LEGISLATIVE COUNCIL

Wednesday 3 June 1998

The PRESIDENT (Hon. J.C. Irwin) took the Chair at 2.15 p.m. and read prayers.

LEGISLATIVE REVIEW COMMITTEE

The Hon. A.J. REDFORD: I bring up the report of the Legislative Review Committee concerning regulations made under the Development Act with regard to smoke alarms.

I also bring up the policy of the Legislative Review Committee for the examination of regulations and I bring up the Eleventh Report 1997-98 of the Legislative Review Committee.

POLICE REFORM

The Hon. K.T. GRIFFIN (Attorney-General): I seek leave to table a ministerial statement made by the Minister for Police, Correctional Services and Emergency Services in the other place this day on the subject of police reform.

Leave granted.

QUESTIONS

The PRESIDENT: Before calling on Question Time I have had time to reflect on a ruling I made last week on a couple of supplementary questions and a question yesterday that went through without being challenged, simply asking a Minister for comment. Members are aware that Council Standing Orders prohibit members from expressing opinions in asking questions. The other day I drew members' attention to the fact that they should not seek expressions of opinion from a Minister to whom they are directing a question. This is in accordance with the House of Commons procedure from which we obtain our precedence. May's *Parliamentary Practices* states:

Questions which seek an expression of opinion or which contain arguments, expressions of opinion, inferences or imputations, unnecessary epithets or rhetorical, controversial, ironical or offensive expressions are not in order.

Members interjecting:

The PRESIDENT: Order! Question Time has become increasingly dominated by statements from members for which they obtain leave, rather than the main purpose of Question Time, that is, the asking of questions. This does not occur in other Houses of Parliament. I would remind members that Standing Order 109 provides for members to seek leave to make statements of facts merely to elucidate their questions. Members are turning Question Time into a means of making lengthy speeches, which is not the purpose. May's *Parliamentary Practice* states:

The purpose of a question is to obtain information or press for action; it should not be framed primarily so as to convey information, or so as to suggest its own answer or convey a particular point of view, and it should not be in effect a short speech. Questions of excessive length have not been permitted.

May's *Parliamentary Practice* states:

The facts on which a question is based may be set out as briefly as practicable within the framework of a question, provided that the member asking it makes himself responsible for their accuracy, but extracts from newspapers or books, and paraphrases of or quotations from speeches etc. are not admissible.

Therefore, the House of Commons does not even permit members to seek leave to make a statement prior to asking a question. Rather, any facts must be incorporated in the question. I suggest that members should become accustomed to framing their questions in such a way as to restrict the necessity for making long statements or, more importantly, to perhaps even endeavour to exclude them totally. With this in mind I intend to draw members' attention to any lengthy statements in an endeavour that, in the long term, this will result in a much more beneficial use of Question Time for all concerned.

The Hon. T. CROTHERS: Mr President, I rise on a point of clarification. I realise that interjections are illegal but are tolerated in the interests of the free flow of debate. Often the interjectors, particularly on the Government benches, by way of their interjection will pose a dorothy dix question to the Minister to which the Minister then responds. Does your ruling include the Minister's being prevented from answering questions which are framed up by dint of interjectory comment?

The PRESIDENT: As the honourable member knows, and all honourable members know, interjections are out of order, anyway.

The Hon. T. CROTHERS: On a further point of order, does that mean that Ministers should not and must not answer interjectors?

The PRESIDENT: That is what it means.

QUESTION TIME

TRANSPORT, PUBLIC

The Hon. CAROLYN PICKLES: I seek leave to make a brief explanation before asking the Minister for Transport and Urban Planning a question about increased taxes and charges and a GST.

Leave granted.

The Hon. CAROLYN PICKLES: We all know that motorists and public transport users, including taxis, were amongst the hardest hit in the Treasurer's high tax budget.

An honourable member: That's comment.

The Hon. CAROLYN PICKLES: It is the truth. Fares will increase on average by 7 per cent; stamp duty on compulsory third party certificates has increased; and taxis, another important public transport service, have also been slugged. On top of this John Howard and Peter Costello have vowed to introduce a GST if re-elected. My questions to the Minister are:

1. Has the Minister sought assurances from the Prime Minister, if he is successful at the next election, that he will exempt public transport from a GST of potentially 10 per cent?

2. Does the Minister accept public transport patronage will inevitably decline as a result of the State Government's fare increases and will she provide to the Parliament the latest patronage figures?

The Hon. DIANA LAIDLAW: The Premier has been undertaking the negotiations, as have all other Premiers, in terms of submissions to the Federal Government in relation to the GST. In terms of the decline of public transport, which is the suggestion in the honourable member's question, this Government has been instrumental in bringing back stability

to public transport in terms of patronage and we have stemmed the decline that we saw over the time when the Labor Government was in power for some 13 years. Patronage has now stabilised and in a number of contracted areas it is increasing. That should be a cause for celebration, that more people are now being encouraged to use the public transport system, and there will be further initiatives undertaken over this year to ensure that there are further incentives for public transport usage.

The Hon. CAROLYN PICKLES: As a supplementary question, will the Minister provide the latest patronage figures to the Parliament?

The Hon. DIANA LAIDLAW: Yes.

EMPLOYMENT

The Hon. P. HOLLOWAY: I seek leave to make a brief explanation before asking the Treasurer a question about employment.

Leave granted.

The Hon. P. HOLLOWAY: Last December, the Treasurer told the Council in answer to my Question:

> The Premier has indicated that our policies will be directed towards trying to ensure that, at the very least, this State's unemployment rates match the national unemployment and youth employment figures.

The Treasurer said:

> Additional and economic budgetary measures will be outlined in the coming months, in particular when the Government's four year plan is released in the budget of 1998.

The Treasurer also said in December:

> As to that commitment given by the Premier, all members of the Government are rock solid, 100 per cent behind him.

Forecasts contained in this year's budget—and I refer to table 4.1—indicate that economic growth in South Australia will be below the expected national growth rates for each of the next three financial years and, further, employment growth in South Australia will be well below the predicted national employment growth for each of the next three financial years. Is the Treasurer still rock solid, 100 per cent behind the commitment to reduce the unemployment rate to the national average by 2000; if so, how does he expect that commitment to be delivered, given the low projected employment growth rates?

The Hon. R.I. LUCAS: Sadly, the Deputy Leader of the Opposition has failed to read the budget speeches. The Government indicated, through me as a Treasurer, that lower than national average employment growth estimates were included in the budget documents for the coming four year period. The budget speech indicated—and I refer the honourable member to page 4 or 5 of the budget speech where this is made quite explicit—that the challenge for this Government is to exceed the growth estimates for employment and growth in gross State product included in the four year estimates. Because it is true—

Members interjecting:

The Hon. R.I. LUCAS: Well, we'll have to do better; that is the challenge for the Government. The Government could have done one of two things: it could have doctored the forward estimates for the coming years to be consistent with the policy objective of the Government, and this Government and all Ministers are 100 per cent, rock solid behind the Premier in relation to his personal objective and that of the Government to meet that challenge. We have put down the estimates as they are, warts and all, as prepared by Treasury for the four year period.

In the budget speeches we are saying that we have to do better than that if we want to meet that policy objective. That is why this budget specifically included a number of employment initiatives: the $99 million employment statement, the $55 million extra for the Convention Centre, $10 million extra for mineral exploration initiatives, and the extra money for direct marketing and tourism to try to attract growth in the tourism and hospitality industry; so the list goes on. I recorded these not only last week but also again yesterday in response to a different question.

The Government is absolutely committed to trying to meet, as best it can as a State Government operating in a national and international economy, the policy objective that the Premier rightly has set for his Government, himself and us all.

PRISONS, DRUG AND ALCOHOL TREATMENT

The Hon. T.G. ROBERTS: I seek leave to make a brief explanation before asking the Attorney-General, representing the Minister for Correctional Services, a question about drug and alcohol treatment and rehabilitation in prisons.

Leave granted.

The Hon. T.G. ROBERTS: I understand there was a cut of $7 million in the budget allocation to Correctional Services. The problems associated with drug and alcohol rehabilitation are getting bigger rather than smaller. Those people who deal with alcohol and drug rehabilitation have reported to me that they believe the problem is almost overwhelming. Is it now possible, with the budget funds available, to run a more effective drug and alcohol treatment program for prison inmates and remandees? If not, will the Government allocate more funding to run a more effective program with measured and quantitative results obtained from these new measures?

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

ETSA, OFFICES

The Hon. SANDRA KANCK: I seek leave to make a brief explanation before asking the Treasurer a question about ETSA offices.

Leave granted.

The Hon. SANDRA KANCK: Last week ETSA Corporation announced plans to close 12 country and two metropolitan ETSA offices. The Australian Services Union issued a media release which advised that, when it approached ETSA management about the decision, it was told that in the view of ETSA Corporation such closures were consistent with the operation of a private sector owner. I am sympathetic to a view from the country that the closure of the offices would reduce employment opportunities in the 12 regional centres and inflict further damage on the already fragile economies of regional South Australia.

Furthermore, many country people still value being able to speak face to face with an ETSA employee when they have a problem associated with their power supply. If that is removed, the only option left for them is to discuss the matter over the telephone with an anonymous, city-based employee of ETSA. I understand that yesterday the Treasurer was interviewed on 5CK and he indicated that he had reversed ETSA Corporation's decision. My questions are:

1. Can the Treasurer explain the reasoning behind the proposed closure of these offices?

2. Does he agree with the ETSA Corporation that a private owner would close these offices?

3. How many jobs in regional South Australia would be lost if these offices were to be closed?

4. Why did the Treasurer reverse the closure decision?

The Hon. R.I. LUCAS: As the Minister in charge of ETSA for only the last few days, I have asked ETSA management to put on hold their decision pending a further review and for me to be satisfied with the rationale of the decision and what impact, if any, there might be on service delivery in regional South Australia. Therefore, I will need to await the detailed briefing from ETSA management to ascertain the rationale for it.

It is important to understand that some of the claims that have been made by the unions in relation to this might not be entirely accurate. I saw a statement made by a union spokesperson which listed a number of regional centres that were meant to be closed, and I am told that is not correct.

The Hon. T.G. Roberts interjecting:

The Hon. R.I. LUCAS: No, they were not even on the list for contemplation by ETSA. I am not sure upon what basis that union spokesperson listed a number of regional centres and depots in his public statement yesterday. I caution members not to accept that his statement was 100 per cent accurate. It is certainly correct to say that consultations with the unions were commenced by ETSA management to look at the process of rationalisation of depots.

It is also true that a number of depots were mentioned, but I am told that some of the depots that were mentioned publicly were not those advised to the union. I am not sure whether the union spokesperson just got the depots wrong or was working off the wrong list when he did his radio interview. I will need to take further advice from ETSA on the rationale for the decision.

The important point to make is that it is interesting that the union and others have sought to criticise a potential privatisation decision by the Government and to use this as an example of it. This is a decision of a publicly operated Government utility, which is trying to operate in the national electricity market. I am sure that the answer from ETSA will be that it is a utility that is trying to operate in the market. It has to compete with the prices of the big boys and big girls interstate in the privatised national electricity market, and it has to be able to compete on price with people in the national market. I am sure that the board, having been given responsibility under the corporatised model, is trying to reduce its cost and price structure to the degree that it can.

So, too, have the Labor Party and the unions sought to portray what will happen under a private ownership market when, in reality, it has been happening for the past two years under public ownership, under the corporatised model, and is now actually happening under a public ownership model. The reality is that we can no longer hide from the fact—and I know the honourable member appreciates this fact and I direct these comments to the Labor Party—that we are to be part of a national electricity market. Whether we are public owners of our electricity businesses or whether they happen to be moved into private ownership, those businesses will have to compete with the national electricity marketplace.

So, irrespective ultimately of the decision taken by this Parliament on the ownership structure of our electricity businesses, these sort of difficult and thorny decisions about the level of the cost structure of our electricity businesses will be confronted by both ETSA, Optima and others that operate in our section of the national electricity marketplace. That is the reason, I suspect, that decisions have been taken, but I will need to obtain that information formally from ETSA management. I have asked them to brief me on the issue. We will need to talk about the options. A number of changes might be able to be accomplished without a significant diminution in the level of service provided to country and regional South Australia. I would be concerned if we were to see a significant impact on the level of service to be provided to the metropolitan area and in particular to country and regional South Australia as a result of any cost reduction process that ETSA management is contemplating.

TAXIS

The Hon. A.J. REDFORD: I seek leave to make a brief explanation before asking the Treasurer a question about compulsory third party insurance premiums for taxis.

Leave granted.

The Hon. A.J. REDFORD: Last week the Treasurer announced that registration fees for taxis would increase from a premium of $912 per annum to $1 944 per annum. That is an increase of approximately $1 032 per annum. Following that announcement and following criticism from various sectional industries in the taxi industry, I made inquires as to what premiums exist in other States in Australia. These inquires reveal that compulsory third party insurance premiums in other selected States are: New South Wales, $3 591; the ACT, $3 867; and, in Victoria, $1 391. In view of the criticism made by the taxi industry, my questions to the Treasurer are:

1. Does the Treasurer have an explanation as to why premiums for compulsory third party insurance have increased so markedly?

2. What factors impact upon the seeking of compulsory third party insurance premiums and, in particular, the announcement, pertaining to taxis, made last week?

The Hon. R.I. LUCAS: I thank the honourable member for his question. He did the courtesy of advising me earlier today that he would be asking a question, so I was able to dig up my press release from last week and will be able to share with members the figures included in that press statement that announced the increase. I am indebted to the research that the honourable member has done in relation to premiums for taxis in other States which place into reality the proposed increase that has been announced by the South Australian Government.

The bottom line is that the independent Third Party Premiums Committee, as I indicated yesterday, and the Motor Accident Commission are seeking to ensure that sections of our motoring industry and public pay a fair premium for the costs being incurred by our insurance company, the Motor Accident Commission. If a section of the community such as the taxi industry is to have, from an insurance viewpoint, an artificially low or subsidised rate of premium, each and every one of us as members of the ordinary motoring public will have to pay higher premiums as a result. That is the trade-off. If you want to artificially lower or subsidise one section of the motoring community, the rest of us have to pay higher premiums.

The Hon. Carolyn Pickles interjecting:

The Hon. R.I. LUCAS: The Hon. Carolyn Pickles says that they were not prepared for such a hike. I want to address that issue because my colleague the Minister for Transport,

who has a longer history in this area than I have, and the Motor Accident Commission executives have advised me that this issue has been raised with the industry since about 1994 or 1995. So for about the past three years the Motor Accident Commission has been warning the taxi industry that unless its accident rate—

The Hon. Diana Laidlaw: We gave them breathing space.

The Hon. R.I. LUCAS: Breathing space was given to the industry, but a warning also was issued that unless the accident record could be consciously and significantly improved in future years then these sorts of increases were likely to come. As the Minister has indicated, breathing space has been given to the taxi operators and to the taxi industry since about 1995 by the Motor Accident Commission. I know from the Minister's indication that senior executives within her broad portfolio have also had discussions with the industry indicating that it had a chance to improve its safety record and that if it was able to do so it might be able to forestall the size of the potential increases.

I want to put on the record the accident rate figures for the past three to four years. The accident rate for taxis compared with private motor vehicles class 1 are as follows: in 1993-94 the comparison was 9.80; in 1994-95 it increased to 10.23; in 1995-96 it increased significantly to 11.87; and in 1996-97 it stayed at that high level of 11.73. What that is saying is that for every one in a thousand private class vehicles, taxis have an average frequency for accidents which is 11.73 times greater.

The Hon. Carolyn Pickles interjecting:

The Hon. R.I. LUCAS: The shadow Minister interjects: 'Does it take into account the time they spend on the road?' The response of the Motor Accident Commission is that it would hope that a section of the motoring public that spends more time on the road would, in a professional industry, perform at a better rate in terms of accident performance than the average Joe or Jill Blake who drives along the road occasionally.

The Hon. Carmel Zollo interjecting:

The Hon. R.I. LUCAS: It might be highly arguable, but the argument certainly is that this is a professional industry and that we would hope that its accident rate would be better than the average motoring public.

The Hon. T.G. Roberts interjecting:

The Hon. R.I. LUCAS: The Hon. Terry Roberts says, 'It is better than.' Well, it depends on your perspective. Basically, we are seeing a significantly higher accident rate, and even when you take into account the fact that they might spend about 10 times the amount of time on the road the figures have indicated that they are no better in terms of their accident record than the—

The Hon. Carolyn Pickles interjecting:

The Hon. R.I. LUCAS: In the end, what the Labor Party and others have to argue is whether they want the average motorist to subsidise the taxis to the degree that they have. That is the question.

The Hon. Carolyn Pickles interjecting:

The Hon. R.I. LUCAS: No, if you do not support this you have to support the view that the average motorist will have to pay a higher premium to subsidise the taxi industry. No other choice—

The Hon. T.G. Roberts interjecting:

The Hon. R.I. LUCAS: Hobson's again, as the Hon. Terry Roberts said. He very opportunely interjected yesterday with a summary of the situation. He perhaps more than other members of the front bench understands the reality of the choices confronting the Government, and I congratulate the Hon. Terry Roberts on his perceptiveness. He might be isolated in terms of the factions in the Labor Party, but he is showing a good degree of perception over the difficulties that confront—

The Hon. Diana Laidlaw: Leadership material.

