LEGISLATIVE COUNCIL

Tuesday 3 November 1998

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

PAPERS TABLED

The following papers were laid on the table:

By the Treasurer (Hon. R. I. Lucas)—

Reports, 1996-97
- Police Superannuation Board
- The Planning Strategy for South Australia
- South Australian Multicultural and Ethnic Affairs Commission

Treasurer—Directions pursuant to Section 6 of the Public Corporations Act—
- ETSA Corporation—Directing ETSA Power Pty. Ltd., ETSA Utilities Pty. Ltd. and ETSA Transmission Corporation comply with matters listed in Schedules 1, 2 and 3 respectively

SA Generation Corporation—
- Issues (a) and (b)
- Issues Nos. 1-9
- Directing Flinders Power Pty. Ltd., Optima Energy Pty. Ltd. and Synergen Pty. Ltd. to comply with matters listed in Schedule 1

ETSA Corporation—
- Issues (a) and (b)
- Issues Nos. 1-10
- Directing ETSA Utilities Pty. Ltd. to install Metering Facilities

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

Reports, 1996-97—
- Public Trustee
- Department for Administrative and Information Services
- Legal Services Commission of South Australia
- Playford Centre
- Industrial and Commercial Premises Corporation

Industrial and Commercial Premises Corporation—Charter

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

Reports, 1998—
- Patawalonga Catchment Water Management Board
- Torrens Catchment Water Management Board

Regulation under the following Act—
- Local Government Act 1934—Regulations under the Local Government Superannuation Board—Shares and other Securities

District Council By-laws—
- Tatiara—
  - No. 1—Permits and Penalties
  - No. 2—Moveable Signs
  - No. 3—Council Land
  - No. 4—Bees
  - No. 5—Animals and Birds
  - No. 6—Caravans
  - No. 7—Taxis
  - No. 8—Dogs

Flinders Medical Centre—By-laws—General.

QUESTION TIME

STATE FINANCES

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

Leave granted.

The Hon. P. HOLLOWAY: In today's *Australian*, Economics Editor, Alan Wood, states:

> Instead of squabbling over the pot of money on offer, when the States meet the Commonwealth on November 13 they should tell Howard they don't want the revenue from a GST. Why not? Because if they accept it they will confirm that they have become mere ciphers in the federation: post boxes for Commonwealth cheques and branch managers of Commonwealth programs.

Mr Wood continues:

> The tax package negotiations may be the States' last chance to reverse their decline into a constitutional joke.

My questions to the Treasurer are:

1. Does he accept that the Commonwealth tax package has the potential to further erode this State's financial independence and viability?

2. How will the Government ensure South Australia does not become a mere post box for the Commonwealth under the Howard tax package?

3. Will the Treasurer finally inform the people of this State of the position his Government will put to the Prime Minister in relation to the Commonwealth GST plan in nine days' time?

The Hon. R.I. LUCAS: I have been doing that for the last couple of weeks and will be doing so over the next couple of weeks as we lead up to 13 November and the Premiers' Conference. The position that the South Australian Government will be putting is that we want the best possible deal for all South Australians from any national tax reform package. That is the simple position, and it will be one that the Premier and myself as Treasurer will return with when any of the detailed matters are considered. We will be there fighting, and fighting hard, for South Australia's interests, not just in the short term but also looking to the long-term future in terms of Federal-State financial relations. The Premier and I as Treasurer have been cautiously supportive of the broad parameters of tax reform that we have seen. We certainly are prepared to work with the Commonwealth Government to further the mandate that it received for national tax reform at the most recent election.

The Hon. T.G. Roberts interjecting:

The Hon. R.I. LUCAS: It is starting to go backwards now; the Hon. Terry Roberts has got it down to about 30 per cent and, if he goes for a few more weeks, I am sure he could get the figure down to nothing: something close to the Duncan left's influence within the Labor convention at the moment—we might get down to that percentage. We have not yet seen all the detail of the Commonwealth package and officers have been working over the past few weeks and they will continue over the coming weeks and months, I suspect, to work through the detail of the general principles that have been put down by the Commonwealth Minister. There is no secret about the State Government's position. We will be there protecting South Australia's interests and doing the best we can to get the best possible deal.

In relation to the first aspect of the question, I saw Alan Wood's article in the *Australian* this morning. The bottom line that Alan Wood has missed in his article is to look at the amount of money over the longer term that States like South Australia might get from this package and from access to the GST compared with the projections that we might otherwise be getting through a continuation of the existing arrangements. That is difficult because you are projecting many years out.

The GST does not start until June 2000. A transitional period has been acknowledged, where the Commonwealth

will need to continue to supplement income from the GST to the States to ensure that the States are not disadvantaged. However, on the Commonwealth projections, in about the middle of the first decade of the next millennium, quite significant increases are projected in terms of income flowing through to the States and Territories.

It is true to say that neither the Commonwealth Government nor the State Governments—indeed, neither the Hon. Mr Holloway nor Alan Wood, writing in the *Australian*—can sign off and say definitely that the growth in the national economy in the year 2005 will be 'x' per cent. They are, at best, educated estimates by, I suppose, the best economists and other expertise that the Commonwealth Government and others can put together in terms of how you project forward. But, on the basis of those Commonwealth estimates, there is the potential attraction of the State of South Australia having access to something akin to a growth tax, which is something that we have not had.

Of course, there were a number of other options. I have spoken in this House, and publicly, about potentially having access to an income tax base or to income tax revenue, which is what Alan Wood has referred to in his column. However, in the end, it takes two to tango. The State of South Australia—and all the States, for that matter—cannot force the Commonwealth Government to head down a particular path if it is not prepared to go down that path.

What we have seen under general principles of the Commonwealth offer may or may not be our original preferred course but, on the surface of it, it is sufficiently attractive for those of us in South Australia to take a good, hard look at it to try to see whether we can ensure access in the longer term to a growth tax such as the GST for the State of South Australia.

The Hon. M.J. Elliott: What about maximising our own taxation base?

