and sought desperately to stop the project going forward. But the overwhelming majority of South Australians supported the project. This support became clearly manifest when the anti-uranium activists urged South Australia to boycott BP, the company that was then our joint venture development partner in the project. As a consequence of that call for a boycott, BP's petrol sales in South Australia increased significantly. That was a turning point in the politics of Olympic Dam.

The Hon. Ron Roberts has been very anxious for me to tie the Hon. Mr Rann to the comments I have made to date, and I am about to do so. The fact is that the now Leader—

Members interjecting:

The PRESIDENT: Order!

The Hon. L.H. DAVIS: —of the Opposition, the person who wants to be Premier, Mr Mike Rann, was a bitter, consistent and vocal opponent of Roxby Downs. Just months before the Roxby Downs Indenture Bill passed the Legislative Council with the support of Mr Norm Foster, who had resigned from the Labor Party in disgust at its attitude towards Roxby Downs, a publication was issued, an orange booklet (attractive colour, is it not) under the title *Uranium: Play It Safe*, by Mike Rann. He was the author of this 31-page booklet entitled *Uranium: Play It Safe*. Mr Rann argued against Roxby Downs on many grounds in this booklet, including the fact that uranium prices were collapsing and the industry was going bust. As a farmer, Mr President, you would understand that argument is about as logical as Parliament legislating to prevent people from going into farming because wool or wheat prices have fallen. On page 6 of this booklet, under the heading 'South Australia's non-boom' (talking very positively, as he always does), Mr Rann said (and I quote directly from this book)—

An honourable member: I hope you're not quoting selectively.

The Hon. L.H. DAVIS: No; there are no extracts here. I will get the Hon. Paolo Nocella to check it out and put his own spin on it later.

Members interjecting:

The PRESIDENT: Order! I do think that the honourable member should sum up.

The Hon. L.H. DAVIS: As members opposite can see, nothing has been cut out of this at all: I am quoting directly from the library copy.

Members interjecting:

The PRESIDENT: Order, members on my left!

The Hon. L.H. DAVIS: The booklet states:

> In South Australia, the Liberal Government has got itself into a tangle over the proposed Roxby Downs copper and uranium mine. Since the September 1979 election, Premier Tonkin has pinned his Government's political hopes on a development he has described as eventually being as big as Mount Isa.

Well, bless his soul, Premier Tonkin was absolutely right; it is far bigger than Mount Isa. It beats the pants off Mount Isa. Premier Tonkin, 1; Mike Rann, 0. Then, under this positive spin that Mr Mike Rann was putting on this story—'South Australia's non-boom', a very positive headline—he finishes by stating:

> With depressed uranium sales likely to continue throughout the 1980s (and probably beyond) the Government was in a weakened bargaining position. To put it crudely, the Roxby partners had Premier Tonkin over a barrel and the indenture publicity, full of ifs, rather than whens, smacked of a political stunt.

Some stunt! Roxby Downs is now one of the great mining operations in the world. Then, on pages 30 and 31 of this booklet under the heading of 'Personal action', Mr Mike Rann gives some advice to individuals who are keen to lobby and agitate against uranium. He advised:

While it is difficult for individuals to—

The PRESIDENT: Order! I think the honourable member should come to his conclusion very quickly, or he will lose the call.

The Hon. L.H. DAVIS: I am winding up now, and am just tying it all together. This is the penultimate paragraph, Mr President:

While it is difficult for individuals to effectively challenge the activities of multinational corporations in this country, there are things that we can do as consumers to make the point. A good example of this type of activity is the 'Boycott BP' campaign being run by a number of anti-nuclear groups in South Australia. BP is a joint partner with Western Mining in the Roxby Downs development in SA. The company has played down its role in the venture.

So, someone who would be Premier of South Australia actually agitated and advised people to boycott BP.

The fact is that Western Mining has just announced a $1.48 billion expansion of Roxby Downs, which will mean that it will be the largest single commercial major project currently being privately developed in Australia.

My question to the Leader of the Government, the Hon. Robert Lucas, is this: is he aware of those comments that Mr Mike Rann made 15 years ago; and what does he make of this extraordinary proposition, given that Olympic Dam has created 4 000 jobs directly and indirectly and will create even more in the expansion phase and given that while this is occurring the Hon. Mike Rann berates the Government for not creating enough jobs?

Members interjecting:

The PRESIDENT: Order! The Minister for Education and Children's Services: I hope he will quickly answer the question.

The Hon. R.I. LUCAS: It was a long and comprehensive question.

The PRESIDENT: Order! I know, and next time there will not be a long one.

The Hon. R.I. LUCAS: It deserves a considered and concise reply. It just so happens that I was reading the same article—one of those fortunate coincidences.

Members interjecting:

The Hon. R.I. LUCAS: My copy was not orange, I am afraid; it was not radioactive.

Members interjecting:

The PRESIDENT: Order!.

The Hon. R.I. LUCAS: I, too, read with great interest the comments made by the now Leader of the Opposition in relation to this very significant development. I will not recount all the comments made by the Hon. Mike Rann in that article, but I do want to talk a little about the development and expansion that we see at Roxby Downs. I will refer to just one sentence that Mike Rann used in that article in 1982. We want to look at the economic impact—

Members interjecting:

The PRESIDENT: Order!

The Hon. R.I. LUCAS: We want to look at the economic impact, which was the import—

Members interjecting:

The PRESIDENT: Order!

The Hon. R.I. LUCAS: We want to look at the economic impact of the development. Mike Rann states:

Faced with record unemployment, the South Australian Liberal Government has painted itself into a corner over Roxby Downs. No serious commentators are now likely to join the Premier in trumpeting the economic impact of Roxby.

I will repeat that for effect. This is Mike Rann:

No serious commentators are now likely to join the Premier in trumpeting the economic impact of Roxby Downs.

Mr President, that has not been 'Paolo'd': it has not been extracted in any way. It is there for all to read in relation to the estimate of the economic impact of Roxby Downs.

The Hon. Legh Davis has recounted the history and the present situation of the Roxby Downs development. I want to refer briefly to the proposed expansion of Roxby Downs which has just been announced. We are advised by WMC that the proposed expansion will result in 900 extra workers being engaged in construction-related activity, and over 70 per cent of those 900 workers will come from within South Australia. Mr President, as you will realise, a number of those workers will be former members of farming communities on the West Coast and in the Mid North, and I am sure that is why the Hon. Legh Davis asked the question—because of your interest in those areas. The expansion is expected to create around 200 new permanent full-time jobs at Olympic Dam.

Barry Burgan from the South Australian Centre for Economic Studies has produced a paper for the South Australian Development Council which has indicated that, based on 200 additional permanent employees, this expansion at Roxby will create an extra 1 500 permanent jobs in South Australia. Barry Burgan has also estimated that the 1 000 construction jobs in the Olympic Dam expansion will create up to 5 200 temporary jobs, including the assumed 1 000 construction jobs there.

There is a lot more there (and I will not go into the detail) but that is enough to indicate the significance of the economic impact of Roxby Downs' expansion in South Australia. This indicates the importance, in terms of jobs for young South Australians and adult South Australians, of the Olympic Dam expansion. It also indicates, should ever we have Mike Rann as the Premier of South Australia—Heaven forbid—needing to make critical investment and development decisions in South Australia, the negativism, the destructive criticism and the knocking of the Leader of the Opposition and the Labor Party to any development that is put forward in South Australia.

Regarding the Roxby Downs expansion, the words of Mike Rann in 1982 are an indication of his personal attitude and that of his Party should it ever become the Government again in South Australia.

DESKTOP COMPUTER CONTRACT

The Hon. P. HOLLOWAY: Mr President—

The Hon. A.J. Redford: Here comes another positive question!

The Hon. P. HOLLOWAY: I am pleased that the Hon. Angus Redford acknowledges that my question will be positive, Mr President. I seek leave to make a brief explanation—

Members interjecting:

The PRESIDENT: Order! I cannot hear the question.

The Hon. P. HOLLOWAY: I seek leave to make a brief explanation before asking the Attorney-General, representing the Minister for Information and Contract Services, a question about the desktop computer contract.

Leave granted.

The Hon. P. HOLLOWAY: I refer to an appeal in the District Court recently before Judge Lunn in which the Ipex Information Technology Group was seeking documents under the Freedom of Information Act that would enable it to understand why its tender for the supply of desktop personal

computers to Government was lost. The tender was called in April 1995. Some 33 tenders were received, including one from Ipex, and from those the Government accepted tenders from four tenderers who then formed a panel from which Government agencies could purchase their personal computers for the next two years.

Ipex filed an FOI application to enable it to assess information as to why its tender failed and, while some documents were supplied, the main bulk of the information was claimed by the Government to be exempt under the Freedom of Information Act. Ipex appealed and effectively won its case to get some of the information that it needed.

In his findings handed down in the District Court on 16 June, Judge Lunn said that the documents sought by Ipex raised 'various potential issues of sensitivity, confidentiality and embarrassment which those involved would not be expected to wish to go into the public arena'. He continued:

> There are references to alleged irregularities, mistakes and disagreements between individuals. In one document the statement appears: 'If this fact were publicly known the Government could be embarrassed.'

My questions are:

1. Can the Minister say what Judge Lunn was referring to when he spoke about embarrassing documents? How many irregularities, mistakes and disagreements went on surrounding the issues of this tender?

2. Will the Government publicly release all the documents related to the desktop computer contract so that public confidence in the process can be restored?

The Hon. M.J. Elliott: Do you think it was leaked?

The Hon. P. HOLLOWAY: That's not a bad idea. My questions continue:

3. Does the department provide debriefings to unsuccessful tenderers after contracts have been awarded?

4. Given that Judge Lunn's judgment stated that since the tenders were first submitted in 1995 there had been 'enormous changes in the computer industry through technological advances' and 'the models which were the subject of the tender were no longer marketed', how can the Minister justify calling tenders for such a rapidly changing market that locks it into a position for two years?

5. Does the Minister agree with Judge Lunn that it is in the public interest to know how the Government conducts reviews and investigations into the awarding of Government contracts, especially in this case where it is worth many millions of dollars?

The Hon. K.T. GRIFFIN: I will refer all those questions to my colleague in another place and bring back a reply. From what I recollect of the decision of Judge Lunn, Ipex was partially successful but not wholly successful; it related to a transaction which was not the subject of ministerial authority but was done through the State Supply Board; and the issues that have been raised are some two or three years old at least. As I say, I will refer the questions to my colleague and bring back replies.

FIRE BLIGHT

In reply to **Hon. R.R. ROBERTS** (28 May).

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

1. The testing procedures for fire blight using the molecular probe referred to by the honourable member involve the use of highly sophisticated laboratory procedures which require a specialist laboratory. Such a laboratory is currently not available at the Adelaide Botanic Gardens.

As part of the national response to the detection of 'positive' test results for fire blight at both the Royal Melbourne Botanic Gardens and the Adelaide Botanic Gardens, two specialist laboratories have been established to screen suspect samples identified during the national fire blight survey program. The two specialist laboratories are at the Institute for Horticultural Development, Agriculture Victoria at Knoxfield, and at Macquarie University in New South Wales. Both laboratories have trained staff and the specialist equipment to undertake the required testing within a suitable time frame. It would be possible for laboratories to be set up within South Australia, eg at the South Australian Research and Development Institute or the University of Adelaide. Offers of assistance have been received from both organisations. However, there is a considerable lead time in establishing and refining the procedures and it is not seen to be cost effective at this time for the limited number of samples which have been collected.

2. The actions of the New Zealand Ministry of Agriculture and Fisheries' Chief Plants Officer in returning to New Zealand with two specimens which he had collected from the Adelaide Botanic Gardens are considered to have been appropriate under the circumstances.

The officer in question notified the Head of Plant Policy, Australian Quarantine and Inspection Service, Canberra of his concerns about two possible suspect plants on the morning of 12 May 1997. This followed his visit to the gardens on the previous day. He also alerted AQIS that he had taken two specimens and sought advice on whether he should take them to New Zealand for further testing. AQIS considered that this was appropriate.

As a result of the contact, the Chief Inspector, Primary Industries South Australia was notified immediately and a meeting was arranged between the New Zealand officer, PISA and Adelaide Botanic Gardens staff to identify the two suspect plants so that samples could be taken and sent to Victoria for specialist testing. The only oversight by the NZ officer was his failure to inform the local authorities that he had taken specimens. This oversight is understandable as I understand that he had a prearranged flight schedule that afforded only 10-15 minutes at the Adelaide Botanic Gardens on the morning in question.

I believe that there is some legislation regarding the removal of plant material from the Adelaide Botanic Gardens without permission of the Director. This legislation comes under the portfolio of the Minister for the Environment and Natural Resources.

From a Primary Industries point of view, the New Zealand officer acted responsibly in alerting the national quarantine authorities of his suspicions and that he had collected specimens for testing. I would not be suggesting that the Minister for the Environment and Natural Resources pursue the matter of a possible breach following the removal of several pieces of dead or dying tissue from the two suspect plants.

3. As indicated above, the actions of the NZ MAF Chief Plants Officer are considered to have been appropriate, with his notification to the Australian Quarantine and Inspection Service of his concerns and that he had collected several specimens for testing in NZ.

Although there are requirements for passengers arriving in Australia to declare plant material in their possession, no similar requirements apply to passengers departing Australia. There are also no reporting requirements for cargo unless the value is in excess of $2 000.

It is expected that there would, however, be requirements for passengers arriving in NZ, but that is a matter for the NZ authorities.

4. A national contingency plan for fire blight has been developed within Australia over the past two years. This plan was developed in consultation with the Australian Apple and Pear Growers Association, the Horticultural Research and Development Corporation, State Government representatives and the Apiary Industry. The plan has provided the basis of the national response to the NZ claims and the subsequent "positive" test results from both the Royal Melbourne Botanic Gardens and the Adelaide Botanic Gardens.

An extensive survey program involving South Australia's commercial apple and pear orchards in the Adelaide Hills, Riverland and South East (2 300 hectares), nurseries dealing in host material, Adelaide City Council Parks and Gardens, the quarantine zone around the Adelaide Botanic Gardens and fruit fly trapping sites across metropolitan Adelaide (2 600 sites) was recently completed. A small number of samples were collected and forwarded to Agriculture Victoria for precautionary testing.

PISA's ability to respond quickly to the NZ report and the initial test results is a reflection of both the availability of a national

contingency plan and the excellent cooperation that has been received from the South Australian Research and Development Institute (SARDI), Agriculture Victoria, the SA Apple and Pear Growers Association, the Nursery and Landscape Industry Association of SA, and the Adelaide Botanic Gardens.

This has resulted in the NSW and Queensland markets again opening up to our growers with only a 15km quarantine zone around the Botanic Gardens.

PISA and SARDI staff, along with industry, must be congratulated on their cooperative approach to this situation.

SOUTH-EAST WATER AND CONSERVATION BOARD

In reply to **Hon. R.R. ROBERTS** (4 June).

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

1. The Minister is required to consult with the board about the position of chair. The membership of the board was equally divided on the preference for the chair and the Minister made a choice. Only seven of the eight members were physically at the meeting when the vote was taken. The written views of the eighth member were tabled before the vote and he made himself available from his sick bed by phone, but this was not acceptable. A suggested deferment of the vote until all the Board could be physically present, as had occurred under similar circumstances by previous Boards, was not allowed by the majority present. Subsequently, the eighth member corresponded with the Minister.

2. The person in question did not stand at the last election.

3. There is no cronyism. Mr Julian Desmazures was appointed to the board during the last term to fill a casual vacancy and increase both the number of landholders on the Board and the geographical spread of landholder members.

4. The Minister has full confidence in the board. The board is providing the policy direction for the Upper South East Dryland Salinity and Flood Management Program.

5. The board is dominated by landholders. While the chair is a ministerial appointment, he is a landholder and definitely not a rubber stamp for the Minister.

TRAFFIC SIGNS

The Hon. J.C. IRWIN: I seek leave to make a brief explanation before asking the Minister for Transport a genuine question without notice about traffic signs.

Leave granted.

Members interjecting:

The Hon. J.C. IRWIN: That was discussed long before my honourable friend's question. Recently a sign was erected in Goodwood Road near the Centennial Park Cemetery, apparently to prohibit right turns into O'Neill Street, Panorama, between 7.30 and 9.30 a.m. I understand there has been considerable comment about the police commencing to issue infringement notices on Monday 30 June at 7 a.m., although the sign was only erected on the preceding Friday, 27 June.

Amendments to the Road Traffic Act came into force on 5 July 1994 providing for the repeal of sections 76, 77 and 78a of the Road Traffic Act (this was Act No. 15 of 1984, sections 4 and 5). The substituted section 76 provides that the Governor may make regulations to prescribe the inscriptions to be used on traffic signs and the instructions to be indicated thereby. However, to my knowledge no regulations have been made under section 76 for the purpose of signs. Signs such as that in Goodwood Road (to which I refer) also specify days or periods of the day, yet there is nothing under the Road Traffic Act to authorise such inscriptions on the sign mentioned in the question. My questions are:

1. Does the sign have any legal standing?

2. Will the Minister inform me why new section 76 was necessary?

3. Why were no regulations made with respect to the signs 'no left turn', 'no right turn', 'no turns', 'keep left' and 'keep right' mentioned in the sections repealed 13 years ago? Obviously I do not expect an answer today.

The Hon. DIANA LAIDLAW: That is particularly generous, as the question is without notice and I do not have in my head or at my hand the details that the honourable member has requested, particularly relating to events 13 years ago. I will seek the advice promptly.

EDUCATION, ARTS

The Hon. M.J. ELLIOTT: I seek leave to make a brief explanation before asking the Minister for Education and Children's Services a question about arts education.

Leave granted.

The Hon. M.J. ELLIOTT: I previously raised questions about the growing concern at reports of shortages of teachers in South Australian schools by the year 2000. This week I was contacted by a constituent who believes that it may already be too late to save what has been the country's best system of art and design education for several decades. This includes the training of teachers in these fields and has been provided through the South Australian School of Art and the School of Art and Design Education at the Underdale campus of the University of South Australia.

I have been told that the University of South Australia's new City West campus has been built entirely without accommodation for any of these fields, which presently face an uncertain future at the Underdale campus. In addition, most of the staff who gained national reputation for the training of art and design teachers have been given early retirement packages. I understand that the only remaining staff member able to coordinate these studies is presently appealing attempts to end that position. There is concern that, unless something is done urgently, the Government's plan to increase the training of art and design teachers in the light of projected shortages will be entirely frustrated.

In May this year, the Federal Liberal Government commented on arts education funding in its response to the report of its Environment, Recreation, Communications and the Arts Reference Committee, which was handed down in October 1995. The Government said that it recognised that arts educators have an important role in the holistic development of students' creativity, expression and aesthetic appreciation, knowledge and skills. It also said that art education can enhance quality learning in all curriculum learning areas.

I recognise that, in the first instance, this is not under the control of the State Government but is happening within the tertiary system, which is under the control of the Federal Government. However, it has the capacity to impact on the training of teachers for our schools. I note also that yesterday the Adelaide Institute of TAFE announced plans for a new, $23 million centre for performing and visual arts on Light Square, but I am informed that it is unlikely that that institution would be in a position to qualify people for teacher education. My questions are:

1. Does the Minister have any understanding as to why the new City West accommodation has no room for the arts?

2. Is he aware of the future of the School of Art and Design Education at the Underdale campus?

3. Does the announcement of the new TAFE arts centre mean that the emphasis of training in this area will be moved to the TAFE system?

4. Where does this leave teacher education in the arts field and what special training commitment will the Government give to the educational training of teachers in the arts?

The Hon. R.I. LUCAS: I will need to refer some of those questions to my colleague the Minister for Employment, Training and Further Education (Hon. Dorothy Kotz) to seek some advice, and I will be happy to do that. As to those aspects of the question which relate to the future supply of teachers to schools, both Government and non-government, in South Australia, I will seek advice from officers in my own department to see what useful information I can provide the honourable member in due course.

COMPUTERS, HACKING

The Hon. T. CROTHERS: I seek leave to make a precied statement before asking the Attorney-General a question on the subject of computer hacking.

Leave granted.

The Hon. T. CROTHERS: Recent articles in the journal of the Australian Institute of Criminology dated late April this year dwelt a great deal on computer hacking. Let me say from the outset that I am in no way being critical of the Attorney, as I recognise in him a very great diligence to any task that he takes on. However, because of the rapidity, scope and diversity of change in the field of computing, and as the member for Parliament responsible for computer legislation, members may well agree with me about the need for this Council to be kept abreast of issues relating to this subject matter.

The journal to which I have just referred deals with a number of issues which vary from the sheer size of the problem to telemedicine, criminal interception of communications, breaches of confidentiality, hacking, on-line vandalism and terrorism, advertising, the transfer of funds electronically, and copyright infringement. They are the headings of some of the articles.

With your indulgence, Mr President, I will expand on some of the points made by the author of the articles. In respect of telemedicine and crime, Mr Graycar observed that, with the Internet coming on stream, more and more doctors are starting to use the system. He observed that medical practitioners who are involved in research and publication may be at risk of breaching copyright when using on-line services, such as by downloading material from the Internet without appropriate authorisation.

Yet another of his concerns is that medical practitioners who make use of on-line services could infringe many of the ethical rules set down by the various State and Territory medical boards and even the AMA's code of conduct, mainly by conducting professional examinations or prescribing drugs through the use of communications technology without having conducted a proper examination of the patient. This has already resulted in findings of professional misconduct (*vide* Smith's case, 1994, of which I am sure the Attorney would be aware).

In his paper, Mr Graycar goes on to give graphic illustrations of computer vandalism. In 1989 at the University of Bologna in Italy, vandals caused the loss of 10 years of irreplaceable research data into AIDS. These examples of use of the Internet by the medical profession are but a few of many hundreds of situations which will require legislative attention by the Parliaments of Australia. Because computers did not enter into even the wildest imaginings of the founders of the Constitution, changes to our present State and Federal Constitutions may be required to determine which Government should have responsibility for computer legislation, in order to maximise the effectiveness of such legislation. I therefore direct the following questions to the Attorney:

1. Will he give a brief to this Council on how matters currently stand in relation to the points that I have raised which have been or will be considered by the meeting of Attorneys-General?

2. Have the meetings of Attorneys-General considered constitutional changes which may be required to ensure that such legislation, when or if enacted, will work at its maximum capacity?

The Hon. K.T. GRIFFIN: I will be pleased to address the questions raised by the honourable member. Because of the nature of those questions, it is appropriate that I bring back a considered response. The Standing Committee of Attorneys-General has considered issues such as on-line service providers of pornography, and there have been some discussions about other issues, but there has been no discussion about a constitutional change. The difficulty with constitutional change, as with any other legal provision, is that it is easy to get around it with a facility such as the Internet. It is no good passing laws if they are going to be flouted. I will give proper consideration to the issues and bring back a reply.

FINANCE MINISTER

The Hon. R.I. LUCAS (Minister for Education and Children's Services): I seek leave to table a copy of the ministerial statement made today by the Premier in another place on the subject of Hon. Dale Baker MP, together with associated papers.

Leave granted.

ROAD TRAFFIC (EXPRESSWAYS) AMENDMENT BILL

Adjourned debate on second reading (resumed on motion).

(Continued from page 1801.)

The Hon. DIANA LAIDLAW (Minister for Transport): Prior to the lunch adjournment I indicated that I would obtain some information for members about questions they had raised in their second reading contributions. In relation to an amendment that he would be moving, the Hon. Terry Cameron had indicated that he wanted some advice about the nature of the people who would be authorised to undertake work on the expressway. In addition to the police officers and council workers who are currently authorised to do such work, the Government envisages a contract between the Department of Transport and the contractors. Under subsection (1a) this will require each individual to be authorised by the Minister, and this will allow the Minister to impose on that person whatever conditions are necessary to ensure that they do not abuse the powers entrusted to them. That is exactly the same position as applies under the Road Traffic Act now, particularly where one authorises councils to do such work. Such contractual arrangements will be particularly important for the exercise of probity and the

exercise of powers for the Southern Expressway, because of the unique way in which this roadway will operate in future.