The Hon. R.I. LUCAS: Leadership material, yes; at least Deputy Leadership material perhaps. He is showing a degree of perception in relation to the difficulty of choice. You cannot have it both ways. If you want to criticise the increase in the premium for the taxi industry you must then put up your hand and say that everybody else should pay higher premiums to support that accident record. There is no middle ground in this; you cannot hide under a bush somewhere. You must put up your hand for one or the other.

This is a challenge for the Motor Accident Commission executive, and I know that people within the Minister for Transport's portfolio have an ongoing interest in this. Most importantly, the challenge for the members of the taxi industry is that they have to demonstrate over the coming years a willingness to work together with the other appropriate authorities on programs to reduce the accident rate in their industry. If they do then, like the average motorists in country areas who were rewarded this year with premium reductions for their good safety record over recent years, they too might enjoy some benefits in future years if they can demonstrate reductions in their accident rate over a sustained period in the future.

ELECTRICITY, PRIVATISATION

The Hon. L.H. DAVIS: I seek leave to make an explanation before asking the Treasurer a question about the privatisation of ETSA.

Leave granted.

The Hon. L.H. DAVIS: The Hon. Mike Rann appears to be like a shag on a rock amongst Labor Leaders in Australia with respect to—

The Hon. P. HOLLOWAY: I rise on a point of order, Sir: the Hon. Legh Davis is clearly breaching Standing Orders in the opening of his question.

Members interjecting:

The PRESIDENT: Order! I have asked members not to spend a long time in explanation—which the honourable member has not yet done—and I—

The Hon. L.H. DAVIS: For a moment, Mr President, I was concerned that you were worried that I was unduly flattering Mr Rann.

The PRESIDENT: I have asked members not to give opinions in their questions. I have not heard the first part of the honourable member's question but will be listening carefully to determine whether the question is in order.

The Hon. L.H. DAVIS: The evidence mounts that the Leader of the Opposition in another place, Mr Mike Rann, is like a shag on a rock when it comes to his attitude towards privatisation. Only last week, the Leader of the Labor Party in New South Wales—indeed, the Premier of New South Wales—Mr Bob Carr was quoted in the *Financial Review* of Thursday 28 May as saying:

> I want it done earlier than October.

He was referring to the Labor Party's resolving to privatise its electricity assets valued in the vicinity of $25 billion. I am

quoting this directly, as I watch Mr Holloway's jaw drop. Mr Carr states:

I want it done earlier than October. I think delaying it until the threshold of the next Federal election is—

The PRESIDENT: Order! The Hon. Mr Davis will resume his seat. I rule the question out of order. I know the honourable member was not here when I made my explanation. I suggest he read *Hansard* tomorrow morning to see what I said, and he can ask his question tomorrow. The Hon. Terry Cameron.

The Hon. T.G. CAMERON: Thank you, Mr President; you might rule me out of order, too. I seek leave to make a brief explanation before asking the Treasurer questions concerning the sale of ETSA.

Leave granted.

The Hon. T.G. CAMERON: A recent article in the *Age* on 1 June headed 'A crisis looms for electricity in Victoria' examined the impact of privatisation of that State's electricity supply. I will quote from the article, and it will be a little lengthy but I will try to go quickly. It is necessary for me to do this, otherwise my questions will be meaningless. I will quote from the article—

The Hon. A.J. REDFORD: I rise on a point of order, Sir. I draw your attention to the statement you made earlier.

The PRESIDENT: What exactly was the statement?

The Hon. A.J. REDFORD: He is seeking to make a 'lengthy quote', as he said.

The Hon. T.G. CAMERON: Perhaps if you had complained three-quarters of the way through, the Hon. Mr Redford.

Members interjecting:

The PRESIDENT: Order! Mr Cameron.

The Hon. T.G. CAMERON: I will cite what the article said; is that allowed, Mr President? It might take me longer than quoting, but I would be more than happy to cite it briefly. I can understand the Treasurer not wanting to get the question. The article went on to talk about Victoria's electricity generation companies facing a financial crisis. It reported that three of the four privatised brown coal power stations in Gippsland are not earning enough from electricity sales to meet the $400 million a year interest on their $6 billion debt to Australia's main trading banks. When the Government sold the stations in 1996 for $10 billion, the generating companies were earning an average of $32 a megawatt hour from the sale of electricity. The generators need to make $40 a megawatt hour to cover the costs of production and to service their bank debt. Even at the time of the sale they were barely making this amount. Instead of electricity tariffs rising, as the companies had hoped—

The Hon. A.J. Redford interjecting:

The Hon. T.G. CAMERON: You might just wait and listen—prices have been falling steadily since May last year, when the publicly owned New South Wales generators were linked to the power exchange. The average price being received by the generators has fallen to $17 per megawatt hour. At this price, the generators are barely able to cover the cost of wages, coal and the maintenance of their furnaces and generators.

The article then goes on to state that the banks that financed this multi-million dollar deal in the La Trobe Valley were criticised by the Reserve Bank at the time for lending these people money at such low interest rates. The article further states that if the Victorian privatised electricity generating industry went bust, the cost could be five times greater than the failure of the State Bank and TriContinental. My questions to the Treasurer are:

1. Is the Treasurer aware of the deteriorating market for electricity in Victoria and the financial difficulties facing three of the four power stations referred to earlier?

2. Does the Treasurer know why average prices for electricity have fallen from an average $32 a megawatt hour in 1996 to an average of $17 per megawatt hour today?

The Hon. A.J. Redford: It's competition—

The Hon. T.G. CAMERON: I am not asking you the question—and if there is any fool in this Council, Mr Redford, you earned the title a long time ago.

3. Does the Treasurer accept that the higher the price we receive for ETSA, the higher will be the borrowings, leading to higher local servicing costs, which will inevitably be passed on to consumers, especially when interest rates rise? If so, what steps will the Government be taking to ensure that consumers are protected from these price increases?

The Hon. R.I. LUCAS: I thank the honourable member for his question. I think he would know very well that, if interest rates rise from what have been historically low levels for the past year or two, and if we still have a $7.4 billion debt, we will be in some trouble in terms of our own budgetary circumstances as well. So, when you talk about our consumers out there, you should remember that our electricity consumers also happen to be our taxpayers. So, the pressure will be on—

The Hon. T.G. Cameron interjecting:

The Hon. R.I. LUCAS: That is exactly right; I acknowledge the comment from the honourable member. If interest rates rise and we have a $7.4 billion debt, our electricity consumers and taxpayers out there will be the ones who have to pay. Whether they pay through the tax system, because of our high debt or—and I am not yet acknowledging it—if there is to be any cost through a private electricity market, they might be the ones who might end up paying in the long term in that way. In terms of the protections, clearly the role of the Regulator or the Regulator-General will be important. The question from the Hon. Sandra Kanck yesterday is an indication of that, where the Hon. Sandra Kanck's question highlighted a recent decision, admittedly concerning the gas industry in Victoria, but nevertheless highlighting that the Regulator-General there had taken a view that he wanted to reduce the returns to the private sector operators—the business operators—but the flow-on benefit obviously will be to the consumers in terms of lower prices, or at least downward pressure or lower prices in the Victorian market.

The key factor here is going to be a regulatory structure. The ACCC after the year 2002 will be the independent body which will govern transmission pricing. The independent regulator in South Australia will be the independent body that controls distribution pricing in South Australia. So, we will have independent bodies—both State and Federal—in effect governing a large part of our final electricity price received by customers.

In terms of the Victorian situation, I would have to take some advice on whether there is anything sensible I can give the honourable member in terms of the profitability or otherwise of the power operators there. I, too, saw the press report, but I do not know anything more in detail, frankly, than I read in the financial pages of the newspaper on that issue.

The Hon. T.G. CAMERON: Mr President, I desire to ask a supplementary question. Does that mean that the Minister

will get back in touch with me in relation to questions Nos 1 and 2 after he has been briefed?

The Hon. R.I. LUCAS: Certainly I will take advice and, if there is anything useful I can offer the honourable member on those two issues, I will get back in touch with him with further information. We are obviously not aware of and we have no control over the private business operators for the profitability of the private sector operators in a competitive private market in Victoria. I am sure the honourable member would understand that. We have no ability to demand information from them about their profitability or otherwise. If there is the opportunity for me to get some information which will add to what I have already said in relation to questions 1 and 2, I will certainly do so and I undertake to get back to him.

The Hon. L.H. DAVIS: I seek leave to make an explanation before asking the Treasurer a question on the subject of electricity assets.

Leave granted.

The Hon. L.H. DAVIS: Widespread publicity has been given to the attitude towards privatisation of New South Wales Premier Bob Carr and also Treasurer Mike Egan. Privatisation of electricity assets in New South Wales is predicted to bring in between $22 billion and $25 billion in returns to the Government, which would more than wipe out the current State debt of $20 billion. Access Economics' Chris Richardson has said that if this did occur it would allow New South Wales to reduce business taxes and become more competitive with other States. Premier Carr has also been widely quoted as saying that this is the perfect opportunity to privatise electricity assets because of the meltdown in Asian economies, which has seen interested parties both in Australia and overseas looking with renewed interest and presumably bigger cheque books at the possible privatisation of electricity and other assets in Australia. The Premier of New South Wales quite clearly has had a very strong view on this for some time. My questions to the Treasurer are:

1. What is his view of the competitive position in South Australia if New South Wales was to follow Victoria's lead in privatising its electricity assets and given also that there is growing anecdotal information that whichever Party comes to power in Queensland will commit to privatising electricity assets down the track, bearing in mind that some are already privatised there?

2. What is the Treasurer's view about South Australia's competitive position in the marketplace if New South Wales does privatise assets along with Victoria?

The Hon. R.I. LUCAS: I thank the honourable member for his question. Obviously, he has again highlighted the strong policy position of Treasurer Michael Egan and Premier Bob Carr in New South Wales. It is appropriate today, the day after the New South Wales budget was brought down—Treasurer Michael Egan did me the courtesy of sending me an autographed copy of his budget papers by courier—

The Hon. P. Holloway interjecting:

The Hon. R.I. LUCAS: The Hon. Paul Holloway says 'a better budget'. New South Wales is the highest taxing State Government in Australia. It has now passed Victoria in terms of the highest level of taxing. For the Deputy Leader of the Opposition to hold the New South Wales taxing record out as an example—

Members interjecting:

The Hon. R.I. LUCAS: The Deputy Leader just said that New South Wales has a better health system than South Australia.

The Hon. P. Holloway interjecting:

The Hon. R.I. LUCAS: No, you did not. You said the health system is better. It is appalling that the Deputy Leader of the Opposition should say by way of interjection in this Chamber that New South Wales has a better health system than South Australia. I will stand up, just as I am sure will all Ministers and members in this Chamber on the Government side, and defend our doctors, nurses, administrators and our health Minister in terms of the quality of the health system provided here in South Australia. It does the Deputy Leader and members of the leadership group of the Labor Party, obviously with the support of Mike Rann in relation to this, no good in making that sort of derogatory statement about our health system.

The Hon. IAN GILFILLAN: Mr President, I rise on a point of order. Would you care to remind the Leader of the Government to take heed of your advice earlier in Question Time? He has been diverted by an interjection and he is not answering the question.

The PRESIDENT: I cannot answer the question for the Treasurer.

The Hon. R.I. LUCAS: Thank you, Mr President, I will not be diverted by the interjections and I certainly will not be if they are not delivered in the first place. The Treasurer of New South Wales, Michael Egan, in his budget statement yesterday again highlighted the critical importance from the State of New South Wales viewpoint of the sale of the electricity assets in that State. He again highlighted in a number of media interviews, I understand subsequent to the delivery of the budget, the importance to New South Wales of the sale of its assets in terms of budgetary impact, and most critically in terms of the avoidance of risk to taxpayers of New South Wales by ridding themselves of their electricity businesses.

I have referred to various statements from Treasurer Egan and Premier Carr on those issues and I do not intend to refer to them again, but it is important—and the Government's position in South Australia has indicated this publicly on a number of occasions—for us to get to the marketplace as soon as we possibly can. If we are going to sell these assets, we ought to get the best possible price for our taxpayers for the electricity businesses that we are going to sell. Certainly, there are many within the Government who take the view that inevitably, whether you want to talk about this year or five or 10 years down the track, every Government in Australia in the national electricity market, irrespective of what they might be saying today—and I therefore refer to Queensland—Labor and Liberal Governments, as we see with Premier Carr and Premier Olsen, will make the same decision, that is, to compete in the national electricity market and to avoid risks for taxpayers we need to privatise our industries.

If we are going to make the decision, it is better to make it from a position of competitive strength and to do it early before the Carrs and Egans of this world can get their assets onto the auction block so that they can sell their assets in a competitive market. If the issue that the Hon. Sandra Kanck raised yesterday was to flow on into the electricity business in South Australia, it would again add even further weight to the importance of our being able to get to the marketplace before a $20 billion to $25 billion industry is put in the marketplace in New South Wales.

If the decision flows through, and there are fewer—although there will still be many—companies or people interested in purchasing businesses in Australia, the States that will sell will obviously have fewer interested parties bidding for their assets. I am not saying that will be the case. As I indicated yesterday, that decision is still open to challenge in relation to the gas industry. However, in terms of managing your business risks, you have to bear in mind those factors when you look at when you want to sell and whether you want to sell before Egan and Carr can in terms of their businesses in New South Wales.

AMBULANCE SERVICE

The Hon. IAN GILFILLAN: I seek leave to make a brief explanation before asking the Minister for Justice a question about the ambulance service.

Leave granted

The Hon. IAN GILFILLAN: I am assuming the question is directed to the Minister for Justice, as it appears under his portfolio in the budget. It is well known that the South Australian Ambulance Service has been operating in deficit for many years. Despite charges well in excess of $400 for each emergency call-out and operating subsidies from the Government in the order of tens of millions of dollars, the service does not break even. It is not for lack of business. The budget papers confirm that the ambulance service is transporting more people than ever before and that its patient carry load has increased on average by 4 per cent every year over the past four years, including this year.

The State budget reveals a projected loss in the current financial year of $1.5 million and mentioned that planned capital expenditure of $1.8 million this financial year has been curtailed. One of the reasons for this, as identified in the budget papers, is the performance of the ambulance cover scheme—what used to be known as the subscription scheme. In the budget, $2.9 million has been allocated specifically to cover the continuing losses of the ambulance cover scheme. It seems the more people who are attracted to take out ambulance cover, the bigger the loss is made by the scheme, and membership is up 55 000 this year because of changes to health fund coverage.

The Government has taken some action. It has done three things at least: it has increased the fees for ambulance call-out and transport by an average of 4.5 per cent, effective from 1 July; it has cut its operating subsidy to the ambulance service, the budget quoting that recurrent Government spending will decrease by $800 000; and, most importantly, it has approved a massive hike in the cost of ambulance cover, in particular to pensioners, where the jump is 33.7 per cent for pensioners and 8.1 per cent for non-pensioners. That came into operation from 1 May. Despite these rises, the budget still forecasts a growth in membership in the ambulance cover scheme, with another 13 000 members expected to join this financial year.

From the budget papers, two quotes are relevant to this in regard to the cover of the ambulance service, as follows:

> Management has given considerable attention to achieving a break even cash result for 1998-99, despite the considerable pressures outlined previously.

Under 'Significant issues—key priorities' the third dot point states:

> Progress towards break even of ambulance cover scheme.

It is quite clear from the other data that that is to be achieved by increased revenue, and from this it is quite clear that the cost is a heavy increase and burden on the pensioners, who are the most likely to use the service and the most vulnerable with regard to trying to meet the costs to cover it. My questions to the Minister are:

1. What is the justification for the massive hike in fees for pensioners, the most vulnerable section of the community and likely users of the system?

2. How much higher will fees for the ambulance cover scheme have to go in order to cover costs?

3. Does the Government's reduction of $800 000 in recurrent funding in the 1998-89 financial year and the increase in fees, particularly for pensioners, signal an intention that the ambulance service is on the way to becoming a fully user pays system?

4. Can the Minister give a guarantee that there will be no further increases in pensioner fees?

The Hon. K.T. GRIFFIN: There are a number of questions there. I will take them on notice and bring back a reply.

LOTTERIES COMMISSION

The Hon. NICK XENOPHON: I seek leave to make a brief explanation before asking the Attorney-General, representing the Minister for Government Enterprises, a question about the Lotteries Commission and GTECH Corporation.

Leave granted.

The Hon. NICK XENOPHON: At the outset, Sir,let me say that I am acutely aware of your directions earlier today and any brief references to media reports that I propose to make are, I submit, directly relevant to the very core of the questions I am asking, which I hope will be apparent in due course, and I will be as brief as possible.

I refer to the media release dated 31 May 1998 by the Minister for Government Enterprises, headed, 'SA Lotteries beats Y2K', referring to the Lotteries Commission of South Australia entering into an agreement with USA company GTECH Corporation for the immediate purchase of a replacement lotteries on-line computer system, so that SA Lotteries will be year 2000 compliant. The media release refers to this being a $15 million contract and that the implementation of the system has already commenced.

GTECH Corporation, its management, employees, lobbyists and agents have been the subject of numerous investigations over its conduct and business practices, both in the United States and the United Kingdom. An article in the prestigious business journal *Fortune* of 11 November 1996, headed, 'The numbers crunchers', which was the result of a four month investigation into GTECH by that publication, stated:

> Rare is the company that has faced as many allegations of baldly sleazy conduct as GTECH.