The Hon. R.I. LUCAS: That is very hard, when you keep getting High Court decisions that take away our—

The Hon. M.J. Elliott interjecting:

The Hon. R.I. LUCAS: The Hon. Mr Elliott says, 'Abolish it.' I am sure that was a flippant remark—and, Attorney, he did not really mean it. There might be times when some people secretly agree with the Hon. Mr Elliott's prescription but, as Leader of the Government, I am not prepared to say that I am one of those. But with High Court decisions that take away our access to the petrol tax base, the tobacco tax base and the alcohol tax base, all of which were attractive tax bases for regional State Governments such as South Australia, it—

An honourable member interjecting:

The Hon. R.I. LUCAS: We have gambling, but some might want to see the removal of the gambling tax base. The Hon. Mr Elliott talks about broadening the tax base, yet—

The Hon. M.J. Elliott: I'm not a gambler.

The Hon. R.I. LUCAS: No, I know, but he then speaks about other aspects with respect to reducing further our access to a tax base in relation to gambling. So, if we add together the Democrat policy of removing a gambling tax base, or restricting it, together with the High Court taking away alcohol, petrol and tobacco, a combination of the High Court, the Democrats and others further restricts the access that we as a small State regional Government have to tax bases.

The Hon. T. Crothers interjecting:

The Hon. R.I. LUCAS: You have been?

The Hon. T. Crothers interjecting:

The Hon. R.I. LUCAS: The Hon. Mr Crothers suggested that the Hon. Mr Elliott has been inspired by events in Germany. I am not sure whether or not that is the case. That is for the Hon. Mr Elliott to respond to. So, it is difficult and, whilst Alan Wood has a particular perspective, the simple answer is that I do not entirely agree with his perspective, and South Australia will go off to the Premiers' Conference with a willingness to work with the Commonwealth Government. We will certainly not adopt the attitude that (as I described him this morning) 'the whingeing Mike Rann' would want us to adopt, that is, to engage in a public dispute with the Commonwealth Government leading up to the Premiers' Conference, trying to threaten potentially the prospects of Governments collaboratively working together on something which is important for the future not only of South Australia but of Australia.

We certainly will not adopt the approach of the whingeing Mike Rann or the whingeing Leader of the Opposition in relation to this issue. We will look to see whether we can collaborate and cooperate to work together in the interests of achieving something for South Australia. If in the end there is a concern from South Australia's viewpoint, the Premier will be the first, not only privately but also publicly, to express his concerns about any aspect of the national tax reform debate that might threaten South Australia's future.

The Hon. T. CROTHERS: I ask a supplementary question. In his answer, the Treasurer spoke of options and forward projections—

The PRESIDENT: Order! The honourable member should go straight to the question.

The Hon. T. CROTHERS: Yes, Mr President. My question is: does the Treasurer agree that rising levels of unemployment can adversely affect the revenue gained from the imposition of a GST; and, if so, given the impact which that would have on consumer spending, does he have any answer—short of lifting the GST from 10 per cent to 12.5 per cent—for how such revenue losses can be made up?

The Hon. R.I. LUCAS: Yes, that is possible—and that issue would certainly need to be considered. Rather than adopt the traditional Labor Party response of ratcheting up the tax base, I should think that a more innovative response—and I challenge the Hon. Mr Crothers and his Leader Mr Rann to look at this—would be actually to do something to generate more jobs and reduce the unemployment rate. Do not just accept the fact that unemployment might be predicted to go up; try to do something—

The Hon. T. Crothers interjecting:

The Hon. R.I. LUCAS: Well, try to do something—

The Hon. T. Crothers interjecting:

The PRESIDENT: Order!

The Hon. R.I. LUCAS: —to reduce that unemployment. Do not always look to the tax base response of ratcheting up a GST from 10 per cent to 12.5 per cent.

ELECTRICITY, PRIVATISATION

The Hon. P. HOLLOWAY: I ask the Treasurer: why has the starting date for the national electricity market been deferred yet again; when was the Treasurer notified by NEMMCO about this decision; have any problems been encountered during tests of the systems operation function which recently were conducted prior to the start of the national electricity market; and, finally, when does the Government now expect the market to commence?

The Hon. R.I. LUCAS: Ultimately, it is not for the Government to determine that; it is for NEMMCO as an independent body, the management company for the national market.

The Hon. Sandra Kanck: When do you think—March next year?

The Hon. R.I. LUCAS: Other than on the Melbourne Cup, I am not a betting man.

The Hon. Sandra Kanck interjecting:

The PRESIDENT: Order!

The Hon. R.I. LUCAS: I would need to check the precise time, but I think we would have received the confirmation of the delay late on Thursday or Friday morning. When we debated the National Electricity (South Australia) (Miscellaneous) Amendment Bill on Thursday after Question Time, I think I indicated in my second reading reply, which is on the record, that we had received some advice that NEMMCO would make a statement in the not too distant future—that, is at some time late on Thursday or Friday—which might throw some further light on the projected starting—

An honourable member interjecting:

The Hon. R.I. LUCAS: No. Eventually, it was announced on Friday morning, and I made that statement in the Council on Thursday. So, we had had some inkling through discussions of the possibility of a further delay. I guess that the market had been barking that for a few days, and we had been pursuing that with NEMMCO. I think it is fair to say, without naming the people or bodies concerned, that there were two conflicting views: one group had the view that we could still go ahead on the fifteenth; and another group believed that we needed to have a full 14 day trial, during which all the systems would be tested, before the actual market start.

The second group prevailed. I think that, starting on the weekend just past, we have commenced a full 14 day trial of all the systems operating together over the next two weeks to satisfy all the jurisdictions and interested parties that everything is operating well. In terms of whether there have been any problems, that is a bit like asking a mother and father, 'Have you ever had any problems with your children for the last 15 years whilst they were growing up?' Obviously, in reality the answer is that of course there have been issues, problems and challenges—

The Hon. R.R. Roberts: You are only speaking for yourself.

The Hon. R.I. LUCAS: I can speak for myself, yes; but if the Hon. Ron Roberts has not had any, let him stand up and say so.

The Hon. Carmel Zollo: It is a curious analogy, though.

The Hon. R.I. LUCAS: No, I think it is a good analogy, because when you are looking at the start of the national market, a completely new system, clearly there have been some issues, problems and concerns along the way. The whole reason for the testing and the trials has been to identify those and then to resolve them; that is the point. The advice we kept getting from NEMMCO was that the concerns that had been raised had been resolved. In the end, as I said, the prevailing view was that a full 14 day trial of all the systems was the final thing that should be done—although I am told it was not an essential precondition originally laid down for the start of the market—so that everyone could be satisfied that everything was operating smoothly.