As to the questions of the Hon. Sandra Kanck about the exact nature of the powers of police officers and council workers under the Road Traffic Act now and whether authorised officers in future will have identical powers, I can advise that that is so; the powers will be identical. They are provided for in section 86 of the Road Traffic Act at this time. In terms of the removal of vehicles causing obstruction or danger, section 86(1) as amended will mean that if a vehicle is left unattended (a) on a bridge or culvert or (aa) on an expressway—that is, taking into account the passage of this Bill—or (b), on a road, so as to be likely to obstruct traffic, or in any position lawfully authorised to be held or to be likely to cause injury or damage to any personal property on the road, or (c), on the road so as to obstruct or hinder vehicles from entering or leaving adjacent land, any member of the police force or any officer of the council of the area—and we add authorised officers—in which the vehicle is standing may remove that vehicle to any convenient place and, for that purpose, may enter the vehicle and drive it or arrange for it to be towed or driven.

With the amendments proposed in this Bill, subsection (1a) would read:

If a vehicle is left unattended on an expressway, the powers conferred by subsection (1) on a member of the police force or council officer may also be exercised by a person approved by the Minister.;

Subsections (2), (3) and (4) note the powers of the person removing the vehicle. So, I can certainly confirm that the amendments in this Bill provide that the authorised person will have the same powers as the police and local council authorised officers at present.

Bill read a second time.

In Committee.

Clauses 1 to 3 passed.

Clause 4.

The Hon. DIANA LAIDLAW: I move:

Page 1, after line 20—Insert:

(aa) by inserting after paragraph (a) of subsection (1) the following paragraph:

(ab) on an expressway; or.

In the context of the remarks I was making when summing up the second reading debate, this amendment identifies the powers of authorised officers in terms of towing away a vehicle. I had explained even earlier before lunch that these powers are already referred to in terms of the Road Traffic Act, but it was considered that it would not be appropriate to refer to those powers in the Bill before us in terms of regulation if they are already referred to in the Act for police officers and local councils. So, this amendment simply clarifies the situation and improves the Bill in terms of the operation of authorised officers and their future work on the Southern Expressway.

Amendment carried.

The Hon. DIANA LAIDLAW: I move:

Page 1, lines 22 and 23—Leave out 'left unattended in a manner referred to in subsection (1) is left unattended on an expressway, the powers conferred by that subsection' and insert 'is left unattended on an expressway, the powers conferred by subsection (1)'.

This is essentially consequential.

Amendment carried.

The Hon. T.G. CAMERON: I move:

Page 1, line 24—Leave out 'person' and insert 'Public Service employee, or Public Service employee of a class,'.

The Hon. DIANA LAIDLAW: I have indicated that the Government is unable to accept the amendment. The powers that we are seeking to confer in terms of authorised officers should be extended beyond 'Public Service employee, or Public Service employee of a class', as proposed by the Hon. Mr Cameron. As all members would know, the Parliament, and particularly the Legislative Council, has played a very important role in setting the conditions for tow truck operations in this State. Sometimes that debate has been quite heated, but this State has a workable and credible tow truck roster system. We envisage that that tow truck roster system would be extended to authorised persons for operation on the Southern Expressway. We certainly envisage using a Public Service employee, as the honourable member has suggested, or a Public Service employee of a class. We may also have a contractual arrangement with a tow truck company or with the RAA.

When a vehicle is impeding the smooth movement of traffic on the Southern Expressway, or if a vehicle is pulled over to the side of the road and the traffic flow is reversed, that vehicle cannot be left at that site because the occupant, upon returning to his vehicle, might not appreciate the change in traffic movement as a result of the reversible nature of the road; that vehicle must be towed away. We believe that the tow truck roster on a contracted basis, in addition to any individuals mentioned by the honourable member, the police or local authorised officers, as are presently provided under the Road Traffic Act, should ensure, on a contracted basis, that we have the best expertise available to assist with the operation of the Southern Expressway.

In those circumstances, we believe that the honourable member's amendment is too confined and does not give credit to the tow truck operating system which operates with integrity and has done so for many years in this State. We simply want to see that system applied on the Southern Expressway as it is currently applied across the metropolitan area.

The Hon. T.G. CAMERON: Would the contracts that the Minister is proposing to enter into be with a tow truck firm, and would they contain any provisions restricting that firm to allow only authorised people to operate these trucks to tow away vehicles? Does the Minister understand my question?

The Hon. DIANA LAIDLAW: Yes. Essentially, the tow truck roster operates on an authorised basis now. The police utilise a number of companies for tow truck purposes and those companies are contacted only for towing purposes. That is a contracted, authorised arrangement. We envisage a more legal arrangement with respect to the Southern Expressway because it will operate differently from any other road network in this State or in the country and, as a totally reversible road, anywhere in the world. We will have to ensure that any authorised officer is completely conversant with all the demands of the operation of this roadway. We would require any contracted, authorised officer to sign off on their understanding of the way in which this road will work.

I understand the honourable member's concerns. I know where he is coming from. I can only indicate that the Bill recognises the dire need for safeguards for the safe operation of this road. I can assure the honourable member that I will not leave one thing to risk because there has been a huge—

The Hon. Sandra Kanck interjecting:

The Hon. DIANA LAIDLAW: I will be criticised by more than the honourable member.

The Hon. R.R. Roberts interjecting:

The Hon. DIANA LAIDLAW: Even the Hon. Ron Roberts might pipe in with something. This Bill reflects the caution and care with which the Government is seeking to maximise its investment in this road and in the transport infrastructure as a whole in this State. We will not take risks. In fact, this Bill reflects that we are being extraordinarily cautious. I give an undertaking to the honourable member that, in terms of that caution, in this instance we do not want to be restricted to a Public Service employee or a Public Service employee of a class: we wish to be able to use a wider range of people, but only on the understanding that they were contracted and fully aware of the way in which the Southern Expressway is to operate.

The Hon. SANDRA KANCK: I appreciate the philosophy behind the Hon. Terry Cameron's amendment. However, I have listened to the Minister, and it seems to me that, however well intentioned the philosophy is, there is a degree of unworkability in the amendment and, as a consequence, I will not be supporting it.

Amendment negatived; clause as amended passed.

Remaining clauses (5 and 6) and title passed.

Bill read a third time and passed.

LOCAL GOVERNMENT (MISCELLANEOUS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 1 July. Page 1603.)

The Hon. P. HOLLOWAY: This Bill is in many respects a case of 'We told you so' as far as the Government is concerned. When the Local Government Boundary Reform Bill was introduced into this Parliament in 1995, the Opposition made a number of points, but two in particular. The Opposition noted, first, that the reform process was unlikely to be concluded by the September 1997 deadline, which was set for the operation of the Local Government Boundary Reform Board; and, secondly, that the rate freeze imposed under that Bill would impose unnecessarily harsh burdens on councils, particularly in growth areas.

The Opposition moved a number of amendments to that Bill when it was dealt with in this Chamber. It was subsequently subjected to a conference of both Houses. As a result of the discussions at that conference, an amendment was moved to the rate freeze provision of this Bill which gave the Minister the power to give an exemption in relation to the wage freeze. The point that the Opposition had made consistently during the debate was that growth area councils such as those in the fast growing southern or northern suburbs would face a new problem; that is, if there were new subdivisions within those areas, the councils would have to meet considerable expenditure. From the way in which the rate capping freeze was imposed in that Bill, the councils would not be able to raise any money for any additional expenses, namely, to pay for those new services. As I said, as a result of the discussions we had, an exemption clause was placed in the Bill. As I mentioned, that only came about as a result of the position that the Opposition and the Democrats took at the conference in relation to the Bill.

I well remember during the debate on that Bill that the Government had made all sorts of threats—and these were backed up in the paper—saying that the Opposition and the Democrats were being particularly obstructive over the local government boundary reform procedures. Looking back on that matter now, I think the changes made as a result of amendments moved by the Opposition and the Democrats have been greatly beneficial to the local government boundary reform process. We now have a situation where the number of local governments has been reduced by almost one half and, by and large, this has happened in a voluntary way. I believe that that process came about as a result of some of the amendments moved by the Opposition and the Democrats in this place.

What we have before us today, though, are two amendments from the Government to correct problems that were created in the rate freeze clause and also an amendment to extend the life of the Local Government Boundary Reform Board beyond the September 1997 deadline which was set in the original Bill. As I said, both those changes were anticipated at the time by Opposition members, but two years ago we were roundly criticised when we made these suggestions. For that reason, the Opposition certainly does not oppose the extension of the local government boundary reform beyond September this year. The amendment simply suggests that the Local Government Boundary Reform Board will be able to tidy up some of the loose ends beyond September 1997. That is a sensible measure and certainly we would support it.

Similarly, we support the rather more complex changes to the rate freeze provision. As I have just indicated, we anticipated that there would be problems with that clause and, as a result of the discussions at the conference, an exemption was included. However, I can understand why, rather than using a catch all exemption provision, if I can describe it in that way, it is probably better to change the way in which the rating is assessed so that we can take into account the problems faced by councils in growing areas. Again, we would certainly support that provision.

There is only one slight problem that has arisen in relation to the extension of the deadline for the Local Government Boundary Reform Board. My colleague in another place, Annette Hurley, raised some questions with the Minister during the debate in that House. Under the provision before us, after September 1997 there will be no more board initiated proposals for amalgamations of local government. However, a question arises concerning what will happen in relation to those councils currently undergoing amalgamation before the board. Of particular concern to the Opposition is the case of Lucindale council. As I understand it, proposals have been considered by a consultant to the Local Government Boundary Reform Board to amalgamate Lucindale council with some neighbouring councils in Robe and Kingston. However, I understand that there is a suggestion that the Lucindale council wishes to explore the possibility of amalgamating with Naracoorte council. The problem is that, if this cut-in clause comes in at the wrong time, then it may result in an outcome in the Lucindale area which presents difficulties for the local people.

During the second reading debate in the other place the Minister for Local Government agreed to consider the changes and I will certainly be interested in hearing from the Minister exactly what will happen. However, it is my understanding that the consultant's report into the Lucindale area is due within the next week or so. I hope that this debate will not be concluded until we come back in about a week's time when the situation in Lucindale will be much clearer and it may well be that there is no need to take the matter any further.

There are also a couple of minor matters in this Bill, although one of them involves an important principle which I will now address. There are three changes to be made to this

Bill to remove the requirement under the Local Government Act for the presentation of a constitution or rules before Parliament under the Subordinate Legislation Act. These appear in clauses 6, 7 and 14. Clause 6 relating to the rules or constitution of the Local Government Association does not particularly concern me. There is no legitimate reason why such rules or constitution should be placed before Parliament. Clause 7 refers to local government indemnity schemes. Clause 14 refers to the so-called section 200 bodies, which are bodies formed under section 200 of the Local Government Act, that is, commercial bodies which operate in more than one council area. If the amendments in clauses 7 and 14 are carried, then it will mean that the rules of those bodies will no longer be required to be presented to Parliament and be subject to the consideration of Parliament under the Subordinate Legislation Act.

Of particular concern to me is the matter of the section 200 authorities. The Centennial Park Cemetery Trust which is quite a large organisation and which is a body controlled by the City of Mitcham and the City of Unley has a large turnover of some $1 million a year. Obviously, as an authority running a cemetery that serves the entire southern suburbs and beyond, it is clearly an important authority. I recall that several years ago a problem arose when that organisation refused to present a report to the Minister for Local Government (then Mr Oswald). He had all sorts of problems in getting that body to become accountable. Ultimately, as a result of a report from consultants, a new constitution was devised for the Centennial Park Cemetery Trust. It was appropriate that that should be done: it was very much in the public interest.

My personal view on this matter is that such rules and constitutions should be presented before Parliament because, if there is any problem in relation to these authorities, then ultimately the liability may well fall back upon the constituent councils and then ultimately back upon this Parliament. I am not convinced that removing the requirement that these rules be tabled before Parliament is a particularly sound one. However, that is a matter which I wish to raise with my colleagues and I will say more about that next week, but it is certainly something that concerns me.

It would not be so significant if there were some other form of accountability for section 200 bodies under the Local Government Act. It is my view that there should be some mechanism that this Parliament has whereby the activities of such bodies could be brought under investigation by the Parliament if it were necessary to do so. It was always my understanding that when the Government ultimately reviews the Local Government Act it would put in requirements for such bodies along the lines of those we require of State statutory authorities under the Public Corporations Act. I would at least like an indication from the Minister in her summing up to this Bill as to what the Government will require in relation to the reporting of section 200 bodies.

The legislation also contains a couple of other minor matters which relate to fines and about which the Opposition has no problem. In conclusion, the Opposition is happy to support this Bill. As I said earlier, the main two changes to it were foreshadowed by the Opposition and by the Democrats when we had the conference on this Bill some two years ago. We have no problem with their now being introduced, but I would appreciate from the Minister an answer to some of the questions I have raised. I will look forward to the further debate on this matter when we resume the week after next.

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

NATIONAL WINE CENTRE BILL

Adjourned debate on second reading.

(Continued from 8 July. Page 1729.)

The Hon. T. CROTHERS: I rise as a member of the Opposition to support the major thrusts contained in this Government Bill and to congratulate the Government on a measure which could have been profitably put into place some years ago. I am reminded that a former colleague of mine, an assistant secretary at the time of the Liquor Trades Union, did move that such a centre be set up, but we were hooted to derision by some of our Party colleagues in respect of this matter.

The Hon. P. Holloway: Who was that?

The Hon. T. CROTHERS: John Drum, at a convention some years ago. I congratulate the Government on the fact that it has seen fit to introduce the Bill, and not before time. The Hon. Mr Davis crafted a very good speech when he rose to support the measure before us. To that end, in respect of the research he did—and it shows what he can do when he has the mind set to do it—his speech was very good and his statistics were extremely accurate and fairly meaningful insofar as I am concerned in relation to his contribution to the Bill.

The Hon. P. Holloway: Unlike his questions.

The Hon. T. CROTHERS: I didn't say that; that is perhaps not too charitable. In my contribution I want to make some pertinent observations. The wine growing areas of South Australia are very important in the national scheme of things. With all the new vineyard plantings that have been put in place over the past 15 or more years because of the ever burgeoning increase in the volume of exports, you will probably find that somewhere between 65 and 70 per cent of all grape juice processed annually into wine and into related products is produced in South Australia. For South Australia to continue as the leading growing State of wine grapes in this nation it has to be at the forefront of all such enterprises.

Members may recall when I spoke on another matter in respect of mail ordering for wine that I supported that measure against some opposition in this place on the basis that with the emergence of the Internet and other related computer activities it may well be that this State, being the State that supports the largest mail order firm operating anywhere in Australia, is again to the forefront in respect of being able to take its place when computer ordering of products becomes much more widespread than is currently the case Australia-wide.

The South Australian wine growing area is divided into seven main growing regions. Premier amongst them all, but currently being caught by other younger regions, is the Barossa Valley. Just about every large winery in South Australia was at one time located in the Barossa Valley. Wineries which not only are family names in Australia but which are now world renowned, such as Yalumba Smith, Seppelt, Gramp, Penfold and Yaldara (one of the more recent additions to the viticulture activities), are located in the Barossa Valley—and in other areas. For its lot the Barossa Valley has produced such eminent wine makers as Robert O'Callaghan, formerly the chief winemaker of Penfold Wines but whose wines in the Barossa Valley are now extremely sought after. Indeed, for value-adding many of his products

that are sought after overseas sell for upwards of $50 and $60 a bottle.

In addition to Robert O'Callaghan another acquaintance of mine was Peter Lehman. Peter Lehman, as some may well know, was one of the apprentices of the late great Max Schubert, surely by any standards or criteria anywhere in the globe one of the doyens of all time of winemakers. Max Schubert first produced that great South Australian wine, Grange Hermitage, and up at Penfolds Magill winery. Peter Lehman, in spite of some ill health in recent times, is still very active not only in the wine industry but in its promotion. He truly is a man of great foresight.

One of the other older areas where vines have been planted—and they were planted as a spin-off to the early Lutheran settlements of the Barossa Valley whence came what is now a truly great international industry—is the Clare Valley. The Clare Valley is the home of such wine companies—and one of them is a fairly recent edition from Sydney—as Chateau Clare at Taylor's winery (a very large winery indeed), other older wineries such as Queltaler and smaller wineries such as Jim Barry's, whose produce is very much in demand both at home and overseas and whose reputation precedes him because of his viticultural expertise in the end products that he produces. It would be an enormous disservice and failure on my part not to mention the activities of Taylor's vineyard foreman George Finn with respect to what happened when grape growers found that the demand for red wine had diminished to such an extent that they were pulling out their vines and replacing them with white veritable varieties of grape.

He was the man who truly pioneered the almost complete art of grafting. I say that with some feeling, because when you plant new rootstock it takes about six years before any fruit comes onto the vine. If you can successfully graft that root stock onto an already existing vine you get a crop after two years or so. As far as I know George Finn did not introduce the art of grafting onto already existing rootstock; that has been employed for many thousands of years, but what he did in the viticulture industry was increase from 20 per cent to 85 per cent the strike rate of acceptance by the rootstock of grafted stock. George had no training at any of the oenological schools such as Roseworthy, but he certainly had absolute expertise in the vineyard section of the wine industry. I remember him very fondly as an acquaintance well worth knowing.

Probably the biggest area of planting in the third of the seven regions, where there has been much expansion of vineyard planting, lies in the Riverland area of this State. The engine of the Riverland area lies with the wineries such as the Berri Distillery (which is a cooperative winery, to which I will return directly), and Angoves at Renmark is world famous for its product of St Agnes brandy. There are also many other little people, including the blockers who sit on their 10 or 12 hectares of land and produce grapes for sale to the crushing plants that exist in all those seven areas of South Australia.

John Angove, who is the present Chief Executive Officer of Angoves, is a very capable executive officer and a very good wine maker as well. The Berri Distillery is a cooperative winery, and there used to be many cooperative wineries in the Riverland, based largely on cooperative settlements around Loxton at the turn of the century and later. There was the Clare Vale co-op, the Berri co-op, the co-op at Renmark and a couple of others, but most of them have since gone, including the Loxton co-op, and their activities have been taken over by other wine companies.

I might say at this stage that in the 1960s and 1970s many overseas companies were coming into this State and buying wineries, because exports were almost non-existent—and I will come back to that later on. Companies such as Heinz from the United States and Hennessey from France spring to mind. Indeed, a well established old South Australian company, formerly known as the SA Brewing Company, which decided to diversify its production away from beer and into the wine industry and renamed itself Southcorp, has played a pre-eminent part not only in maintaining its head office in this State but also in ensuring that its profits are made by Australians for Australians and South Australians. That is unlike what happens now, where overseas companies buy out our industries and then proceed to expatriate their profits overseas to their parent companies, ever worsening our already bad overseas deficit problems.

The fourth area that I wish to consider is that newly developed area in the South-East, centred on Padthaway and Coonawarra. Indeed, as I am reliably informed by my colleague Terry Roberts, who lives in the area, it has expanded to such an extent that it reaches from Naracoorte right up to the Victorian border. It is significant (and no doubt the Hon. Terry Roberts will correct me if I am wrong) that there are not many vineyards on the Victorian side of the border.

The Hon. T.G. Roberts interjecting:

The Hon. T. CROTHERS: Hayward in Victoria; that does not matter: it is almost ours, anyhow. South-East wineries such as Mildara and others have become top of their tree with respect to the industry of wine making, and in no small measure is that due to the actions of excellent wine makers such as Colin Kidd in the early days of the development of the Riverland region.

However, there are some excellent boutique wineries there. Rouge Homme (or 'Red Man's', translated into English) is a small, excellent winery that has the capacity to value enhance its product far beyond the norm. Just as an aside, I am mindful of the day when as Secretary of the Liquor Trade Union my organiser, who had formerly been a drover and who was a very intelligent but unlettered man, came running into my office to say that he had managed to sign up the three employees in this winery in the South-East. I asked him where it was and he said, 'You know that place—'Rough Hommy'; you know the place.' It took me a couple of seconds to realise he meant 'Rouge Homme'.

The fifth area of significant importance to this State's wine development lies in the Southern Vales, which, like its cousin in the South-East (as indeed have all areas: it is a question of degree), has also planted an enormous number of new vines. I well recall the old-fashioned wineries such as Hardy's when it shifted from Mile End to its Tatiara plant, where it produced that very famous South Australian product, Hardy's Black Bottle Brandy, and Glenloth, which produced some excellent viticulturists and wine makers.

I recall the great Pam Dunsford when she was cutting her teeth at Glenloth. Pam was always a very pleasant person and a very great wine maker to add to the ever expanding coterie of great wine makers on an Australian scale that Australia in general, but South Australia in particular, seem to be able to produce.

It just will not sell! For *Hansard* purposes, the speaker drank some water!

The other area of significance is the Adelaide Hills, which has always had vineyards in its area. Gramps, for instance, had vineyards many years ago at Langhorne Creek. Of recent note, again in keeping with the rest of the State, additional vineyards have been planted, and places such as Piccadilly and Oxford Landing spring to mind, with wine maker Brian Croser being another excellent wine maker.

In fact, this is such a popular place for the export of wine that my second cousin, just a little bit older than I—he is 80—and still living in England, on one occasion when he telephoned me asked me what I knew about a South Australian wine which was called Oxford Landing, and I was able to assure him that it was a good product and that he ought to buy it, and he subsequently did.

The seventh area which, during recent years, has undergone considerable contraction is the inner and outer greater metropolitan area of Adelaide. Some 20 years ago bottling halls were still operating in the Adelaide square mile, and I refer to places such as A.E. Tolley of Waymouth Street and Seppelt's bottling hall in Flinders Street. Cleland (which has since been taken over by Southcorp) had a brandy bottling hall in Brown Street, just beside the warehouse premises of Yalumba Smith. Gramps, in Carrington Street, had some capacity for bottling, although in latter years it became a warehouse. A.E. Tolley has shifted to the southern part of Adelaide and still continues on, and in fact I think is now the South Australian agent for Foster's lager. Such is the disparity that the wine industry encompasses within the breadth of its operations.

The wine making tradition still continues in metropolitan Adelaide. Tolleys (and I think Angove's, although it may have gone) still has a bottling hall at St Agnes on the North-East Road and still has vineyards. Because of the pressure for homes by the Adelaide dwelling public and the increased population of Adelaide, the area surrounding Golden Grove had many vineyards spread over it some 12 to 15 years ago, before it was subsumed and divided into home lots.

The winery that produced our most famous wine was Penfolds at Magill. The great Max Schubert—truly a man of world renown in the art of wine making—first produced Grange hermitage in that winery using those grapes, some of which still exist. Another area of importance to Adelaide was in the Marion area down along Sturt Creek, where Hamilton's winery still reigned supreme up to 10 years ago, but unfortunately it has gone. As I said, during the past 10 years an additional number of new plantings have commenced in this State—and the Hon. Legh Davis in his excellent speech has covered that.

I wish to point out something about our export industries that most members here may not know: the Southern Vales Winery used to be owned by English interests. It made red and fortified wines, and most of those, up to the outbreak of the Second World War, were exported to the mother country—to Britain. That was only one of a number of wineries that had United Kingdom interests vested in them. The war broke that sequence of exports and it never recovered.

The absolute death of that export industry at that time occurred when the British decided, in their own interest—and I am not blaming them for that—to join the European Economic Community, and exports from this nation shrunk from some £35 million to £40 million in 1937-38 to $4 million or $5 million until Jim Hardy came a long and, with a breadth of vision rarely seen, decided that Hardys would again commence pushing for export markets. So successful was he in respect of that that our exports over the past financial year from Australia to other countries—and I point out from companies still owned in the main by Australian and South Australian families—accounted for $595 million.

That is not a bad climb nor a bad bit of evidence of good rural entrepreneurial effort and capacity. It is also not a bad way to maximise the value enhancement of our exports, not for the wine industry but for exporting bulk grape juice for further processing. Although that product is made here, it is still very much a large employer of people living in our rural hinterlands.

One of the problems that has created for the wine industry—and I understood and know what the Hon. Mr Davis referred to—is the cellar door sales that have been entered into with respect to most of the larger wineries and some of the boutique wineries. Unfortunately, there are many little wineries that do not have the capital or the excess to develop a capacity for cellar door sales. As the industry expands and new boutique wineries come on stream that position, in at least in the short term, will be further exacerbated.