It also refers to a conviction in a Federal court in New Jersey of the company's former National Sales Manager, J. David Smith, of orchestrating a kickback scheme using inflated payments to State level political consultants. The article goes on to say that J. David Smith worked hand in hand in building GTECH to the world's dominant lottery technology company with Mr Guy Snowden, the Chairman of GTECH, with Mr Smith being employed by GTECH in the mid 1980s, even after being convicted of possessing illegal gaming machines in Kentucky in 1981.

Another investigative piece in New York's *Newsday* reports that in Arizona in 1993, after that State's Lottery Director insisted that GTECH comply with costly contract provisions, the Director of the Arizona State Lottery, Mr Bruce Mayberry, says that he received a rotting leg of mutton in the mail, with a note from Mr Smith that simply said 'Enjoy'—at least, it was not a horse's head!

The *Fortune* article reports that GTECH, its lobbyists or employees have faced investigations in Texas, New Jersey and Colorado, as well as a Securities Exchange Commission probe, with a criminal charge in California against a lobbyist with GTECH for bribing a State Senator on various matters, including a Bill opposed by GTECH. The article also claims that in 1993 GTECH spent $US11 million on lobbyists and consultants.

On 3 February 1998, Australian media outlets reported that Richard Branson, founder of the Virgin group in the United Kingdom, won a libel case with damages and costs award in a British court of over $5 million against Mr Snowden of GTECH, involving allegations that Mr Snowden attempted to bribe Mr Branson not to bid for the franchise to run Britain's national lottery.

These are only some of the allegations which have been raised by GTECH. I emphasise that I do not seek in any way to impugn the integrity of the Minister or the Lotteries Commission, but rather I wish to raise questions that many would say are in the public interest. My questions to the Minister are as follows:

1. Prior to entering into the recently announced agreement with GTECH, was the Minister, his department or the Lotteries Commission aware of any of the controversies involving GTECH, its employees, management, agents or lobbyists to whom I have alluded or in the media reports to which I have referred?

2. When did negotiations between the Lotteries Commission and GTECH commence for the recently consummated agreement?

3. What was the nature and extent of probity checks undertaken with respect to GTECH and its management prior to entering into the agreement?

4. Will GTECH receive a commission on lotteries products sold as it does in other jurisdictions and, if so, what are the details of such an agreement?

5. Prior to the agreement being entered into, what contact has there been between GTECH management, employees and lobbyists and the Lotteries Commission of South Australia and the Minister's department?

6. Can the Minister assure the Parliament that GTECH's practice of entertaining U.S. State Government officials and U.S. lottery officials, and in particular with complimentary meals, drinks and trips, has not been duplicated in this State?

7. What was the nature of the tender process for the contract entered into, including details of when it was advertised, and the number of bidders for the contract?

The Hon. K.T. GRIFFIN: The honourable member indicated that he did not want to impugn the integrity of the Minister or the Lotteries Commission, but the very fact that he has raised the question at least has that suggestion about it. From my recollection, all the appropriate probity checks were made in relation to the successful tenderer, and no-one could reflect adversely in any way upon that. Obviously I am not going to make comments about the detail without checking it. I will ensure that it is referred to the Minister in another place and replies are brought back promptly.

MOTOR ADMINISTRATION FEE

In reply to the **Hon. R.R. ROBERTS** (2 June).

The Hon. DIANA LAIDLAW: Section 77 of the Motor Vehicles Act provides for the Registrar of Motor Vehicles, on the payment of the prescribed fee, to issue a duplicate driver's licence, if satisfied of the loss or destruction of a driver's licence, or on the surrender of a driver's licence. The fee for a duplicate driver's licence is prescribed in schedule 5 of the regulations under the Motor Vehicles Act (Level 2, administration fee—$10).

Prior to 4 May 1998 the administration fee was not collected in a number of circumstances, which included change of name by marriage or deed poll, and a change in licence class or licence condition. Approximately 8 000 duplicate drivers' licences were issued each year without a recovery fee being paid by the licence holder.

The cost to Transport SA for the issue of each driver's licence varies from approximately $11, if processed at a registration and licensing office, to approximately $19 if processed at Australia Post offices. Therefore, the cost to Transport SA in non-collection of fees for duplicate licences was in the region of $90 000 to $100 000 each year.

The payment of an administration fee in these circumstances is justified on the basis that it recovers the cost of providing this service from all the licence holders using the service. The past practice of issuing free duplicate drivers' licences to some motorists has meant that these motorists, but not all motorists, have effectively been subsidised by taxpayers. The payment of an administration fee is now required from all licence holders, regardless of the nature of the change to the driver's licence. In the case of a change of name, it is treated the same, irrespective of whether it resulted from a change by marriage or a change by deed poll. All licence holders are treated equally and there is no distinction in terms of gender.

POLITICAL JOURNALISTS

The Hon. T. CROTHERS: I seek leave to make a precied statement prior to asking the Treasurer, as Leader of the Government in this Chamber, questions on the subject of journalists' political links.

Leave granted.

The Hon. L.H. Davis: Are you going to talk about Terry Plane?

The Hon. T. CROTHERS: You ignoramus, just listen and learn. On page 9 of the *Advertiser* dated Monday 25 May, an article appeared headed 'Journalists' Political Links on List'. This article detailed that a list of journalists in the Canberra press gallery had been drawn up by the office of the Liberal Prime Minister and had been provided to the Liberal Party's Federal secretariat.

The Hon. A.J. Redford: What has that got to do with this Parliament?

The Hon. T. CROTHERS: Listen and learn.

The Hon. A.J. Redford: It's out of order.

The Hon. T. CROTHERS: Well, not until I have finished the question. I would not have the honourable member defend me for a million dollars. The article states that this list contains the names of 19 Canberra-based political journalists who have had past close associations with the Labor Party or the Coalition. The *Advertiser* also states that it has a copy of the list which names 16 of the 19 journ-

alists as having worked for or been associated with the ALP and the other three as having worked for the Coalition.

Members interjecting:

The PRESIDENT: Order!

The Hon. T. CROTHERS: My questions are:

1. Has the State Liberal Government been sent a copy of this list by its Federal Liberal colleagues?

2. Does the Minister support the compilation and use of such a list by any incumbent Government for its own political use, bearing in mind that its compilation was funded from the public purse?

3. Has the State Liberal Government—

The Hon. A.J. Redford: Can't you work it out for yourself, TC?

The Hon. T. CROTHERS: I worked you out a long time ago, you fool!

3. Has the State Liberal Government on its own initiative compiled a similar list of State or Federal based journalists?

The Hon. R.I. LUCAS: In response to the first question, to my knowledge the answer is 'No,' but I would love to see the list, if anyone has it, to see who formerly worked for the Labor Party and who did so for the Liberal Party. If the honourable member has a copy, I would be delighted to see it. Have they got a copy upstairs?

The Hon. T. Crothers: It is for sale.

The Hon. R.I. LUCAS: It's for sale, is it! In relation to the last question, to my knowledge the answer is 'No.' Certainly as a member of the Government, I know that I can speak on behalf of my colleagues on the front bench when I say that we have not seen such a list in relation to our own fiercely independent media and press corps here in South Australia who report on politics.

The Hon. T.G. Roberts: Have you got your own list?

The Hon. R.I. LUCAS: No. I am not aware of any list, but if members went through the media ranks I am sure that they would all be able at least notionally to work out for themselves the past connections of current journalists and whether or not they have previously worked for either side of the political fence. If there is anything further that might be useful in response to the honourable member's question, I will reflect upon it and bring back a further reply.

HILLS FACE ZONE

The Hon. M.J. ELLIOTT: I seek leave to make a brief explanation before asking the Minister for Transport and Urban Planning a question in relation to development of the hills face zone.

Leave granted.

The Hon. M.J. ELLIOTT: I understand that the Minister has been requested to declare a winery and resort planned for Springwood Park, which is on Brown Hill in the hills face zone, as a major development under the Development Act, which would allow it to circumvent the usual planning procedures. This follows a proposal that was put by the same developer in 1996, in that case for a vineyard alone. That was rejected by the Mitcham council because it was contrary to the development plan and inconsistent with the hills face zone. The questions that I put to the Minister relate not just to this one development because there are also some general questions which flow from it. I ask the Minister the following questions:

1. What criteria do the Minister intend to use to determine whether or not a project which contravenes the development plan deserves major project status?

2. What value does the Minister place on the hills face zone?

3. Does the Minister feel that the hills face zone has been eroded sufficiently already, or is the Minister prepared to allow further erosion?

The Hon. DIANA LAIDLAW: The honourable member seeks to beat up this issue with inflammatory statements. I will help the honourable member through this process. Any project or proponent is entitled to bring to the Minister any project for major development status. They are not circumventing the planning process. A process has been approved by this Parliament and provision has been made as a legitimate part of the planning process. It is not seeking to circumvent the planning procedures—they are procedures set down by this Parliament to apply to the Minister for—

The Hon. M.J. Elliott interjecting:

The Hon. DIANA LAIDLAW: You said 'circumvent planning procedures'. They are not. They are using procedures set by down by this Parliament to apply to the Minister to consider whether the project would be accepted for major development status. The criteria for the Minister's assessment is also well established by the Parliament and in the Minister's decision there are economic, environment or social grounds that warrant major development status. I am having the project assessed by officers within Planning SA now and I have not yet received advice from those officers in terms of whether or not this project meets the criteria established by this Parliament to warrant major development status.

The PRESIDENT: It was useful to have today's experience in Question Time. Without going through again what I said to members at the beginning of Question Time, I simply remind members of Standing Order 109, which provides for members to seek leave to make statements of fact merely to elucidate their questions. I went on to say that the practice of the House of Commons does not even permit members to seek leave to make a statement prior to asking a question. Rather, any facts must be incorporated in the question. May's *Parliamentary Practice*, in outlining this, states:

> . . . extracts from newspapers or books and paraphrases of or quotations from speeches etc. are not admissible.

Those members who have been to the House of Commons would be aware of the conduct of Question Time. However, my concern was to restrict the length of members' statements prior to asking their questions. I was perhaps too harsh on the Hon. Mr Davis today in that I did not want lengthy quotations, which merely add to the length of a member's statement.

Members interjecting:

The PRESIDENT: Order! I acknowledge that he was not in the Chamber and I did not want to waste the time of the Council reiterating my statement. Had he been here, he may have rearranged the style of his question. I acknowledge that the practice here has been to make explanations and probably it is impractical not to do that but, with commonsense, I think the Chair should allow brief quotations in members' statements. How we judge 'brief' I am not sure but, having been through the experience today, I thank honourable members for their indulgence.

MATTERS OF INTEREST

GAWLER CARE AND SHARE GROUP INCORPORATED

The Hon. J.S.L. DAWKINS: Recently I was fortunate enough to attend the celebrations that marked the twenty-first birthday of the Gawler Care and Share Group Incorporated. The Care and Share Group provides friendship, recreation and rehabilitation for elderly folk, with the majority aged in their 70s and 80s and meets weekly on Tuesdays from 10 a.m. until 3.30 p.m. More than 100 local elderly people are members of the group, while in excess of 50 volunteers share various skills, including the provision of transport and lunch. Activities include handicrafts, cards, games, music and singing, continence advice, mobility exercises and hair cutting.

Coordinator, Rita Argent, who established Care and Share with the help of others in 1977, told me that the aims and objectives of the group are: first, the provision of a health service which provides supervised day care for the frail and elderly as well as younger disabled people under Home and Community Care or HACC support unit guidelines. It also provides temporary relief for carers and fosters social well-being by making recreational, educational and rehabilitative facilities available to its members; secondly, to liaise with other health services in the region; and, thirdly, to be a non-profit incorporated community organisation.

Funding for Care and Share comes partly from the HACC support unit that incorporates contributions from both the Federal and State Governments. HACC funds the salary of the part-time coordinator and also provides a meal subsidy. All other funds are generated by the group, including a fee of $2 per meeting and voluntary contributions to the petrol fund by members. In addition other funds are raised by trading tables and handicraft sales as well as donations from members and friends, including the annual picnic conducted by the Lions Club of Gawler.

The group has a board of directors, which includes representatives from local Lions, Apex and Rotary Clubs, St John, the Gawler Ministers Fraternal, the Gawler and District Medical Practitioners Association and the Gawler Corporation. Care and Share also has a committee of management led by Rita Argent, which incorporates volunteers involved with all the wide-ranging aspects of the group. The support of several local businesses is acknowledged while members of the local branches of Red Cross and the Catholic Women's League provide regular assistance with catering.

I am personally aware of a number of people who benefit richly from being involved with Care and Share, whether as members or as volunteers. Friendship, sharing, usefulness, activity, fulfilment and being needed—these and many other experiences all combine to make this a happy place. The lonely are no longer so. Rita Argent told me that some who found it hard to mix now take their place in society. Young people often participate in Care and Share. These include secondary and primary school students, Junior Red Cross members, helpers' children, members' grandchildren and student nurses. The young and the old communicate happily and touchingly as they have much to give each other. All involved in Gawler Care and Share are to be congratulated on providing what has become an excellent asset for the local community over the past 21 years.

YOUTH UNEMPLOYMENT

The Hon. T.G. CAMERON: I rise today to speak on the subject of youth unemployment—an issue affecting thousands of South Australian families and one that continues to get worse. John Howard's commitment two years ago to do something for young unemployed Australians now rings completely hollow. In his keynote National Press Club speech before the 1996 election Mr Howard told Australians that he would be a very disappointed man if his Government had not made very serious inroads into the level of youth unemployment. I guess he must be disappointed. On the eve of the 1998 Federal election Mr Howard should show some integrity and declare his Government's failure to make inroads into this national crisis.

South Australian youth unemployment has shot up to 38 per cent—the highest on mainland Australia. It is now more than 3 per cent higher than it was at the last Federal election and more than 5 per cent higher than at the October State election. However, if the figures are examined more closely, they reveal in the northern industrial suburbs of Elizabeth and Salisbury that the youth unemployment rate is stuck at 40.4 per cent—more than twice that of the leafy eastern suburbs' 19.2 per cent. Youth unemployment is concentrated in Labor-held seats; maybe this is why the Howard Government continues to ignore it.

The Howard Government, despite a lot of hype, has no effective strategy to tackle youth unemployment. Its solution has been to cut labour market education and vocational training programs, which has seen the number of long-term unemployed rise by almost 32 000, reversing the steep decline in numbers under Labor. Even as the Howard Government fails to deliver on its job promise, it continues to show utter contempt for young unemployed people and their families through the introduction of a network of privatised employment agencies and the Common Youth Allowance and by forcing young people to work for the dole.

On 1 May the Howard Government introduced a network of privatised employment agencies that took over the Commonwealth Employment Services job placement role. Unemployed people now have to pick from more than 50 employment brokers who charge fees for services previously supplied free by the now defunct CES.

The Youth Affairs Council has warned that it is unlikely the new agencies will look after the hard cases including low-skilled youth and the long-term unemployed. They have described the new arrangements as a huge gamble on the future of the young unemployed, an experiment without a safety net. This view has recently been validated by news reports of some employment firms winning lucrative job placement contracts, even though they are unable to deliver any assistance to the unemployed (that is from the *Advertiser* of 21 April).

The recent Federal budget announced that the work for the dole scheme is to be expanded significantly with 100 000 mostly young, long-term jobless being forced into the program. Such programs do not provide a solution to the central problem that confronts unemployed young people, that is, a lack of real, sustainable jobs that will generate an independent living income. Work for the dole schemes do not solve youth unemployment; they force young people to

perform work no-one else wants to do for below poverty line wages.

If things were not grim enough, from 1 July 1988 unemployed people aged between 18 and 21 who are not classified as independent will start to lose part of their unemployment benefit if their parents' income is over $23 400. The Howard Government said that only well-off families would be affected. Families earning between $23 400 and $42 000 are not well off. Most are struggling to pay a mortgage, to get their young children through school and to make ends meet. Not only has the Howard Government been unable to provide jobs for young unemployed people, they are effectively making it more difficult for them to stay at home while they are searching for work.

It took John Olsen a near election defeat before he woke up to the fact that youth unemployment is at crisis point in this country, particularly in this State. The recently announced State employment initiatives, although paltry, are at least a small step in the right direction. Premier Olsen learnt the hard way. I am glad to say it looks as though Prime Minister Howard will repeat his mistake.

ELECTRICITY, PRIVATISATION

The Hon. SANDRA KANCK: Members would be only too well aware that I have been investigating the question of whether or not ETSA Corporation and Optima Energy should be sold. Part of the justification for the sale given by the Government is the risks our utilities face in the national electricity market. It is this creature, known by the acronym NEM, that I want to talk about today.

It is a matter of record that it was a Labor Government under Paul Keating that set up the Hilmer inquiry which led to the recommendations for competition policy, and it was a Labor State Government that agreed to it. The Liberals in Government merely finished off what Labor had started. It is also a matter of record that the Labor Party in Opposition in this State voted for the National Electricity Bill in 1996 to enable the establishment of the NEM.