In terms of when the market might start, again, there are two views: the pessimistic Democrat view of the world says, 'Next year some time.' The optimistic view that others would have says, 'Some time in early to mid December.' Some people take the view that, unless you get it up and going prior to the onset of the peak period of summer, it ought to be delayed until after the peak period of summer, rather than starting up the market right in the peak period of January and February next year. So, that is about all I know. As with all jurisdictions, we await with bated breath the reports we get back from NEMMCO as the independent body in charge of the implementation of the market.

The Hon. T.G. CAMERON: I have a supplementary question: when did NEMMCO enter into consultations with the South Australian Government regarding the delay? Was it before or after the legislation was passed through this Council?

The Hon. R.I. LUCAS: I do not know whether the Hon. Mr Cameron was listening to the response to the earlier question, but I indicated in the debate last Thursday that there had been discussion with NEMMCO and that there was some prospect of a delay. I indicated this last Thursday in the Council, for everyone to hear, because I did not want anyone to accuse me of having kept information. At that stage there was some prospect of a delay. There had not been a final announcement from NEMMCO. As I said in response to the Hon. Mr Holloway's question, I will check when exactly that statement was made. It was finally made either late Thursday afternoon or early Friday morning.

To refresh the Hon. Mr Cameron's memory in terms of the Hon. Mr Holloway's question about when we first knew, the dogs had been barking for a little while in the market that there might be a delay. Certainly, officers had been having discussions with NEMMCO for a number of days prior to last Thursday or Friday when it was finally announced. As I said, there were two views. One view was that they could still go ahead and start on 15 November. The alternate view was that we needed to do a full 14 day trial and that it should be delayed. In the end, the final position was the 14 day trial and the delay.

WAGES

The Hon. T.G. ROBERTS: I seek leave to make a brief explanation before asking the Treasurer a question about wage structures.

Leave granted.

The Hon. T.G. ROBERTS: Some members of the Liberal Party who do not hold particularly authoritative positions but who, nevertheless, are identifiable members of the Liberal Party have made wildcat statements to the effect that, for South Australia's economy to progress, South Australia should become a cheap labour source for the national labour market. Does the Treasurer believe that South Australia's economic future is tied to breaking the Federal standards on wages and salaries? If the answer is 'Yes', does the Treasurer believe that the Government has a proposal or a plan to implement it?

The Hon. R.I. LUCAS: I understand that my colleague the member for Waite, to whom the Hon. Mr Roberts obviously referred, believes that aspects of his contribution to the House last week were perhaps not fairly represented by the headline in the morning newspaper. That is an issue for my colleague to take up, but I think it is his view that he was not advocating what he was alleged to have advocated.

We have discussed this matter in the Council before. As to the continuation of existing arrangements, if the honourable member is asking—as he did towards the end of his

question—whether we have a grand plan to introduce changes to conciliation and arbitration legislation to drive wages further down in South Australia, certainly not to my knowledge and it is not the Government's intention. However, for many decades we have enjoyed in South Australia a wage differential between average wage costs in South Australia compared with average wage costs in the eastern States.

The Hon. T. Crothers interjecting:

The Hon. R.I. LUCAS: The Hon. Mr Crothers refers to the wine industry. I think it is true that in recent negotiations, even within the public sector, our police and teachers are not at No. 1 or No. 2 positions on national salary levels. They are generally midstream or towards the bottom in terms of ranking of the six States. In the private sector and in the public sector, we have had a wage differential which has meant that our average remuneration has been at a slightly lower level than the eastern States in particular.

Part of the argument for that, I guess, is that it is cheaper to buy a house in Adelaide compared with Sydney or Melbourne and, according to the Australian Bureau of Statistics cost of living index for food and other grocery items, generally Adelaide is a cheaper place in which to purchase ordinary household items compared with Sydney and Melbourne.

The Hon. T. Crothers interjecting:

The Hon. R.I. LUCAS: The Hon. Mr Crothers talks about transport costs. I guess the bottom line is that South Australia is a much nicer place in which to live. In many respects our cost levels and our land costs are lower and, indeed, our wage levels have been at a lower level as well. Certainly, from the Government's viewpoint, I guess I speak in terms of the future from here. If we were to see a removal of that wage differential, if we were to see our wages increasing at a rate greater than our eastern States competitors, then clearly it would have implications in terms of competitiveness of our firms and businesses in South Australia. But the simple answer is that I am not aware of any grand plan that the Government has to introduce comprehensive changes to industrial legislation to drive down wage levels in South Australia; indeed, to the contrary. The Government's approach in the public sector, I think, has been modest and reasonable in terms of its negotiations with its own employees; in terms of the Public Service negotiations with teachers and with police; in terms of what the community can afford and what is a reasonable recompense for a hard day's work from our public servants.

BREASTSCREEN SA

The Hon. SANDRA KANCK: I seek leave to make a brief explanation before asking the Minister for Transport and Urban Planning, representing the Minister for Human Services, a question about the current review of BreastScreen SA.

Leave granted.

The Hon. SANDRA KANCK: BreastScreen SA is the free statewide screening program designed to facilitate the early detection of breast cancer which, in turn, assists in reducing the number of deaths from breast cancer. It provides a free mammographic screening every two years to women 40 years and over. Breastscreen SA has been subject to a number of operational reviews during the past couple of years. It has twice been accredited by the national organisation, BreastScreen Australia. The most recent accreditation was in April last year when the service was rated as gold standard. BreastScreen SA is the only screening organisation to have been accredited twice by the national organisation.

In March this year, the private development unit of the Department of Human Services, in collaboration with the public and environmental health services, conducted yet another review of BreastScreen SA. The review found—and I quote from the executive summary of the report:

> BreastScreen SA has achieved the highest levels of effectiveness and efficiency against national benchmarks.

That review recommended that BreastScreen SA continue to operate in its current form.

As further proof of BreastScreen SA's efficacy, the death rate from breast cancer in South Australia tumbled by 14 per cent from 252 deaths in 1996 to 220 deaths in 1997. On all the available evidence BreastScreen SA is a highly efficient organisation that is delivering a first-class service, yet despite this another review of the organisation is under way. My questions are:

1. Why was BreastScreen SA reviewed by the Private Development Unit in March, and why is BreastScreen SA being subject to yet another review just six months later?