The beautiful thing, I think, about the Wine Centre being built in Adelaide is that the present Government has been able—and I draw members' attention to one of the few good things that the present Government has done—to build up Adelaide (mind you, it was started by the previous Government) as a convention centre of excellence. I think the whole of South Australia owes a debt of enormous gratitude to the activities and work of Bill Sparr with respect to that convention area. But conventions come, they do their business, and they may have one free day and a bus trip to the Barossa Valley. However, that is the length and breadth of their stay; and indeed they may not purchase any of our wines whatsoever.

Indeed, the smaller wineries may well miss out on any visitation at all. That convention/visitation rate is increasing with great rapidity. This wine centre (and this is why I am so much in favour of it) will concentrate in one area all the produce of the wineries of South Australia that want to use it, big and small. It will allow a very large segment of our overseas and interstate visitors from conventions to be able to go to a winery right on their door to sample and purchase the excellent product of our South Australian vineyards and wineries.

I understand that some comment was made about the tram barn, and it was asked why we should have it there and not on the Torrens Parade Ground, but I do not agree with that. I believe I am essentially an environmentalist who believes in promoting a sustainable environment. But in order to promote sustainable environments we must have in place a work force which is the maximiser of sustainable employment. I think, as the excellent speech of Mr Davis would show, that exports, over the next three years will, provided that we can get the grape juice in sufficient volume to support it, go from some $597 million to $1 000 million. That is truly remarkable.

This industry will employ some 3 500 to 4 000 more people, so I say to those who are concerned about the fact that the tram barn is in the parklands, in order to be an environmentalist who does not lose credibility, one must always weigh on the scales of balance the good that any action of Government will do for the community, whether it be in the field of employment or the environment. We must bear in mind that the only progress that societies can make in respect of maintaining and sustaining an environment for our children

and grandchildren is to ensure that Governments have the money to educate our young population, to secure the necessary infrastructure supplies such as water and foodstuffs and, above all else, to ensure that we have a medically fit community who have access to all the treatments that can possibly be given.

Adelaide has that and I want to see that sustained. I do not have the same problem about the tram barn. However, as an aside to the Leader and the Attorney-General, I understand that $20 million is to be spent to ensure that overseas visitors do not think that they are visiting a rejuvenated pigsty but a wine centre of excellence not only in respect of what it does, and I am very chuffed with that, but in the way it presents itself. Half the success that lies with the good chefs of this world is not so much in the dishes they make but the manner in which they present them. So it is with the wine industry.

It gives me some pleasure, 10 years after my colleague John Drumm first mooted the proposition, to support the Government in this project because it deserves nothing but absolute support from this Parliament. I commend the Bill.

The Hon. J.F. STEFANI secured the adjournment of the debate.

STATUTES AMENDMENT (SEXUAL OFFENCES) BILL

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

RETAIL SHOP LEASES AMENDMENT BILL

The House of Assembly intimated that it insisted on its amendment to which the Legislative Council had disagreed.

Consideration in Committee.

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

That the Legislative Council do not further insist on its disagreement to the House of Assembly's amendment.

The Hon. ANNE LEVY: I suggest that we should still insist on it.

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. Elliott, K.T. Griffin, Anne Levy, P. Nocella and Caroline Schaefer.

LIQUOR LICENSING BILL

The House of Assembly intimated that it insisted on its amendments Nos 2 and 3 to which the Legislative Council had disagreed.

Consideration in Committee.

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

That the Legislative Council no longer insist on its disagreement to the House of Assembly's amendments Nos 2 and 3.

The Hon. ANNE LEVY: I suggest that the Council insist on its amendments.

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, P. Nocella and Caroline Schaefer.

NATIONAL WINE CENTRE BILL

Adjourned debate on second reading (resumed on motion).

(Continued from this page.)

The Hon. R.I. LUCAS (Minister for Education and Children's Services): I thank members for their contribution to the debate on the Bill. Whilst I will not address all the issues raised in members' contributions to the second reading—

The Hon. T.G. Roberts interjecting:

The Hon. R.I. LUCAS: The Hon. TC is not here at the moment, but I am sure we can address his erudite comments during the Committee stage of the debate should he join us. Advisers to the Minister have been able to provide me with some notes in relation to a number of issues, and I share that advice with members.

Both the Government and the wine industry have publicly stated that the National Wine Centre needs to be sensitively and sympathetically integrated with the Botanic Gardens and other adjacent facilities. Therefore, all members can have confidence that the facility will not be in conflict with its environs. The Government also totally supports the Opposition's call for the public to have the opportunity to examine and comment on the plans for the National Wine Centre. In fact, the Government would be happy to undertake a public consultation process, including public exhibition of designs, the ability of the public to make submissions and for those submissions to be heard by the Development Assessment Commission, and for a report to be tabled in Parliament that would include those submissions.

However, as the Government has indicated previously, it believes that the proposal by the Opposition to require a PER process is an inappropriate method by which to undertake this process of public involvement. The Government also believes that it is an inappropriate use of the PER process in that Parliament will have addressed all issues relating to the National Wine Centre concept, with the exception of the design, in this piece of legislation.

The Leader of the Australian Democrats stated in his speech to the House that the Government had not investigated any other alternatives for locating the wine centre apart from the old bus depot at Hackney. As my colleague, the Minister for Transport stated in her very incisive response on Tuesday evening, many other alternative sites were considered by the Government and the committee (which I believe she chaired) both before and after the commissioning of the Ernst & Young report to investigate the feasibility of establishing a National Wine Centre at Hackney.

Again, the Leader of the Australian Democrats called for the Adelaide City Council and the board of the Botanic Gardens to have input into the design process, and I am advised that that proposal by the Leader of the Democrats is supported by the Government. In fact, the Government has already invited representatives of those two bodies to participate on the National Wine Centre steering committee, an offer which I am told has already been accepted. Both Alderman Graham Inns and Ms Susie Herzberg have been appointed to the steering committee for the design and development phase of the National Wine Centre project.

The Council may also be interested to know that an offer was extended to the Chairman of the Adelaide Parkland Preservation Association, Mr Ian Gilfillan, to have input into the design process. My advice is that Mr Gilfillan has declined that offer to participate.

In response to concerns expressed by my colleague the Hon. Robert Lawson, I can assure the Council that the National Wine Centre will in no way undermine or undercut the activities being conducted by the wine regions and the wineries of this State. To the contrary, I am advised that one of the major objectives of the centre is to act as a catalyst to encourage visitors to visit the wine regions, to gain first-hand experience of the winery, vineyard, winemakers and their wines. While the Tasmanian wine industry body, the Vineyards Association of Tasmania, is not represented on the board of the National Wine Centre, the steering committee has liaised with and the board will continue to liaise with the Tasmanian industry on the establishment and ongoing operations of the centre.

An honourable member raised the issue of the boundary of the National Wine Centre site. I am advised that the distance between the boundary of the designated site for the National Wine Centre and the Bicentennial Conservatory at its minimum distance is approximately 9.5 metres. Although the boundary is in reasonably close proximity to the tropical conservatory, the intention to provide a seamless integration of the two developments will ensure that there is a natural flow between the two.

I would also assure the House that the National Wine Centre project is being developed in the total context of its environs, and the conservatory is an extremely important element in that setting. One issue that has received an amount of publicity due to the proximity of the wine centre to the Botanic Gardens has been disease control, particularly phylloxera, in the proposed vineyard. The steering committee is working with the relevant industry bodies—the Grape and Wine Research and Development Corporation and the Phylloxera Board—to ensure that the vineyard is not only best practice but promotes public awareness of the ways to maintain South Australia's unique phylloxera free status.

As I said, I did not address all the issues raised, but they were a number of the issues raised by members, and I thank members for their broad indication of support for the legislation.

Bill read a second time.

In Committee.

Clause 1.

The Hon. P. HOLLOWAY: In respect of the Government's plans for the Goodman building, the Minister will recall that some of the original plans drafted by the consultants' report were to use the Goodman building for the centre. It is my understanding now that the Goodman building will be used to house the relative wine bodies that will be moving into the National Wine Centre. Is the Minister able to say how much is expected to be spent on upgrading the Goodman building, and what changes will be made to the building to house those bodies?

The Hon. R.I. LUCAS: I am advised that the Government is not in a position to provide answers to that question. Much work is needed to be done in relation to the final design stages of the National Wine Centre. We are not in a position to provide that information to the honourable member at this stage.

The Hon. T.G. ROBERTS: Is the Minister able to say whether the preservation of both buildings will be part of the incorporated design, or is it too early to tell?

The Hon. R.I. LUCAS: I am advised that, at this stage, it is too early to say.

The Hon. M.J. ELLIOTT: I note the response to that question. My advice is that the tram barn will be removed and therefore will not be used by the wine centre. Is that information inaccurate?

The Hon. R.I. LUCAS: I am advised that, at this stage, no final decision has been taken in relation to that issue.

The Hon. P. HOLLOWAY: Has the Government sought Federal funding for this project under the Federation Fund, I think it is called, and, if so, will the Minister provide details of that funding?

The Hon. R.I. LUCAS: I am advised that the Premier has made a public statement in relation to seeking Federal funding from the Federation Fund. I will need to take some advice from the Premier and his advisers as to how far that process has progressed. I would be happy, in due course, to correspond with the honourable member and provide a response. At this stage, I am not sure whether the Federal processes for the Federation Fund have formally been constituted, but certainly we will take advice from the Premier on that issue and provide the honourable member with an answer.

Clause passed.

Clauses 2 to 5 passed.

Clause 6.

The Hon. P. HOLLOWAY: I move:

Page 4—Leave out this clause and insert—

Application of Development Act

6. The Development Act 1993 will apply to a proposal by the Centre to undertake development of land of the Centre as follows:

(a) section 49 of that Act will apply—

(i) whether or not the development is to be undertaken in partnership or joint venture with a person who is not a State agency; and

(ii) as if an application for approval of the development under that section were only required to be lodged with the Minister within the meaning of that Act;

(b) on the lodging of such an application, that Act will then apply as if a direction had been given by that Minister and a determination made by the Major Developments Panel under section 49(16a) of that Act that a PER be prepared with respect to the development.

As I canvassed this amendment during my second reading contribution, I will briefly summarise the arguments in favour of it. The Opposition strongly supports the National Wine Centre concept. We accept that the site of the National Wine Centre should be the former bus depot on Hackney Road, given that any further prevarication about this matter could place the whole project in jeopardy. However, as I indicated in my second reading contribution, the Opposition is not prepared to give the Government a blank cheque in terms of what happens on the site. We suggest, through this amendment, that a PER (Public Environment Report) be undertaken so that the public have the opportunity to comment on the plans and designs for the building.

We believe the public has a right to comment. We believe that public comment will be helpful in achieving the optimum design for the building. I point out that the PER process is a speedier means of allowing the public to contribute than would be a more detailed environmental impact statement. This amendment gives the public an opportunity to comment on the final design and plan of the building. I commend the amendment.

The Hon. R.I. LUCAS: As I indicated in my remarks to close the second reading debate, the Government's position is one of opposition to the amendment that he has moved on behalf of the Opposition. As I indicated during the second reading debate, the Government supports totally the Opposition's call, and I believe most members consider that there ought to be some process of public consultation and an

opportunity for the public to be able to examine and comment on the plans for the National Wine Centre. As I also indicated during the second reading debate, the Government is happy to undertake such a process of public consultation, including the public exhibition of designs, the ability of the public to make submissions, for those submissions to be heard by the Development Assessment Commission and for a report subsequently to be tabled in Parliament, including those submissions. However, the Government's position is that the proposal by the Opposition in this amendment to require a PER process is an inappropriate method by which to undertake this process of public involvement. The Government also believes that it is an inappropriate use of the PER process, in that Parliament will address most of the issues in relation to the National Wine Centre in this legislation—with the exception, obviously, of the matter of final design.

I am also advised that the PER process could significantly increase the time before construction can commence. The advice provided to me, as the Minister in charge of the Bill in this House, is that, potentially, that estimated additional time could be three to four months. That is obviously a critical issue. I can understand the Opposition, at a time when an election is pending, not wanting to see a significant development proceeding in South Australia—

The Hon. T.G. Roberts interjecting:

The Hon. R.I. LUCAS: This is a more clever way of doing it, because of the significant opposition.

The Hon. T.G. Roberts interjecting:

The Hon. R.I. LUCAS: Not like you to be more clever?

The Hon. T.G. Roberts interjecting:

The Hon. R.I. LUCAS: Whenever we can start and move the process along, it will be further delayed if this amendment is carried, according to the advice that I have received.

The Hon. T.G. Roberts interjecting:

The Hon. R.I. LUCAS: You are being constructive, is that right?

The Hon. T.G. Roberts interjecting:

The Hon. R.I. LUCAS: I would never describe the Hon. Terry Roberts and the Opposition as being constructive in relation to these issues. It is a difficult issue. The Labor Party and its Leader have purported to give public support for this proposal, and the proof of the pudding will be in the eating. It will be a question of whether or not the Labor Party, in the processes in this Chamber and any subsequent processes of Parliament, will be prepared to demonstrate absolutely its commitment to this development, or whether it will seek to move amendments during the Committee stage, which will be an attempt by the Opposition to delay the construction and the commencement of this important project.

As has been indicated by a number of members, time is of the essence in relation to this issue. The Hon. Mr Elliott scoffed at the notion that this issue had taken some time to discuss. But that is history at this stage. We can all talk about what has gone on in the past, but what we can control is what will occur in the future. It is within the power of all members in this Chamber, and the other House, to decide whether or not we can get on with this project speedily, or whether we will set in place processes which, potentially, could significantly delay the commencement of the project. As Minister, at this stage I will not be churlish enough to suggest that the sole motivating influence upon the Opposition would be to seek to delay this project in the environment of an election.

The Hon. T.G. Roberts: What is the point of that?

The Hon. R.I. LUCAS: Some people might suggest that that would be a desirable course, for a Government to be able to blame an Opposition that is potentially seeking to delay a major development project. But, at this stage, I would like to give the Opposition the benefit of the doubt. Perhaps it does not realise the potential negative impact on development in South Australia of the amendment that it is moving. Now that it is aware of it, based on the advice that has been provided to the Government, perhaps the Opposition will be prepared to reconsider what I would hope is an inadvertent result of the amendment that it is moving in the Legislative Council.

I would hope that, in the subsequent discussion, perhaps at ministerial level or even higher, there can be some agreement with the Labor Party that whatever amendment it might seek ultimately to move might not be of such a scope and nature that would see a significant delay in what is an important project, which is supported almost unanimously by the wine industry.

Again, I note that the Hon. Mr Elliott is aware of one or two people who do not support this project, but let me say advisedly that almost unanimously the whole wine industry, which is strongly supportive of this project and of the Government's position on this issue, has made its views known in no uncertain terms to the Leader of Opposition and, I understand, the Leader of the Australian Democrats as to what they want to see accomplished by this Parliament: that is, a speedy passage of the Bill and a speedy commencement of the project on the proposed site. For all those reasons, the Government strongly opposes the amendment moved by the Opposition.

The Hon. M.J. ELLIOTT: It is quite plain, as I said during the second reading stage, that this Bill will pass and a National Wine Centre will be built on the parklands. I have made it quite plain that I do not see that as acceptable, but I know that that particular argument will be lost. I have already made the point that unfortunately in the case of the parklands, unless one draws a line and says, 'That's it', there will always be a demand for more and more of this land. There would not be any industry that would not find it attractive to have a major office or centre sited on the parklands: it is a magnificent place to be.

I understand the numbers are against me and that that argument will be lost. In those circumstances, my next objective is to ensure that what is built is not only an absolutely magnificent wine centre in itself but also sympathetic to the Botanic Gardens, sympathetic to the parklands as a whole, and particularly sympathetic to the site on which it will be situated. We have to be very aware that we have the Bicentennial Conservatory very close by. The Government has certainly been arguing that, in terms of their both being attractions, they have the capacity to work to assist each other. As an example, I know that some preliminary work that has been done quite appals people who have an interest in the Bicentennial Conservatory.

In terms of amendments that I will be supporting—and recognising that it will be built in the parklands—my aim is to ensure that we get something which is magnificent not only in itself but in the context of the area and something that is totally sympathetic. Of course, I understand that some of those things are in the eye of the beholder, but nevertheless I will be seeking to achieve that goal by way of amendment.

The Hon. T.G. Roberts interjecting:

The Hon. M.J. ELLIOTT: The Big Grape: that would be good, wouldn't it? They could get the guy who did the Big Orange in the Riverland to do a Big Grape as well. If that is the idea and you have official confirmation of that, I feel

relaxed and I will sit down and not worry about it any more!

The Hon. T.G. Roberts interjecting:

The Hon. M.J. ELLIOTT: It would have saved a lot of angst. I suspect that among my amendments and the one we are currently debating are some essential ideas that do need to be picked up to maximise the chance that what we get is something magnificent. On previous occasions in this place I have congratulated Minister Wotton on the processes he undertook in relation to the Mount Lofty summit development. The only criticism that I had—and it is one that he personally acknowledges—was that, unfortunately, the consultative group that he established was not involved in both the design and construct stage. He recognises that, if that had been so, things would have been even better at the summit than they are. We talk about world's best, and frankly that is what we have to be aiming for. It is a bit of a catchcry, but it is possible.

From conversations I have had with both Anne Ruston and representatives of the wine industry, I believe that some form of a consultative group has been set up. At this stage, I do not know much more about that than what has been reported by the Hon. Mr Lucas. If I recall correctly, the Minister said that the Corporation of the City of Adelaide has a representative on that group and that the Botanic Gardens is also involved, but I do not know who else is represented on that group.

The Adelaide Parklands Preservation Association has been approached but, as the Bill has not been passed and therefore there is no approval, I am sure that the Minister would not be surprised if the Parklands Preservation Association says that it cannot be represented on that group. I ask the Minister whether he can inform me of the full composition of this consultative group, whether or not after the passage of this legislation the Parklands Preservation Association will again be invited, and whether or not either the Civic Trust or the Architecture Foundation are involved. I ask those questions in the context of the concept of public input.

The Hon. R.I. LUCAS: I ought to make clear what I said about the Hon. Mr Gilfillan. An offer was extended to Mr Gilfillan to have input into the design process, but to date he has declined that offer. It was not actually a formal request to join the steering committee.

Progress reported; Committee to sit again.

STATUTES REPEAL AND AMENDMENT (DEVELOPMENT) (ENVIRONMENTAL IMPACT STATEMENTS) AMENDMENT BILL

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

RETAIL SHOP LEASES AMENDMENT BILL

A message was received from the House of Assembly agreeing to a conference to be held in the King William Room at 4.45 p.m.

LIQUOR LICENSING BILL

A message was received from the House of Assembly agreeing to a conference, to be held in the King William Room at 4 p.m. on Monday 21 July.

NATIONAL WINE CENTRE BILL

In Committee (resumed on motion.)

(Continued from this page.)

Clause 6.

The Hon. R.I. LUCAS: I am advised that if we have missed one of the representatives we will correct the record. Broadly, the groups represented on the steering committee comprise Wine Industry Association representatives from South Australia, Victoria, New South Wales and Western Australia, the Wine Makers Federation, the Botanic Gardens board, the Adelaide City Council and senior representatives of national wine companies. I am advised that representatives of the steering committee have met with the Chairman of the Adelaide Parklands Preservation Association already and that a consultation process with stakeholders has already commenced. In addition to consultation with the Adelaide City Council and the Botanic Gardens board, groups already consulted to date include the Adelaide Parklands Preservation Association, Saint Peters council, the East End Coordination Group, St Peters College and the National Trust. I am sure that a number of other groups will be consulted, and I will take specific advice in relation to some of these groups which the honourable member has mentioned but which have not already been mentioned in my reply.

The Hon. M.J. ELLIOTT: In earlier consideration a comment was made about the fact that Ian Gilfillan, representing the Adelaide Parklands Preservation Association, had been asked to be involved in some way and had at that stage chosen not to. I wonder whether or not the Government would contemplate having a representative—and I stress 'a representative' of the parklands association—on the consultative group itself. For political reasons they may decide that they do not want a particular individual, but would they consider having someone from that organisation within the consultative group?

The Hon. R.I. LUCAS: As I said at the outset, Mr Gilfillan has been invited to provide input to the design process but to date has declined the offer. I understand at the very least that, if this legislation is passed, that offer might be taken up again with the Hon. Mr Gilfillan.

In relation to the subsequent and further step as to whether the association might have a representative on the steering committee, neither I or my adviser is in a position at this stage to give an answer to that. I will take it up with the Minister to see whether or not that might be considered.

The Hon. M.J. ELLIOTT: There is a possibility that this Bill might go backwards and forwards between the Houses: could we get a response before we revisit it, if that happens? If the question of the Civic Trust and/or the Architecture Foundation is involved, that might be further addressed.

The Hon. R.I. LUCAS: As this Bill moves between both Houses, if it might mean the difference of the Hon. Mr Elliott's supporting the legislation, all things might be able to be discussed. The passage of the Bill from this to another Chamber, backwards and forwards, may allow consideration of a range of options. At this stage I cannot give any commitment on behalf of the Government. At the very least I am advised that the potential for consultation would exist with a variety of these groups. To what degree they may be involved in the steering committee I cannot indicate, but if it proves to be a significant issue that may determine the successful passage of this legislation without this delaying amendment's being part of it, I am sure there could be some discussion from interested parties with the Minister responsible to see what might be able to be negotiated.

The Hon. M.J. ELLIOTT: The Minister indicated earlier the Government's intention to carry out consultation. Has the

Government developed a structure for that consultation?

The Hon. R.I. LUCAS: In broad terms, the advice is that, once this Bill has passed both Houses of the Parliament, the steering committee would be involved in an extensive series of consultations with stakeholders and a variety of interested groups. It may be that there are other suggestions in terms of what the public consultation process should involve, and I would need to take further advice from the Minister in relation to the other specific detail, but in general terms that is the advice I have available at this stage. If it is a significant issue or if members have particular suggestions they believe are important in terms of the Government's proposed consultation process, I would be pleased to hear them and pass them on to the Minister responsible.

The Hon. M.J. ELLIOTT: I indicate at this stage that I will be supporting the amendment. The challenge I lay to the Government at this point is to come up with a form of consultation which has a structure that can be seen to be a genuine consultation.

The Hon. R.I. Lucas: What do you mean?

The Hon. M.J. ELLIOTT: Saying 'we are going to consult' in itself I would call an unstructured consultation.

The Hon. R.I. Lucas: What are you looking for in terms of a structured one?

The Hon. M.J. ELLIOTT: We need to take the PER process. You may look at the bits that are irrelevant, take the bits that you can adopt—ways that it might be improved—and develop a structure in that sense. You might talk about whether there will be a period during which people can make a written submission, and a range of things like that. We cannot do it on the run here, but it must be something which the Opposition, the Labor Party and the Democrats can be convinced is a genuine consultation. The genuineness of the consultation can be partly assured by the structure under which that consultation will occur.

The Hon. R.I. LUCAS: I can be reasonably confident in being able to assure the honourable member that the Minister responsible would be prepared to sit down and talk about something along the lines that the honourable member has raised. But, from the Government's viewpoint, it should not be one that from our advice would see too lengthy a delay in the process. It should be a process which would allow consultation in some sort of structured or formal way but which would not see too long a delay in the ability to get on with the project. From what I gather from the honourable member, he is interested not in a lengthy delay for the project but in a formal, structured consultation which would allow various groups and parties to put their views on the project. Certainly, within those parameters I would be pretty confident that the Minister would be willing to talk to the honourable member or anyone else to determine whether some form of structured public consultation, which is not inordinately long, might be agreed by all parties.

The Hon. M.J. ELLIOTT: When we talk about a delay, any genuine consultation process will still need a time frame and you will not do it in two weeks so, in so far as the PER process can contain components which might be irrelevant and therefore that creates a delay, that might be reasonable but, in terms of ensuring that there is adequate time for people to be informed and have the opportunity to make a submission and that there is proper time for that submission to be received and properly considered, there would be a delay. The question is whether it is an inordinate delay. Obviously, consultation will take some time, and it is a question of what can be done to streamline it without making it a sham.