For those who are not aware of it, the Democrats opposed it, making the point that it was a step down the road to privatisation. The ALP acknowledged that this was the case but went ahead and voted for the Bill anyway. We would not be sorting out this mess now if the Opposition had decided to act on principle a few years earlier. The NEM is a very strange beast, and when I explain its operation to domestic consumers they usually are aghast. Mr Greg Lake, who was in charge of systems operation in the State Electricity Commission of Victoria before it was privatised, says of the NEM:

> The fascinating feature of this arrangement is that every producer is paid the highest offered price accepted, regardless of what they offered in the first place. An example of this would be a supermarket which is committed to sell 1 000 cabbages. It can buy 999 cabbages at $1 each, but has to pay $500 for the last cabbage. Normally this would mean paying an average of $1.50 per cabbage and adjusting the selling price accordingly.

But if we were to use the system in the NEM:

> . . . every cabbage supplier would be paid $500 for each cabbage while all purchasers would be required to pay $500-plus for each cabbage.

If that does not make sense, too bad, because it makes sense to economic rationalists and, presumably, it made sense to the ALP when it supported its setting up, even though it did keep acknowledging that the next step would be privatisation.

This, by the way, is the same ALP which, in government, agreed to privatise Sagasco—so maybe we should not have been surprised. Talking of inconsistency, John Olsen, while debating the Bill which began the splitting up of ETSA, praised ETSA for its efficiency gains, its performance and its contribution to Treasury. He told how ETSA's contributions to State coffers had helped keep our health, education, and other essential services, in a reasonable state. The *Hansard* record reveals him saying that ETSA:

> . . . is a good corporate citizen contributing to the overall well-being of South Australians.

And further that:

> . . . ETSA's investments over many years are sound. It is better placed and has a lower loan portfolio than comparable interstate electricity systems.

One wonders what has changed since then. ETSA and Optima are still good corporate citizens but, according to the same John Olsen, they are not capable of managing the risks of the market. How is it that one day these entities are great contributors to the State and the next are millstones around our neck? The answer to that question appears to be the NEM. Generating companies in Victoria are consistently bidding their electricity into the pool at below generated cost. Their hope is that on hot days, in particular, the demand for electricity will go sky high and they will be able to recoup all their loses in one day. Bruce Dinham, retired Manager of ETSA, says that the NEM is not a market so much as a gambling casino betting on the weather.

Because the Government claimed that South Australia faces a risk of State Bank proportions if we do not sell ETSA and Optima, the Democrats have been seriously investigating that risk. But history must record that the risk would not be there without the initiatives taken by the Labor Party in Government at both State and Federal levels and their role in Opposition of supporting the establishment of NEM despite their recognition that it would lead to privatisation. That the Labor Party now takes the high moral ground merely indicates its hypocrisy and perhaps a little bit of B-grade acting ability. Do not ever be mistaken about this whole electricity fiasco: Labor started it.

VIETNAM VETERANS

The Hon. A.J. REDFORD: On Friday 24 April last I attended the inaugural ANZAC cabaret at the Torrens Parade Ground and had the honour of representing the Premier at that function. The occasion was a Kapyong Day Memorial Anniversary and it was conducted by the Veterans of Vietnam War Inc. I have to say that both my wife and I had a warm and wonderful reception and enjoyed very much meeting with many Vietnam veterans who so capably and loyally served this country over a lengthy period of time in a war which could only be described as dirty.

Indeed, it is to the lasting shame of this country that for a very long period of time their sacrifice, duty and time were ignored by the people of Australia. They fought for Australia and they fought at the request of Australia's duly elected Government and, as such, they did their duty. Indeed, the shame was on this country which, for such a long time, ignored their sacrifice and efforts on behalf of all of us.

During the course of the evening I had the good fortune to meet a Mr Sid Pearce. Mr Pearce and I share a common ailment, and that is we are both addicted to cigarettes, and we managed to get into a discussion out the front dodging the heavy rain which fell that evening. He drew to my attention

the fact that he had written a number of poems about Vietnam and Vietnam veterans and at my request sent me a copy of a number of them. I would like to read the first poem, *A Vietnam Vet's Lament*, which refers to some of the hurt and pain suffered by some of our Vietnam veterans. It reads:

The hurt and pain still lingers on
For years we were told
That we did wrong
When we were twenty
We were carefree and game
Now we're past fifty
We feel nothing but shame
Such is the legacy we have to bear
Borne to us by bastards who didn't care
Our wives and kids they suffer too
The wrong being righted by those too few
But still we battle and stick together
Probably now and the rest of forever
For in our mates who shared this horror
We can still feel proud and just an ounce of honour
But we'll fight on and meet the battle
Kick some arse and a few doors rattle
Although today our numbers are dying
For them and our mates we'll keep on trying
To right that wrong we inherited those years
That have meant nothing to us but heartache and tears
So for all those soldiers I write this for
On their behalf and for our cause
You can shove your battles and so-called wars
Just keep our children from those alien shores

He sent me another six poems, and I will circulate them to all my parliamentary colleagues. I refer members to the poem called 'Pin Striped Suits' which time does not permit me to read in full but from which I will read a few verses as follows:

The men of decisions
Who sit behind flash desks
Send countrymen to war
The fighting and the death suffered
By the rest
While rugged men battle and endure the pain
The suits they fight with words and at home remain
When a country's youth to a war they sustain
For political, monetary and self-righteous gain
It's a crime against everyone
For the blood spilt will stain
The after effects displayed
For a war that should never have been
Is a travesty of mankind
The world has ever seen

When you see Sid Pearce (and I will be inviting him in for lunch or dinner at Parliament House), remember him and his colleagues and the fallen. I thank Sid on my and my fellow Australians' behalf for his company and the obvious sacrifices made by him and his family.

HIRE CARS

The Hon. R.R. ROBERTS: I rise to talk about the hire car industry and make reference to a contribution I made by way of a question last week. Members will recall that I pointed out to the Council that the Mitsubishi cars manufactured in South Australia by one of our leading car makers and the Calais motor vehicle also produced in South Australia—at Elizabeth—are exempted. I asked the Hon. Diana Laidlaw whether she would take up this matter on behalf of Mitsubishi Motors and the producers of Calais cars with the Passenger Transport Board. The Minister is developing a style of answering where—

The Hon. A.J. REDFORD: I rise on a point of order, Sir. As the Hon. Ron Roberts knows, this is clearly a matter that is the subject of evidence and inquiry before the Legislative Review Committee. The Legislative Review Committee is currently dealing with a set of regulations pertaining to the taxi and hire car industries. Although I was not present, I have had the opportunity to read evidence that was given only last week about Mitsubishi motor vehicles and whether or not they could be used as taxis and/or hire cars. In response to that, the committee resolved to seek a response and evidence from the Passenger Transport Board, which is an agency under the supervision of the Minister. In my respectful submission, this is entirely out of order and should be a matter of debate and evidence before this committee. Then, once the committee has dealt with the matter, the Hon. Ron Roberts is entitled to raise it as a member of this place. He is a member of the committee.

The PRESIDENT: My advice is that if the matter is before the Parliament anyway in regulation, even if it is before another committee of the Parliament, it does not preclude an honourable member from addressing that subject.

The Hon. A.J. REDFORD: I thank you for your ruling and accept it, Mr President.

The Hon. R.R. ROBERTS: In responding to my question, the Minister adopted the stance that she is developing where she puffs herself up like a bantam hen and becomes offensive. She suggested that my question was rambling, but I have read her answer again and I find it inaccurate as well as rambling. I asked my question as a result of submissions made to me earlier in the year from the hire car industry and specifically from those people who are involved in metropolitan small passenger vehicles and the general small passenger vehicles. In the Minister's response she referred to the fact that she had had consultation. One of the complaints I received from these people was that they had not been consulted in the process of all these regulations.

I pointed out that I was talking about only the size of motor vehicles. However, when I asked the question, the Hon. Diana Laidlaw said that the Licensed Chauffeured Vehicles Association had made submissions and that she would bring back a detailed response from it. In fact, we have not seen that at all. All I asked was a simple question about whether she would recommend to the Passenger Transport Board that it include Mitsubishi Motors in its recommendations—nothing new or unique. A Verada is a very good vehicle. I note that the Minister is chauffeured around in a Verada, but she is not prepared to have the public ride around in a Verada. Then again, I suppose if you had been brought up with Rolls Royces and Mercedes Benzes a Verada is a working vehicle. But, for us working class warriors, a Verada is a luxury car.

The PRESIDENT: Order! The honourable member will resume his seat. The Minister.

The Hon. DIANA LAIDLAW: I take it that the honourable member, in getting excited on this subject, was suggesting that I had been brought up with Rolls Royces and Mercedes. My family has never owned such vehicles and neither have I, and I ask him to withdraw and apologise.

The PRESIDENT: That is not a point of order. You are asking the honourable member to withdraw and apologise for—

The Hon. DIANA LAIDLAW: For his inference that I drive around in and was brought up with Rolls Royces and Mercedes.

The PRESIDENT: If that information of the Hon. Mr Roberts is incorrect, I ask him to withdraw and apologise for making an incorrect statement.

The Hon. R.R. ROBERTS: I do not want to go into debate on the Standing Orders, but what I have said is not unparliamentary.

The PRESIDENT: Order! An honourable member has asked you to withdraw a reference to her which was inaccurate. That is the point: not whether or not it is in Standing Orders. I am asking you to withdraw it.

The Hon. T.G. ROBERTS: I am prepared to withdraw it, but I will certainly not apologise, because I am not required to do so under Standing Orders. I withdraw the statement about the Mercedes Benz and Rolls Royce cars. In concluding, I suggest that many people in South Australia would like the opportunity to hire a car of a quality South Australian producer. I do not think that it is unreal or uncalled-for to suggest to the Minister for Transport and Urban Planning that the top of the range car (which is taxed as a luxury car) of our leading car maker in South Australia ought to be included in the list of those cars which could be approved for the small passenger vehicle industry in South Australia. I believe that, if it is good enough for the Government to tag onto the back of Mitsubishi for political reasons, it ought to have enough decency to support South Australian producers and support jobs for South Australians in South Australia.

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

WOMEN IN AGRICULTURE

The Hon. CAROLINE SCHAEFER: As many members would be aware, I am fortunate to have the honour of leading a delegation of some 11 South Australian women to the International Conference of Women in Agriculture to be held in Washington in the first week in July. Eight women from South Australia have received part bursaries from the State Government, and several others are going on a self funded basis. Additional sponsorship has been received from a number of agricultural industries, including the dairy, grains and fishing industries, and their sponsorship will be used to help defray additional costs to the delegates. I take this opportunity to congratulate the women who are recipients of bursaries and to thank the Minister for Primary Industries, Natural Resources and Regional Development and the Minister for the Status of Women for supporting me in my bid to have delegates from South Australia sponsored.

On a personal basis, I would also like to thank the Hon. George Weatherill for allowing me a pair for that week and the Hon. Carmel Zollo for her warm support. I was fortunate to attend the first World Conference of Women in Agriculture in Melbourne in 1994 when many personal friendships and professional networks began. I believe the conference in Washington, to be opened by Mrs Hilary Clinton, with Madeleine Albright as one of the key speakers, will build on the experiences of delegates at Melbourne and will be a wonderful opportunity to showcase our State and products and to again develop business and personal networks throughout the world. As always with conferences, there have been a few cynics who have suggested that this will be nothing more than a talkfest and that single gender conferences should be a thing of the past. I look forward to the day when they are a thing of the past but, in the meantime, there is a real dearth of women in management positions, particularly in primary industry.

I thought today may be an appropriate time to quote some of the figures used at last year's ABC Rural Woman of the Year Award, because they make interesting reading. According to the Australian Commodities Statistics of 1996, there were 421 000 people employed in agriculture, forestry and fishing throughout Australia. Of those, 32.7 per cent were women working in their own businesses and 71 400 women were employed as farmers or farm managers in May, 1995, which represented 30 per cent of all farm managers. I suspect that those figures would have risen in the past three years. The number of female farmers has remained constant over the past 10 years, while the number of men has fallen by 15 per cent. Further, 35 per cent of employers and 33 per cent of own account workers who were farmers were women; 52 per cent of women and 59 per cent of men were both sheep and/or grain farmers; however, women represented 31 per cent of all farm workers. Additionally, 55 per cent of poultry farmers were women and, although harder to substantiate, a large majority of those who have off farm income, which supports the long-term viability of their farm enterprise, are women.

In the agricultural industries more women than men have completed five to six years of secondary schooling and more than twice as many women hold university or tertiary qualifications. Surely then the time has come to tap into this resource of talent. I believe that conferences such as this (and I am honoured to lead participation on behalf of the South Australian Government) will do much to increase confidence and the personal profile not only of delegates but of all South Australian women in agriculture. I look forward to reporting on the conference in this forum in the next session of Parliament.

WOMEN, EMPLOYMENT

The Hon. CARMEL ZOLLO: The inaugural Vocational, Education, Employment and Training Women's Task Force National Seminar held recently in Sydney proved to be an important forum for the exchange of ideas and for identifying future needs and priorities for women in the areas of vocational education and employment. It was pleasing to see the significant contributions made by several women from South Australia, including that of Ms Cathy Tunks, Director of Employment SA, in the Department of Education, Training and Employment. Ms Tunks gave an excellent summary of the emerging key issues: the need to increase the promotion of women in vocational education, training and employment; how to keep women in non-traditional roles and at the forefront of apprenticeships and traineeships; and the role of the task force in influencing policy.

Another key issue discussed by several speakers that I was particularly interested in is that of precarious employment. What exactly is precarious employment? Basically, it is uncertain or temporary employment. One immediately thinks of employment of the casual or part-time type. I probably do not need to point out that it is women who are more likely to be precariously employed. However, it is also becoming common in middle income Australia because precarious employment is also about such things as the indignity of having to reapply for one's own job on a regular basis and to move from one short-term contract to another.

Surprisingly, or perhaps not to some, according to OECD figures nearly a quarter of the Australian labour market is

employed in this manner. We are the second highest nation, behind Spain, to have our work force employed in such a way. In South Australia (and these figures are indicative only because they are from 1995), 39 per cent are in part-time employment in the TAFE sector alone. Our society is increasingly being confronted with an overworked but decreasing core of full-time employed; an increasing underemployed casual or part-time component; and an unemployed pool which seems to be stuck at around 10 per cent. Major consequences of precarious employment can also mean poor superannuation entitlements and vulnerability to employer exploitation, to name just a few. Precarious employment can be spread across a whole range of employment services, such as teaching, law and medical professions, journalism and the Public Service. It appears now that even the Police Force seems to be going down that track.

Another important question which needs to be asked is: what is the quality of service to the public as a result of the precariousness of employment, especially in a nation that has such high rates of casual employment? Precarious employment can impact on people's lives in many different ways, but the most critical way is the ability to access finance for our main purchases in life, especially the family home. How much chance does a family or an individual—particularly a woman—have to borrow the substantial amounts required to purchase their own home when they are in lowly paid casual or temporary employment? This of course not only impacts on the quality of life of the persons in question but also has a long-term impact on our economy and employment. In the short time available to discuss such a large and complex issue, I can only raise such key questions as to why this is happening or what we can do about it. But there is a financial and social cost to society.

What perhaps is of greater concern, though, is that national and State conservative Governments are trying to get us conditioned to the changing employment landscape—precarious employment is better than no employment after all. The Howard/Reith promised industrial relations 'paradise' of jobs for everyone, job security and no worker being worse off is nothing but a cruel hoax being perpetrated on Australian workers.

Another issue raised at the seminar in relation to women's employment and training is that of flexibility and what flexibility really means for women. That is, we should perhaps ask what would be women's real choice concerning the amount of time they spend in the work force and training if society took responsibility for child care. Or is it a choice they make because they are trying to fit in all other responsibilities?

This first VEET Women's Task Force National Seminar was certainly very successful but regrettably, as several delegates noted, there were very few men present. The seminar was about women, not just for women, and after all it is men who often make decisions which affect women in training and the workplace.

LEGISLATIVE REVIEW COMMITTEE: SMOKE ALARMS

The Hon. A.J. REDFORD: I move:

That the report of the Legislative Review Committee on regulations under the Development Act 1993 concerning smoke alarms, be noted.

In tabling the report today on the regulations concerning smoke alarms, I draw members' attention to the fact that these regulations make it mandatory to install smoke alarms in existing and new residential class 1 and 2 buildings by 1 January 2000. The key provisions of the regulations are:

1. The regulations apply to all dwellings which are class 1 and 2 buildings.
2. One or more self-contained smoke alarms must be installed in each dwelling by 1 January 2000.
3. Both battery operated and mains powered hard wired smoke alarms comply.
4. Within six months of settlement of the sale of a dwelling, one or more hard wired smoke alarms must be installed.
5. The owner is responsible for the installation.
6. The penalty for not installing the smoke alarm in accordance with the regulations is a fine of up to $750 to the owner of the non-complying property.

The regulations were made in response to the Government's election policy that legislation would be introduced to require smoke alarms to be installed in all dwellings within two years. The committee considered the regulations at its meeting on 18 March 1998 and resolved to invite an officer from the Department of Transport and Urban Development to appear before it to clarify a number of points. The committee also received information from the Local Government Association. At its meeting on 25 March 1998, the committee expressed its support for the regulations and resolved unanimously to take no action. It also decided to table a brief report on the regulations in both Houses of Parliament to draw attention to this important regulatory initiative.