2. What is the estimated cost of the current review and what are its terms of reference? What was the cost of the review conducted by the Private Development Unit during March this year?

3. Why does not the current review panel include a specialist in mammography?

4. Will the Minister rule out any reductions in services provided by BreastScreen SA?

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

[Sitting suspended from 2.46 to 3.2 p.m.]

TRANSPORT, COUNTRY

The Hon. J.S.L. DAWKINS: Will the Minister for Transport and Urban Planning say what, if any, steps the Government is taking to inform the public about the availability of country bus services, regional taxi services and rural community passenger networks?

The Hon. DIANA LAIDLAW: For some time the Hon. John Dawkins has taken up this issue on behalf of his country constituents. I am pleased to advise that of the 300 country bus stops in South Australia one-third are to be provided with a country bus stop information unit which will provide bus routes and timetables and which will be colour coordinated to the statewide guide. The 100 units will be installed by 20 December this year in the Riverland, South-East, West Coast, and most parts of the Mid North and Eyre Peninsula.

What I am very pleased about in terms of the information that is being put together by local councils, bus operators and the Passenger Transport Board is that the information will incorporate local taxi services (where they are available) and community transport networks. This will be important for bus passengers, backpackers and the like who arrive in the area and need local transport. It will also be important to local people because it will provide information about services that have not always been readily acknowledged and are not used as much as we would wish. We hope that this effort will not only be a bonus for tourism but that we will see many more local people using the services and that they will be secured for the long-term.

MINING AND WATER SUPPLIES

The Hon. T. CROTHERS: I seek leave to make a precied statement prior to directing some questions to the Treasurer, the Leader of the Government in this Council, on the interrelated subject of future mining and water supplies in South Australia.

Leave granted.

The Hon. T. CROTHERS: South Australia has often been described as the driest State in the driest continent on earth. Recently, and still ongoing, we have seen the Western Mining Company undertaking massive expansion at its Roxby Downs mine site. This was the subject of very considerable debate in this Council, particularly as that development program related and still relates to additional demand and supply of water from underground sources. Over the past several years, other mineral discoveries and potential mineral discoveries have been found in South Australia. Just to name a few, there was the discovery of huge deposits of coal in our Far North and of iron ore not too far away from the coal deposit. Given that shortly electricity can be sold unfettered throughout Australia, this opens up many exciting development possibilities for South Australia. Again, the discovery of a body of manganese ore in the Flinders Ranges raises the possibility of a smelter being established within the Iron Triangle of this State.

Further, on our West Coast, experts opine that a find quite recently discovered could have the potential to be about half as large as Roxby Downs. In addition to the foregoing, there are the huge gold finds in the Gawler Craton areas in the far west of our State. To complete this present scenario, one must not fail to mention the discovery of large deposits of rare earth which have manifest themselves in the Loxton area of this State. Exciting as these prospects are, and given—subject to environmental considerations—the strong possibility of their going ahead, this must mean a very strong demand for more water to be supplied to those sites. In light of the foregoing, my questions to the Minister are:

1. Does the current State Government have in place a policy of suitable magnitude with respect to the supply of water to the people and industries of this State?

2. If the answer to question 1 is in the affirmative, will the Minister inform this Council of the details? On the other hand, if the answer to question 1 is in the negative, why is this so?

3. Does the Minister concur that this State is on the threshold of a mineral boom over the next several years?

4. If the answer to question 3 is it in the affirmative or part affirmative (prescience again!), does the Minister believe that water requirements for these future projects just outlined and others as yet not outlined can be met from South Australia's artesian basin without damaging that basin's capacities?

5. Has the Government considered desalination as an option, given that this State already earns many millions of dollars from its dry land farming techniques, and that that technology of desalination already exists in the States of Israel and Saudi Arabia to quite an advanced degree? I must stress that those questions are not the full extent of what I could have asked.

The Hon. R.I. LUCAS: I could ask the honourable member to repeat his questions, but I will not. When he got to the second 'either/or, partially, yes or no' I got lost. The honourable member's first question was whether the Government had a policy of suitable magnitude. I assure the honourable member that all the Government's policies are of a suitable magnitude.

The Hon. T. Crothers interjecting:

The Hon. R.I. LUCAS: Exactly; but 'suitable' was the question, so I assure the honourable member that they are of a suitable magnitude. I will take up the detail of his questions with the appropriate Minister or Ministers and bring back a reply as expeditiously as possible.

COURTS, SENTENCING

The Hon. A.J. REDFORD: I seek leave to make a brief explanation before asking the Attorney-General a question about sentencing guidelines.

Leave granted.

The Hon. A.J. REDFORD: I noticed in an article in the *Australian* on the topic of sentencing guidelines that Mr Justice Spigelman of the New South Wales Supreme Court has developed some guidelines for the purpose of sentencing. I also notice that the New South Wales Government has endorsed that approach. I well remember in my practice in another life being involved in or watching with some interest a number of test cases in the area of sentencing in the criminal law. Three specific examples spring to mind. The first test case involved the issue of driving whilst disqualified and came before His Honour Justice King, who indicated that, unless there are exceptional circumstances, a person convicted of driving whilst disqualified ought to have a sentence of imprisonment imposed. Indeed, he went on to say that that sentence ought to be a sentence actually served and not in any other way suspended or effected. To a large extent that decision has been followed by the magistrates dealing with these cases in South Australia.

The second example that springs to mind followed the spate of armed robberies that were occurring in South Australia about 10 years ago. A test case went to the Court of Criminal Appeal, which normally comprises three judges. I well recall discussing the issue with the counsel for the defence, in those days Geoff Eames, QC, now Mr Justice Eames in the Victorian Supreme Court. Again, in that case the Supreme Court set a tariff for the sentencing of people convicted of the offence of armed robbery. One case in which I was involved in, Mr President—

Members interjecting:

The Hon. A.J. REDFORD: Flushed nearly with success: halfway down the straight I was looking very good, but I was cheated by some Jezabeel. In any event, a case in which I was concerned involved a tariff to be set for the failure to lodge tax returns. Indeed, the Commonwealth DPP felt that the courts in general were imposing too low penalties in cases where people had failed to lodge their taxation returns. A test case was set and I well recall appearing before Her Honour Justice Mitchell, who substantially increased the penalties for that sort of conduct. That decision was followed substantially in the Magistrates Court.