The Hon. R.I. LUCAS: I agree with that. I think the honourable member has agreed with me that we are not looking for an inordinate delay. That is the position I have just indicated and he has agreed with that. On that happy note, at least this partial agreement indicates a willingness to move on and have further discussions about trying to find something that meets those broad parameters.

The Hon. P. HOLLOWAY: I thank the Hon. Mike Elliott for his indication of support. I understand the points he has been making; it is certainly not the wish of the Opposition to delay this project unduly. In response to the comments the Minister made earlier, I simply point out that this project was first mooted publicly by the Government some seven or eight months ago and it is certainly not the Opposition's fault that it has taken this long for the Bill to come into this Parliament. After all, we had—

The Hon. M.J. Elliott interjecting:

The Hon. P. HOLLOWAY: Exactly—some two years ago, so it certainly was not our wish. We have no wish to delay this project unduly.

The Hon. R.I. Lucas interjecting:

The Hon. P. HOLLOWAY: As I indicated in my second reading speech, the point is that the Premier wrote to his colleague in Canberra suggesting that the Torrens Parade Ground be used for this building in March, three or four months after the site at Hackney Road had first been suggested, so it has been this dithering and prevarication about this site that has caused the problem, not the Opposition. What we seek to do with our amendment is a very simple principle. We are talking about a major public project on publicly owned parkland. We simply say that the people of this State should have at least some opportunity to comment on the building that is being built there, and I do not think we need go further than that. If the amendment is not perfect, we will see, but I would have thought that the principle behind it was a very simple, straightforward proposal. We simply believe that the public of this State should have an opportunity to comment on what after all we all hope will be a significant public building. We hope that the centre will be a symbol of which the people of this State can be proud. We simply say they should have the opportunity to comment on it.

Amendment carried; new clause inserted.

New clause 6A.

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

Page 4, after line 11—Insert new clause as follows:

Advisory committee

6A.(1) An advisory committee is to be established to provide advice to the centre on landscaping and building design and construction for the centre's land and facilities.

(2) The committee's advice is to be directed towards ensuring that any such development is sensitive to and compatible with its location within the Botanic Gardens precinct and the Adelaide parklands.

(3) The committee is to be appointed by the Minister and will include representatives of the following bodies:

(a) the Board of the Botanic Gardens and State Herbarium;

(b) the Corporation of the City of Adelaide;

(c) the Adelaide Parklands Preservation Association Incorporated;

(d) the Civic Trust of South Australia Incorporated;

(e) the Architecture Foundation South Australian Branch Incorporated.

(4) The committee is to be consulted regularly and its advice taken into account by the centre before and during the carrying out of landscaping and building design and construction for the centre's land and facilities.

(5) Subject to any directions of the Minister, the committee may determine its own procedures.

This touches on the concept that I discussed during my discussion on the last amendment about consultative processes. In the previous amendment, we have addressed a public consultation process. However, there is a clear need for a genuinely representative ongoing consultative process as we proceed from the concept to design, construction and, of course, landscaping. These stages will be absolutely crucial. As I said, the Hon. Mr Wotton, for one, would agree to such a process. I am proceeding with the amendment on the basis that I still do not have an absolutely clear picture in my own mind about what it is that the Government has set up and exactly how it will work. I hope the Opposition will take a similar approach to that which I took on the previous amendment—that there are some important issues in this. They might be addressed in other ways but, in the first instance, given the sort of location we have, we want to make sure we get the very best. What I am proposing here—or something that picks up the basic ideas within it—will be helpful.

The Hon. R.I. LUCAS: On behalf of the Government, I passionately oppose the amendment. This is now tied up with the debate we have just had on the last amendment. Therefore, it will not be productive in entering into all the reasons why we are opposed to various sections of this amendment. The undertaking I have given on behalf of the Government for further sensible discussion within the parameters I outlined earlier will incorporate discussion on the ideas that the honourable member has canvassed in this amendment. The Government will oppose this amendment.

The Hon. P. HOLLOWAY: As the Minister has just said, it is quite clear from the tenor of this debate that we will be having a discussion at some stage after the Bill has moved between Houses into the clauses that regulate the design and planning of the centre. The Opposition does not believe it is necessary to support this amendment to facilitate that. Clearly, the matters raised by the Hon. Mike Elliott can be introduced when we are discussing my previous amendment, because it covers the same subject matter. The Opposition will not be supporting the amendment. However, it would be quite clear to anyone who has listened to the debate that we will be discussing all these issues at a conference. At that time, there will be the opportunity to consider any of these matters raised by the Hon. Mr Elliott's amendment.

New clause negatived.

Remaining clauses (7 to 30) passed.

Schedule.

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

Page 15—Leave out the schedule and insert new schedule, as follows:

For new schedule, see page 1842.

Having said that I am concerned about any new development on the parklands and a need to try to protect the parklands, I have had a close look at the proposals that have come forward so far, as have quite a number of other people.

It is clear to me that the wine centre should not need the whole of the site that is included in the original schedule in the Bill. Not only does it not need it but also the northern 60 per cent of the site is that area which is directly adjacent to the conservatory, and if that is developed inappropriately—and I would argue that anything other than Botanic Gardens development would be inappropriate—it would significantly impact upon the aesthetic value of the Bicentennial Conservatory.

During the second reading debate, I expressed concern that there seemed to be a keenness among some sectors of the wine industry to establish within the Botanic Gardens precinct some 4 or 5 hectares of working vineyard as part of this proposal. That is an extraordinary aim. According to the schedule that I seek to insert, there is still room for some vineyard development, but it is more likely to be of the order of 1.5 to 2 hectares, with capacity to put some vineyard in front of the Goodman building and south-east thereof so that it creates the aura of a vineyard. That is quite possible and can be done sensitively.

Under my schedule, the new northern boundary runs between the Goodman building and the tram barn. Essentially, the site would be the Goodman building and all parts of the Government's proposed site to the south of it. People should be aware that, before this project was developed, the Botanic Gardens had plans to create a new entrance off Hackney Road. It was to be a major feature of the Botanic Gardens. A boulevard was to run into the Botanic Gardens leading to the southern end of the tropical conservatory. Now that land is to be taken from the Botanic Gardens.

It is possible for a wine centre to be developed without using all the site and for the Botanic Gardens to be able to build its proposed boulevard, which will be complementary to the wine centre. The development of the northern part of the site would then occur under the control of the Botanic Gardens, and that would put the tropical conservatory in the best context; and that in turn will be complementary to the wine centre.

Some of the early draft ideas were quite frightening because they included an underground building to the north of the tram barn, despite the water table concerns, with an artificial hill and vineyards growing over the whole lot in front of the tropical conservatory. That was only a concept, but it is that sort of concept that has been considered. Most people would agree that covering the northern part of the site with a vineyard would not be complementary to the Botanic Gardens or to the tropical conservatory.

That is why I have moved this amendment. It will place only one restriction on the wine centre: it will not get 5 hectares of working vineyard between Hackney Road and the tropical conservatory. It will still have ample room for some vineyard development on the remainder of the site.

The Hon. R.I. LUCAS: The Government strongly opposes the amendment that has been moved by the honourable member. In his explanation, the honourable member indicated that the smaller site that he recommended would still allow vineyard development of 1.5 to 2 hectares. The advice provided to me is that the total site on his schedule is less than 2 hectares, whereas the total site in the Government's Bill is just on 4.1 hectares.

The Hon. M.J. Elliott: Perhaps I got my acres and my hectares confused.

The Hon. R.I. LUCAS: I think the honourable member might have got his acres and hectares confused. It is certainly not possible, so I am advised, to have a vineyard development of 1.5 to 2 hectares on his proposed site plan. As I said, the total site is somewhat less than 2 hectares.

Obviously, the Government opposes the amendment. At this stage I do not intend to go into too much detail about the reasons for the opposition, but we understand that there has not been consultation with the board of the Botanic Gardens about this amendment. The Government believes that the amendment would severely compromise the ability of the centre to be presented in the total context and to create the

ambience and charm that the surrounds of the centre will be required to deliver. As we have indicated before, the National Wine Centre will be established as an integrated development with the Botanic Gardens.

The Hon. M.J. ELLIOTT: I want to respond to one of the Minister's comments. He said he understood that I had not consulted with the board. Officially, when I initiated a couple of conversations, it became plain that a lot of people had a great deal of difficulty because they were public servants. I understand the whole board is comprised of public servants at this stage.

The Hon. R.I. Lucas: Conversations with whom?

The Hon. M.J. ELLIOTT: With some individuals. Let me put it that way. I cannot take it further. The board was not in a position, nor were individual members, to take any sort of a stand in relation to the issue. It is certainly true that there has not been any formal consultation and there could not be because of the situation in which members of the board find themselves.

The Hon. P. HOLLOWAY: The Opposition will not support the amendment. All of us want to see a National Wine Centre that will be a credit to this State, and it is important, therefore, that it have the best possible design. As I indicated in my second reading speech, I believe the design of the centre will present something of a challenge. On the site there are existing heritage buildings. The new centre will have to fit in with the conservatory and the Botanic Gardens next to it, as well as with the buildings on the Hackney Road site that are to remain. If we are to get a centre which does this State proud, we should give the architects the maximum flexibility to use the site to its full potential. By restricting the site to a small portion, we would be creating unnecessary difficulties for those planning the centre. For those reasons we will not support the amendment.

Amendment negatived; schedule passed.

Title passed.

Bill read a third time and passed.

NON-METROPOLITAN RAILWAYS (TRANSFER) BILL

Adjourned debate on second reading.

(Continued from 2 July. Page 1652.)

The Hon. T.G. CAMERON: I rise to speak on both the Non-Metropolitan Railways (Transfer) Bill and the Railways (Operations and Access) Bill. The speech that I deliver will be for both Bills. I place on record my appreciation for the briefing that we were given by the Minister. I would point out, however, that by the time we reached her office to receive our briefing, the media had already told us what she was going to tell us, because she had briefed them prior to seeing us. Notwithstanding that glitch, I appreciate the willingness of the Minister to discuss these issues with us. We have already had three meetings with the Minister.

We have raised the following issues of concern, and have had some detailed discussions to date regarding them. The issues of concern (and I will go into more detail later) are: the release of the Brew report; the situation regarding apprentices, particularly those at Port Augusta; the question of superannuation, and by that I am referring to the AN principal scheme; and the abandonment of the ANLAP scheme, and we would be seeking to have that scheme or a similar scheme reintroduced. We have also raised concerns with the Minister regarding the Department of Social Security changes that will apply to redundancy payments as and from 20 September.

I do appreciate that, whilst the Minister has been willing to have detailed discussions with us, the final decision for some of these issues is, in fact, out of the State Government's hands and will require the support of the Federal Government. However, I will say more about that later. I will further discuss the issues, which we consider to be outstanding, in depth with the Minister at a later stage.

I intend to provide a brief historical outline of what has happened to the railways since they were transferred to the Commonwealth in 1975 when the Dunstan Labor Government sold its non-metropolitan railways to the Commonwealth Government. That deal was meant to set South Australian rail services in a new and positive direction. Australian National was created as a result of the 1975 transfer of the South Australian and Tasmanian railways to the Commonwealth. Its primary activities consist of interstate passenger and freight services, and various interstate services in South Australia and Tasmania. It also conducts substantial workshop infrastructure and maintenance operations. Its operations are governed by the Australian National Railways Commission Act 1978 and an agreement between the Commonwealth and the South Australian and Tasmanian Governments. In 1991-92 the Labor Government legislated to establish the National Rail Corporation as a stand-alone interstate rail freight network.

AN's profitable interstate business became the core of National Rail. It was recognised at the time that this decision would adversely affect AN. The Government decided that the continued payment of substantial subsidies to AN was a reasonable practice to pay for the establishment of an efficient interstate rail freight network. At the same time, AN put in place programs to ensure that what remained of its business operated at best practice.

The AN rump, which remained as a peculiar construct, consisted of three passenger services—the Indian Pacific, the Ghan and the Overland; interstate freight services in South Australia and Tasmania; major workshops at Islington and Port Augusta; and a variety of other associated facilities. The Labor Government's original intention was to expand AN to incorporate the interstate freight business of the State rail networks. Unfortunately, the States refused to accept this proposal and the Government was forced to create a stand-alone organisation to ensure that participation.

National Rail was created ultimately with three shareholders—the Commonwealth, New South Wales and Victoria. Since its establishment, National Rail has reduced the interstate rail deficit from around $350 million to $50 million, largely as a result of an investment program of over $1 billion in locomotives, new wagons and terminal and communications infrastructure. National Rail is well on track to achieve commercial viability by the end of the establishment period in January 1998.

Originally it was intended that National Rail would be a vertically integrated railway, both operating trains and owning track. However, the development of the Hilmer competition principles saw National Rail become a train operator and the Labor Government announce the establishment of Track Australia, an organisation that would take control of the mainline track between Brisbane and Perth. As part of this undertaking, the Commonwealth was to provide $350 million over five years to upgrade the interstate mainline. The Coalition Government cut this by $133 million in the 1996-97 budget.

There was to be an open access pricing system under which users would pay only the capacity they required rather than bearing all costs of the track. On 15 April, the Chairman of AN, Jack Smorgon, wrote to the Minister for Transport, John Sharp, advising that AN was in financial difficulties. An expected deficit of $26 million for the 1995-96 financial year could blow out to as much as $106 million. Sharp quickly announced an inquiry into AN and NR, to be conducted by the former head of the New South Wales Rail Authority under the Greiner Government, John Brew. Brew was also asked to examine the situation of the National Railway Corporation, and to report back to Minister Sharp by 19 June.

We have not read the report, but we have been able to establish the central findings at this stage from various statements made by both State and Federal Ministers. The central findings of the Brew inquiry were:

AN's 1995-96 loss would probably exceed $130 million and could be as high as $148 million. Despite Minister Sharp's dissembling, the actual figure on a comparable basis was $114.5 million.

The transfer of all interstate freight business to National Rail had made it almost impossible for AN to operate profitably.

It further stated:

AN's debt is $864 million. Most AN services and facilities are over-staffed and over-capitalised and urgent action is required to reverse the trend of mounting losses and debts.

Brew recommended that the Government:

- Establish a national track access and infrastructure body in line with Labor's commitment to establish Track Australia;
- Establish National Rail on a purely commercial basis by removing continuing Government assistance not available to its competitors;
- Transfer South Australian Freight Lines to users or close lines;
- Transfer the Tasmanian system to private operators or the Tasmanian Government, or close it down;
- Contract out AN's infrastructure maintenance work;
- Transfer the Islington and Port Augusta workshops to the South Australian Government or the private sector, or close them;
- Establish passenger services as a separate tourism focused business with private sector involvement; and
- Close the AN corporate office and replace it with contracted specialists skilled in receivership.

Brew's recommendations amount to a wholesale dismantling of AN. They pay no regard to the broader economic impact of closure or winding down of certain facilities. They completely overlook the fact that railway systems are subsidised by Governments throughout the world.

Inside sources suggest that the AN board did not accept Brew's analysis or conclusions. In November 1996 the Federal Minister for Transport and Regional Development announced that the Commonwealth was to dispose of all AN's assets other than the track and associated infrastructure, and it would sell its share-holdings in NR thereby adopting the most draconian of Brew's recommendations. The Minister announced a rail reform package which he claimed would provide around $2 billion to reform the industry. In reality, there was less than $100 million of new money, which is only needed if the Government proceeds to dismantle AN.

The Government has not off-set any of these costs by the revenue it would receive from the sale, if any. Over 2 600 jobs in vital railway services are at stake in the AN debate. Hundreds of jobs are at risk in the workshop and infrastructure facilities at Port Augusta. Their loss will have a devastating impact on a fragile economy. At this stage I will say a little more about the impact of the closure of AN on Port Augusta. Notwithstanding the fact that we are not precisely sure what will happen, it is not too difficult to hypothesise that a significant number of jobs will be lost at Port Augusta. Australian National has enjoyed a long association with Port Augusta and the region both as an employer and as a transport link to and through the region.

The Port Augusta workshops have provided both an industrial and training base for the community, producing rolling stock and locomotive maintenance. Due to new technology and rationalisation over the years, the Australian National work force at Port Augusta has fallen from a maximum of 2 157 people in 1974, which represented 34.6 per cent of the total work force at Port Augusta and the region, to its current level of 546 employees, which represents just 9.8 per cent of the total regional work force. An economic analysis conducted by the South Australian Centre for Economic Studies on behalf of the Port Augusta City Council has projected that the removal of AN would, in the medium to long term, that is, three to four years, have a serious economic impact on Port Augusta and the region.

Losses would or could include 546 direct jobs, 326 indirect jobs in the community and $63 million in income from salaries and wages. The economic analysis also shows that, since 1993, Port Augusta and the region had already had a loss of 661 direct jobs in its two main industries (AN and the Electricity Trust of South Australia), 406 indirect jobs in the community, and $90 million in income by way of salaries and wages. The likelihood of retrenched workers being able to find employment in the city is remote, thus placing an added financial burden on the Commonwealth, State and local government to address the chronic issues associated with high unemployment levels, for example, vandalism, crime, violence and alcohol abuse.

The loss of long-term employment opportunities will also impact on the ability of young people to find local employment and lead to a further decline of population as people leave in search of jobs. South Australia already has the highest level of youth unemployment in the nation, and the rail industry has provided an opportunity for many people over the years to undertake apprenticeships or training programs. That opportunity would be lost and the accredited apprentice training centre, operated by Australian National in Port Augusta, would cease to function.

Estimated losses to the Commonwealth as a result of PAYE taxation deductions not being received due to Australian National employees being retrenched are calculated at $11.52 million per annum, based on a loss of $63 million per annum and PAYE taxation which has occurred since 1992-93. Government outlays in unemployment and social security payments would also increase substantially and could exceed $7 million per annum should the people retrenched be unsuccessful in finding employment. Similarly, medical service costs will increase due to the greater number of people who will rely solely on Medicare. Retrenched workers who own their own homes will find it very difficult, if not impossible, to sell their properties because of the lack of buyers, thereby locking them into Port Augusta as most people have most of their family wealth tied up in the family home. The Commonwealth will also lose the book value of workshops and associated infrastructure, as well as being required to meet assistance costs with the business plan preparation.

The future economic survival of Port Augusta and the region is dependent, to a considerable degree, on the continued operation of a viable business enterprise in the workshops and associated areas currently operated by Australian National. The hard-working efforts of employees on the shop floor should not be sacrificed because of the inefficiencies of their superiors and, as such, the Australian

National operations in Port Augusta should continue to function for the well-being of the rail industry and, in particular, the community of Port Augusta.

The Brew report, which made a number of critical recommendations concerning AN, has never been publicly released. Considering the Federal Liberal Government based its decision to privatise AN on the Brew report, and that we now have the State Government wanting this legislation through before the end of the Parliament, it is somewhat surprising that the Federal Minister still refuses to release the report. The virus seems to have spread to SA, with John Olsen, until this afternoon, refusing to release the Anderson report on Dale Baker. We have asked a number of times for the Brew report to be released, both here and in the Federal Parliament, without success. I apportion no blame to the Minister for Transport in this place for the refusal by John Sharp. In fact, I understand that inquiries were made by the Minister to John Sharp to see whether the report could be released or made available to the Opposition.

In order for the Opposition to properly consider its position in relation to the two Bills before this Parliament, I further request that the report be released, or that it be made available to the Opposition. I appreciate that it is not the Minister's decision to release this report and that she would have to secure the agreement of the Federal Minister, John Sharp. But I would appeal to the Minister to contact him to see whether the report can either be released or made available to the Opposition to read. We understand that the refusal to release the report is a Federal decision, and not a State matter. If it is good enough to rely on the Brew report, it is fair enough, if the Government is requesting our support for these Bills, to let us examine the report they are based on prior to voting on the Bills.

Another outstanding matter—and I have already said that I have discussed these matters with the Minister on three occasions already, and that is appreciated by the Opposition, in reaching a final conclusion on this matter—which needs attention is the question of superannuation entitlements for members of the AN principal scheme. Whilst I appreciate that the Minister is aware of the problems of the 325 people involved in that scheme, and that there is an amount outstanding in excess of $4 million, for these individuals that could mean an increased payment of anywhere between $5 000 and $20 000—not an insignificant sum, when they could be looking at long periods of unemployment. We would like to know the situation regarding the preservation rights under the AN principal scheme, and we consider it appropriate and fair that these 325 people know where they stand prior to the passage of these Bills.

As I understand it, AN has used a clause in the principal scheme trust deed which states that it need pay only a proportion. As I understand it, the deed states that, if one stops working for Australian National for any reason, this clause allows it to pay an average of less than 20 per cent of superannuation entitlements for each retrenchment. AN employees would have to be in the scheme for 15 years before the company was required to pay the full benefit. The vesting provisions are designed to reward workers who stick loyally with their employer. It is no fault of these individuals that they will be retrenched shortly. Whilst the wording states, 'if you stop working for Australian National for any reason', when this trust deed was set up no-one anticipated that hundreds, if not thousands, of people may be made redundant.

I ask the Minister to contact AN and I make an appeal to the management of AN to look at this matter urgently on behalf of its employees and to take into consideration that these are long serving employees who have given long and faithful service to AN and, if they are treated in this manner by being denied their full vesting entitlements because they are being retrenched, I think that is harsh. I ask the Minister to contact the management of AN and place not only our statement on the record but also, as I understand it, the Minister's concern about the situation in which these 325 people find themselves.

I now to turn to the question of apprentices. I understand AN had approximately 80 second and third-year apprentices spread across a number of trades represented by a number of unions. I have been contacted by Mr Stu Proctor from the Electrical Trades Union who, on behalf of the electrical apprentices, lobbied me strongly to raise their case in the South Australian Parliament. There are approximately 40 to 45 apprentices left—I understand these are not all ETU apprentices—and many of them are stationed at Port Augusta. Mr Proctor pointed out the lack of job opportunities in South Australia and the extreme difficulties facing these young apprentices as they seek to continue their training and complete their trade. To compound their problems these apprentices will be forced to take a lower wage, even if they are lucky enough to find a job.

I have discussed this problem in depth with the Minister and, like Stu Proctor and me, she is concerned about their future and efforts are being made to secure ongoing employment for these young tradespeople. I ask the Minister to outline to Parliament what actions she has taken on behalf of the apprentices and what, if any, further plans she or the Government has in mind for these worried young people. There is also a concern about severance pay. If these AN workers are made redundant after 20 September, they must use their redundancy payouts before they can access unemployment benefits. These people will be placed in a position whereby, if they are made redundant after 20 September, in particular for the people at Port Augusta who could face a long time on the unemployment queue, they would have to use all their redundancy payment.

I have raised this issue with the Minister and I request that the matter be raised with the Federal Government. It would seem to me a tragedy for these people if on the eve of the cancellation of these benefits they are made redundant. It would be even more tragic if they are retrenched after 20 September—

The Hon. Diana Laidlaw: The 21st.

The Hon. T.G. CAMERON: The 21st, is it?

The Hon. Diana Laidlaw interjecting:

The Hon. T.G. CAMERON: Yes, if they are retrenched on 21 September. I am sure the Minister appreciates that, with the timing of the passage of these Bills through the Parliament, 20 September is approaching at a very fast rate. The fact that the Federal Government has set 20 September, in my opinion, shows a lack of sensitivity and consideration for the likely retrenched AN workers. Included in some of the information I would like the Minister to take to the Federal Government is an outline of just what the employment situation is in South Australia. I would like the Federal Minister to be reminded that South Australian unemployment has risen to its highest level in almost two years. It now stands at 9.8 per cent, the highest of any mainland State and the highest since June 1995. There are now fewer full-time jobs than when the Liberal Government came to power:

468 700 in May 1997 compared with 471 500 in December 1993. Total employment in South Australia fell by 2 400 from 660 800 in April to 658 400 in May.