The primary aim of the regulations is to promote fire safety and encourage people to protect themselves and their families from the tragedy of death from a residential fire. The fact that no lives were lost in residential fires where smoke alarms were fitted in 1997 stands testimony to the worthiness of these regulations, particularly when one has regard to the fact that 11 people died in fires where alarms were not installed. The committee was concerned that members of the community would be faced with undue financial hardship in attempting to comply with these requirements. However, other than when a house has been purchased, battery-operated alarms comply with regulation. Battery-operated alarms retail for under $10, and it is considered that this is a manageable cost, given the considerable potential benefits and, as compliance is not mandatory until 1 January 2000, again adds weight to the fact that it is a manageable cost.

The committee is aware that Housing Trust tenants are being assisted with the installation of smoke alarms by the trust and that all trust houses should comply with the regulations by the required date. This is particularly important when one has regard to the fact that the Housing Trust has some 60 000 homes.

The committee also considered that it was desirable that householders be constantly reminded of the need, first, to install smoke alarms prior to 1 January 2000 and, secondly, to check their smoke alarms to ensure that they are in working order. He notes that the department has had discussions with the insurance industry and has recommended that

notification of the need to install smoke alarms be included in their policy documents.

Indeed, the Insurance Council of Australia, in conjunction with the Government and Planning SA, has constructed a brochure, and I have taken the liberty of distributing one copy thereof to each member of Parliament so that they are aware of what we are talking about. The Insurance Council of Australia is to be commended for its cooperative and constructive approach in dealing with this important tissue.

The committee is also aware that the department is considering an education program, and I understand that the Insurance Council of Australia will also assist in that regard. Again, I commend and congratulate it. The committee believes that in this matter education of the legal requirement and the benefit of installing smoke alarms should be taken very seriously and vigorously by the department. The committee hopes a strategy for an ongoing education program is undertaken by the department. On the basis of the evidence presented, the committee is satisfied that councils will not be liable for the failure of house owners to install smoke alarms if it can be shown that they could not be reasonably expected to know of the non-compliance. The committee is aware that it is not mandatory for councils to carry out inspections of new homes with regard to the installation of smoke alarms but that the builder is required to confirm that the house has been constructed in accordance with the approved requirements. In the case of new homes, it would appear that liability for failure to install such an alarm would lie with the builder.

The committee also had concerns regarding the compliance with the regulations following the sale of an existing home. It appreciates that the cost involved in installing smoke alarms prior to sale could impose a significant financial burden on certain sectors of the community, such as the elderly. However, it is also aware that new owners need to be aware of their commitments. Indeed, I draw members' attention to the evidence Mr Capetanakis, who is the Manager, Building Standards and Policy for the Department of Transport and Planning. In relation to the cost of these units, he said the following:

> When I first installed one of those battery units in my home I think I paid about $25. That was about five years ago. You pick them up for $6 to $8 these days.
>
> The hard-wired unit costs about $60 to $70 to buy and install in a new home. In an existing home it would cost considerably more, because you may have to make your way into the roof, or some of the wiring may not be up to scratch. In some houses you may even have to get a new line from the switchboard. The approximate estimate we are given for one of these to be installed in an existing home is $150 maximum.

Indeed, he went on and said:

> We are talking $2 000, $3 000 per house if it needs to be rewired and replacement of the switchboard.

So the cost is not straightforward, but I believe the committee is satisfied that the Government is taking the best approach in dealing with the issue.

Mr Capetanakis also went on, in referring to the cost, particularly in relation to the elderly and the disadvantaged, to say:

> Because at the time the legislation was contemplated by the Government the safety of lives was of prime importance but, at the same time, cost was something that the Government very seriously took into consideration. It did not want to put house owners to excessive costs, particularly, as I said, in the cases of some of the people who would probably be in most need of having those units, particularly old homes and homes that have not been maintained very well. To have asked for a hard wire alarm to be fitted in every home we would have found, as I said, that a lot of people in disadvantaged positions, for instance, may have had to rewire their house, install a new switchboard to take the extra loading, or whatever.

He went on to say:

> Again, let us take elderly people selling their home as an example. At the time it was felt that for them to incur the additional cost to have to spend the money to bring the house up to scratch would have placed them in a position of disadvantage.

The committee therefore supports the suggestion that notification of the requirement to install hard wired smoke alarms in homes six months after purchase should be included on all section 7 statements issued by the State Government under the Land and Business (Sale and Conveyancing) Act 1994. It considers that this proposal has merit, and the efficacy of that suggestion should be pursued by the appropriate Government agencies.

In closing, I would like to thank the committee's Secretary, Mr David Pegram, who, in preparing this report, did not have the assistance of a researcher. I also thank my fellow members of the committee, in particular the Hon. Ron Roberts; the Hon. Ian Gilfillan; Robyn Geraghty, the member for Torrens; Steve Condous, the member for Colton; and the John Meier, the member for Goyder.

I also thank Mr Capetanakis for his evidence, which he gave with a view to providing full information to the committee and assistance, and I thank the Minister for making him available. I would indeed be grateful if the Minister could pass on to Mr Capetanakis our sincere thanks for the assistance he gave us. I commend to this place this very important report, which has the capacity to save lives in a real way.

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

SUBORDINATE LEGISLATION (MISCELLANEOUS) AMENDMENT BILL

The Hon. R.R. ROBERTS obtained leave and introduced a Bill for an Act to amend the Subordinate Legislation Act 1978. Read a first time.

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

That this Bill be now read a second time.

The Bill seeks to do two things. First, it seeks to amend section 10A of the Subordinate Legislation Act 1978, by referring regulations to the Legislative Review Committee. It does this by reflecting the provisions of a Bill which passed this Chamber on 11 February 1997. Secondly, it seeks to insert a new section 10B concerning the remaking of regulations after disallowance. The purpose of the amendment is to introduce a mechanism for delaying the reintroduction of regulations once they have been disallowed by either House of Parliament and to provide a sensible mechanism to circumvent the abuse of section 10AA of the Subordinate Legislation Act.

The Act deals principally with that part of law making which is carried out by non-parliamentary bodies. Most Parliaments in Australia, including the Federal Parliament, provide for mechanisms by which Parliament can scrutinise and disallow regulations where Parliament considers them inappropriate. Given the very nature of the regulations, there is a sound policy reason behind the power of the Parliament to scrutinise regulations, and that is essentially because, for the most part, regulations are a law-making facility for non-parliamentary bodies. Parliament must be able to scrutinise

regulations. Not to do so would diminish the accountability of this institution.

In 1992, the Subordinate Legislation Act 1978 was amended to include section 10AA. This section is often referred to as the four-month rule. Section 10AA provides that a regulation that is required to be laid before Parliament comes into operation four months after the day on which it was made or from such later date as specified in the regulation. However, section 10AA then goes on to provide for a system whereby regulations can be introduced earlier. Under that section, a regulation can come into operation on an earlier date specified in the regulation if the Minister responsible for the administration of the Act under which the regulation is made certifies that in his or her opinion it is necessary that the regulation come into operation on an earlier date.

Since the introduction of this section in 1992, it would appear that the number of regulations coming into operation earlier than the four months with a ministerial certificate is in the vicinity of 80 or 90 per cent. Clearly that was not envisaged. That section was also amended to provide that, if a Minister issues a certificate under section 10AA, the Minister must prepare a report setting out the reasons for the issue of the certificate to the Legislative Review Committee as soon as practicable after making the regulation.

During deliberations on Tuesday 11 February 1997, the Council determined to introduce a new clause which required the Minister to give detailed reasons, as distinct from just reasons, for the issue of a certificate to the Legislative Review Committee. This Bill reflects that decision of the Council in this matter. I point out that this Bill never completed the parliamentary process because of last year's election and the Government has not sought to proceed with the matter or, to put it another way, it dropped off the table at the end of that session.

The Hon. Diana Laidlaw: Did you think of moving an amendment to the regulations rather than total disallowance of the regulations?

The Hon. R.R. ROBERTS: The Minister will be pleased to know that I am coming to that. Historically the problem with this section is that it is being abused by Ministers and it bypasses the parliamentary system. Even after a regulation has been disallowed, Ministers have in the past reintroduced the motion on the next sitting day in the exact same form. I will read briefly an extract from the 1995-96 Legislative Review Committee report, as follows:

> This year once again it is necessary for the committee to note that a large preponderance of regulations are accompanied by ministerial certificates for early commencement. Rarely is anything but a perfunctory reason given for early commencement. The widespread use of these certificates leads the committee to conclude that they are in danger of becoming (if they have not already become) a mere *pro forma* which serves no useful purpose.

The most recent annual report of the Legislative Review Committee again highlights the problems associated with the use of section 10AA. At page 5, the report states:

> The intention of section 10AA has been undermined by reason of the fact that most regulations have been accompanied by a ministerial certificate for early commencement.

This amendment Bill seeks to correct that process so that Ministers are not in a position where they can bypass the parliamentary process. This Bill will mirror the Federal Acts Interpretation Act, specifically section 49, and will provide that any regulation the same in substance to any regulation disallowed by either House of Parliament is not to be remade within six months after the date of disallowance, except in certain circumstances. One of those exceptions is where a resolution of a disallowance has been rescinded by the House in which it was made.

I draw members' attention to an example where a regulation was disallowed: the same regulation was reintroduced using ministerial certificate under section 10AA(2) and avoiding the four-month rule. I was personally involved in this example. As members would no doubt recall, in 1996 this Government introduced regulations providing for the ban on recreational net fishing. On 31 August 1996, regulations varying the Fisheries Act general regulations were published in the South Australian Government *Gazette*. These regulations banned the taking of fish by unlicensed persons in coastal waters using a fish net.

I moved a motion of disallowance in this Chamber on 27 September 1995, and it was subsequently carried on 3 April 1996, some considerable time after; there were a number of reasons for that, including some investigations by the Legislative Review Committee. The day following the disallowance, after long and heated debate, in nearly the same form the regulations were introduced in two parts.

One of these regulations concerned the ban on recreational net fishing and the other concerned a package of regulations which were not in dispute. Both regulations were brought into operation pursuant to a ministerial certificate under section 10AA(2) on 4 April 1996. On 11 April 1996 the regulations concerning recreational net fishing were disallowed in this Chamber after I moved another motion for disallowance. Again, regulations banning recreational net fishing were reintroduced. These regulations were in exactly the same form as the previously disallowed regulations. They were brought into operation pursuant to a ministerial certificate under section 10AA(2) on the day they were made. Again, I introduced a motion for disallowance, and unfortunately that was negated on 31 July 1996. Members will note that it was a long, drawn-out process, and I think it was probably dealt with by exhaustion rather than commitment.

This Bill will prevent abuse of the parliamentary process. No Minister will be given the opportunity to abuse the proper parliamentary process and to reintroduce regulations in exactly the same form within six months when those regulations have clearly been disallowed by the Parliament. The power simply to reintroduce regulations and use ministerial assistance is against the spirit of the law and ignores the parliamentary process.

I could go on at length and cite other instances where the regulation process has been abused, and three that come to mind very quickly are the Housing Trust water rates regulations, which were opposed in this Chamber by the Democrats and the Australian Labor Party and which were reintroduced; shopping hours regulations; and, only last year, regulations relating to unfair dismissals.

The Legislative Review Committee, as part of its normal considerations, is looking at its charter and at how it works. The Hon. Angus Redford has a motion on the Notice Paper to address some of those things. It is certainly not my intention today to go into those deliberations, although I would not see a great deal of problem with it because they will be a recommendation of a way to act by the Legislative Review Committee, which will be subject to comment by this Parliament and I will allow that process to proceed.

During my deliberations within the Australian Labor Party it has been brought to my attention in the past few days that we are often confronted with a problem with regulation

whereby a Minister will introduce a package of regulations which in many cases are capable of standing alone but in some cases where that is done for convenience it makes it very difficult to disallow the whole of the regulations and it is sometimes a good place to camouflage a doubtful regulation. I have had discussions with and been given instructions by my colleagues to introduce another amendment to this Act.

It has not been possible to get it in a form with which I am satisfied, but I give notice that I will be moving an amendment to the Subordinate Legislation Act 1978 to allow a regulation or part of a regulation that is capable of standing alone. I am fully aware that there are occasions where regulations depend on one another and that to take out one out would be to destroy the intent of the others.

We need to be careful about how we word this, but an example would be of the TAFE regulations where my colleague in another place, Trish White, has moved some disallowances and the Legislative Review Committee has had correspondence with the Minister over some TAFE regulations. It presents my colleague in another place with the problem where she cannot disallow part of the regulations when indeed we are in support of most of them. At a later date I will move amendments which, once compiled, I will circulate to the Government, the Democrats, the No Pokies Party and the Independents in another place to try to solicit their support on what I believe will be a worthwhile proposition.

In conclusion, I point out that section 10AA(2) will still be able to be used in this process. There has been a long history to section 10AA(2) that goes back to the time of Martyn Evans, who introduced amendments to the Legislative Review Act in 1978 and introduced the principle of the four months rule. It was pointed out that there are occasions where there is an obvious anomaly and a regulation has to be introduced to allow the proper running of Government. I accept that and point out to those who oppose my proposition here that this Bill does not stop section 10AA(2) from being put in train. However, it adds another responsibility to both Houses of Parliament to consider any disallowance motion against the reasons given.

This Chamber passed the same proposition last year, after the Minister giving detailed reasons for the introduction of these regulations prior to the four month period. It provides a responsibility to the Minister, adds more responsibility to either House of Parliament for disallowance because members have to make that decision against all the known and relevant information.

Finally, it does what the legislation originally intended it to do, namely, to allow regulations to be scrutinised by either House of Parliament and it gives back to either House of Parliament that authority to which it is entitled and prevents mischievous or vexatious Ministers from abusing the intent of the legislation, namely, the Subordinate Legislation Act 1978. I ask all members for their support.

The Hon. A.J. REDFORD secured the adjournment of the debate.

LEGISLATIVE REVIEW COMMITTEE: REGULATIONS

The Hon. A.J. REDFORD: I move:

That the policy of the Legislative Review Committee on examination of regulations be noted.

I commend the report to this place and urge each and every one of us to seriously consider the matters raised in this report. I need not remind members that subordinate legislation plays an increasing part in the role of Parliaments and Government today and as such it is becoming increasingly important that we ensure that appropriate mechanisms for the scrutiny of that legislation are in place to ensure the protection of the people of South Australia and, indeed, for the people who promulgate those regulations. It is important to note that the Legislative Review Committee has limited resources and limited time available to its members to examine regulations referred to it.

It is in that context the committee has determined to adopt an interim policy which includes a set of principles for the examination of regulations which will enable it to fulfil its responsibilities under the Parliamentary Committees Act 1991 and the Subordinate Legislation Act 1978. It is important to note that the Legislative Review Committee operates within a legislative framework. First, section 12 of the Parliamentary Committees Act 1991 sets out the functions of the Legislative Review Committee. That section says that:

> 12. The functions of the Legislative Review Committee are:
>
> (a) to inquire into, consider and report on such of the following matters as referred to under this Act:
>
> (i) any matter concerned with legal, constitution or parliamentary reform or with the administration of justice but excluding any matter concerned with Joint Standing Orders of Parliament or the Standing Orders or rules of practice of either House;
>
> (ii) any Act or subordinate legislation, or part of any Act or subordinate legislation, in respect of which provision has been made for its expiry at some future time and whether it should be allowed to expire or continue in force with or without modification or be replaced by new provisions;
>
> (iii) any matter concerned with intergovernment relations;
>
> (b) to inquire into and consider and report on subordinate legislation referred to it under the Subordinate Legislation Act 1978;
>
> (c) to perform such other functions as are imposed on the committee under this or any other Act by resolution of both Houses.

The second legislative framework within which the committee is required to operate is referred to in the Subordinate Legislation Act. Section 10A of that Act states:

> (1) Every regulation that is required to be laid before Parliament is, when made, referred by force of this section to the Legislative Review Committee of the Parliament.
>
> (1a) If a Minister issues a certificate under section 10AA(2) in relation to a regulation, the Minister must cause a report setting out the reasons for the issue of the certificate to be given to the committee as soon as practicable after the making of the regulation.
>
> (2) The committee must inquire into and consider all regulations referred to it.
>
> (3) The committee must consider all regulations as soon as conveniently practicable after they are referred to the committee and, if Parliament is then in session, must do so before the end of the period within which any motion for disallowance of the regulations may be moved in either House of the Parliament.
>
> (4) If the committee forms the opinion that any regulations ought to be disallowed—
>
> (a) it must report the opinion and the grounds for the opinion to both Houses of Parliament before the end of the period within which any motion for disallowance of the regulations may be moved in either House; and
>
> (b) if Parliament is not in session, it may, before reporting to Parliament, report the opinion and the grounds for the opinion to the authority by which the regulations were made.

If one considers those two legislative provisions, and in the context of the important contribution made in the previous notice of motion by the Hon. Ron Roberts, it is interesting to

note that under the Parliamentary Committees Act there is some reference to the committee considering whether or not regulations ought to be allowed to expire or continue in force—and I underline this—with or without modification or be replaced by new provisions; whereas section 10A only enables us to disallow regulations in their totality. At the risk of digressing, I think that much of what the Hon. Ron Roberts said in his contribution has much to commend it and I hope that the Government will have a serious look at the issue raised by him.