Given the approach that has been adopted in this State in relation to those matters, I would be grateful if the Attorney would advise us of his views toward the so-called 'Spigelman guidelines' and whether there is a place for introducing a similar system in this State.

The Hon. K.T. GRIFFIN: The new Chief Justice of the New South Wales Supreme Court seems to have taken up his office with something of a flourish. I have seen a couple of newspaper reports in relation to sentencing guidelines. When I saw the first set and his approach, I wondered whether

something new was going on in New South Wales or in the law. On the second occasion when this was raised in the press in a different set of circumstances, the report stated something along the lines that he was Chief Justice of the biggest court in Australia, and it was all written up as if it was something novel. I do not know whether it is novel for New South Wales. However, I do know that its court system is bogged down, that there are considerable delays in both the criminal and civil jurisdictions and that they are trying desperately to overcome a very substantial backlog.

However, when I looked at what the New South Wales Chief Justice appeared to be doing, it was something which has been happening in this State for a number of years, because he was purporting to set some standards or guidelines in his judgments on particular cases which might be regarded as test cases. So, what is being trumpeted from the rooftops in New South Wales as something new (and, of course, both the Government and the Opposition are taking different positions in respect of it, each saying that it justifies their stand on law and order issues) has been happening in this State. I will give a couple of quick examples.

In the case of *Manglesdorf* (1995) 66 SASR 60, the Court of Criminal Appeal considered the adequacy of the general standards of sentences for drug offences. The court said:

> This court has established standards for the punishment of crimes of the type dealt with by the judges in the cases the subject of the present application. . . The court has also made it clear that a suspended sentence will be justified only in truly exceptional circumstances when the offence is one involving, or committed against, a background of involvement in commercial trading or dealing in the drugs dealt with by section 32. . . in the end, the standards which this court determines must be given appropriate weight. Departure from them must be justified by some aspect of the particular case. The standards are not, and are not intended to be, precise, but they do provide clear guidance.

That is the first example. The second one is the case of *Police v Cadd and Others* (1997) 94 Australian Criminal Reports page 466. That was a specially constituted Court of Criminal Appeal of five judges which considered the adequacy of the tariff in relation to offences of driving while disqualified. The court established a benchmark, and the current Chief Justice said:

> It is also the function of this court to ensure that sentences are neither excessive nor inadequate. The latter function is performed in two ways. First, in individual cases, by correcting a particular sentence that is considered to be excessive or inadequate. Secondly, by establishing standards of sentencing for particular offences, when the court thinks it appropriate to do so. That may be done over time through the process of correcting individual sentences. But it may also, in my opinion, be done by the court indicating an appropriate sentencing range for a particular offence or offences of a particular type. . . There is nothing novel about that.

The third one was in the case of *Director of Public Prosecutions (SA) v. Fermaner* (1994) 72 Australian Criminal Reports page 138. The Director of Public Prosecutions appealed against the sentence on the ground that it was manifestly inadequate. The court did say that, whilst it is only in exceptional circumstances that suspension of sentence is appropriate for armed robbery, having regard to the attitude of the prosecutor in this case, the suspension in that particular case should not be revoked. The headnote states:

> Armed robbery is a crime leaving little scope for leniency, even when mitigating factors are present. It is necessary for the court to maintain standards of punishment which will deter potential offenders from committing these crimes and give some assurance to the public that the courts are endeavouring to protect them. The maintenance of adequate standards of penalty is especially important in these days when it is a notorious fact that small businesses are having great financial difficulties often necessitating that they open at night.

Justice Matheson, who made the principal judgment, said:

> I agree with the submission of Mr Rofe [the DPP] that the maintenance of adequate standards of penalty is especially important in these days when it is a notorious fact that small businesses are having great financial difficulties often necessitating that they open at night, particularly such businesses as service stations, chemist shops, supermarkets and delicatessens. I express the hope that this court's decisions on these applications today will remind all sentencing judges of the great importance of maintaining adequate standards of punishment in sentencing for armed robbery.

So, there are three cases where standards are set, and it is clear that the Director of Public Prosecutions is very much alert to the need to ensure that appropriate penalty levels are maintained and will not hesitate to take an appeal where the sentence is demonstrated, in his view, to be manifestly lenient. It is clear also that the position adopted by the Supreme Court in its Court of Criminal Appeal is one of endeavouring to ensure that standards are met and not to resile from that responsibility.

So, I come back to what I started with, that is, that I am surprised that the New South Wales the Supreme Court has not apparently been as up front in the setting of tariffs as the Supreme Court in South Australia, which looks very much to be out in front in undertaking and demonstrating its responsibilities in respect of ensuring that adequate sentences are imposed.

CRIMINAL CONVICTIONS, EXPUNCTION

The Hon. IAN GILFILLAN: I seek leave to make a brief explanation before asking the Attorney-General several questions about spent criminal convictions.

Leave granted.

The Hon. IAN GILFILLAN: A handful of people in South Australia are suffering a great deal, or paying a heavy price, for relatively minor indiscretions that they committed decades ago. I refer to people who, as teenagers or young adults, committed a crime. These people have criminal records for the rest of their lives. It does not matter how insignificant the criminal offence may have been, how young they were at the time, how long ago the offence occurred or how well behaved they may have been in the intervening years. These variables are all irrelevant. When they come to fill in a job application or other official document they must declare the fact that they have had a criminal conviction. If they do not declare it, or lie, they have committed another offence. The result is that one indiscretion, even decades ago, prevents them getting that job and/or being trusted.

It was to address this issue that the previous Attorney-General, Hon. C.J. Sumner, introduced what was first called the Rehabilitation of Offenders Bill (later the Spent Convictions Bill) in 1990. The Bill held that anyone who had been sentenced to gaol for 30 months or less, or to a fine not exceeding $10 000, and who had not reoffended for 10 years (and I repeat '10 years') could allow their convictions to lapse. By 'lapse', it was meant that a person could not be lawfully asked or required to furnish information about their conviction on seeking employment. The person could either suppress the information relating to a spent conviction or was not legally obliged to disclose the existence of the conviction. Despite the opposition of the Liberal Party, the Bill with amendments and support from the Democrats was passed after the third reading in April 1991. However, it was not

introduced into the House of Assembly by the then Labor Government, so it lapsed.