During the lead-up to the 1993 State election, we were assured by the incoming Government—this is the way we saw it at that time—that it would create 20 000 jobs a year. In 3½ years, the research that our office has conducted indicates that only 19 100 jobs have been created. I think it is appropriate that this information should be placed before the Federal Government, because if it is not prepared to look at extending this date for its AN employees that shows a real lack of sensitivity on its part. Perhaps the Federal Government is unaware of the difficult employment situation that we face in South Australia. I therefore ask the Minister on behalf of those people who are about to be retrenched—and as they are, in effect, Commonwealth Government employees—that the Commonwealth Government give every consideration to extending that date for those AN employees.

I also ask the Minister to point out to the Federal Government that recent figures released by the ABS show that in seasonally adjusted terms the State's economy has shrunk by .4 per cent over the past 12 months and that it is universally accepted by economists that we need a 4 per cent growth if we are going to make any real inroads into unemployment. So, we can see just what sort of a labour market these displaced AN employees will be entering and, as I have mentioned previously, Port Augusta will be hit by an unemployment holocaust.

Another issue that I wish to raise briefly is the ANLAP scheme. I and most members of this place, including the Minister, are aware of the ANLAP scheme, so I will not waste members' time by going into detail. I point out, however, that if you are employed by AN, whether as a tradesperson or a non-tradesperson, because of the specialised nature of the work that AN does, its employees have picked up specialised skills which do not necessarily lend themselves to being transferred into the general workplace. If an employee has worked for AN for 10 or 15 years and done his trade there, if he attempts to move out into the work force he finds that his highly specialised skills are not necessarily highly sought after by the private sector. Because AN—and perhaps this is appropriate—conducted its on-the-job training to meet its own needs and not those of the private sector in the future, we have ended up with a highly specialised work force whose skills are ideally suited for AN but not to be transferred to the private sector.

A number of retrenched AN employees have already been through the ANLAP scheme. I know from discussions with the Minister that she has first-hand experience of the ANLAP scheme and has discussed it with some of the retrenched AN employees who have been through the scheme. I have also had the opportunity to discuss this scheme with eight AN employees who came in to see me. I am pleased to advise that they have topped up their skills or made a career change, having acquired skills under that scheme, which provides a living away from home allowance and other financial assistance. This scheme will allow Port Augusta people, in particular, to come down to Adelaide, fill in the blanks in their training skills and put themselves in a position to find employment elsewhere.

Again, I appreciate that any decision to continue the ANLAP scheme is outside the Minister's hands, but I would request that she use her best endeavours with the Federal Government to see whether consideration can be given to an extension of that scheme—that is all we are seeking—to cover AN employees. In my opinion it would be a heartless Government that retrenches its own employees on the eve of both the new DSS requirements and with the abandonment of the ANLAP scheme. Therefore, on behalf of every South Australian AN worker who is to be made redundant we all hope—irrespective of what political Party we represent—that these retrenchments can be kept to an absolute minimum. I appeal to the South Australian Government and to the South Australian Minister for Transport to again lobby the Federal Government on those issues that I have raised. If the Minister would find it at all useful, the Australian Labor Party is prepared to go with the Minister to Canberra to lobby on behalf of the displaced AN workers. The situation in Port Augusta in particular is reaching crisis proportions.

In conclusion, the Australian Labor Party has not reached a final decision regarding these Bills. Our final attitude will be decided in a week or so, and it will be determined by Caucus after we have had an opportunity to look at any resolution of the outstanding issues that we have raised. On behalf of all the AN employees I wish the Minister well in her deliberations with the Federal Minister on the outstanding issues that we have raised.

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

RETAIL SHOP LEASES AMENDMENT BILL

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

That the sittings of the Council be not suspended during the conference on the Bill.

Motion carried.

[Sitting suspended from 5.58 to 7.45 p.m.]

SUPERANNUATION (MISCELLANEOUS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 8 July. Page 1738.)

The Hon. P. HOLLOWAY: The Opposition supports the second reading of this Bill. The Bill aims to give voting rights in respect of the South Australian Superannuation Board in relation to contributors to the southern States superannuation scheme and contributors to a scheme established under the Superannuation Benefits Scheme Act of 1992. I believe there are other technical amendments to the Bill.

As the Treasurer pointed out in his response to the second reading debate, given all the changes that have been made to superannuation in recent days, it is inevitable that a number of superannuation Bills will be coming out of this Parliament over the next few years as changes to the various rules governing superannuation are made. We have had a great number of those in the past 10 or 15 years. The amendments in this Bill are of a technical nature and are necessary. The Opposition has no problem with them and is therefore happy to support the Bill.

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

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

NON-METROPOLITAN RAILWAYS (TRANSFER) BILL

Adjourned debate on second reading (resumed on motion).

(Continued from page 1824.)

The Hon. SANDRA KANCK: There are 11 clauses in this Bill. Its real impact, however, is in the schedule. The Opposition and the Democrats were given copies of the draft legislation five days before its introduction to this place last week, but it did not contain the schedule. It is in the schedule that I think the most important aspects of this Bill reside, because that is where we find the agreement that has been signed by the State Transport Minister with the Federal Transport Minister. I must place on record that I find the order of events here quite objectionable. Because the real substance is in the schedule, the agreement has already been reached and we have very little power to do anything about it within this Parliament. I find it surprising that the Government has chosen this course of action. It would probably have been to the Minister's advantage to hold off signing that agreement until after we had passed legislation, because she would then have had some bargaining power to go back to the Federal Minister and say that this is the only form in which the South Australian Parliament is willing to accept any transfer. By agreeing to it before it got to the Parliament she has lost that bargaining power.

It is important to the Democrats that this legislation should be the best possible that we can get if we are to continue to have a viable rail network in South Australia. There are so many very good reasons for having such a strong and growing rail industry in this State, not least of all being environmental reasons. It is interesting that at the present time we see the Federal Environment Minister at an international conference going against the flow and arguing for Australia to be able to continue to pollute with extra amounts of carbon—more so than any other country in the world except the US—and not being prepared to meet some of the agreements that have been reached in previous years.

Rail has a distinct advantage if we are going to try to address greenhouse emissions. If our Federal Government is to continue arguing its case not to meet greenhouse targets because of coal exports, then it should be putting everything in place to ensure that we have a viable rail network. I would like to quote from a letter from Associate Professor Phillip Laird from the University of Wollongong, whom I have met on two occasions at Rail 2000 conferences. He wrote this letter last month to Senator Andrew Murray, the Democrats' transport spokesperson at the Federal level. He had some very interesting information I will put on record about greenhouse gas emissions and rail versus road. He said:

> There is no doubt that, as a net energy exporting nation—we do import some petroleum products—we should be very concerned as to leading world opinion on energy use and its consequences for the greenhouse effect. However, our energy exports do not mean that Australia should seek a licence to be wasteful in its domestic use of energy.
>
> Australia has a high consumption of energy *per capita*. The 1996 State of the Environment Australia report notes that our average energy consumption per head (at 16.2 gigajoules per head in 1993-94) has increased in recent years, and is a little higher than the OECD average. In a warm country, we should do better than this average. This report also notes that Australia has a high fuel use *per capita* which is some 20 per cent higher than the OECD urban average, and a relatively poor average fuel efficiency of our car fleet.
>
> This state of affairs is encouraged by the Howard Government which has maintained a high level of road funding in its two budgets while abolishing Federal funding for urban public transport via the Building Better Cities program.
>
> We know when that when it comes to moving line-haul or bulk freight, rail uses much less fuel than road trucks. The most recent figures for road freight in Australia show that articulated trucks use over 2 500 million litres of diesel a year, for an 89 billion tonne kilometre freight task in 1994-95. However, rail only used less than 550 million litres of diesel, plus some electricity in Queensland and New South Wales, for a 100 billion tonne kilometre freight task. Rail is, on average, about four times more energy efficient than road freight.

There are other costs that we need to be taking into account when we look at the road versus rail arguments, too. The total cost of rail accidents, including health and social costs, in 1988 was $100 million compared to road which was $1 100 million. So there are very many good reasons for making sure that we are putting our freight onto rail.

At this point, what is happening in this Parliament is that we are presiding over the funeral of Australian National, and our second reading speeches are effectively the funeral oration. I want to put on record some of the things that AN has achieved, because it has achieved a lot in its very short life. In December 1996 *AN News*, the staff magazine of Australian National, put out its final edition. The editor of *AN News* at that time said:

> Rather than focus on current news, this issue of *AN News* looks back over the last 19 years through the front pages of many issues which highlight the great achievements—

and I stress that—

of an organisation which was once at the forefront of rail reform in Australia through its outstanding gains in productivity and revolutionary ways of handling freight.

This magazine has interviews with the Acting Managing Director, Andrew Neal, the first AN Chairman, Keith Smith, and former General Manager and Chairman of AN, Dr John Williams. It is interesting to note some of their observations. Andrew Neal said:

> When I returned to AN some seven years ago it was by far the most forward thinking, energetic and advanced Government-owned railway in Australia. Many of those qualities live on in AN as we know it now and many of the people we trained are hard at work in the railway industry across Australia.

Andrew Neal also observes the advantages that rail has over road, as follows:

> The inherent advantages of rail, significantly lower fuel costs, the manpower efficiency of long and heavy trains, the environmental advantages and the significant safety advantages are all there to stay. They are presently offset by the huge subsidies paid to the road industry through the construction and maintenance of the roads, paid for by the taxpayer and not the road users.

Keith Smith, the first AN Chairman, goes back a long time. This is one of his observations:

> Under the control of Prime Minister Gough Whitlam, a scheme for the amalgamation of State railways into one Federal system was pursued with vigour and in 1978 resulted in the combination of the Commonwealth, South Australian and Tasmanian railways to form the Australian National Railways, of which I was appointed Chairman of the board.

It is good to note that in the past there was a vision for rail in this country; however, somewhere along the line it disappeared. Dr Don Williams, the former General Manager and Chairman of AN, had some quite pithy comments to make, as follows:

> The evolution of AN from an amalgamation of three railways employing 13 000 people and losing $70 million a year in 1977 to an efficient, profitable railway business providing challenging employment to 4 000 people in 1994 was a tremendous effort. All those who participated in this transformation can take great pride in an achievement which demonstrated what can be done, given determination and long-term vision.

Again, I stress those words 'long-term vision'. He continued:

The quite ill-considered decision by the previous Federal Government to create National Rail instead of making AN the truly national railway made the problem which now confronts AN quite inevitable. The decision to create NR was done against the strong advice of the then AN Commission.

He then spoke about the achievements from 1978 to 1990 and he gave the following statistics:

Traffic task up 79 per cent; staff reduced by 45 per cent; locomotive fleet reduced by 23 per cent; wagon fleet reduced by 54 per cent; employee productivity up by 221 per cent; wagon productivity up by 254 per cent; locomotive productivity up by 141 per cent.

These are truly great achievements. Dr Williams continued:

What was especially important was the new railway culture which was created and the great pride which everyone associated with AN took in this transformation. . . It was a model which underpinned the decision to set up a national rail freight business, albeit ill advisedly by creating another Government enterprise rather than building upon the demonstrated strength and achievements of AN.

I will pick up on some of the other things in this final edition of *AN News* because, as I said, I believe that we are performing the funeral oration for AN, and the positive things that it did must be put on the record. For those reading *Hansard* at some time in the future, I apologise if I do not quite get this right because I am not sure whether I should read it down the page or across the page!

The first edition of *AN News* was called *Ausrail News* and its headline of 1 March was 'Birth of a railway'. In 1978 we saw the amalgamation of the Commonwealth Railways, the Tasmanian Government Railways and the South Australian Railways. The newsletter that was published at that time carried the headline 'Year of great achievement'. There was huge optimism at that time.

In 1979 Dr Don Williams was appointed General Manager of AN. In 1980, 32 grain hoppers were built at Islington Workshops, the Adelaide to Crystal Brook standardisation project began and the new corporate identity was launched. On 9 October 1980 Princess Alexandra declared the Tarcoola to Alice Springs line open. In 1981 there was a $12 million contract let to Clyde Engineering to supply ten 3 000 h.p. BL class locomotives. In 1982 the Adelaide to Crystal Brook standardisation project was completed. Also in that year, the Islington Freight Terminal was opened, and there is actually a picture associated with that. The backdrop behind the people on the stage has a very big slogan 'Setting the Standard', which AN was doing at that time.

Again, in 1982, the bogey exchange was commissioned, the Loxton freight centre opened and 21 new aluminium coal wagons were constructed for TasRail at the Islington Workshops. In 1983 it was announced that the new headquarters and terminal would be constructed, delivery times between Adelaide and Sydney were halved due to standardisation and a computerised passenger booking system was introduced. The first BL class locomotive entered service, the Laurie Wallis Apprentice Training Centre opened at Port Augusta and a $1 million dual gauge wheel lathe was commissioned at the Islington Workshops.

In 1984 AN head office staff moved to the new office complex at Keswick, the Keswick terminal opened and locomotive BL 26 was named 'Bob Hawke'—and I am sure some people wonder about that now in retrospect because of what happened with AN. In 1985 the head office at Keswick was opened by Prime Minister Bob Hawke, new wagons for the Adelaide to Alice Springs freight service were brought on line and the Crystal Brook to Coonamia track was duplicated to cope with additional traffic. In 1986 new passenger services for Whyalla and Broken Hill were introduced using BUD and Bluebird railcars.

The Hon. R.R. Roberts interjecting:

The Hon. SANDRA KANCK: Broken Hill has been an important part of rail for South Australia for a long time because of all the ore that has travelled down to Port Pirie.

The Hon. Diana Laidlaw: AN would probably be all right today if it still had it.

The Hon. SANDRA KANCK: Yes, that probably might be true. In 1986 a new super freighter service started between Melbourne and Adelaide, 16 locomotives were purchased for TasRail from Queensland, a conference car was placed in service and the first Indian Pacific travelled via Adelaide. In 1987 the first five-pack wagon set was constructed at the Islington Workshops, an entertainment car was commissioned and the AN Travel Centre opened in the STA building, which we now know as Dame Roma Mitchell building, on North Terrace.

The front page of *AN News* at about that time in 1987 had a headline 'AN will spend a record $70 million'. In 1988 there was the incredible success of AN's achieving the goal of breaking even with commercial freight business; the first DL class locomotive, DL36, was delivered; and a $20.5 million upgrade of the Islington Workshops was started. An SMG concrete resleepering machine was purchased, the first female tradesperson completed her apprenticeship, the Dry Creek one spot depot opened and AN played a significant part in the 'Opera in the Outback' performance at Beltana.

In 1989, $4 million was spent on purchasing a rail grinder and the first five pack well wagons were constructed at the Islington workshops. I want to interpolate from another AN magazine, *AN Freight*, which Australian National produced. This is dated December 1989 and, again, I want members to hear the optimism that was in this organisation at that time:

AN Freight, AN's commercial freight business on the mainland, produced a small surplus for the first time in 1987-88. During 1988-89, the surplus increased to $9.1 million. It takes account of all costs including interest and accrued future liabilities.

This is a very honest magazine. Further on in the magazine under the heading, 'Locomotives', it states:

Reliability is being affected by locomotive breakdowns. Despite introduction of 10 BL-class locomotives from 1980 onwards and 15 DL-class locomotives in 1988 and 1989, the average age of AN's locomotives is still well over 20 years—the accepted standard for locomotive economic life. The DLs have already made a considerable difference to on-time train arrivals, and there will be further improvements when the first of 14 EL-class locomotives arrives in June 1990.

We then turn to an article about track upgrading. I have already mentioned the sleeper machine, and they said that the resleepering project would be completed by 1992-93. The article continues:

The quality of rail is being improved by railgrinding and by fixing dipped welds and corrugations. A $3.9 million Speno Universal Rail Rectifier is being used for grinding rail.

This organisation was showing that it was prepared to spend money to upgrade the infrastructure because it believed it had a future. On another page we see strategies and, again, you perceive the optimism:

AN intends to:

- continue investment in efficient, purpose-built rolling stock and freight terminal facilities to meet business demand.
- accelerate programs to upgrade track so that speed restrictions, misaligned and dipped welds, rail corrugations and other track defects that prevent high speed operation of heavy trains can be rectified.
- as investment permits, increase both average train speed and line speed with priority for super freighters and Roadrailers.

- respond rapidly to changes in customer needs.
- improve quality of communications with customers and between management and staff.

Again, you have a sense of the optimism with which this organisation was operating. Another small article talks about the extension of crossing loops, and it states:

A key element of AN strategy to improve productivity is to increase train lengths. With careful planning trains of 1 800 metres can already operate between Port Augusta and Kalgoorlie although only one-third of the crossing loops can take trains this size. Lack of longer loops often aggravates delays. Stage 1 of the crossing loop extension program will begin during 1989-90. Six loops will be extended to 2 500 metres at a cost of $1.3 million. Stage 2 will include extension of a further three sidings to 2 500 metres and eight more to 4 000 metres to permit running crosses.

With this sort of thinking, AN has really set the stage to allow this country to have a decent rail network. Probably of greater significance are comments made about capital investment—again, about the age of the fleet and the consequent unreliability, as follows:

AN's investment program has been tightly restrained to control the growth in interest payments. After using depreciation provisions set aside each year to help cover replacements, about half of AN's capital program in the past has been paid for by borrowings with a resulting huge growth in the interest burden since 1977-78.

AN will need to borrow much more money unless the Government is prepared to provide some funding in the form of shareholders equity. Borrowings to fund new and replacement capital had reached more than $370 million by June 1989 and this has worsened AN's debt to equity ratio, currently a very high 72:28.

Despite that, it still had the optimism to go ahead and order new engines. The unfortunate part about that, as we all know, is that when the National Rail Corporation was set up and business was hived off, AN was left with the debt for all this visionary planning. Continuing with the *AN News*, the headlines and stories going on to 1990 state:

In 1990 the AN principal superannuation scheme was launched.

The Hon. Terry Cameron has already had something to say about that, as I will. Two rubber tyred gantry cranes were purchased for the Islington freight terminal. The Dry Creek motive power centre was opened. The first EL class locomotive was delivered. AN's Ghan was awarded an Australian tourism award for tourist transportation. In 1991 the new $2 million passenger one spot depot opened at the Keswick Passenger Terminal. The SMD 80 concrete resleepering machine broke the world record by laying 10 003 sleepers between Coonamia and Crystal Brook in 24 hours. In 1992 the Port Augusta workshops completed the restoration of the Governor-General's car.

If I judge the picture correctly, this is the car that Kiri Te Kanawa travelled in when she went to Beltana for the Opera in the Outback a few years earlier. I have to claim some sort of family lineage in this, because the wooden carvings in that carriage were done by my great uncle. Also in 1992 a new maintenance centre was constructed at Thevenard. The first dedicated roadrailer service was introduced between Adelaide and Whyalla. Fortunately, at this point, $12 million in Federal Government funding was allocated for the upgrade of the Indian Pacific. The Islington and Port Augusta workshops were boosted by the injection of $12 million in Federal Government funding.

That funding is the only thing that managed to keep AN going over the next few years, because it was all downhill from this point. The fact that AN managed to achieve anything once the National Rail Corporation was formed is quite remarkable. But it still did manage to achieve things and continue. In 1992 the first AN class locomotive was delivered from Clyde Engineering in New South Wales. In 1993 a dedicated roadrailer service was introduced between Adelaide and Parkeston. The Explorer tourist train was launched. Standard gauge connection was built into the Islington workshops. AN was awarded a major contract to maintain 2 500 NR wagons. Roadrailer achieved quality certification as a rail transport service by Bureau Veritas Quality International in London. In 1994 AN won a $1 million prototype wagon deal. The Queen Adelaide restaurant cars were introduced to a refurbished Indian Pacific. AN Passenger introduced uniquely Australian menus to its passenger services. A new hospitality training program was launched. Concrete resleepering of the mainline network was completed. In 1995 the Adelaide to Melbourne standard gauge project was completed, and the Overland commenced running on that standard gauge line. The Islington workshops constructed tilt bed wagons for National Rail. The Monarto South to Apamurra broad gauge line was converted to standard gauge. In 1996 the Port Augusta and Islington workshops commenced construction of 50 skeletal 5 pack wagons for National Rail. AN's business units—I guess in its death throes at this point, trying to find ways to survive—

launched their own corporate identities. The Tailem Bend to Loxton broad gauge line was converted to standard gauge.

At this point AN comes to a halt. It is interesting to note the lack of vision in the early 1990s. I have a statement from the then Federal Minister Bob Brown on land transport reform. The four-page statement is a response to a report released by the Interstate Commission and talks about road and rail and how they should interact. At the end of his statement Mr Brown states:

Over the next two months I will be consulting with my State colleagues, road users and the road transport industry on the ISC proposals for resolving these problems. I will also be talking to transport unions and authorities about solutions to the deficiencies in our land transport system generally.

If we talk about deficiencies, there must have been a deficiency in the thinking of the Federal Minister for Transport and Regional Development if, at that time, he was not talking to rail people. It shows the sort of mentality we were up against in trying to run AN as an efficient body at all. I have taken the trouble of summarising that submission and reading parts of it into the record because, without the work AN put in over the years, we would not, for instance, have the standardised rail gauge on the principal rail routes throughout Australia, allowing us to have a national rail system.

Amongst the efficiencies achieved by AN staff, a measurement used in the industry is NTK (net tonne kilometres). An AN Freight newsletter of 1988-89 indicates that the figures for AN at that time were less than 1 NTK per employee; by 1993-94 the figure had reached 3.19 NTKs, which is a dramatic improvement. However, we are now looking at the current situation, and it is not good. The current subsidy per AN employee, according to the Department of Transport and Regional Development, is $30 000 per annum, and AN is losing $2 million per week. AN represents—

The Hon. Diana Laidlaw interjecting:

The Hon. SANDRA KANCK: The Department of Transport and Regional Development gave those figures at the Rail 2000 conference. AN represents the worst that can happen to the rail industry and, in the case of AN, it occurred through no fault of its own. I am astounded that the Minister has said that the agreement is a good outcome for South Australia because the more I read this legislation and the more I listen to other people the less I am convinced by the Minister's optimism. I cannot see that this Government has a vision for rail given that, within this schedule, the State

Government intends to allow private operators to own the track in their own right.

The Government's willingness to give the Federal Government the option of pulling up the Millicent-Mount Gambier-Wolseley lines certainly gives me no indication that the State Government has a vision for rail. At the Rail 2000 conference this year, Dr Fred Affleck of the National Rail Corporation made the statement that the rail industry has no resources, no research, no plan, no organisation, no industry champion and no leaders of public opinion. I believe that he is essentially right: one has only to look at the amount of money the road lobby is able to put up to the Federal Minister in Canberra compared with rail.

I will mention some other observations made at the Rail 2000 conference. A speaker from the Queensland Government told the conference what Queensland has done with its rail service. That State commenced a process of commercialisation of its system in 1990, culminating in its corporatisation in 1995. As part of that corporatisation, Ministers in the Queensland Government became shareholders.

From the 1990-91 financial year to the 1995-96 financial year, Queensland Rail, by maintaining control of the system, has secured a 17 per cent increase in traffic, with 15 per cent fewer locomotives, 25 per cent fewer wagons and a 35 per cent reduction in the number of employees, in tandem with a 79 per cent increase in productivity. Last year, Queensland Rail made a $53 million operating profit. So, it shows that a State Government can do it, and that it does not have to have a hands-off approach.

The Director of Public Transport from the Victorian Department of Infrastructure told the conference that the Victorian Government is not frightened to regulate if it serves the public interest. V-Line Freight which, at the moment, is still under Victorian State Government control, has had a 104 per cent increase in productivity over two years. That makes it the most improved freight transport system in the world. The Victorian Government has provided $26 million to upgrade grain lines to standard gauge. Jim Hallion, of our Economic Development Authority, told the Rail 2000 conference that the South Australian Government wants to maximise opportunities in South Australia for a viable rail industry and to minimise the regional impact. The agreement negotiated by the State Government, as reflected in the schedule of this Bill, does not reflect those objectives.

I would like to know what the State Government's strategy is regarding rail. While the objectives, as Mr Hallion outlined them, are reasonable, they do not exactly shoot for the stars, and there is not the strategy, as far as I know, to match those minimum objectives. I believe that this legislation reflects that lack of a coherent strategy.