Since the proclamation of the Parliamentary Committees Act 1991 there has been no formal legislative provision stipulating the terms of reference by which the Legislative Review Committee must examine regulations. The Parliamentary Committees Act repealed section 55(1)(g) of the Constitution Act 1936, which provided a statutory basis for Joint Standing Orders Nos 19 to 31 under which the previous Joint Committee on Subordinate Legislation was established with its terms of reference. Indeed, in the absence of any policy, it would involve this committee in examining regulations without any guidelines and would, by necessity, involve a substantial increase in resources, perhaps with little benefit passing through to the people of South Australia. I think that both major Parties recognise that on this committee it is for Government to set and initiate policy and it is for the Legislative Review Committee to ensure that that policy is promulgated within certain parameters.

Despite this state of affairs, the committee has been guided by Joint Standing Order 26 which had required the former Joint Committee on Subordinate Legislation to consider subordinate legislation with the following policies in mind:

(a) whether the regulations were in accord with the general objects of the Act pursuant to which they were made;

(b) whether the regulations unduly trespassed on rights previously established by law;

(c) whether regulations unduly made rights dependent upon administrative and not upon judicial decisions;

(d) whether the regulations contained matter which, in the opinion of the committee, should properly be dealt with in an Act of Parliament.

It is important to note that under that Standing Order the Legislative Review Committee was not required to look, nor did it look, at the general policy considerations which the Government might have taken into account in promulgating subordinate legislation. The committee was mindful of the fact that the criteria by which the Joint Committee on Subordinate Legislation examined regulations had been used by that committee since 1938 and that the previous committee had successfully carried out its function under those principles.

Given the opportunity to consider a new set of principles, the Legislative Review Committee expanded its number and content to provide greater clarity in respect of the committee's operations. It took into account interstate and national experience in developing the set of principles. Indeed, those principles—and I refer to the interstate and national principles—took into account the changing nature of the legislative role and in particular the role of subordinate legislation as it had occurred since 1938.

The committee has resolved that in the examination of regulations referred to it under section 10A of the Subordinate Legislation Act 1978 it would consider those regulations having regard to the following policy guidelines:

(a) whether the regulations are in accord with the general objects of the enabling legislation;

(b) whether the regulations unduly trespassed on rights previously established by law or are inconsistent with the principles of natural justice, or made rights, liberties or obligations dependant upon non-reviewable decisions;

(c) whether the regulations contain matter which, in the opinion of the committee, should properly be dealt with in an Act of Parliament;

(d) whether the regulations are in accord with the intent of the legislation under which they are made and do not have unforeseen consequences;

(e) whether the regulations are unambiguous and drafted in a sufficiently clear and precise way;

(f) whether the objective of the regulations could have been achieved by alternative and more effective means; and

(g) whether the regulator has assessed if the regulations are likely to result in costs which outweigh the likely benefits sought to be achieved.

The committee considers that the new principles which have been tabled here today reflect the present issues which have been deliberated upon by the committee and provide the Executive with a better understanding of the committee's role and function. Indeed, it is important to note that the committee is mindful of the fact that it has limited resources when one compares it with the resources available to the Executive arm of Government.

The committee will not look behind the reasons given by the Executive arm of Government in the normal course, but the committee will ensure that the Executive arm of Government does comply with these principles. In particular I draw members' attention to paragraph (g) of the policy which provides:

whether the regulator has assessed if the regulations are likely to result in costs which outweigh the likely benefits sought to be achieved.

It is not the committee's intention to go through its own cost benefit analysis. All the committee is interested in is to ensure that the promulgator of the regulation has in fact turned its mind to that issue. If it is clear on the face of it that the regulator has turned its mind to that issue then the committee will not inquire behind it, only to the extent that there may be some obvious omission.

We all know that Ministers are busy and have enormous and, in some cases, unreasonable workloads. We all know that there are occasions where the bureaucracy either inadvertently or deliberately imposes enormous and substantial workloads on Ministers, whether they be of Liberal or Labor persuasion. It is not the role of the committee merely to adopt the regulations put forward by what, in many cases, are public servants at middle level and expect the Minister in every case to have properly looked at the regulations. I see it as the role of the committee to protect the Minister of either political persuasion from some of the excesses of public servants at that level, albeit from well-intentioned excesses.

I have also been heartened by the fact that I have had two informal meetings with officers from the Department of the Premier and Cabinet. I note that reports accompanying draft regulations are the subject of a comment in the Cabinet Handbook, and I am heartened by the fact that officers from the Department of the Premier and Cabinet have indicated that they are currently rewriting the Cabinet Handbook and that they will take into account some of the matters raised by the Legislative Review Committee in dealing with these regulations.

I am also mindful of the fact that it was Government policy prior to both the 1993 and 1997 State elections that the Government would adopt regulatory impact statements. Regulatory impact statements on occasions can note all sorts

of different meanings, and I would hope, in consultation with the Cabinet and the Department of the Premier and Cabinet, we can come to some agreement as to what might be required in the development/promulgation of a regulatory impact statement.

I would hope that those in the Executive arm of Government would not think that this committee is expecting something akin to *War and Peace* in the presentation of a regulatory impact statement. Indeed, the committee will be interested in ensuring that at least those who are responsible for the promulgation of regulations have considered the regulatory impact fairly and in some detail. Again, the committee will have neither the time nor the resources to look behind such a regulatory impact statement.

Another matter to which I wish to draw the attention of this place is that we have noticed that in some cases the reports accompanying subordinate legislation have been inadequate. There appears to be some consistency from some departments, although they are in the minority, and in the majority of statutory corporations and other non-departmental cases. To a large extent I exclude local government from that criticism. The committee would hope that once these guidelines have been circulated the quality of reports will improve and, in the event that they do not, the committee may well take the view that in the absence of an appropriate report a motion to disallow the regulations will be moved and supported as a matter of course.

It is important to note that some inadequate reports have unnecessarily taken up committee time and also slowed down and hindered the scrutiny process. While the committee resolved to adopt these principles at its meeting of 27 May 1998, it is aware that Parliament may have a view as to the content of these principles. Thus the committee has tabled the report and other documents including similar policies which are applicable to interstate and Federal jurisdictions. It is hoped that members will seriously consider, debate and comment on them.

In closing, I commend the staff of the committee and in this case again David Pegram carried it largely on his own, and I also commend my committee colleagues. I also commend the support I have received not only from my Liberal colleagues but also from the Australian Democrat, the Hon. Ian Gilfillan, and my colleague from the Australian Labor Party, the Hon. Ron Roberts, and the manner in which we have approached this important task. I commend this report.

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

GLENDI FESTIVAL

Adjourned debate on motion of Hon. Carmel Zollo:

That this Council congratulates the Glendi Festival Chairman (Mr George Kavaleros), the 1998 Festival Co-ordinator (Mr Peter Louca, J.P.) and the Organising Committee of the 21st Annual Glendi Greek Festival and expresses its appreciation of the wonderful contribution the Festival makes to South Australia.

(Continued from 25 March. Page 633.)

The Hon. NICK XENOPHON: I am not only pleased to support this motion but I am also grateful that I am speaking on something other than pokies or gambling and related issues. This motion has a degree of personal resonance for me, because of my Hellenic background. In some ways I have the best of both worlds in that my father is of Greek Cypriot descent and my mother is from Greece. My father emigrated to Australia 50 years ago and my mother some 45 years ago. They both found it pretty tough going in those early days. They were homesick in a strange country that was generally but not always hospitable, and they both felt culturally adrift here at times. They both recount that in the early years it was very difficult to obtain the staples of life that they were used to back home. Contrast that with the abundance of Greek food and produce on offer at the Glendi Festival and the variety of cultural events that were available.

The Glendi Festival typifies the richness of Hellenic culture and the contribution of the Greek community to this State as a whole. More broadly, the Glendi Festival highlights the benefits of multiculturalism in this State, from not just the Greek community but all ethnic communities. Recently I was at a Filipino community function at the European Convention Centre. It was a very successful multicultural function, and it gave the lie to the ill-considered claims against multiculturalism made by Ms P Hanson in that same venue about a year ago. I was at the Glendi Festival on two occasions this year and I thoroughly enjoyed it on both occasions. A core reason for the success of the event is clearly the hard work of the Glendi Festival Council's Chairman, Mr Kavaleros; the Coordinator of the festival, Mr Louca; and the organising committee, together with all the volunteers. I wholeheartedly support the motion and join with the Hon. Carmel Zollo in congratulating those responsible for the Glendi. At the risk of making *Hansard* apoplectic, I conclude by saying to the organising committee, 'Bravo and yiasou!'

The Hon. CAROLINE SCHAEFER secured the adjournment of the debate.

AUDITOR-GENERAL'S REPORT

Adjourned debate on motion of the Hon. R.I. Lucas:

That the report of the Auditor-General, 1996-97, be noted.

(Continued from 25 March. Page 659.)

The Hon. R.D. LAWSON: I support the motion. The Parliament should be indebted to the Auditor-General for his comprehensive report, delivered in respect of the year 1996-97. The Ministers have been extensively questioned on matters arising out of the Auditor-General's Report, so it is unnecessary to pursue individual matters and it is not my intention to do so. However, I think all members should be grateful to the Auditor-General for his overview, especially in his memorandum to Parliament, which is the first of the seven volumes of the report.

I was interested to read the extract from the eighth report entitled 'The Proper Conduct of Public Business of the Committee of Public Accounts of the House of Commons', which was quoted by the Auditor-General. The quote is worth repeating for inclusion in our *Hansard* and it reads:

Some allege that the drive for economy and efficiency must be held back to some extent because of the need to take specific care of public money. Others argue that if economy and efficiency are to be forcibly pursued, then traditional standards must be relaxed. We firmly rejected both these claims. The first is often urged by those who do not want to accept the challenge of securing beneficial change and the second is often put forward by those who do not want to be bothered to observe the right standards of public stewardship. Quite apart from the important moral and other aspects involved, we consider that any failure to respect and care for public money would be a most important cause for a decline in the efficiency of public business, but there is no reason why a proper concern for the sensible

conduct of public business and care for the honest handling of public money should not be combined with effective programs for prompting economy and efficiency.

It is a timely reminder, which the Auditor-General has given Parliament, that there is a balance to be struck between drives for economy and efficiency, on the one hand, and the necessity to adopt appropriate measures of accountability, on the other hand. I believe that the Government has adopted an appropriate measure of accountability and that, overall, the report of the Auditor-General is something of which the Government can be proud.

Of course, there are areas where any auditor of any business, organisation or institution can make recommendations for improvement and can comment upon some inefficiencies. The Auditor-General has been most assiduous in relation to that. In conclusion, I welcome this report as a helpful and significant contribution to the good governance of the State of South Australia and the Parliament ought be indebted to the Auditor-General and his dedicated staff for producing it.

The Hon. CAROLINE SCHAEFER secured the adjournment of the debate.

ESTIMATES COMMITTEES

A message was received from the House of Assembly requesting that the Legislative Council give permission to the Treasurer (Hon. R.I. Lucas), the Attorney-General (Hon. K.T. Griffin), the Minister for Transport and Urban Planning (Hon. Diana Laidlaw) and the Minister for Disability Services (Hon. R.D. Lawson), members of the Legislative Council, to attend and give evidence before the Estimates Committees of the House of Assembly on the Appropriation Bill.

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

That the Treasurer, the Attorney-General, the Minister for Transport and Urban Planning and the Minister for Disability Services have leave to attend and give evidence before the Estimates Committees of the House of Assembly on the Appropriation Bill, if they think fit.

Motion carried.

PARLIAMENTARY COMMITTEES (CONTRACTS REVIEW) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 18 March. Page 534.)

The Hon. K.T. GRIFFIN (Attorney-General): It will probably be no surprise to the Hon. Mr Elliott that the Government has decided to oppose the Bill, but just for a few moments I will reflect on the Bill and the issues. The Bill seeks to establish the contracts review committee as a parliamentary committee and, under the Bill, the committee is to consist of five members of the Legislative Council appointed by the Council and must not include a Minister. The committee is to consider and report on any proposed major public contract. The major public contract is defined as a contract other than a contract for the construction of public work to which the Crown or a State instrumentality is a party and involving expenditure of money provided by Parliament or a State instrumentality of more than $4 million. That would seem to be directed particularly to contracts for the provision of services, whether by a Government department or, as I have indicated, an instrumentality of the Crown, perhaps a body such as ETSA Corporation, SA Water, the Public Trustee, which is a body corporate, and perhaps also the Legal Services Commission and other similar bodies.

The Bill provides that a major public contract cannot take effect unless the contract has been approved by the Contracts Review Committee or either House of Parliament has, after receiving the committee's report on the proposed contract, resolved to approve it, or three months have elapsed since the proposed contract was referred to the committee and the committee has not issued its report on the contract, effectively meaning that, notwithstanding that there may have been a long and detailed negotiation for a contract when it is consummated, there must always be a three month time lag between the actual execution of the contract and its implementation.

Of course, it is to be noted that the Bill does not purport to give the committee any power to do anything with the contract other than make a report on it. So to that extent, it is not seeking to exercise Executive power: but a power to make a public comment about it, or to approve the contract. If the Contracts Review Committee does not approve it, the contract may proceed only with the approval of either House of Parliament. Of course, that has some major ramifications for the State, and I would suggest some major ramifications in terms of the willingness of corporations or individuals to negotiate with the State on a major public contract and be prepared to go through the public scrutiny process, and to find that at the end of the day the contract may not be approved. Presumably, though, it would be approved by a House of Assembly in which the Government might ordinarily expect to have the numbers, if not for all then for most of the proceedings in that Chamber.

However, it does introduce a quite significant change in the way in which contracts may be dealt with. The Public Works Committee does not have power to do anything other than delay the implementation of a contract. The Parliamentary Committees Act provides specifically that work under a public works contract cannot commence until the final report of the committee has been tabled. The committee can, of course, table an interim report which has the effect of delaying the bringing into effect of a public works contract. This new committee seeks more effectively and intrusively to deal with contracts of a services type than those which might be of a construction type.

It is important to remember that, although the honourable member made some criticism of the protocol which was negotiated between the Government and the Opposition in relation to outsourcing contracts, it does provide a mechanism to deal with the undoubted tension which will arise between the Executive arm of Government and the Parliament in respect of access to outsourcing contracts.

Whilst the Hon. Mr Elliott has raised some criticisms about that, those criticisms have not been reflected by the Opposition except in the context of the delay in respect of the first three contracts, but ultimately those summaries were tabled with the sign off by the Auditor-General.

I made the point at the time we released those, and I make it again, that the Auditor-General is an independent statutory officer who has the responsibility to report to the Parliament and should be the agency entrusted with the primary responsibility for reporting to the Parliament on issues with which he is not satisfied, and that has occurred much more extensively in the past few years than happened prior to that. The Auditor-General can have access to confidential information, which relates perhaps to material which if in the public arena

might affect the competitive position of the other contracting party or may prejudice Government. I would suggest that the appropriate mechanism for reviewing that is the Auditor-General. As I said, he has on many occasions, more recently than previously, raised issues about matters which he believes go to ensuring proper Government accountability.

I do not deny that there will on number of occasions be tension between the Executive arm of Government and the Parliament. That has arisen particularly at the Senate level, as well as in New South Wales. I remind members that there are still issues relating to the New South Wales Legislative Council's action in relation to Mr Egan likely to be heard in the High Court in the not too distant future. That may indicate whether or not that issue is justiciable or is a matter which is left to the political process and is not a matter in which the courts should be involved.

However, in respect of the Senate, there was an instance only in the past week or so where the Senate required the production of documents and papers. That was declined by the Executive arm of Government. As far as I am aware, that is where the Senate has left it. Members may recall that several years ago officers of the Foreign Investments Review Board were stood up by a Senate committee, required to produce documents and papers, and were given a direction by the Executive arm of Government not to do so, on the basis, as I recollect, of the commercial confidentiality in the information. As far as I am aware nothing further occurred with that.

It is quite feasible that a House which is not controlled by the Executive arm of Government might require the production of documents and papers in a way that might ultimately lead to a confrontation, and that was the very issue which the protocol in 1996-97 was designed to try to avoid. That same tension occurs between Parliament and the courts, particularly in relation to issues that may be *sub judice* and others in respect of which suppression orders may have been made. There is at least an understanding of the limits to which the House will go in relation to matters which are in the courts, as well as there being an understanding and certain conventions in respect of the way in which the courts will avoid becoming involved in matters that are within the province of the Parliament.

So, I suppose there has to be an uneasy truce at times between the Executive arm of Government and the Legislature, particularly where the numbers in a certain House may seek to wield significant power to require the production of documents and papers or become involved in other behaviour. The Government does not believe that this is an appropriate measure to support. For that reason, we will oppose the Bill at the second reading.

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

PASTORAL LAND MANAGEMENT AND CONSERVATION (BOARD PROCEDURES, RENT, ETC.) AMENDMENT BILL

In Committee.

(Continued from 26 March. Page 720.)

Clause 1.

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

1. That this Bill be referred to a select committee.
2. That Standing Order 389 be so far suspended as to enable the Chairperson of the committee to have a deliberative vote only.
3. That this Council permits the select committee to authorise the disclosure or publication, as it thinks fit, of any evidence presented to the Committee prior to such evidence being reported to the Council.

I have moved this motion to refer this Bill to a select committee on the basis that there does not appear to be any consensus on how to proceed with the Bill. The Opposition's position and that of the Democrats is that the Bill be referred to a select committee so that a number of the issues that have not been agreed to in the Bill can be resolved. As there has been no agreement with the shadow Minister in another place on amendments that would make the Bill acceptable, I have therefore moved this motion.