This idea was not new or radical at that time in South Australia. The principle has been accepted in the United Kingdom for 20 years and in the Commonwealth, Queensland and Western Australian Parliaments. In those jurisdictions it is recognised that punishment for offences should not be indefinite. The offence is finished by means of a prison sentence or fine and, when that has been completed, no further accumulating punishment should follow. Therefore, the person who has been punished and who has not re-offended should be able eventually to live his or her life free of the stain of the offence.

The proposal that a conviction becomes spent is one way to overcome the injustice that is occurring on a regular and continual basis for people in this situation. It is a very limited approach, as it is primarily concerned to allow ex-offenders to apply for a job. Furthermore, the South Australian Bill also contained exceptions where convictions still would have to be disclosed. Those exceptions were designed to protection children and in the administration of justice. As there has been no sign yet that the Government intends to institute reform in this area, I ask the Attorney:

1. Does he agree that the current situation is unjust?

2. If he does agree that the current situation is unjust, does he see the need for legislative reform?

3. Does he intend to legislate to correct this injustice or, at a lower category, would he consider legislating to correct this injustice within the term of this Parliament?

The Hon. K.T. GRIFFIN: There is a very quick answer that one could give but I will take just a few minutes to deal with the issue, because it is an important one which creates a number of dilemmas. The Liberal Party's policy is not to support expunction of criminal records legislation. So, on that basis I do not have any intention of introducing legislation to enable that to occur. When the matter was in the Parliament in the early 1990s, one of the major areas of concern was that it in fact legalised a lie. And that is where the dilemma is: that the legislation authorised a person to deny that he or she had committed a criminal offence when, in fact, that was not the case.

The Hon. Ian Gilfillan interjecting:

The Hon. K.T. GRIFFIN: Yes, but I am saying that it authorised the person to deny that they had committed the offence. That is my recollection of it, anyway—but if I am wrong I will acknowledge that. Certainly, my recollection of the debate at the time is that it created a real dilemma because, by Act of Parliament, it was saying that history could be rewritten.

Nevertheless, we certainly encourage any employer to look objectively at the *curriculum vitae*, including antecedents and records of anyone seeking a job, to ensure that, as much as it is possible to do so, any offences are properly weighed as to the circumstances and age at which they occurred and the date of the application for the job.

Our laws already recognise that it is possible to obtain employment—or, at least, obtain a licence to undertake particular employment—if the applicant has not committed certain types of offences within a particular period of time. However, it also provides that those who have committed other offences will not be eligible to be licensed for a particular occupation. And that is a constant issue that we have to address. For example, with respect to security and investigation agents, if they have committed an assault that is an issue that is relevant to whether or not they should get a licence. Also, if you are a legal practitioner and you have been convicted of an offence of dishonesty, that will disqualify you. And I know that, in the early 1990s legislation, there was an exclusion of those offences which related to sexual assault.

We still have to be conscious of the fact that there may be other areas of work where other sorts of offences might still be relevant to the particular occupation or to the activity in which that person is involved. I know the honourable member is not suggesting that convictions for sexual assault should be expunged after 10 years. He may be, but I certainly did not detect that from anything that he said. However, that also raises important issues in relation to some offences: why expunge them and, in respect of other offences, why not expunge them?

Whilst that is a rather long answer, I wanted to put it into some sort of context that it is not an easy question to resolve. I understand the sentiments of the honourable member. The Government's policy is clearly not to support expunction of criminal convictions legislation.

The Hon. IAN GILFILLAN: I have a supplementary question. Would the Attorney consider instituting some discussion fora, or forum, to look in more detail at this matter?

The Hon. K.T. GRIFFIN: I will take that on notice and I will give some consideration to the answer to the question. I think that is all I can do at this stage.

RANDOM BREATH TESTING

The Hon. R.R. ROBERTS: I seek leave to make a brief explanation before asking the Minister for Transport and Urban Planning a question about RBT testing.

Leave granted.

The Hon. R.R. ROBERTS: In the *Advertiser* of 7 October 1998 there was a contribution which was headed '.497 breath reading amazes drug expert'. It refers to a Mount Gambier man who recorded a breathalyser reading of.497, nearly 10 times the legal limit. The article states:

> South Australian Drug and Alcohol Services Council Director, Dr Robert Ali, said a level of 0.4 was potentially lethal, while many drinkers would be unconscious at 0.2.

He said he thought that it was extraordinarily high. One assumes that this matter is still before the courts, and I have no intention of naming the alleged offender. However, I received information over the weekend that it is alleged that a blood test has revealed that the reading was only 0.2 per cent. That is something that will be argued in the courts, but it comes back to the situation that, in many cases, RBTs have been proven to be wrong. There have been a number of famous cases, and, indeed, we have had discussions about that in this place.

In some jurisdictions overseas where an RBT is operating, I understand that the person being tested, on being advised that they are over the limit, is then advised that they have the opportunity to have a duplicate test on another machine, and that they have the right to collect a blood test kit.

If what was alleged to me is correct, it highlights once again the fallibility of the RBT system in our legislation in particular. I intend at some stage to do something legislatively about this but, given that Cabinet recently had discussions about transport matters and announced that speed camera operations would be changing, I ask: has the Transport Advisory Board or the Government considered legislative changes to ensure that people who have been tested at RBT

stations and who have been found to be over the limit are able to have a duplicate test on another machine, as well as being advised that they have the right to seek a blood test?

The Hon. DIANA LAIDLAW: I am discussing this matter with the Attorney, in the sense that I believe it is a policing matter and an operational issue, and the Attorney has very kindly agreed to advance the honourable member's question to the police for a response.

LOCAL GOVERNMENT, SALARIES

The Hon. J.F. STEFANI: I seek leave to make a brief explanation before asking the Minister for Transport and Urban Planning, representing the Minister for Local Government, a question about the increase in salaries paid to staff of councils that have amalgamated.

Leave granted.

The Hon. J.F. STEFANI: The *Messenger* newspaper of 21 October 1998 carried an article dealing with a 13 per cent increase payable for overtime work to salaried staff of the amalgamated Port Adelaide Enfield Council. My questions are:

1. Will the Minister investigate which amalgamated councils have paid increases to staff due to their amalgamations?

2. How many staff members have received such increases?

3. What was the additional amount, in dollar terms as well as in percentage terms, paid to the amalgamated council staff?

The Hon. DIANA LAIDLAW: I will refer the honourable member's question to the Minister for Local Government and bring back a reply.