Looking directly at the Bill itself, I want to raise some questions about some of the clauses. Clause 9 relates to the exemption from rates and taxes. Truckies do not have to pay rates and taxes for the use of roads. All they need do is register their truck and pay their fuel taxes. So, I believe it is a positive that no rates and taxes are payable for rail. But I note that, in the Railways (Operations and Access) Bill, there is a time limit of only five years during which this provision should apply. I wonder why there is a difference between the two Bills in this regard. Clause 11 relates to the liquor licensing exemption. This applies for six months, and I would like to know what will happen after that six month period expires.

As I said before, the real guts of this Bill is in the schedule. Clause 2.2 raises some interesting questions. The land exempted will not include the land used by interstate rail operators, and I wonder why this has been agreed to by the two Ministers. National Rail has been in contact with me, and it believes that this discriminates against it because the new owners of AN will also be engaged in interstate freight carriage and will obtain a benefit that is not obtainable by others. So, notwithstanding that National Rail is perceived as the villain in the story of the demise of AN, does the Minister agree with this analysis?

I turn now to the Leigh Creek to Port Augusta line, which is dealt with in clause 6.3. This Government seems to have had some vendetta against Australian National regarding the Leigh Creek to Port Augusta line for some time. I refer, for instance, to a dorothy dixer question that the then Minister for Infrastructure (John Olsen) answered in the House of Assembly on 26 July 1995, and a ministerial statement that he made on 27 September 1995. What he said is quite provocative. He talked about experts telling him that what AN was charging was too much, and the provocation extended to the point where, in September 1995, the Minister announced that an advertisement had been placed in papers that day, opening up a public tender process, seeking third parties to operate on that line to get the coal freighted at a cheaper rate.

The Statutory Authorities Review Committee looked at this issue and reported in April of last year. What was very interesting in their analysis was—taking all factors into account including inflation—that from the time period of 1988-89 through to 1995-96 it started out at $6.95 per tonne and ended up at $7.80 per tonne, but when you adjust that using the Adelaide CPI and the 1989-90 financial year base, it gives a 1988-99 price of $7.47 per tonne compared with the most recent price of $6.41 per tonne, which was an effective drop in price. I do not understand why that vendetta was being conducted by the Minister for Infrastructure at that time. Certainly what was going on was a bit of a vicious circle, because AN was not prepared to drop its price any further until it got long-term contracts, and ETSA was saying that it would not give it long-term contracts until it got a lowered price, and so they went round and round. The Minister in her second reading explanation stated:

> . . . the Government has consistently stated that our preferred position is for AN's interests now for sale in SA to be sold as a whole. The Commonwealth has accommodated this view, structuring the sale to provide the best prospect for ongoing rail operations.

That would be great if it was as a whole, but in fact it is not as a whole. The *Stock Journal* of 26 June 1997 expressed its grave concerns about rumours that it had heard that it was not going to be sold as a whole. I refer to the front page article of the *Stock Journal* by Rohan Howatson which states:

> Suggestions that SA Freight may be broken up when sold have angered the South Australian grains industry.

The article further states:

> Mr Thomas [the Federation Grains Council Executive Officer] said the separate sale of Leigh Creek, which catered for the State's coal transport, would make the rest of SA Freight less attractive to potential buyers. 'The sheer tonnage and very high returns in coal results in it (Leigh Creek) being very profitable. . . but selling it off by itself may result in other people not being as interested (in SA Freight).'

I put out a media release a couple of weeks ago after I had received the draft legislation from the Minister indicating my concern that the Leigh Creek-Port Augusta line was not going to be a total part of the package. Earlier this week Rail 2000 put out a media release headed 'Overseas bidders for Australian National may walk', which I will read onto the record. The press release states:

Overseas bidders for Australian National may walk away from the sale process if State and Federal Governments keep changing the rules, rail lobby group Rail 2000 has warned. This is especially in relation to the move contained in legislation presented to State Parliament last week to keep the Leigh Creek coal line under State control.

Mr Carter said, 'Rail 2000 believes that some of the overseas bidders are already dismayed at the manner in which the whole sale process has been handled. Further tampering with the process at this late stage could easily see a number of them abandon the sale process out of frustration.'

In a move that has caught bidders and industry observers unawares, the Leigh Creek coal line will be taken over by Optima (formerly the South Australian Generation Corp). The theory is that this will make it easier for Optima to negotiate prices with service providers other than the successful bidder. The revenue from such an operation to the successful bidder is estimated to be $12 million per annum and would account for up to 30 per cent of the new operators' revenue in South Australia.

Mr Carter went on to say, 'Bidders were only officially told of the change last week. The way this change has been foisted upon them is unbelievable and can only destabilise the whole bidding process.'

'It will seriously undermine the potential to re-establish a world-class rail industry in South Australia. The sale of AN was first announced in November last year, but with only three and a half weeks before bids close, a change of this magnitude has been introduced. Bidders will have to go back to the drawing board and recalculate what the business is worth to them.'

In protecting his precious electricity supply industry, the Premier seems content to throw other rail customers to the walls. Farmers will be particularly dismayed as they see a Government instrumentality given preferential treatment while their transport infrastructure is denied State Government support and left to rot.

All through the sale process, the State Government has repeatedly told us that they wish to see Australian National retained as a whole. At the eleventh hour they have suddenly done a complete backflip and wish to excise one of the most profitable parts of the operation. Why?

That is a very good question. I will meet with one of the overseas buyers during the next few days, and I will certainly assess its reaction to this. It is a matter of grave concern. I understand that the tender companies would have some worries about this, because grain lines do not provide a year round income. Also, grain freight is only as good as the weather. So, if we have a drought year, the amount of grain that is carried on the lines is further reduced. This process occurs only over a few months, and an effective operator needs to have some sort of a guarantee of income for 12 months of the year.

The State Government via Optima Energy will control this part of the interstate tracks, although it can put someone else in to run the trains on the tracks. The successful tenderer could get the remainder of the tracks, but I imagine that the successful tenderer will look for a cast iron guarantee that it will be given that right, and I suspect, of course, that the State Government will not be willing to give such a guarantee.

The next aspect of concern to me is clause 6(4) of the agreement regarding the south-eastern lines. I find it hard to believe that this is what is provided:

If the south-eastern lines do not form part of the operational railway land:

(a) the State may for a period of three months after the effective date endeavour to procure an offer for a purchase from the Commonwealth of all or any part of the south-eastern lines; and

(b) the Commonwealth shall be at liberty (for a period commencing three months and ending 12 months after the effective date) to remove or authorise the removal of any item of track infrastructure on those lines and redeploy that track infrastructure on any part of the operational railway land on such terms and conditions as the Commonwealth shall determine. The Commonwealth and its agents and contractors shall have such access to the relevant land as may be necessary to dismantle and remove that track infrastructure.

That looks like a recipe for a sell-out of the people of the South-East. I find it amazing that an alternative buyer could be found within a period of three months. I would like the Minister to say during her second reading reply whether she thinks we will be able to find a buyer in that short space of time and, if so, what is her reason for that optimism. I would also like to know what information will be provided to a potential buyer within that time period. If a company says that it is interested in buying a line, will that constitute procuring a buyer in terms of this agreement? If it does not, what will need to be in place, and will that be able to be put in place within a three month period?

I wonder also whether there will need to be a due diligence phase and, if so, how that would fit into the timetable of this clause. As I have said, I find this clause to be quite preposterous, and I imagine that the people of the South-East would feel very much that they are being sold out by it.

I refer to clause 9.1 of the schedule. The Democrats believe that the South Australian Government should have taken up the option of having the Federal Government transfer the track to us *in toto*; then we would not need step-in rights. In looking at this clause we also need to cross-reference this with clause 25 of the operations and access Bill, but even when I do that I still remain concerned that an operator can go in and start ripping up the tracks. I am not sure that either this part of the schedule or the operations and access Bill will be able to prevent it. It seems to me that an operator could easily begin ripping up and disposing of tracks before anyone became aware of it. Certainly, that has happened in the past with AN lines. If that happens, what happens next in terms of procedures?

It is important to consider what happened with the 1975 Rail Transfer Agreement as an example of the potential effectiveness of these step-in rights. Under that agreement South Australia was able to take some matters to arbitration, but there were not many instances of its happening. There were a number of occasions when rail lines disappeared after the South Australian Government did nothing to prevent it. When it did do something and take it to arbitration, as it did with the Mount Gambier passenger service, it actually won but then did nothing with the win. I invite the Minister to walk us through a few scenarios as to how this would work to protect our rights in South Australia.

The Hon. Terry Cameron spent quite some time talking about the superannuation problems. Again, I do not know that there is much that we can do with it. It is a situation where the Minister has already signed the agreement and there is no bargaining power. If the Minister had not signed the agreement before we had the legislation we might have been able to say to the State Minister, 'Go back to the Federal Minister and tell the Minister that we want these employees to have what they are morally entitled to,' but we do not have that bargaining power now that the agreement has been signed.

The Minister said that it is necessary for this Bill to be passed, among other reasons, for the State to be eligible for rail reform funds, and she referred to an amount of $20 million. Assuming that this legislation is passed in the next two weeks, when will that money become available? Will it be received in a lump sum, or will it be paid over a period of time? If it is paid over a period of time, what is that time period and the frequency of payments? The Minister said that this will fund new job creation projects. What sort of job creation projects are envisaged? Will they be directly related to rail? Will they involve training? Will any be

associated with the continuation of the Adelaide to Darwin rail link?

I have said for the last 12 months since the Brew report was commissioned that we are now in a situation where the issue is not about public versus private ownership of this rail system: it is about whether or not we have a rail system in this State. I query whether the agreement that has been reached between the State and Federal Ministers will produce a positive result. Will a better rail system operate in South Australia as a consequence of this agreement and this legislation, or is this agreement destined to ensure that no intrastate rail system operates at all? I am still exploring these questions myself and I am still talking to key players. We support the second reading, but the Minister can be assured that, pending our further meetings with key players, the reading that we do, discussions with people and telephone calls, we will file amendments.

The Hon. Diana Laidlaw: Amendments to what?

The Hon. SANDRA KANCK: To the Bill. In effect, the Minister has snubbed her nose at Parliament by signing the agreement before we get the legislation, so there is very little that we can do. All that we can do is either vote for or against the Bill with its schedule; that is basically what we are left with. So, to some extent we are being held over a barrel. If we vote against it because of the contents of this agreement and the unresolved industrial relations issues, the State Minister could feasibly go back to the Federal Minister and tell him to start again, but if we do this we are probably playing Russian roulette. I know the grain growers, for instance, do not have contracts past October. We have a rail work force in AN that is dwindling almost by the day. Last weekend about 100 AN employees took packages and the weekend before that another 100 took packages. They are getting out while they can because they fear that things will get worse. It raises issues such as the capacity of AN even to provide drivers for its trains.

It is possible that this month will be the last meeting of the current Parliament and, if an election is held in November, it may be that the new Parliament would not meet until next year, which would stymie the sale and disrupt existing customers, possibly causing them to move their freight by road, and I certainly do not want to see that. In that light I have to say that I am marginally in favour of passing the Bill. It is unfortunate, however, that we are dancing to a tune set by the Federal Government and it is a very fast dance. Even the Federal Government cannot keep up to the pace of the dance it has set. Members would recall that originally the whole sale process was suppose to be finished by 30 June and that is not happening. We would not be in this situation if we had not had such an impossible time scale. I am concerned that, as a consequence of the way this is being done, we will pass flawed legislation and that we are not getting the best deal for this State. However, the Democrats support the second reading.

The Hon. CAROLINE SCHAEFER: My contribution mercifully will be brief. I said most of what I wanted to say when I moved a private member's motion on this issue, but I would like to reiterate that none us is delighted with having to be part of this Bill. I do not think any of us wish to see the parlous state in which AN now finds itself. The Hon. Sandra Kanck asks in her speech whether we will have a better rail system at the end of this time. That is indeed an interesting question but, unfortunately, it seems that the other question is whether, if we do not do what we have to do, we will have a rail system in this State at all.

The easiest way for me to talk about this is in terms of the farm. We are not talking of someone realising their capital investment over a lifetime but talking of a forced sale. As such the Minister and her staff deserve some considerable praise for the deal they have been able to broker with the Commonwealth Government. Among the concessions they have been able to get is: the preservation of the State's rights under the 1975 transfer agreement; the transfer at no cost to the State of all South Australian rail and Commonwealth land now owned by AN; step-in rights which give the State the right to take back the system should a commercial venture fail within five years; and the ownership of the land after the rail and stock have been purchased, so that again if a private venture were to fall over at least there is some security because we own the land, which will be rented out at peppercorn rental to whomever the purchaser may be.

I stress that we are not selling a bright shiny new car but selling a rust bucket. Whatever we can get is, in my opinion, better than we have at the moment. We are looking down the barrel at a complete collapse of intrastate rail in this State. I look with no joy on this, but it is a necessity that we must face.

The Minister has also been able to broker the standardisation of the Pinnaroo line, to be done by the Commonwealth within 12 months with a contribution of one-third of the cost up to $2 million by the State Government. So, again, we have done very well in that respect. We have been able to retain options for reopening the South-East lines and provisions for bidders to nominate what services they will provide so we can see exactly what the tenderers have as part of their deal. The Minister and her staff have been able to broker the completion of the Commonwealth's environmental remediation program. They have been able to broker $2 million additional funds towards the cost of superannuation liabilities. I agree with the Hon. Terry Cameron: again, that is not a pretty sight and not a pretty thought, but $2 million towards that liability is better than what we have at the moment. In addition to that, the State Government and Minister have been able to broker a $20 million rail reform package towards the creation of new jobs.

As I said, I do not wish to speak long about it, but I reiterate that we have no choice; I said that when I moved my private member's motion. This is a forced sale; this is a sale of a rail system which was utterly run down and which was going to collapse otherwise. It is a sale of a system whereby we are currently subsidising every worker to the extent of $30 000 a year, and it was only going to get worse. Under the circumstances, the Minister deserves considerable congratulations for the deal she has been able to broker. I know personally that she and her staff have worked long and hard over a long period of time to broker a reasonably fair deal for those who will truly be affected, being the AN workers in this State, particularly at Port Augusta and Islington. I recognise that they, too, are not delighted by this turn of events but, as I have said, when it gets to the stage where the bank has foreclosed and the farm has to be sold, all you can do is broker the best deal possible. Under the circumstances I believe the Minister has done that and deserves our congratulations.

The Hon. DIANA LAIDLAW (Minister for Transport): I thank all who have participated in this debate, and I acknowledge the contributions from the Hons Terry

Cameron and Sandra Kanck and my colleague the Hon. Caroline Schaefer. I think it is fair to say that none of us are overjoyed to be here tonight speaking to this Bill, but it is one of our responsibilities as members of the South Australian Parliament to deal with an uncomfortable situation and do the best within our own personal and professional resources and those of the State to ensure that we can promise a future for rail in this State. The Hon. Sandra Kanck did well to present the best picture of AN's history in this State, and I am pleased she used this opportunity to do so. I remember presenting a similar picture five years ago but forecasting some difficult times ahead for AN. That was in a motion in this place. A subsequent resolution set up a select committee of this Council to look at the future of our non-metropolitan railway services. At that time AN expressed no interest at all.

In fact, AN was totally defiant of this State Parliament's concern for the future of non-metropolitan railways. The lack of interest displayed by AN regarding this Parliament's interest in the future of rail was an issue of grave concern to all members of this place and the select committee in particular. That is why today, when we come out fighting for AN, it makes us almost sick in the stomach to think that, when we were fighting for it, it did not care about us.

The Hon. Sandra Kanck: They'd given up.

The Hon. DIANA LAIDLAW: They'd given up, possibly; that is probably the case. Certainly, over the years I have pleaded to AN to recognise that its closest and best friend—other than probably Rail 2000 or some of the unions—is certainly the Government and this Parliament. Never has it sought even to appreciate that, and perhaps it was not even interested in its own interests at that stage. It is hard to register what was going through the minds of those involved in terms of a business, small 'p' political or future sense. It is important to put on the record that great things have been achieved by AN. AN's own management and small 'p' political basis of working has not helped it at any time with this Parliament or Parliaments generally—leading, in part, I suspect to NR, which ultimately has been the final death knell for AN.

All members gave strong contributions to this Bill. I want to thank them for dealing with a complex and emotional situation within very limited time. In a sense, I have been working on this for some 15 months with the Federal Government, and it has been difficult to be able to embrace my colleagues in Government and also within the Parliament on some of these matters because, to be involved, the Federal Government and AN at every step have always preached confidentiality rules. They would have frozen the Government out of any negotiating position or even getting a hearing. At the same time, I had to agree not even to talk to my colleagues at one stage because it was thought that South Australia Genco might bid for the Leigh Creek line. We wasted a great deal of time in our negotiations on an ongoing basis with the Federal Government through many of the officers at State Government level and on my behalf also, because of these stand-offs we had to undertake.

Before addressing the specifics presented by members, I thank many officers who have worked with me through this exercise over many months. From the Department of Transport, Mr Andrew Rooney and Mr Adrian Gargett, and earlier Dr Derek Scrafton; in the EDA, Mr Jim Hallion and a number of other officers. Certainly, I acknowledge the Crown Solicitor, the Under Treasurer and Parliamentary Counsel. It has been a real team effort over a quite extended period of time. I want to acknowledge that effort for the parliamentary record and for history.

The Hon. Terry Cameron asked a number of questions. I will start with the issue of apprentices. He is quite right in indicating this matter that has been of considerable interest to the Government. I want to place on the record that it is an issue that this Government has sought to address through the Rail Reform Transition Program. This program involves the $20 million the Federal Government has established over a two-year period. As part of the State's submission to the Commonwealth Government, in particular the Parliamentary Secretary, the Minister for Transport and Regional Development (Hon. Michael Ronaldson) we have proposed, as our top priority, a funding allocation of up to a maximum of $300 000. That would see a $50 contribution per week paid as an incentive to employers of former AN apprentices to contribute to the costs of training, not as a wage supplement to the apprentices but as an incentive to other employers.

We are keen to see that the progress that second and third year apprentices have made in their apprenticeship is not lost, through no fault of their own, as a result of the sale process, and we are keen for other businesses to pick up those apprenticeships. That may be in the electrical trades, and I acknowledge the contact that the honourable member has had with Mr Stu Proctor. Whether it be through the AWU, the PTU or any of the unions in the metal sector, we want to help these young people pursue their qualifications and a longer-term and, I trust, secure career in the field of their choice. We believe very strongly that the $50 incentive is needed in this case. We have applied for such funds and I am quietly confident that the Federal Government will approve the funding as recommended.

In terms of the ANLAP scheme I, too, have met with a number of senior representatives from the work force and I have been struck by the fact that the work force is skilled, it is dedicated, it has reformed its practices and ways of doing business but it is a skill which is very specialised to the rail industry but which is not in demand outside the gates of Islington or Port Augusta. For instance, a number of fitters and turners whom I have met do not have the modern qualifications of a fitter and turner in general trade today. They do not have any experience with hydraulics, and that is a critical part of such a qualification today.

For the record, I indicate that my contact with the Federal Ministers' offices—both transport, which cancelled the scheme earlier, and education and training—have not been successful. However, I am working with some greater degree of promise with the Hon. Dorothy Kotz and her department through TAFE and other labour adjustment programs. That includes the apprenticeships for which the Federal Government has been looking at providing some funding and considering whether we can adapt that in some way to suit this situation.

We are not talking about a whole lot of people—probably 33 at the absolute maximum, and I suspect fewer—because of job opportunities for apprentices that have come through Western Mining and other sources, but we should be able to pursue that. I appreciate the opportunity that has been provided by the honourable member to be able to report further progress to him over the coming week before he again speaks to Caucus seeking to finalise the Labor Party's position on this Bill.

In terms of the Brew report, the honourable member is correct in saying that it is not mine to give to him or to anyone else, but I have spoken to the Federal Minister

(Hon. John Sharp), and he has indicated that a copy is available in my office for the Hon. Mr Cameron to read when he wishes to do so. I cannot allow that copy to leave my office and it is confidential, never having been released. If he is prepared to accept that arrangement, I am prepared to accommodate him whenever he wishes to take up the opportunity to sight and read that report.

The Hon. T.G. Cameron: I will be there on Monday. You have the undertaking.

The Hon. DIANA LAIDLAW: Thank you, and I appreciate such a prompt response. I will make sure that we have the coffee, tea and the rest ready for you as well because it is a big report to read and it is also a critical one in reaching conclusions on the matters that we are now debating.

In terms of the Department of Social Security and the 20 September deadline set by the Commonwealth Government for a whole new set of rules for determining eligibility for unemployment benefits, I have spoken with senior staff of the Minister for Social Security but have not yet been able to speak to the Minister herself. However, her staff know that it is my wish to do so. I am not sure at this time that I can confidently say we will be able to adjust the time frame for a special group of AN workers so that they are exempt at 20 September and that the new rules will not apply to them. I cannot say that with confidence, but I can say that there is an understanding of the issue and that I wish to speak to the Federal Minister about it further.

Certainly, we would all wish to see that, with the legislation through here and the bids that are to be lodged by 25 July, and soon thereafter arrangements will be made in terms of the announcement of the bidder, this issue of the Department of Social Security and 20 September is not one that will be of real concern to us. Nevertheless, we must think ahead of time of all these circumstances, and next week I will continue to pursue my efforts to speak to the Federal Minister.

In terms of the $4.5 million in AN's principal scheme for superannuation purposes, my advice through Minister Sharp's office was to contact AN, which has again repeated what it had earlier told Minister Sharp as a result of my inquiries some weeks ago, namely, that it is looking at the actuarial reports to assess the situation. The outcome is not clear. I intend to make sure that my office—I am speaking to Andrew Neal and the Chairman every day—next week keeps pressing for this because it is no fault of rail workers in terms of their continuity of employment, and it is difficult to argue that money to which they have always considered they were entitled and which AN always assumed in the normal course of business would come to the work force should no longer be made available.

There is considerable logic to the argument but, as I have found in many cases with AN, logic is not the basis for decision making. We will work through this and I will do my best, as I have sought to do, with the interests of the work force at heart, through the last 15 months.

The Hon. T.G. Roberts interjecting:

The Hon. DIANA LAIDLAW: No, I have never been one who believes in taking strike action. What I will do—and I think the work force has always understood it—is my absolute legitimate best, and I cannot do more than that. If they do not like it, they can respond, but they will always know that I have done the best that I can on their behalf.

The Hon. Mr Cameron gave a clear history of the reasons why we are at this very difficult point today, and that was well complemented by the contribution of the Hon. Sandra Kanck in talking about the successes that AN had recorded over the years. The Hon. Sandra Kanck stated pretty emphatically in terms of the order of events of my presenting the Bills to her as soon as I could after Cabinet approval—and to the Public Transport Union, Opposition representatives, Rail 2000 and media representatives—that it was an objectionable process because the agreement, signed or unsigned, was not attached to the Bills.

I can understand the sentiment that the Bills did not contain substance. On the Friday, when I had approval to release the Bills I was not able to release the agreement because at that stage we were still refining with the Federal Government the best possible deal for the South-East lines. That was up to the twelfth hour in a sense, and I needed to get agreement on that.

I indicated to all to whom I referred the Bills that day that it was the practice of Mr Whitlam and Mr Dunstan when they presented the 1975 rail transfer agreement to this place that it was a signed agreement. It was important, in my view, for this Parliament to know what had been agreed, rather than to present a wish list of what the State wanted and not know whether the Federal Government would even entertain it. I think that would have been wrong. Members would not then have known what they were working with in this place. It could have been in fantasy land, yet knowing behind the scenes that I had not been able to secure nearly half of that wish list. I did not want to do that to this place, and I certainly did not want to do it to the bidders because, as soon as I could, I wanted to give them the working conditions henceforth.

As I say, if we had presented a wish list of agreement, members would not have known what to work with in terms of debate, I would not have known what I could say to bidders or anyone else because I would not have had the Federal Government's response to the Bill, and we would have delayed the sale process further because the bidders would still not have known what they were working with. I wanted to present that; it still may be an objectionable process as far as the honourable member is concerned, but it was done in good faith to present to this place the agreements reached so that members knew what we were working with. If I were an Opposition member I would probably say that we were presented with a *fait accompli*, but that is why it was done that way—so that members knew what they were working with when talking about these things. If members do not like it, at least they know that they can say they do not like it, rather than not knowing what they were working with.