Some of the sticking points on which we might be able to get agreement as a result of a recommendation from the select committee concern those items that were referred to when the Bill was introduced in February. As I said, a resolution of those items has not been negotiated, so I seek the support of the Committee for this motion.

The Hon. DIANA LAIDLAW: The Government does not support the establishment of a select committee and it believes that we should proceed through the consideration of the clauses in Committee. The difficulties in relation to the Opposition's position on this Bill and the matters that cannot be accommodated by the Minister concern three issues, the first of which is the requirement for an annual report to be produced for the Pastoral Board. I do not think that is a matter of high contention, but it has been seen as part of a package of measures and, as the other two measures have not been resolved, this matter lingers. The second matter relates to Aboriginal representation on the Pastoral Board and the third to further rent-based penalties for degradation of land.

I understand that the Australian Democrats will support the Opposition's move to establish a select committee on this matter. The motion refers the Bill to a select committee but does not provide for other matters relating to the Pastoral Land Management and Conservation Act or management practices generally to be raised. On that basis, while opposing the select committee, the Government is prepared to work with it knowing that the majority of members in this place will ensure its establishment.

On the basis that the select committee will deal only with matters contained in the Bill, the Government will work with the committee. I seek undertakings from the honourable member that this select committee is not being set up to frustrate the passage of the Bill for a long time: rather, that it is being set up with some specific purposes in mind, and that it will seek to report back to this place at the beginning of the next session of Parliament. I had some discussions on this matter yesterday, so I seek those undertakings and hope that they can be provided.

The Hon. M.J. ELLIOTT: We are debating this motion now because the Minister in another place who is responsible for this legislation was missing on the last day of the early part of this session. It was intended to move this motion then but in the Minister's absence the motion was held off.

The Hon. Diana Laidlaw: I think she was ill.

The Hon. M.J. ELLIOTT: I am not reflecting on why she was missing, but I am saying that she was absent. I thought she was on business interstate. There has been an

unavoidable delay because of that. A number of issues concerning the Pastoral Land Management and Conservation Act require attention. This Bill focuses on only a small number of those matters, such as the level of rents and on the operation of the Pastoral Board itself.

I am not convinced that the Bill in its current form would enjoy my support and I want to look at those issues in a little more depth. I will not explore the claims that have been made by some people about the implications of the Bill because I do not think this is the time to do that; rather, we can do that during the select committee. However, I indicate that I would have liked the select committee to have the capacity to look at some other related matters, and I will be giving consideration to moving a further motion to empower the committee to look at not just the Bill but some other matters as well.

I will have an opportunity to reflect on that further and give notice of such a motion tomorrow. It is important that I flag that. I have been keen to see the whole Act reviewed and have been involved in a series of meetings held involving both conservation groups and representatives of the Farmers Federation where it is clearly recognised that the Pastoral Act needs major review, that the northern part of the State has a range of uses which are not adequately covered by the current Act, particularly a recognition that there are alternative uses for land besides simple pastoralism. Many pastoralists are getting involved in tourism and the Act simply does not take that into account.

There are also issues which, by way of previous Labor amendments, have been flagged in terms of Aboriginal interest in pastoral lands. There is also an interest in relation to conservation. I have a strong view that it is possible for all those interests to be taken into account and for there to be no losers in the process.

I reflect upon the fact that in northern Queensland an agreement was reached between pastoral, Aboriginal and conservation groups there, which enjoys the full support of all three interests in relation to that area. I would like to see such an agreement reached in South Australia in relation to the northern parts of the State where all the various interest groups come together and ultimately would like to see that reflected within an amended Act, which would be more than a Pastoral Act but would ultimately be perhaps an Arid Lands Act of South Australia—a piece of legislation that would take a holistic approach to land management and land interest in all regards. It has the capacity to set a model for the rest of the State. There is already some of that integration starting to happen. We are seeing with the Soil Board that powers have been delegated to the Pastoral Board in these areas. There is a beginning of that integrated approach starting to develop.

In this Bill I see a particular interest in the lands that this Bill is addressing while ignoring all other interests and perhaps just enjoying the Government in power at the time. I want to see all interests looked at. It is possible that all interests can be accommodated in the pastoral areas and, if it is necessary for the record (and I am sure I have put on the record in this place on several occasions before), I support the continuance of pastoral activities in South Australia. I recognise that, when one looks at pest animals, and pest plants to a lesser extent, if it were not for pastoralists in northern South Australia we would have even greater problems than we currently have.

One can see in several areas that the presence of pastoralists has successfully controlled otherwise very damaging pests such as goats, which are the stand-out pest. In the Flinders Ranges pastoralists have been highly successful with rabbits, involving extensive ripping programs and those sorts of things. If it is necessary for the record to restate my strong belief: there is no questioning the importance of the role of pastoralists in South Australia not only in relation to economic impact but also with the positive environmental benefits with properly-run pastoralism in the State. I am concerned that perhaps this piece of legislation is looking at only the interests of one sector, namely, pastoralists. At the end of the day what is being asked may be on the right track, but I want to see broader issues canvassed.

The Hon. CAROLINE SCHAEFER: I am puzzled by the fact that the Hon. Mr Elliott has raised this issue again now. When we first debated the matter on 26 March it was pointed out carefully then—and certainly has been since—that this was essentially an administrative Bill. It was a rats and mice piece of legislation in order to change the method of collecting pastoral rent. It was nothing more than that. The method of collecting rent changed some two years ago on an experimental basis. Those involved with paying the rent were happy with the new collection fee. The Government was happy with the new collection fee because it netted more money for the Government. There was no objection by anyone and it was merely to legalise that method of collecting rent.

I am totally puzzled by the fact that this has suddenly widened into a huge debate about the reform of the total Pastoral Act. As the Minister outlined, there were three clauses with which the ALP disagreed—matters such as Aboriginal representation on the Pastoral Board, which is being looked at by another department. However, because we did not have the numbers the Government agreed to go to a select committee to look at the three clauses with which the Opposition disagreed. Now, out of left field, we get this demand to reopen the entire Pastoral Act and draw out the legalisation of the method of collecting fees.

It is about three weeks now since I was in Oodnadatta and the pastoralists were beginning to be most concerned about the fact that they no longer know what method of setting of pastoral lease rent will be used, when it will be decided and when they will have to pay their next lot of rental, let alone how much it will be or what it will be about. So, we suddenly have this political game playing about what was essentially a very minor administrative Bill. I do not believe that this is the appropriate vehicle to open up the Pastoral Act.

If the Hon. Mr Elliott, the Democrats or the ALP wish to move a private member's motion to take the entire Pastoral Act to a select committee for review, that is an entirely different issue from what we are meant to be debating today. We agreed to a short select committee in order to discuss the three or so clauses that the Opposition were unhappy with, with the view that it would be a short select committee with a finite life. We now look like we are going for a marathon overhaul of the Pastoral Act. It is an inappropriate vehicle to use for what is an entirely different aim from the original purpose of this Bill.

The CHAIRMAN: Order! There is too much audible conversation. There are lobbies outside for that purpose.

The Hon. T.G. ROBERTS: My instructions from the shadow Minister are to pursue the amendments that we included in the original proposition as put in the last session in relation to the establishment of the Pastoral Board, the inclusion of an Aboriginal member on the board, the details concerning the annual report and the view that good behav-

iour and good environmental management could be rewarded and that bad behaviour may be penalised.

The Hon. Mr Elliott raises a broad list of issues that need to be looked at. I suspect that if it was managed well by the committee all those issues could be taken into consideration at the time the Bill was being looked at and perhaps there is a possibility that the committee itself could come to a consensus around what changes, if any, need to be made to those areas that the Hon. Mr Elliott has mentioned.

My instructions are those that I indicated in relation to the amendments that have not been negotiated with the Minister, but I am sure that other matters will arise while the inspections are being conducted and the evidence is being taken. That is the nature of select committees. I hope that a consensus can be drawn between the Parties in relation to the inspections and the taking of evidence, and I have indicated to the Minister that we would have an interest in completing the inspections and the taking of evidence as soon as possible.

I indicated during the last session when we were unable to set up the select committee that during the next break we would take the evidence and draw up the recommendations in preparation for this session. My understanding is that we have a break of at least seven weeks in August and September which would give the committee a reasonable amount of time to take evidence, deliberate and make recommendations. I would be interested to see the wording of the amendment that the Democrats are drafting which I will refer to the shadow Minister so that I can indicate to the Minister our position in relation to it.

We will continue to support and pursue the formation of the select committee. It is not our intention to unduly hold up the select committee process or draw it out any longer than is necessary. I had a commitment previously when I tried to set up the committee that it would comprise the Hons Diana Laidlaw, Caroline Schaefer, Mike Elliott and Ron Roberts, and I hope that those members will be available during the next couple of months. I give those undertakings to the Minister and will talk to the shadow Minister and the Hon. Mr Elliott between now and tomorrow to see what we can work out as regards his proposed amendment.

Motion carried.

Bill referred to a select committee consisting of the Hons M.J. Elliott, P. Holloway, Diana Laidlaw, R.R. Roberts and Caroline Schaefer; the committee to have power to send for persons, papers and records, and to adjourn from place to place; the committee to report on Tuesday 21 July 1998.

NATIONAL ELECTRICITY (SOUTH AUSTRALIA) (COMMENCEMENT) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 2 June. Page 819.)

The Hon. P. HOLLOWAY: The Opposition will support this Bill. When the National Electricity (South Australia) Act was debated in 1996 the national electricity market was described as a new era for electricity generation in Australia. The Opposition at that time supported the Bill which was seen as a significant piece of national legislation. It is interesting to recall the comments of the then Minister for Infrastructure, John Olsen, when he stated (*Hansard* of 29 May 1996):

> I thank Opposition members for their support for this Bill, in particular their commitment to assure passage of this measure through both Houses of the South Australian Parliament during these two sitting weeks. The support and concurrence of the Opposition to meet that objective will enable us to fulfil a commitment of Ministers at the various jurisdictions as to passage of this legislation in that time frame. This enables us to be the lead legislator.

As the then Minister stated, it was with the Opposition's concurrence that the legislation was able to be passed in fairly quick time to enable South Australia to become the lead legislator, and apparently that was so that we could have our legislation passed before Victoria to get the benefits that were supposed to come from being the lead legislator. It is interesting to note that at the time of that Bill the then Minister for Infrastructure, John Olsen, made some comments about the future of South Australia's electricity. His categorical statement at the time was:

> ETSA will not be sold.

Once again we are reminded of the back flip that has been performed by the then Infrastructure Minister and the now Premier. As a lot of the information that has been made public in recent days would indicate, although the Premier denied it he was clearly involved in trying to negotiate a sale of ETSA even then, some two or three years ago.

In spite of the Premier's and Treasurer's recent attacks on the Opposition and their constant carping on what are the very real concerns of the Opposition about the sale of ETSA, I state, as I stated when I supported the National Electricity (South Australia) Act in 1966, that I have no hesitation in supporting the national electricity market.

However, I also said at that time that I believed that the key to the success of a national market would be in the details. I think that the key emphasis in the term 'national electricity market' is on the word 'national'. When the Hilmer report came out in 1993 it pointed out that about $23 billion worth of benefits would derive from national competition reforms, particularly in the areas of transport, electricity, gas and water. As I see it, most of the savings that would derive from the national electricity market would come from areas such as the over-capitalisation that is necessary to provide surplus capacity in individual electricity markets. At the moment each State has extra installed capacity—and electricity generating capacity is extremely expensive, I might say; it is well over $1 billion for a base load power station. The States with their individual markets had to install extra capacity to allow for maintenance outages and peak loads and to give some measure of security.

One of the great advantages of having a national electricity market is that the surplus capacity across the entire market in a number of States can be reduced, and the savings that can be made from that are potentially many millions of dollars. That is why I have been enthusiastic towards national energy markets. I will digress for a moment. If we look at gas, for example, we can see how, in the past, while energy markets have been confined to the States, a number of investment decisions involving many hundreds of millions of dollars have been made that were not necessarily in the national interest. They may have been in the interests of individual States but they certainly were not in the national interest. So, through joining the national electricity market there is no doubt that there is a potential for saving many hundreds of millions of dollars just by reducing that surplus capacity alone, as well as the benefits that may derive from competition. I will say more about that in a moment.

It is important to note that the savings identified in the Hilmer report were not dependent on the ownership of the assets. That was made clear at the time and it should not be

an issue in the debate on the national market. Perhaps more of an issue are competition payments, which come from being in a national market. If there are to be savings the Commonwealth has agreed to distribute them to the States. I have said on a previous occasion that I do not believe there is anything like $23 billion to be made from savings through the national competition policy. I suspect that a more realistic figure is about $4 billion or $5 billion. Nevertheless, in national terms it is perhaps worth pursuing that. However, the problem we have is that those benefits derive largely to the Commonwealth Government. As we have seen on a number of issues in recent days, that gives the Commonwealth Government considerable power over State policy because it controls the payment of those benefits back to the States, but that is another issue.

Other speakers, such as the Hon. Sandra Kanck, have made comments about the national electricity market and have criticised the Labor Party's stance on it, trying to link it with the ETSA sale. It is important at least to make the point that the benefits to be gained from being in a national market are considerable, but they do not necessarily relate to the ownership of any assets involved in that market. I think that point needs to be made clear and I hope I have done that. This Bill acknowledges a delay in resolving major issues, according to the Government. I would be interested to know just what are those major issues and just what role the Government is playing to resolve those issues. Once again the Government expects the Opposition to support pieces of legislation such as this on trust, blindly accepting its word that issues will be resolved.

In that regard I wish to make one point about this debate. I indicated earlier that the Opposition had cooperated with the then Minister, John Olsen, in 1996, when the national electricity market was set up, and he had acknowledged the Opposition's support at that time. In recent days the Opposition has been greatly concerned about the way the Treasurer has treated briefings with the Opposition about these important national matters. Several weeks ago the Leader of the Opposition (Mike Rann) and other members were briefed by the Treasurer in relation to the ETSA sale. Scarcely had those members left that meeting than the Treasurer put out a press release, and I will quote a bit of that. Remember that this was a briefing that the Treasurer gave to members of the Opposition: Mike Rann, Kevin Foley and Annette Hurley. This press release was put out within an hour or so of the end of that meeting. It stated:

> The Opposition Leader and shadow Treasurer were unable to outline any alternative plan to reduce the State's debt level in a meeting with the Treasurer.

Here, the Treasurer is supposedly giving a briefing to the members of the Opposition about important matters and he is coming out saying that the Opposition was unable to outline any alternative plan—as if a briefing from the Government should be for the Opposition to try to justify its position to the Government. I say to the Treasurer (and he has a smile on his face) that, if he wants to play that game and if he treats briefings with the Opposition in such a way that he goes public with them, tries to score political points out of them and distorts what was said, quite simply the Opposition will refuse to have briefings. When important Bills in the national interest such as this come before us we will take our own counsel on them and will no longer be in a position where we can necessarily support these sorts of measures being put through in a quick time frame. It is absolutely outrageous that the Treasurer should treat briefings in this way.

I should point out that in the past under this and previous Governments the Opposition has received briefings from Ministers. Those briefings have been in the State's interests and the confidentiality of those briefings has been respected by Ministers in the past. It seems as though the Treasurer is intent on breaching that. I should also point out, incidentally, that my colleagues who went to that meeting were able to say that, in fact, if anyone was unable to explain their position it was the Government, because at those meetings the Treasurer was unable to answer quite simple questions in relation to the ETSA sale and apparently on a number of matters he said he did not know. So, two can play at that game. However, I would hope that in future if the Treasurer provides briefings to the Opposition he respects the importance of such briefings and that he behaves in the way that his predecessors have behaved. I will not say any more about that matter other than to say that the Government and the Treasurer in particular are on notice as for far as the Opposition is concerned. If he wants to play that game I suspect he will be the loser in the long run.

The Bill is relatively simple. The national electricity market was to commence on 29 March this year. This has not happened, and no new date of operation has been suggested. The main amendment to this Bill states that section 7(5) of the Acts Interpretation Act no longer applies to the commencement of the Act. That means that the operation of the Act will occur upon proclamation by the Governor, and in Committee I will ask a couple of brief questions about when this might occur. I think it is worth pointing out that when the original Act was debated in 1996 I remember the then Minister for Infrastructure stating that South Australia would be the home for a national electricity tribunal which would perform two functions, one being to review decisions of the two bodies to administer the national electricity law and the other being to order sanctions for breaches of the law.

There has been silence on this subject since the announcement, and I am curious to know what has happened in regard to that. So, given that the Opposition has had to make its own checks in terms of finding out the importance of this Bill, we accept it has to go through Parliament fairly quickly, so the Opposition will support it. However, I again express my disappointment that, on matters of briefing the Opposition, the Treasurer has chosen to part with long term conventions. While we will cooperate on this occasion I suggest that, if the Treasurer continues with that behaviour, we might not be so cooperative in the future.

The Hon. R.I. LUCAS (Treasurer): I thank the Hon. Sandra Kanck and the Hon. Paul Holloway for their contributions to the Bill. First, I want to address this issue of the briefing which, I must admit, does bring a smile to my face. The Hon. Mike Rann, the member for Hart and the Hon. Paul Holloway have (if I can use a colloquial expression) got their knickers in a knot about a briefing and the protocols in relation to a briefing. I can only gather from all of this that Mike Rann is being very precious about this whole issue. It is an indication of the sensitivity he is feeling at the moment on a range of issues and the pressure he is under on a range of issues that members opposite (and I will not name them) are fully aware of in the public arena. That will be for another day. Let me explain the detail.