JUDGES' PENSIONS (PRESERVED PENSIONS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 28 October. Page 53.)

The Hon. P. HOLLOWAY: The subject of judges' pensions is not particularly popular, but we need to recognise that lawyers are a particularly well remunerated group within our community and, if we wish to attract the best lawyers to the bench, we need to provide a reasonable salary and conditions for those people. Essentially, judges' pensions recognise the fact that having joined the judiciary it is not normally possible for judges to return to the legal profession.

This Bill enables a relatively minor change to the Judges' Pensions Act which will have a limited application. The principal change applies to a judge who has served for at least 15 years but who resigns under the age of 60 years. Under this Bill, a former judge's pension will be preserved until that person reaches 60 years of age. The Bill also deals with cases of invalidity where a judge is forced to retire because of ill health under the age of 60 but who has served for 15 years or more.

The Opposition essentially sees this measure as addressing anomalous situations. It has limited application—obviously, the number of cases would be small—so the Opposition sees no reason to oppose the Bill.

The Hon. IAN GILFILLAN: Thanks to a somewhat recent briefing from the Attorney-General, I feel that the Democrats can confidently support the legislation. Unfortunately, I did not have the opportunity to obtain opinions from others, but from my understanding of the second reading explanation and a briefing from the Attorney it appears that this Bill has a relatively harmless effect. In fact, it probably has a beneficial effect as far as the State is concerned in that a judge who reaches the point of 15 years' service, which optimises the amount of superannuation available, can choose to retire before reaching the age of 60 years. So, he or she can legally have that as an option and would then be entitled to pick up their superannuation benefit when attaining their sixtieth year.

The advantage to the State is that, where there may be people superfluous to the actual requirements of the courts, they will not necessarily choose to stay on receiving full salary and other perks just to make sure that they receive their superannuation entitlement at the age of 60 years. So, it does have that general advantage. How many people will take up this option is hard to tell; it depends on how many people are appointed to and accept a position on the bench when young enough to accumulate 15 years' service.

In essence, this is a simple measure. The urgency for it is prompted because of a particular situation that requires this legislation to be passed. It will enable both the State to benefit from not having to continue unnecessarily to pay a judge's salary and the person involved to exercise the option of retirement and pursue other matters in the years up to the age of 60.

Whilst commenting on this Bill, I think it is relevant to recollect that, reasonably soon after coming to power in 1993, the Liberal Government reviewed public sector superannuation and, if my advice is correct—I have not studied this—trimmed back some of the benefits that were available. In the same flavour, the parliamentary superannuation scheme mark II is regarded as a less generous scheme than the one which applied in the years before 1995.

When an attempt was made to review judges' superannuation with the same degree of scrutiny (looking at what is reasonable in this day and age), it is my understanding that the process stalled. The judges' system is non-contributory. I agree with an earlier comment that it is important that judges be well rewarded so that we can attract the best talent and the most appropriate people for the job. However—

The Hon. M.J. Elliott: It should be through the salary.

The Hon. IAN GILFILLAN: Yes. The Hon. Mike Elliott interjects that it should be through the salary—and there is no doubt that that is how it will be exercised—but to exempt or immunise them from the same critical analysis of superannuation schemes which is applied to the public sector could arguably be unfair. It may not be intended that this be left to rest indefinitely. The Attorney may have some plans to address this issue in the near future. In his reply, he may care to use that opportunity to enlighten us about the Government's intentions. The Democrats support the Bill.

The Hon. K.T. GRIFFIN (Attorney-General): I thank honourable members for their indications of support for this Bill. It is an important Bill. I take note of what the Hon. Mr Gilfillan has raised in relation to the Judges' Pensions Act. That is an issue about which the Government is conscious, and there is currently some work being undertaken to determine what is the best form in which to provide for superannuation for retired judges. Around Australia my

understanding is that all judicial pension schemes are non-contributory, that there is work being undertaken around Australia on whether or not that is now an appropriate way of dealing with judicial retirement. I cannot give any indication as to when that work will be completed, either interstate or in this State—

The Hon. M.J. Elliott: There has been a lot of movement from the judiciary out into the law practice.

The Hon. K.T. GRIFFIN: But very little in this State. In the Federal Court and interstate that is correct, there is some movement between the bench and law practices, although the ethical standard here is that if you are a retired judge you do not go back to work which requires you to appear in court. That ensures that you do not one day judge and the next day appear in the same court representing a client, and I think that is a proper balance. Of course, in this State some retired judges and magistrates are given auxiliary commissions so that we can use them for mediation or for filling in here or there. The former Chief Justice Mr King from time to time sits in the Supreme Court on an auxiliary basis. We have appointed Justice Matheson recently, and there are a number of other judges who were appointed. But it is important to recognise that they do not get the full judicial salary on top of their pension: an adjustment is made to ensure that it is not in excess of what judges presently receive.

In terms of judicial pensions the whole object of the principal Act, as the Hon. Ian Gilfillan said, was to give to those who were judges a reasonable prospect of a retirement income which would not necessarily require them to work but, more particularly, would preserve them from the need to acquire assets or perhaps do a range of things while they were a judge which might otherwise conflict with their judicial duties. Some people have put to me that it is incorrectly referred to as a Judges' Pensions Act, that it would be more appropriate to describe it in some other way.

Be that as it may, the issue which the Hon. Mr Gilfillan raised is an issue which needs to be addressed and which is being addressed. In this day and age, where many practitioners have their own superannuation plans and provisions, it may be that the Judges' Pensions Act is not the most appropriate way to provide protection for judges upon their retirement. There is one matter which I have just detected in the Bill, and when we get to it I will probably want to report progress for a few minutes to enable me to check. When we get to that provision I will explain to the Council why that is so.

Bill read a second time.

In Committee.

Clauses 1 and 2 passed.

Clause 3.

The Hon. K.T. GRIFFIN: There is a definition of 'salary' in subsection (4) of new section 6A, as follows:

> 'salary' means the salary payable to the former Judge immediately before he or she resigned adjusted to reflect changes in the Consumer Price Index between the date of resignation and the date on which the pension first becomes payable.

I suspect that there is just a slight technical problem with that. There was some discussion with the Chief Judge about amending that, because if a judge is on leave without pay immediately prior to resignation that judge does not have a salary. I acknowledge that it may be a problem which I need to have addressed. I know that an amendment was drafted. I thought that it had been incorporated into the Bill which I was introducing. It may not have occurred as I would have thought.