It has been a very interesting process. It is not always easy to work with the Federal Government, even if it is a Party of our own persuasion, when working on these sorts of matters. We have come an extraordinary distance from what was first presented to us in the form of the sale of AN and the conditions. It was very tempting to suggest that the land, the track and all the 'assets' came back to the State and, irrespective of the cost to the State, we would accept them in that form. It must be acknowledged that, when we sold those assets in 1975, they were in far better condition than they are today in many respects. You certainly must say that in terms of the South-East line, as well as in many other areas. AN has not always done the best thing by our non-metropolitan rail services and rail infrastructure. I think it has done the best thing for the interstate sector of the system.

In this agreement, a $2 million investment into a project of up to some $6 million for the Pinnaroo line got immediate investment within 12 months of the sale, and that is the first

big investment in our grain lines since the former Federal Government started standardising the Apamurra and Loxton lines a couple of years ago.

The Hon. P. Holloway interjecting:

The Hon. DIANA LAIDLAW: No—which is an advantage to us. The other part of the system that will be immediately upgraded will be Optima's line, Port Augusta to Leigh Creek. While the State is getting out of debt, our first priority is a whole range of infrastructure, including schools and hospitals, no matter where your heart is. I suppose that Rail 2000 will never agree with me, but you have to recognise that fact, although I would be fighting for the arts and the State Library. We could have been pouring many millions of dollars into our rail lines but, by providing incentives and the like and making the business attractive to operate, we can attract private sector investment to that line.

We have certainly done it immediately with Pinnaroo and with Leigh Creek, and we will be aiming to work as closely and effectively as possible with all the other lines to encourage private sector investment. In terms of the Millicent and Mount Gambier lines, the honourable member, with all due respect, has to face the facts, which she did not do in her speech. That line has been closed for 2½ years. It can continue to rot. It can continue to sit there as a memento to the great old days and for sentimental reasons. The reality is that it is not operating.

It was not even to be included in the sale agreement to start with. This Government included it in the sale agreement to give it some hope for the future, and there is some interest. Without knowing all the bids, I can say that there is some interest, and that is good news. That is the first interest we have seen in operating that line in 2½ years. However, if that interest is not pursued, we have effectively six months to procure a new operator. With respect to 6.4 of the agreement, the negotiation provides that the State may for a period of three months after the effective date endeavour to procure an offer.

First, it is an offer only. We do not have to procure total finalisation of a sale arrangement. It applies for three months after the sale date. We will know from the end of this month whether or not it has been included in the sale. The effective date is the actual date it is sold. Hopefully, that will be any time before 20 September—it may be a bit longer. We will know from the end of this month whether we should be going out looking for another operator. In practice, we do have longer than three months. Within that period of time, we simply have to procure an offer, not finalise the deal. If we cannot do that—and our resources will certainly be focused on doing that—we will have to accept what is the option for the Federal Government now, and that is either to leave the line sitting there for ever and rotting or to pull it up and use that line for other purposes.

We have all known that AN has probably wanted to do that for years to invest in the Pinnaroo line. We have those options, but I can assure members that we would not have fought so hard to put it in the AN sale agreement at first, or to secure this potential for South Australia to go out to find another bidder, if we did not want to do the best thing by that line.

I am not just speaking sentiment: I know the consequences in terms of road funding and road safety. I am just not putting words on paper. I know the consequences. We want to make sure that we do the best thing by rail, and this is the first opportunity we have had to do that in decades as a result of this sale agreement because the Federal Government will no longer be an absentee landlord—it will have a say. In terms of clause 9 of the Bill, the Hon. Sandra Kanck talked about the exemption from rates and taxes. All land is exempt for five years. However, under the Railways (Operations and Access) Bill the exemptions for the rail corridors are in perpetuity, which equates with the roads.

I envisage that rates for commercial sites will apply after five years, and I think that that is reasonable. That exemption applies to the head office, the workshops and things of that nature, and that is reasonable in a commercial world but, with respect to the corridors, never. Clause 11 provides a six month exemption to allow time for processing of an application. In terms of Leigh Creek, it is the track only that goes to the South Australian Generation Company or Optima; and the business goes to the new operator for coal haulage and maintenance. I do not want to keep members too late on a night when none of us anticipated sitting, but the track north of Port Pirie, including Port Augusta to Leigh Creek, never belonged to the State: it was always the Commonwealth's, and therefore it was not subject to the Rail Transfer Agreement.

At any time the Federal Government could have done what it wished with that line, and we wanted a say in the outcome. Looking back at what past Federal Governments of both persuasions have done in terms of AN's business and ignoring this State's interests, we did not want to see this Government ignore the State's interest in another critical area of business, that is, power generation. We thought that we could deal with both critical issues, that is, jobs in the power business at Port Augusta and jobs associated with the Leigh Creek line system. We thought that, if the State took control of and invested in that line and that it was held in the name of Optima, that would be the best outcome for not only the north of the State but also for jobs and businesses generally that rely on power from the Port Augusta power station.

In future we will have an operator managing the business of operating the coal line but without its having to buy the track. We will also have the South Australian Generation Company deciding on future investment, whereas the operator does not know what will happen with coal and may not seek to invest. We now know that that will happen because Genco or Optima have given the Government an undertaking that that is the basis on which they will hold this line. It has been agreed that they will hold this line in their names.

There was a reference to Rail 2000 and a press release that was put out that overseas bidders may lose interest because we keep changing the rules. I understand that, since the short listing of bidders, one bidder has pulled out, but that was before the South Australian agreed position with the Federal Government was known. No bidder has pulled out since then. Since then they have all been to South Australia and, as part of the due diligence, been briefed by AN and State Government representatives.

The Hon. R.R. Roberts: How many are there?

The Hon. DIANA LAIDLAW: I believe there are six or seven. I do not have the names with me, but I have been given a rough list of those who have been briefed by the State Government. I should inform members that the Office of Asset Sales will still not formally provide the South Australian Government with a list of bidders, but we know that of those—

An honourable member interjecting:

The Hon. DIANA LAIDLAW: Don't worry, this is just another example of the frustration of working through this

exercise. Many of the bidders turned up to the briefing, because they believe that it makes good business sense, and it is that list which I have. I assume that would be the full list of those interested, because we would not be too interested in those who thought they could bid yet had not even bothered to come to see us by this date.

In terms of the Rail Reform Fund, there is $20 million—$10 million from last financial year, of which South Australia has applied for about $8.7 million. That application has gone to the parliamentary secretary for transport, and I would envisage that before the end of this month all of those projects will be announced and that the money will flow almost instantly for some of them. Others will require some design work. Not all of them are related to rail. There are other prospects that will provide an alternative employment base for Port Augusta, northern Adelaide and other areas of the State. But the only one that I have formally confirmed to date relates to apprenticeships.

Essentially, my role was to chair the committee to oversee applications from around the State, but it is the prerogative of the Federal Government to finally approve it. I do not believe that there is much benefit in me raising expectations now, if in fact the Federal Government does not approve those projects—although I would be pretty angry if it did not, after all the work that has gone into that exercise by me and others.

So, I hope that, in rather a long summing up—and I acknowledge my colleague, the Hon. Caroline Schaefer, for her support throughout this process—I have answered most of the questions. I appreciate that I may not have answered them all, or I may not have answered them in the detail which members would wish, but during the Committee stage of the Bill I will do my best to satisfy the questions and concerns. I know that other members, like the Hon. Ron Roberts, may wish to make a contribution with specific reference to Port Pirie and Peterborough and other rail interests; I accept that. So, at this stage, with the information I have provided, I hope that members can do more work with their respective Caucuses, and that we will return to the Committee stage of this Bill when we resume sitting the week after next.

Bill read a second time.

In Committee.

Clause 1.

The Hon. DIANA LAIDLAW: I am aware, as I indicated at the conclusion of my second reading contribution, that there may well be more questions to ask when members have considered the answers to the questions that I have given to date and that we could resume consideration of the clauses when we resume sitting in a week's time.

Progress reported; Committee to sit again.

CONSTRUCTION INDUSTRY LONG SERVICE LEAVE (TRANSITIONAL PROVISIONS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 2 July. Page 1664.)

The Hon. R.R. ROBERTS: I indicate the Opposition's support for this procedure. There has been wide consultation between employers and employees within the construction industry, and it is generally accepted that it was an oversight in some of the drafting. It is necessary and apt that this matter be adjusted at this time. We will be moving no amendments and support the Bill.

The Hon. J.F. STEFANI: I support the legislation, which seeks to correct an error that inadvertently occurred when the Act was previously amended and referred to service accrued before the commencement of the Long Service Leave (Building Industry) Act Amendment Act 1982 (which became operative from 1 July 1982) rather than the Long Service Leave (Building Industry) Act 1975 (operative from 1 April 1977). When the scheme commenced in April 1977 workers were able to apply to the Construction Industry Long Service Leave Board to have their service prior to commencement of the Act recognised, provided an entitlement to the long service leave did not exist. Employers were liable to pay retrospective contribution to cover this service.

As the scheme has been operative for over 10 years, the Act was amended in 1988 removing the retrospective provisions and allowing workers a further six months to make application for unclaimed service prior to 1 April 1977. The Long Service Leave (Building Industry) Board has sought legal advice and has been advised that, in the absence of the transitional provision, the current Act does not provide for liability for levies and service that accrued prior to 1 April 1988. These amendments, which will correct this problem, have been recommended by the Construction Industry Long Service Leave Board and have the support of the construction industry. I support the Bill.

The Hon. R.I. LUCAS (Minister for Education and Children's Services): I thank members for their constructive support of the second reading, and I warmly endorse their brief, concise and to the point comments.

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

[Sitting suspended from 9.40 to 10.1 p.m.]

RACING (MISCELLANEOUS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 2 July. Page 1663.)

The Hon. T.G. ROBERTS: The Opposition supports the Bill. The Council will probably celebrate the fact that we will not move any amendments either; so the facilitation of the Bill by the Opposition will be speedy. We have questions in relation to some of the administrative processes that the Minister has outlined in relation to the smart card, an innovation that the TAB has put together to facilitate punting by a method other than cash. There are also some questions, which can be explained in the Committee stage, about the percentages and proportions being paid to RIDA and the definition of an 'approved event'. It would be handy if we could get some clarification on that as well. We would like clarification in terms of some of the venues from which bookies can operate, because it appears that there is some doubt as to exactly what events and places bookies can operate on and from.

The Bill proposes to permit non-registered racing clubs, with the approval of RIDA, to have totalisator and bookmaker betting facilities at their meetings. The Opposition approves of that move. At the moment, there are a number of non-registered clubs, particularly in regional areas, that have very popular meeting—sometimes biannually, sometimes annually—which are of great assistance to some of the regional communities in building up a regular following. In a lot of cases the meetings have a picnic atmosphere but are run professionally. The quality of the horses may be question-

able, but in most cases you would find that side wagers are made at these meetings.

The organisers of these racing clubs have called for totalisator and bookmaker facilities. If it is abused, if there are Fine Cotton ring-ins from time to time or if horses are being brought in and are cleaning up punters' money on a regular basis, I am sure that that will be looked at most unfavourably by whatever government is in power and that it would probably have another look at the issue. At the moment these clubs are running on a voluntary basis in many cases with their officials and participants. There is a call from these regional areas to run with full facilities. The Bill also proposes to permit the TAB to accept bets in the form of cash vouchers issued by the TAB. This is a promotional program the TAB would like to introduce and the Opposition has no problems with that concept.

The Bill also proposes to permit the TAB to remit one payment to RIDA, which in turn will deposit that money into the SATRA, the SAHRA and the SAGRA, that is, the trotting, harness and greyhound bodies. These funds are established under section 23 of the Racing Act. The Bill also proposes to permit the TAB to make profit distributions on a quarterly basis, based on 12 accounting periods per financial year and the explanation for that in the second reading is that the proposed changes to the accounting periods will not have a significant effect on the dates on which the TAB makes its quarterly distributions to the Government and RIDA. The current legislation allows the TAB to provide the practice for 12 accounting periods. That is the explanation given by the Government. It is an administrative process that changes the accounting procedures. As we have had no approaches from any of the bodies for any amendments or changes, we will agree to it.

The Bill also proposes to permit both the TAB and bookmakers to bet on events as approved by the Minister, without the necessity to prescribe these events by regulation. That will allow for the TAB to conduct betting on events other than special events and those already prescribed, namely, Formula One Grand Prix, the America's Cup, football and so on. We will have some competition with some of the more erroneous forms of betting starting to grow from organisations developing out of other States, particularly in the Northern Territory. There is a growth of telephone betting on other events in other States. With the advent of the Internet and some of the electronic means of betting sometimes on credit, the TAB will need to be competitive and this is one way that it sees that it can match its operational facilities with those that are growing outside the State.

The interesting thing about the growth of the variations to betting included in the Bill is that it comes at the same time as the local dailies are trying to give the public the impression that the Leader of the Government is trying to cut back on poker machine numbers and restrict other forms of betting, when it is clear that the Government's intention, through the Racing (Miscellaneous) Amendment Bill, is to offer more options for betting.

Although we do not have too many problems with that—as I said, we support the Bill—some of the clauses in the Bill are issues on which some members on this side and perhaps the other side will exercise a conscience vote. They will be allowed to vote on some of these issues without party discipline. So, I would indicate to the Minister who has carriage of this Bill that, although we support the Bill, some individuals on this side will be exercising a conscience vote on some of these issues. I flag that the issues include the clause allowing TAB cash vouchers. That was seen as an extension of gambling that may lead to some complications. The introduction of the TAB Smart Card and what is described as 'all sports betting' are seen as issues on which a conscience vote should be exercised on the basis that they extend gambling.

The Bill proposes to allow the TAB and bookmakers to bet on events other than those prescribed by regulation. With regard to profits from fixed odds betting with the TAB, an amount of 1.75 per cent of bets with licensed bookmakers on events other than racing is to be paid to the Recreation and Sport Fund. So, a new form of betting (fixed odds) which we do not have at the moment is to be introduced and 1.75 per cent of these fixed odds bets will be paid to the Recreation and Sport Fund. In answer to these questions in the second reading debate the Minister who has carriage of this Bill might explain what events are seen as having fixed odds and give some indication of how much that 1.75 per cent is expected to return to the Recreation and Sport Fund.

The Bill also proposes to allow the TAB to enter into an agreement with an interstate or international authority to provide a fixed odds, or parimutuel betting system, on sporting events including football matches but not including racing events. It is very difficult to give guaranteed returns on fixed odds racing events. It is a speculative form of fixing a TAB event. If there were fixed odds on some events, you could end up losing money rather than just taking a fixed percentage with a guarantee of a return. You could end up speculatively losing money from the TAB. The previous Government looked at this as an idea and ruled it out, and I suspect that the current Government has ruled it out for racing but is prepared to introduce it for other forms of gambling, possibly to compete with interstate bodies that have fixed odds for football and other sporting events.

The Bill proposes to permit RIDA to authorise a licensed bookmaker to field at any place without the necessity to prescribe that place by regulation. The Minister might give us an indication of where these bookmakers would be fielding from—at what places the Government would consider fielding to be appropriate—and also indicate whether there are enough bookmaker licences out in the community to cover the increased areas in which they will be operating, whether the current number of licences are adequate, whether the bookmakers have indicated that more licences may have to be issued or whether some bookmakers in the community are currently not practising because there is not enough business in giving fixed odds at racing and other events so that they have gone into recess.

The Bill also proposes to prevent a licensed bookmaker to field at any place without the requirement that an event must be in progress. That could lead to a broadening of the definition of 'events and venues'. We would like to get a description as to where the bookmakers would be operating from. Either the *Sunday Mail* or the *Advertiser* ran an article on tabarets, asking whether bookmakers would be running in conjunction with or separate from TABs. Those sorts of questions might be able to be answered. It is really a matter of the Government's answering some of the questions, to give a little bit of padding to the principles, and some examples relating to the application of some of the principles that have been outlined. With those few words of support, those questions and perhaps some more questions in Committee, the Opposition supports the Bill.

The Hon. J.C. IRWIN secured the adjournment of the debate.

ELECTRICITY (VEGETATION CLEARANCE) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 8 July. Page 1738.)

The Hon. SANDRA KANCK: I am delighted to be supporting a resolution to what has been a vexed issue for almost a decade. The Democrats have played an important role in bringing the main antagonists together and allowing a frank exchange of views to occur which, in turn, has allowed this matter to progress.

If members recall, late last year we dealt with the Electricity Bill, and that ended up in a deadlock conference on the specific issues that are addressed in this Bill, that is, the question of who is responsible for tree pruning under powerlines and who bears any consequent financial or legal liability if something goes wrong.

At that time, the Hon. Mr Lucas on behalf of the Government threatened to set ETSA loose in the suburbs to cut down thousands of trees. He gave a list of some of those trees and, although I will not repeat it, he said that about 500 trees in the Unley council area were to be removed, as were 500 trees in the Adelaide City Council area, 300 trees in Thebarton, Salisbury and Tea Tree Gully, and smaller numbers in other local government areas.

I told Parliament that I was not satisfied with the consultation process that led up to the introduction of the Bill but that, with the opportunity for better consultation, I was willing to reconsider the contentious aspects of the Bill if separate legislation could be introduced in 1997. I have kept that promise. I began with a series of meetings, the first one of which occurred two days before Christmas. I met initially with ETSA but I indicated that I wanted to bring together the key players for a meeting; otherwise, I would be put in the position of hearing one group, then talking to another group, telephoning people and cross checking the history, the facts and the allegations.

Ultimately I convened three meetings over a two-month period involving at different stages ETSA, the Technical Regulator, the LGA, ministerial staff, St Peters Council, and Kensington and Norwood council. When we first met, the temperature was fairly hot in the room, metaphorically speaking, and it took three meetings before we were able to recognise and isolate the real sticking points. I also met with the Minister for Infrastructure in that period.

By the time we got to the third meeting, enough trust and communication had been established to allow me to step aside and for negotiations to go on between ETSA and the LGA as the chief proponents to work out the fine details. I continued to maintain a watching brief on the negotiations and had telephone calls and occasional conversations with the key players, and this Bill is the result.

I stress that not everyone is happy with it. Yesterday I received a fax from the Town Clerk of the Corporation of St Peters, and I assume that the Government and Opposition received the same fax, calling on all three political Parties to abandon the Bill. Despite the fact that the LGA and ETSA were heavily involved in those negotiations, there is some lingering doubt among local government, but I hope that the Minister will be able to counter any such doubts with the intelligent answers that I expect him to give during his reply.

Although there are lingering doubts and, in some cases, straight disagreement about this measure, one has to wonder how long we can keep negotiating. I gave a promise to this Parliament in December that I would consider legislation again in 1997. What is before the Council is probably as good as it will get, but I will ask a series of questions so that I can get answers at the summing up stage which will allow me to determine whether there are any ways of tidying up the Bill.

Clause 5(a) inserts words into the existing section 55(1)(a), and St Peters Council states:

> The amendment inserting a new section 55(1)(a) states quite clearly that the section 55 duty can be varied by a vegetation clearance scheme placing a duty on the council only if the scheme is in accordance with the principles of vegetation clearance. Furthermore, the proposed section 55A(3) says that a vegetation clearance scheme cannot derogate from the principles of vegetation clearance except to the extent referred to in subsection (2)(d).

There is then a note which follows immediately, but it is a little difficult to say exactly what that is. They are comparing it to the Water Resources Act and liability clauses that apply there to directors. The council continues:

> It is clear that no agreement negotiated under the proposed section 55A can modify these quite unacceptable regulations. It is those regulations to which St Peters objects and has objected consistently. They are draconian, unnecessary and there is a wealth of evidence to say so.

The council is saying there is an inconsistency between this proposal, which allows no derogation from the regulated principles, and the proposed section 55A(3), which allows limited derogation. I invite comment from the Minister about what appears to be an inconsistency.

Clause 6 inserts new section 55A(2)(c). Can the Minister tell me whether, if an electricity entity did not want to continue with the responsibility of clearing vegetation, an agreement could be foisted on a council by that electricity entity using the provision in new section 55B of declaring a dispute? In other words, that would be last year's legislation by stealth. When I look further into the Bill it seems to me that new section 55D(2)(a) would not allow this to occur because it makes clear that the council's consent is required, or would it be that new section 55C(2)(a) would result in the dispute being dismissed?

My reading is that the Government's intention is to keep the Technical Regulator out of it until other possibilities have been explored. Can the Minister tell me in what circumstances the Technical Regulator would intervene? St Peters Council makes this comment:

> An electricity entity bound on transferring its liability under the Act can propose an ambit scheme under the Act and, it being refused by the council concerned, the jurisdiction of the Technical Regulator and all that follows from it can be invoked. This is unacceptable. A council should not be forced to the arbitration process unless it is in breach of its statutory obligations.

If an electricity entity is bound under the Act to transfer its responsibilities, and that appears to be the case, which part of the Act prevails? I am seeking reassurance from the Minister that new section 55A(2)(c) would not result in an attempt by the electricity entity to transfer the responsibility for vegetation clearance to a council without its consent.

I understand that individual councils will be able to enter into vegetation clearance schemes in prescribed areas if they want to vary the approach. That is something which I support and which gained my approval during discussions earlier this year, but I want an assurance in the absence of an agreement to such a scheme that the duty to clear vegetation will continue to reside with the electricity entity.

I think from what I have said about this clause that there seems to be a variety of interpretations. It is somewhat

confusing and I hope that the Minister might be able to walk us through a few scenarios of disputes to show us how it is intended it should work.

In relation to clause 6 (new section 55A(6)), I seek clarification of the intention of the wording; I find it a little unclear. Is it saying that the principles of vegetation clearance do not apply to the council in its clearing activities, or is it saying that the principles do not apply to plantings done by the council? I think it worthwhile clarifying that situation, otherwise it could create a dispute later. The Minister's explanation of clauses says that new section 55D:

> . . . makes it clear that a council may have the duty in respect of some of the power lines in the area of the council while the entity retains the duty in respect of other power lines in the area.

I am seeking assurance that this provision will relate only to specific streets or areas where problems might exist and that a wholesale transfer of duty will not result. It is clear from the meetings that I convened earlier this year that in a few council areas ETSA has observed community concerns and has backed off from insisting on its rights to clear vegetation in the past. Where does that past record fit with this new clause? Again, I refer to what St Peters Council has said:

> Once a dispute has come to determination, if the technical regulator decides that past practices do not conform to today's unrealistic and indefensible standards, the council can be hit with the responsibility even if the fault is ETSA's.

I would like an opinion from the Minister as to whether that interpretation by St Peters Council is correct. New section 55E provides a list of things that the technical regulator must take into account. I think an inclusion of a list like this is a great advance on the legislation we had last year.

A question that has been raised with me is: will the technical regulator seek professional advice on these matters? I am particularly pleased to see paragraph (j), which recognises undergrounding, and I know that local government is also pleased to see this wording. What expectation can we have that the electricity entity will accept true cost sharing where undergrounding is seen as a viable outcome of a dispute? Again, St Peters Council has an observation to make about undergrounding, and that is a cost issue. It says:

> The rate cap imposed by section 174A of the Local Government Act caps the general rate but not a special rate. Levying a special rate is subject to the Act. If councils are to be responsible for any part of an expensive undergrounding scheme it is clear that they cannot do it by general rate unless there is an exemption from the rate cap.

I would like to know whether the council's interpretation is correct. If we are going to have this legislation functioning correctly, does it mean that an amendment is required to local government legislation?