Members interjecting:

The Hon. R.I. LUCAS: I will not be diverted, although I would love to be. Let me explain the detail of this briefing session I had with the Leader of the Opposition, the Deputy Leader and the shadow Treasurer. Many weeks ago—probably on 17 February—an invitation was issued to the Labor Party to come along without having locked themselves into a particular view on the sale of ETSA and Optima and have a genuine briefing to look at the arguments for and against before they locked themselves into a position from which they could not retreat.

The Hon. L.H. Davis: Was Paul Holloway included?

The Hon. R.I. LUCAS: The invitation was to anyone.

Members interjecting:

The PRESIDENT: Order! The Treasurer is on his feet.

The Hon. R.I. LUCAS: It was done in the full knowledge that a number of members of Mr Rann's front bench and Caucus take the view that ETSA and Optima should be sold. I have had discussions with a good number of those members over the years—

Members interjecting:

The Hon. R.I. LUCAS: I never do that—and again even in recent times. Perhaps in my memoirs I can list eight members of the Labor front bench and Caucus who, in discussions with me, have indicated support for the sale of Optima and ETSA. I will not breach the confidences of those members and the discussions I have had because they were private discussions with those members.

The Hon. P. Holloway interjecting:

The Hon. R.I. LUCAS: No. The offer was made. We set up an appointment with Annette Hurley and Kevin Foley for about the following week or two weeks later. I can get the exact date for it. Without a word of apology or any indication at all on the morning of the briefing Foley and Hurley rang up, or someone rang up on their behalf, and cancelled the briefing without any explanation and left it at that. They did not want the briefing and indicated they would not come. The briefing was arranged with Foley and Hurley and they did not turn up.

Members interjecting:

The PRESIDENT: Order!

The Hon. R.I. LUCAS: Weeks went by and we waited for Foley and Hurley (the members for Hart and Napier) to inform themselves about this critical decision that confronted the State and we did not hear a word from them. It was only when the issue was taken up in the House of Assembly and it was pointed out to the media and everyone there that the Labor Party had not only cancelled the appointment but had not bothered to inform themselves to take up the opportunity of another briefing that eventually Kevin Foley and Annette Hurley were shamed into requesting another briefing. By that stage the Labor Party had well and truly painted itself into a corner on the issue. Its views were clear and they indicated they were not prepared to change their mind at all. Many weeks down the track we then went ahead with this briefing. Lo and behold, who turns up? It was Mike Rann who turned up at the briefing with Foley and Hurley.

As soon as Mike Rann turned up to a briefing like that we knew that something was up. I must admit that I was suspicious and cynical right from the word go. Mike Rann was coming for a reason. It was not genuinely to seek information from me as the Treasurer and the Government to help him change his mind. He had already indicated what his position was. I knew why he was coming to the briefing.

The Hon. T.G. Roberts interjecting:

The Hon. R.I. LUCAS: As the Hon. Terry Roberts says, 'You show me your press release and I'll show you mine.' That is exactly right. The Hon. Terry Roberts knows Mike Rann very well and he knows well why Mike Rann was going there because, within a matter of hours after the conference, Rann was out there in the media with a press release—

The Hon. P. Holloway interjecting:

The Hon. R.I. LUCAS: That is because I beat him to it. That is exactly right—I beat him to it. As the Hon. Terry Roberts said, 'You show me yours and I'll show you mine.' We know why Mike Rann was going there and, if my office is able to track down the press release in time, we will see who talks about distortion of meetings that were being conducted between me and the Opposition. I want to nail clearly that this briefing was never ever sought by the Labor Party or offered by me to be a confidential briefing on technical issues in relation to the Bill. For anyone to suggest otherwise is absolutely grossly incorrect. So, the statements by Mike Rann and Kevin Foley that in some way this had been agreed to be a confidential briefing on the technical issues of the Bill is an absolute nonsense and they know it to be the case. If the Labor Party wants to have a confidential briefing with me, as I have had with Annette Hurley on a number of issues of interest to Labor and Liberal members of Parliament, they will remain confidential.

The Hon. Paul Holloway smiles and knows what the briefings were about. They will remain confidential and I will not breach the confidences but, in no way was this a confidential briefing. As soon as Mike Rann was involved in this discussion, together with Kevin Foley, I knew what the game was about. As I said, the only problem Mike Rann has is that our press release got out before his did in terms of getting into the media environment.

Mike Rann came to the meeting and asked a whole series of questions. Let me be quite honest: given the Labor Party's position I was not going to provide the Labor Party and Mike Rann with a whole series of answers to questions to allow them to go out to the media and argue a case against the Government. The Labor Party could have wanted to come to a briefing as the Democrats have done. I have had three or four meetings with the Democrats that were conducted on a basis of trying to better inform Democrat members in this place about the various issues. The Government has been as open and frank as it could be in trying to answer questions.

Again, we have not been able to give the honourable member all the answers. Frankly, we are still working on providing the detail for the responses to some of the questions. I assure the Council that I was not going to a briefing involving Mike Rann and spoon feeding him with information on the sale of ETSA and Optima with which he could beat the Government around the ears. He will do enough in terms of—

Members interjecting:

The PRESIDENT: Order! The Hon. Mr Cameron is out of order as he is interjecting and, what is even worse, he is not doing it from his own seat.

The Hon. R.I. LUCAS: He will do it constructing his own reasons for opposing the sale, let alone the Government's providing him with further information.

Members interjecting:

The Hon. R.I. LUCAS: Well, if Mike Rann wants to stand up in the Parliament and ask the questions, he will get the answers.

The Hon. T.G. Cameron interjecting:

The Hon. R.I. LUCAS: He certainly will, because the Democrats are prepared to consider their approach to this issue with an open mind. Mike Rann has closed his mind—

Members interjecting:

The PRESIDENT: Order!

The Hon. R.I. LUCAS: —on this issue, as he has with many others, including the abilities of the Hon. Mr Cameron. He has closed his mind on those issues, and once he has closed his mind—as the Hon. Mr Cameron would know—it will no longer be open. Mike Rann sought to get information from the Government on a number of issues. Clearly, the Government is still working on a number of issues. It is correct for the Leader of the Opposition to indicate that the Government had not indicated a response in some areas. However, in a number of other areas, for political reasons, we clearly would not provide Mike Rann with responses that he might seek to distort in the marketplace and to do those terrible things that he as Leader of the Opposition does, with genuine responses from the Government on certain issues.

The Hon. P. Holloway interjecting:

The Hon. R.I. LUCAS: That's the way I treat Mike Rann each and every day. I have had my experiences with Mike Rann; the honourable member would know that. I will not list today the number of examples where Mike Rann has been briefed by John Olsen and previous Leaders on issues such as the wine centre, the wine museum and a number of other areas, and he has then gone into the public arena and deliberately distorted the briefings he has been given.

Members interjecting:

The Hon. R.I. LUCAS: No, these were briefings he was provided with, and he has gone into the public arena and distorted those briefings. On this occasion, I will not list all those. Mike Rann is being a bit precious. Because he happened to be beaten to the punch on this issue, he said, 'Well, I'm not going to talk to him any more. We're not going help the Treasurer any more. He might need us, but we're not going to help him any more, because he was nasty to us in a briefing and got out into public arena before we could.' If that is the way he want wants to run an alternative Government, I pity the Labor Party. If that is the sort of leadership members opposite have and if that is how precious your Leader is regarding what was not a confidential briefing, then more is the pity for the Labor Party. If the Labor Party wants a confidential briefing, it can have a confidential briefing.

I challenge the Hon. Mr Holloway to speak to Mike Rann and Kevin Foley and get from them any commitment from me that this was a confidential briefing—in writing, verbally or otherwise—because it is just not true. I challenge the honourable member to get from Mike Rann or Kevin Foley any confirmation that they requested it to be a confidential briefing—in any way. If they want—

An honourable member interjecting:

The Hon. R.I. LUCAS: Well, let's talk about past precedents. I didn't talk about Mike Rann's past precedents but I am happy to do so on another occasion. Kevin Foley has raised these issues. Only recently in the public arena we have had a briefing that he was given by Stephen Baker and Robert Ruse from ETSA on the Cayman Islands ETSA transmission deal. Within a few days—I cannot remember exactly how long—Kevin Foley was in the public arena attacking it with a press release. If you are saying that all these briefings are confidential and you have always respected it, why is Kevin Foley in the public arena attacking by way of a press release a briefing he was given by Robert Ruse on behalf of the Government? You cannot have two standards.

Foley, Rann and—I am sad to say—the Hon. Paul Holloway are trying to set one standard for the Government: if the Government has a discussion and it was not a confidential briefing we are not allowed to issue a press statement. However, Kevin Foley and Mike Rann can. It is a judgment call for those members. I have had a number of briefings with Sandra Kanck on these issues and, on a number of occasions after those briefings, Sandra Kanck has issued a public statement. I have no qualms with that. I might challenge the accuracy of those statements on occasion, but they have not involved confidential briefings sought by me. I have had occasion to ask Sandra Kanck to ensure that one issue remain confidential, and she has respected my wish. I have had—and Sandra Kanck can attest to this—at least a handful of meetings with her. On a number of occasions, she has issued a public statement afterwards—whether it be the same day or a few days later—indicating the nature of the discussions I had with her. I have no problems with that. I have no quibble with it at all, because I did not seek it to be a confidential briefing, and neither did she. If she had—

The Hon. P. Holloway interjecting:

The Hon. R.I. LUCAS: She issued press releases about it.

The Hon. P. Holloway interjecting:

The Hon. R.I. LUCAS: I have issued public statements about them; okay? If you want a confidential briefing, go back to Mike Rann and Kevin Foley and tell them to grow up. Then tell them at the same time that, if they want confidential briefings, I am happy to provide them if they want them. However, they will have to ask for the fact that they be confidential or I, indeed, will ask that they be confidential. If it is not agreed that it is to be a confidential briefing, they are free to do what they like. I now have a copy of Rann's press release which he issued soon after, entitled, 'Olsen assurances sought on country ETSA subsidies', as follows:

> 'Yesterday, I met with the Treasurer, who couldn't give any guarantees about the future of country power subsidies to rural areas.' The Treasurer said he didn't know how much the subsidies were worth.

I will not read the whole press release. Mike Rann was in the public arena issuing press statements on these issues as well. The honourable member also indicated that the Opposition had done its own checks on this issue and had now agreed to support the Bill! We are grateful for the support for the Bill; thank you very much for that! Never let it be said that this Government is not generous in indicating its willingness to congratulate the Opposition when it supports a worthy measure. However, I indicate that I spoke with Annette Hurley yesterday. It was not a confidential discussion. I gave her four pages of briefing notes which had been provided to me. Whilst I acknowledge that the Opposition may have undertaken some of its own checks, I have provided Annette Hurley, who I am told is handling this Bill, as the shadow Minister for Infrastructure, with the Treasury briefings and discussions on this point. So, it has not just been—

The Hon. P. Holloway interjecting:

The Hon. R.I. LUCAS: They're not confidential. They are able to be used by members if they so wish.

Members interjecting:

The PRESIDENT: Order! The Treasurer.

The Hon. R.I. LUCAS: The Hon. Sandra Kanck and the Hon. Paul Holloway have asked, 'What are the issues that are still to be resolved by NEMMCO and the jurisdictions?' Clearly, the main issue to be resolved is the date on which the

national electricity market will commence. It was scheduled to commence in March or April but was delayed until May. My second reading explanation stated that it has been delayed until at least September. Certainly, the view is that it may well be some time later this year. It did not start in May because the individual jurisdictions were concerned that NEMMCO's market systems had not been adequately tested, and there was a risk that, if the national electricity market commenced, the systems might fail. Clearly, the Government and the jurisdictions involved have a strong view that we do not want to get into this national electricity market and have systems breaking down and failing during the early stages of the market.

We need to be convinced by NEMMCO that its market systems and operations are in place, that they are tested and that they will work before we get into this market where, every half hour, generating prices will be checked against the rest of the market, thus setting a market price. We do not want to get into a new system. We acknowledge the difficulty of getting into a new system because, whenever you have new computer systems, a good degree of technical expertise is required and, because they are new, it is hard to check them. We want to make sure that all the tests that can humanly be done have been done and we would prefer to delay the initial start of the marketplace if we can get some greater degree of comfort that all the tests and checks, or as many as possible, have been done so that they can operate.

NEMMCO has been asked to provide a revised start date, taking into account the need to test the systems adequately and to demonstrate that they will operate effectively. We are hopeful that, by the end of this month, we might be in a better position to estimate when the actual starting date might be. It will not be any earlier than September. We hope to be in a better position to be able to estimate that by the end of June.

The Hon. Sandra Kanck raised the issue of losses when electricity is imported from interstate. The honourable member suggested that, in some cases, the losses amounted to between 17 and 25 per cent. I am advised that losses of that order are generally experienced only under very high load conditions and that on average losses on importing electricity into South Australia are approximately 10 per cent. It is important to clarify that piece of information.

The Hon. T. Crothers: Is that loss of electricity by transmission?

The Hon. R.I. LUCAS: Yes, transmission losses. The amount of electricity loss will be taken into account in deciding whether electricity is imported into South Australia or is produced within the State. It will be imported only if this is the cheapest source of electricity available, taking into account the value of the losses.

The honourable member asked how expensive is the cost of generation in South Australia compared with that in other States. I am told again that, due to the imminent introduction of the competitive market, current information on the cost of generation in each State is not available. Generators in each State are jealously guarding that information and treating it as commercial and in confidence. I am told that the most recent information goes back a long way to 1991-92 when generators were prepared to publish cost information. I have some figures but they are so old as not to make much sense in terms of the current debate.

I thank members for their indication of support for the legislation, which is only a transitional issue that has been brought about by the late start-up date of the national electricity market.

Bill read a second time.

In Committee.

Clause 1.

The Hon. P. HOLLOWAY: The second reading explanation states that proclamation of the Act would equip NECA and NEMMCO with powers that would conflict with existing jurisdictional arrangements pursuant to current South Australian legislation. What are those powers and what would be the effect on South Australia?

The Hon. R.I. LUCAS: I can provide the honourable member with some information and, if it is not sufficient, we can either delay or have it provided in another place in response to questions from Annette Hurley. This comes from information that I have provided to the shadow Minister for Infrastructure, and I will read it into the public record.

The advice provided to me is that proclamation of the Act would bring into effect institutional and regulatory arrangements facilitating the operation of the national electricity market, including the establishment of NECA and NEMMCO as legal entities and the application of the national electricity code. Proclamation would also bring into effect complementary legislation already passed in other participating jurisdictions that would enable the South Australian legislation to apply in those jurisdictions.

Due to the further work required to develop NEM systems and the need for designated Ministers to endorse the code before the market starts, it is not feasible, practical or desirable for the NEM to commence before or on 20 June. Indeed, proclamation of the Act would bring into operation a new set of institutional and regulatory arrangements for which none of the participating jurisdictions—South Australia, New South Wales, Victoria, ACT and Queensland—are prepared.

One particular issue that is raised in a further briefing note is that, if the national electricity law came into effect on 20 June, section 9 of the law would prohibit any person from owning, operating or controlling generation, transmission or distribution systems unless they were registered with NEMMCO in accordance with the code. It could be argued that the code would not be operational because it has not been endorsed by designated Ministers, a requirement of the law. If the code were not in force, these persons would be unable to register with NEMMCO.

According to the Act, persons in breach of section 9 are liable for penalties of up to $100 000 per day for each day after the day of service on a person by NECA of a notice of contravention. Thus there is a risk that existing industry participants would be exposed to penalties for failing to comply with the law.

The Queensland law that applies to the South Australian national electricity law has already been proclaimed. Therefore, if the South Australian Act were to be proclaimed on 20 June, the national electricity law would apply in Queensland as well as South Australia. This would put into place a raft of consequential amendments to other legislation in Queensland that would be administratively difficult to handle. As with South Australia, there would also be a risk that penalties for contravention of section 9 of the law could be applied by NECA. Queensland contacted State Government offices last week to ensure that the South Australian Act would not be proclaimed on 20 June to avoid these problems.

Other jurisdictions have said to us that they do not want it to go ahead because it would cause them grief, as well as potentially causing problems in South Australia. That is all the information I have with me this evening. If the honour-

able member has any further questions, I will take them on notice and undertake to have a reply provided in the House of Assembly.

The Hon. P. HOLLOWAY: The questions that I was going to ask have been largely answered by the Minister. However, have all other jurisdictions enacted the legislation to join the NEM? The Minister mentioned Queensland, but I am not sure about New South Wales, Victoria and the ACT. Do those other jurisdictions have a similar problem with their legislation as South Australia does; that is, does their legislation need this amendment as well? It has been explained in relation to Queensland, but perhaps in another place the Treasurer could supply that information.

The Hon. R.I. LUCAS: I will undertake to ascertain the exact status in the other States and Territories that the honourable member raised.

Clause passed.

Remaining clauses (2 and 3) and title passed.

Bill read a third time and passed.

ADJOURNMENT

At 6.25 p.m. the Council adjourned until Thursday 4 June at 2.15 p.m.