Clause 6 (new section 55F(1)(b)) requires the technical regulator in conducting proceedings to ensure 'the proper investigation and consideration of all matters relevant to the fair determination of the dispute'. While new section 55E sets out all the things the technical regulator must take into account and new section 55F will ensure proper consideration of these matters, we cannot dictate what 'proper' is. So, we cannot ensure that due weight will be given to the things that you or I might consider important. I do not think there is anything more we can place in the wording to ensure that, and some members of local government are still sceptical about the effectiveness of this clause, but in the end we have to trust. However, I observe that what we have in this Bill is an advance on what we had in last year's legislation. St Peters Council raises concerns about hearings being held in private, as provided for in new section 55F(4):

> These confidentiality provisions are open-ended and unacceptable. They stand in stark contrast to the public rights to openness that the Government has insisted upon in its recent reforms to the confidentiality provisions of the Local Government Act. Commercial confidentiality can easily become another comforting phrase of no real content to cater for the fear of public exposure on the part of the regulators.
>
> We are aware from past practice that ETSA is rightly afraid to publicly impose its unacceptable vegetation clearance standards on an unwilling council and/or its unwilling ratepayers. The scenes of public protest and obstruction that have occurred and continue to occur in relation to the installation of telecommunications lines will be repeated probably more so if the vegetation clearance regulations are enforced in these same areas. ETSA is not willing to confront these issues in public. The effect of commercial confidentiality in the Optus agreement with councils is to hide its cash settlement per pole deal from the public. Electricity entities will try to use commercial confidentiality to cover almost anything to do with money or the way in which they do business. We take the view that the public has a right to know unless there are clear and compelling reasons to the contrary.

I ask the Minister: under what circumstances does the Minister envisage these privacy provisions being enacted? Would it be unfair to expect that, for the most part, hearings would be public?

As to clause 6, and the proposed new section 55K, St Peters Council states:

> The Bill does not state whether a determination by the technical regulator may derogate from the principles of vegetation clearance or not. If not, then the list of things which the technical regulator may take into account in proposed section 55F(1) is, as its predecessors have been, worthless.

Is the council's analysis correct? If the electricity provider and the council can, why not the technical regulator?

St Peters Council has also raised the issue of telecommunications cables. It claims that the Bill leaves unresolved the question whether telecommunications cables are treated as subject to pruning requirements. I ask the Minister to advise whether in fact they will be and, if it is not clear, do we need to clarify it in this legislation? A number of councils continue to have concerns about the schedule of trees that can be planted under vegetation clearance regulations. Under those circumstances, is the Government prepared to review that schedule?

I have asked a lot of questions. As I indicated, the answers I get from the Minister could result in my introducing some final fine tuning amendments. However, I have kept my word that I gave to this Parliament last December. I am pleased to have been able to play such a pivotal role in bringing the antagonists together and getting communication going at a slightly less adversarial level than it had been previously. As I said, the Bill is probably not perfect, but I do not know if we can get it much better. What we have is better than what we had last December.

The Local Government Association generally accepts what is in this Bill, although it is anxiously looking for some reassurances on some matters. I have sought those reassurances in my questions to the Minister and I look forward to his replies. As I said, this problem is almost a decade old. It is close to being resolved and I am pleased to support the second reading.

The Hon. T. CROTHERS secured the adjournment of the debate.

STATUTES REPEAL AND AMENDMENT (DEVELOPMENT) (ENVIRONMENTAL IMPACT STATEMENTS) AMENDMENT BILL

Second reading.

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

That this Bill be now read a second time.

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

Leave granted.

The *Development Act 1993*, together with the associated *Statutes Repeal and Amendment (Development) Act 1993*, and related regulations came into operation on 15 January 1994 setting in place a new integrated development assessment system.

Last year the Government sought to make a series of important changes to the *Development Act* in order to provide a greater certainty and better outcomes for proponents and the community at large, especially in relation to the assessment procedures for Major Developments and Projects. These changes were included in the *Development (Major Development Assessment) Amendment Act 1996*, which was assented to by the Governor in August 1996 and came into operation on 2 January 1997.

Under the new provisions for the assessment of Major Developments or Projects the Minister responsible for the *Development Act* must make a declaration in the *Gazette* pursuant to section 46 to trigger the assessment process. This differs from the original provisions of the *Development Act*, which allowed the Governor to make a similar declaration in specified circumstances pursuant to the former section 48 but did not provide for any Ministerial declaration.

Transitional provisions were included in the *Development (Major Development Assessment) Amendment Act*. These were intended to give the Governor the power to determine proposals begun under the *Development Act* in the years 1994 to 1996 without the need to recommence the assessment process under the new provisions.

Unfortunately, the transitional provisions passed by Parliament last year have recently been identified by the Crown Solicitor as inadequate. This is because they do not make provision for the continuing processing of a proposal in circumstances where an Environmental Impact Statement was requested by the Minister under the former section 46 of the *Development Act* and there was no declaration by the Governor in the *Gazette* under former section 48.

The transitional problem relates specifically to two proposals, both of which have been the subject of the preparation and public exhibition of Environmental Impact Statements as requested by the Minister under the former section 46 provisions. These are the Inkerman Landfill Depot (proposed by Path Line Australia Pty Ltd) and the Dublin Northern Balefill (proposed by IWS Pty Ltd). Since no declarations were made by the Governor under former section 48 for either of these proposals prior to the new assessment procedures coming into operation earlier this year, there is currently uncertainty as to the relevant authority to determine them.

This omission is proposed to be rectified in the Bill by technical amendments to the Statutes Repeal and Amendment (Development) Act 1993 clarifying the Governor's transitional decision making powers. The amendments will ensure that the Governor can determine both the Inkerman and Dublin proposals, once the relevant documentation has been completed.

The Government has also taken the opportunity in the Bill to correct a typographical error in the *Statutes Repeal and Amendment (Development) Act*. The Bill also clarifies existing sections of that Act relating to the determination of proposals where an EIS has been officially recognised under the repealed *Planning Act* and there is a subsequent amendment to the EIS under the *Development Act*. Several proposals begun under the *Planning Act* have the potential to come within this category.

The purpose of this Bill is solely to clarify technical matters and correct an oversight in the transitional provisions relating to the determination of Major Developments. It does not introduce any new policy initiatives or alter the manner in which Major Developments or Projects are to be assessed.

Explanation of Clauses

Clause 1: Short title

This clause is formal.

Clause 2: Commencement

The Act will be taken to have come into operation on 2 January 1997, being the day on which the *Development (Major Development Assessment) Amendment Act 1996* came into operation. The retrospective operation of these provisions is appropriate to ensure that there is no uncertainty as to the status of any environmental impact statement or development assessment process since 2 January 1997 and on the basis that these amendments are technical amendments intended to address and clarify issues that have arisen since the commencement of that amending Act.

Clause 3: Amendment of s. 18—Transitional provisions—Environmental impact statements

This clause contains various amendments relating to the recognition of environmental impact statements and the assessment of developments that are subject to environmental impact statements.

Paragraph *(a)* is a minor wording correction.

Paragraph *(b)* makes it clear that section 18(3) includes in its operation an environmental impact statement that has been amended under the *Development Act 1993* (a position that is entirely consistent with the scheme under the *Development Act 1993*).

Paragraph *(c)* provides for an amendment to ensure consistency with proposed new subsection (7).

Paragraph *(d)* is intended to avoid any argument that the amendment of an environmental impact statement under Division 2 of Part 4 of the *Development Act 1993* will somehow then exclude it from the operation of the Division.

Paragraph *(e)* will comprehensively address other relevant transitional issues concerning environmental impact statements following the enactment of the *Development (Major Development Assessment) Amendment Act 1993*. New subsection (6) will complement section 18(2) of the principal Act and section 14(1) of the *Development (Major Development Assessment) Amendment Act 1993* to provide expressly that a requirement for an environmental impact statement under section 46 before the commencement of that amending Act will continue in force and effect as if it were a determination of the Major Developments Panel (and then be subject to the operation of the new provisions).

New subsection (7) will make it absolutely clear that a development that is the subject of an environmental impact statement will be assessed under section 48 of the *Development Act 1993* in all circumstances.

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

RAILWAYS (OPERATIONS AND ACCESS) BILL

Adjourned debate on second reading.

(Continued from 2 July. Page 1655.)

The Hon. SANDRA KANCK: At the outset I make the observation that if the State owned the tracks this Bill would be unnecessary. I bring to the attention of members some comments made at the Rail 2000 conference held in May. Jim Hallion of our Economic Development Authority mentioned that removing regulatory responsibilities from freight operators and separating track provision from operating tasks did not work in Sweden. David George, Executive Manager, Strategic Issues Queensland Rail, said that Queensland has rejected a separation model and, worldwide, most successful railways are integrated.

Mr George observed that separation involved substantial transaction costs and leads to a duplication of administrative structures. He said that questions of accountability and responsibility in a separated model have not been answered. In fact, someone from the audience called out, 'Track access will kill rail.' Obviously, there are different models for track access, and four or five different models were discussed at the Rail 2000 conference. Unfortunately, we in South Australia have not had any public debate about which sort of track access model South Australia should have. In fact, I doubt that most people would be aware that there are a variety of models from which to choose.

Clause 4 of the Bill deals with intrastate track and, presumably, it does not mean the Melbourne to Perth line, and I wonder whether there is any possibility of misinterpretation. Division 4 provides that the legislation will apply to all railways in the State, but 'railway' is not specifically defined in clause 4. I just want to be certain that there is no chance of things getting mixed up.

Under clause 7, freight terminals as well as track infrastructure are covered by this legislation, and I believe that this clause could be used to make freight terminals available to potential competitors. I would like the Minister to confirm that that is the intention of the legislation. If it is, I find it somewhat surprising—again, maybe I should not be surprised, with the sort of discrimination that there is against rail, because no-one would ever tell Mr Scott, of K & S Freighters, to open up one of his truck terminals to another operator. So, although competition policy is really something that only applies to public enterprises, I wonder whether, if we bring freight terminals in under clause 7, this would go against the spirit of competition policy.

Clause 9 is about the regulator. I have a problem in respect of the regulator, because there is not a clause that says that there shall be a regulator. The legislation fails to explain who is capable of being a regulator and what the purpose of the regulator is, other than what is specified in the clauses. Can the regulator perform more tasks than are defined in those specific clauses? How do we ensure conflict of interest provisions apply to this person, unless there is something in the legislation? Who chooses this person? I know that the clause says it is the Governor, but I want to know who really chooses the person. Who is she or he answerable to? For how long is this person appointed, and how is she or he removed if it becomes necessary? It seems to me that the regulator is potentially a very powerful person, and these seem to me to be quite significant questions requiring answers.

The Minister will not be surprised to know that I have concerns about clause 11, because I see that it could be used as justification for ripping up the track, and I would like the Minister to explain why that would not happen. In relation to clause 12, the Minister can order an operator to install traffic control devices. Normally, a level crossing fund, which both road and rail contribute to, provides the finance for this but, as I read this clause, it sounds like it is putting all of the cost on rail, and I wonder whether that is the intention of the clause.

In relation to clause 16, as the Minister would know from the comments I made in the transfer Bill, I am quite comfortable with removing or reducing charges on rail that road transport operators do not have to bear, but I wonder how local government feels about this clause, given that it is being said that local government will not be able to charge rates. Has local government been consulted? I raise this matter now because I do not want to find myself getting a fax from the LGA on Tuesday week telling me to oppose the clause or oppose the Bill because it did not know anything about it.

Clause 17 prevents an industry participant from being a common carrier. 'Common carrier' is not defined in the legislation, and I wonder whether it needs to be defined. Perhaps the Minister could expand on that to let me know exactly what it means.

I have received a number of comments from Dr Fred Affleck from the National Rail Corporation, who is the first person to respond to me in writing about the legislation. I will refer to some of his comments, although I expect when we get to the Committee stage I will probably refer to comments from other people which I will have received in the interim. In relation to clause 21 Dr Affleck says:

> Clause 21 attempts to prescribe the scope of a railway business, and prohibits an operator from carrying on any other kind(s) of businesses. Currently, there are companies (e.g., SCT, TNT, and Patricks and potentially in future National Rail also) which are operators (under the definitions in clause 4) who operate extensive other businesses, e.g., warehousing and distribution, trucking and stevedoring.
>
> This clause will exclude these firms and most others from being industry participants, and in my view is quite misconceived. The only way around it will be for such organisations to establish separate corporate entities to operate rail businesses in South Australia, which will be expensive and cumbersome.

I am not quite sure how expensive it would be to set up a shelf company: it may be not as expensive as he thinks. Anyhow, he continues:

> Once again, there is no similar straitjacket on operators of competing road transport. The simplest solution to the problem described above is to exclude passenger and freight services from the definition of railway services in clause 4.

Clause 7 also may be a way out or a solution, but I seek feedback from the Minister. In relation to clause 22 Dr Affleck says:

> Clause 22 also refers to segregation of accounts, and as commented above could be made to apply to terminals under the Bill's definition of 'railway infrastructure'. Most terminals do not earn an income separate from the remainder of the rail operation of which they are a part, and (as commented above) segregation of their costs is difficult and arbitrary. I believe this is another reason for the change advocated in the previous paragraph and for deletion of 'loading and unloading' from the definition of rail infrastructure.

Dr Affleck then comments about pricing discrimination (clause 23). He says:

> The prohibition on pricing discrimination is entirely warranted. However, the Bill does not provide any certainty as to whether actual price discrimination by the track access provider will be discovered.

He suggests perhaps that clause 60 might provide the mechanism for that. Dr Affleck spends a fair amount of time on clause 26. He says:

> . . . reference is made to 'competitive neutrality' between road and rail. This is indeed an important objective, but in fact I believe this new legislation tends to make its achievement more difficult.
>
> The major reason for this is the complex procedures set down for obtaining a price for use of rail infrastructure, and the lack of public access to the prices being charged (that is, access agreements are permitted to be confidential). By contrast, a person proposing to operate a freight service by road may easily obtain registration for a vehicle (which gives open access to the road infrastructure) at a fixed publicly-posted price. The likelihood of arbitration, lengthy negotiations, etc., to gain access to rail infrastructure is a very substantial barrier to entry and is an ongoing handicap to rail operators.

He continues:

> . . . this complex approach has been the subject of several major disputes in New South Wales, where the same applies, and in the outcome of arbitration between National Rail and the New South Wales Rail Access Corporation has been shown to be largely impractical.

He says:

> . . . the approach of AN Track Access, which controls access to interstate track in South Australia, is simply to post a price available to all potential users—you can buy or not buy, as is the case with road. It is simple, makes entry and administration easy, and is widely accepted by the rail industry.

He also says:

> . . . clause 26(4) prohibits an arbitrated price being outside the 'floor' or 'ceiling'. This will render much of the arbitration fruitless. In New South Wales where arbitration has occurred, the argument has turned on two major questions: (1) what costs should be included in the 'floor', and (2) can any operator afford to continue to operate if the price is set at or above the 'floor'?
>
> The outcome of the New South Wales arbitration was to set a price below what was argued to be 'floor'. This will be a difficulty for the track owner who will also be the 'above-rail' operator of services taken over from AN. If accounts are fairly kept as to the cost of infrastructure, it will find difficulty in charging itself a fair 'price', that is, a price which covers 'floor' costs but allows it to stay in business, and will be guilty of unfair price discrimination if it tries to charge more to other users. There are practical difficulties with this complex approach.

I do not expect the Minister to respond to those comments in her summing up. She will probably need to look at what I

have read and perhaps respond in Committee. However, it seems to me that there is a degree of complexity in what we are dealing with and, as with the transfer Bill, I am concerned with the speed with which we are having to do this. I am worried that we could pass flawed legislation. With the degree of complexity that we are talking about here in respect of pricing arrangements, discrimination and things of that nature, we would really need about three months to get this right. I indicate that my speech is incomplete because of the limited time.

The Hon. T.G. Cameron interjecting:

The Hon. SANDRA KANCK: You don't? The record shows differently.

The Hon. T.G. Cameron interjecting:

The Hon. SANDRA KANCK: Yes, if we were going to do this properly I believe it would require three months.

The Hon. T.G. Cameron interjecting:

The Hon. SANDRA KANCK: And you don't ever require three months to get legislation through! As I have said, I am sure that in the next 12 days I will speak with quite a few people involved in this issue, and we will probably have a lot more questions in Committee. I support the second reading knowing that the Minister will be tolerant if I take that approach.

The Hon. DIANA LAIDLAW (Minister for Transport): I thank the Hon. Sandra Kanck for her consideration of this Bill within a period of much less than three months—a little over three days. Similarly, I thank the Hon. Terry Cameron, who considered these matters when addressing the earlier Bill relating to the transfer of Australian National and the sale process in general.

I would like to make a few comments in summing up. However, I appreciate the honourable member's reflection that I will not be able to answer all the detailed questions. I wonder whether, in the circumstances, during the break of one week these matters could be addressed and I could forward my reply in a letter to the Hon. Sandra Kanck and the Hon. Terry Cameron. That may help matters during the next week of sitting.

I will then be prepared to read that reply into *Hansard* on Tuesday or Wednesday of the next week of sitting. In the meantime, I note that in terms of the freight terminals, these have not been declared at this stage, but there is a draft declaration which has been prepared and which I can enclose in the correspondence to the Hon. Sandra Kanck and the Hon. Terry Cameron. In terms of the regulator, it is envisaged that that would be a public servant, possibly the CEO of the Department of Transport. Whether or not that person could be dismissed I have never tried in terms of Rod Payze, and I do not envisage proposing tonight that I could tell him that he could in any way be dismissed, let alone as a regulator. We do know that he is a man who has conducted all his responsibilities with integrity. In terms of all the contracting work and a whole range of business, he is someone we could rely on with considerable confidence to undertake such a responsible position, but I will get further advice on his responsibilities for the honourable member.

In terms of clause 16 and local government rates, Australian National does not pay such rates now, except in terms of residential property. Therefore, local government would be unwise to anticipate that any new operator would pay rates. I know that this issue was raised by the Public Transport Union with me in terms of its concern that it may be an impediment for rail operations in the future whereby any council could anticipate that they would gain a windfall from this new way of operation. I can assure them that councils should not anticipate such a windfall.

In respect of clause 21 I have a few comments about the step-in rights in terms of guarantees that lines will not be ripped up, and that has been one of my chief considerations through this whole process. The honourable member will recall that when we dealt with very similar issues with the Passenger Transport Act in 1994 we were concerned that if depots and other major areas of infrastructure were sold to the private sector they could then on sell them and that the public as a whole would be very vulnerable in the way in which we could operate public transport services without depots in prime areas of land. It is for that reason that right from the start of this exercise we have focused on the issue of protection of the public good. Therefore, if we were to keep the land but not the track, we wanted step-in rights for the track if the operator did not perform as the operator had undertaken in the lease agreements or the sale agreement. I will provide more detail on the operation of all those step-in provisions. In terms of a future operator we believe it is very important that they keep their costs separate from any other business. I will explain that further in correspondence to the honourable member.

In clause 26 we have all learnt a great deal from the New South Wales experience in terms of its decision not to continue with the vertical integration of rail operations in that State. We propose to streamline the procedure, because the New South Wales experience is a cause of considerable concern to all who are interested in rail in this country. While the model of separating access from operator appears ideal, the access charges and the administrative arrangements are handicapping rail in that State, and it is certainly frustrating a national system.

It may be seen as being in the interest of New South Wales but not in the national interest of rail and growth overall. We have learnt from that and do not intend to repeat those practices. Certainly I have learnt from the separation of operator and regulator in terms of the former STA, now TransAdelaide,, and the PTB. In terms of professional experience for me it has alerted me to many things that need not be repeated in future. They have been important considerations for the public safety, but have been a handicap in terms of getting new energy into some of the way that we do business.

We have learnt from those two types of operation in terms of breaking up a virtually integrated system of operation. The posted prices have not been ruled out, but there is a need for flexibility and to adapt to different needs in terms of passenger services, whether it be light rail or fast services or, in the freight field, whether it be heavy rail and a slow, long or short haul operation. That flexibility has been taken into account.

We need to take account of the competition principles agreement, which favours negotiations. We propose to practice that. There is not much joy in the competition principles agreement, but where there is room for negotiation we would be seeking to do that in the State's interest. Little have I seen is able to be achieved in terms of competition principles in the State's interest and it is not something I have embraced with much enthusiasm, but something we have to work with.

Again I thank members for asking a great deal of them in considering some big and complex issues of enormous importance to transport integration and operation in future.

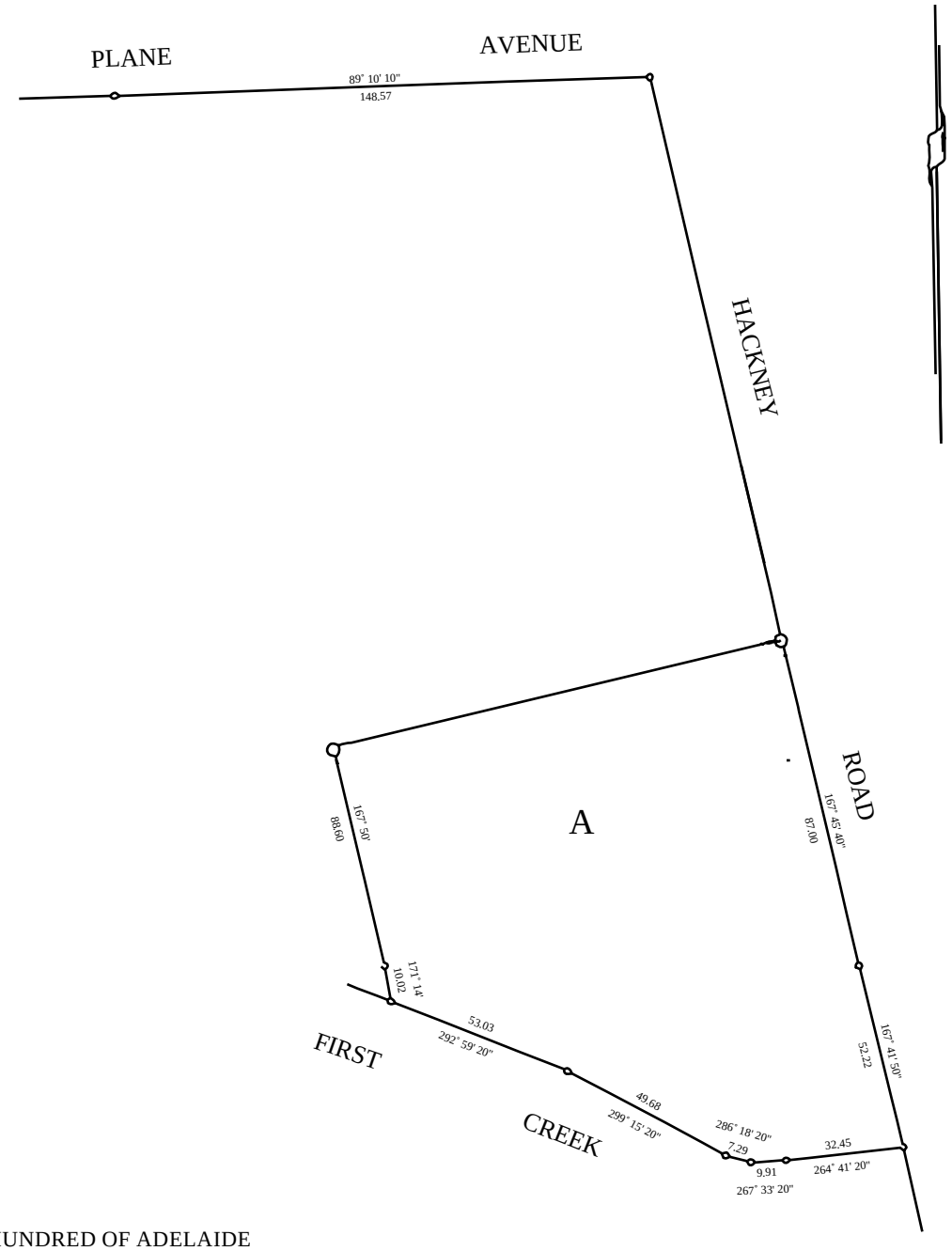
I appreciate the cooperation with which all members have addressed this Bill to date.

Bill read a second time.

ADJOURNMENT

At 11.10 p.m. the Council adjourned until Tuesday 22 July at 2.15 p.m.

SCHEDULE
Plan of Land



HUNDRED OF ADELAIDE
SECTION 571
CITY OF ADELAIDE
IN THE AREA NAMED

ADELAIDE