The Hon. IAN GILFILLAN: The actual interpretation of the word 'payable' may be the key to it. It does not necessarily mean that the judge has to have received it: it is the salary which would or could have been payable.

The Hon. K.T. GRIFFIN: That may be the answer, but it has just caught me on the hop for a moment. Rather than just pushing it through without checking it, I would like to report progress and deal with it in a few minutes.

Progress reported; Committee to sit again.

ADDRESS IN REPLY

Adjourned debate on motion for adoption.

(Continued from 29 October. Page 84.)

The Hon. T. CROTHERS: In this my twelfth contribution to the Address in Reply, let me first of all pay my respects to His Excellency the Governor. His Excellency has maintained the very high standards of decency and resolve that have for so long characterised the very high office of State which he now holds here in South Australia. As the Vice Regal representative in this State, I wish His Excellency well in the discharge of his duties over the next 12 months.

Today, if I may, I wish to centre my contribution on a subject which over the last several years has exercised the minds of every thinking South Australian and, indeed, every Australian, and I refer to tax gathering as it is applied to our citizenry by various State and Federal Governments. But it is more particularly in the sphere of influence of the Federal Government that I want to talk. Let me say from the very outset that as a Democratic Socialist I support the total concept of the State or nation having a social safety net under the feet of those of its citizens who constitute the underprivileged in our community.

Indeed, it must be said that with the shrinkage of available jobs there is more need today for such a safety net to be in place than at any other time in our history, with the possible exception of the 1890s and 1930s. I believe, for instance, in a State sustained education system which provides education for those who want it from primary school level up to and including tertiary level.

It may be worth briefly canvassing the history of compulsory education in South Australia. This form of compulsory education was first introduced into South Australia in 1875. It followed compulsory education being introduced into the British Isles in 1870 and shortly thereafter it was introduced in compulsory form throughout what were then referred to as the English speaking dominions of the then British Empire. This education system came into place in these areas partly as a result of well intended liberal radicals of that time and also partly because the then captains of manufacturing industry fully understood that the ever more increasing demand of their industries necessitated that their work force became more literate than had hitherto been the case. Again, we see similar parallels with today's industries whose work forces require a higher level and, indeed, quite different form of education if western based capital is to get the return on invested capital which is regarded by it as necessary.

The ever more rapid necessity for today's work force to be computer literate starkly parallels the need for reading and writing skills of the work forces of the 1870s which were then becoming to be regarded by the captains of industry at that time as prerequisites for workers of that era. However compulsory education came about, and for whatever reason,

the fact is that it did and, because it happened prior to federation, it was the States that paid for it.

I further believe in pensions being paid by the State for our elderly, our unemployed, our underprivileged and our disabled. This to me is a basic fundamental right about which we, as caring and humane people, should have no qualms whatsoever. To complete the trinity of my beliefs as a democratic socialist, I further believe in universal health care for all society's members who cannot afford to cover themselves for the rapidly rising and increasing costs of more complex health treatments and, I might add, more effective health care which is the vogue of today's society. They are my beliefs of what I consider should be the absolute necessary underpinning in any society existing at this time.

Whilst on this historical traverse, I should now like to turn to the history of tax gathering within this State and nation. As all members know, prior to federation, that is, up to 31 December 1900, each current State of Australia was a sovereign entity in its own right and collected its own taxes, but with the advent of federation this system of revenue raising somewhat changed in respect to the responsibilities conferred in the Australian Government after federation. For instance, all excise import duties were collected by the Federal Government, as indeed were other taxes and charges, which prior to federation were collected by the then sovereign States.

In fact, section 92 of the Federal Constitution, which provides for free trade between the States, prevented these former entities from imposing taxes and charges on goods produced or manufactured in one State and exported to the other States. It is worth remarking here that this was not the case prior to federation. Indeed, up to then, custom posts existed at the border crossings right up to the very first day of January 1901, and indeed taxes and charges were levied at that time by individual States on other States' goods and produce up to that time.

Of course, since then, much litigation has, indeed, due to court decisions, expanded, clarified and reinforced the powers of section 92. But, at this point I must stress that all States still retained income taxing powers up to the early days of the Second World War when, because of the fact that Australia was facing imminent danger of invasion, those income taxing powers were surrendered to the Federal Government of the day. Allegedly, the surrender of this income tax power was supposed to be only temporary and was to be restored to the States at the end of the war time emergency. Of course, it never was.

To this day the levying of income tax has remained the province of Federal Governments. This has resulted in the State Premiers—as we heard earlier today during Question Time—having to wend their weary way to Canberra each year to determine the amount of federally collected taxes and revenues to be disbursed back to the States. I think, from the purview of the States, this method has become less satisfactory with each passing year.

I might just add that it is my understanding that a portion of taxes then collected, that is, up until recent times, was set aside in a separate fund from which pensions, such as, and in particular, old age pensions, were paid. Today, this separate fund seems to have disappeared and, as a consequence of that, all income tax is paid direct into Government coffers as part of the general revenue. This then is a very brief summary of the history of Government revenue raising matters in the early days of this State and other States' history and up to the present time in a Federal sense.

I will just add that the States still do levy taxes and charges but, as far as being sufficient for States' expenditures, they fall a long way short of filling the States' needs. Some of the States' taxes are, of course, payroll taxes, State bank charges and others.

Over the past 15 years or so, Federal Governments of different philosophical views have endeavoured to restructure our present system of taxation. The first move was by Treasurer Keating, as he then was, with his famous—or infamous—option C (depending on which side of the tax divide one sat on at that time). Option C failed to get the necessary support and never got off the ground but it was, for all intents and purposes, a goods and services tax.

Then we had presented to us the Hewson model of a goods and services tax put to the nation, as I recall it, from about 1992. The complexity of this Hewson inspired goods and services tax caused it to founder in no small part due to the lack of knowledge by the then Leader of the Federal Liberal Opposition of the price of a birthday cake. The magnitude of the Liberal Party's electoral defeat at the subsequent Federal Government level led to Mr Hewson's successor as Leader of the Federal Liberal Party, the Hon. John Howard, to opine that as far as he was concerned the goods and services tax was as dead as a dodo and, in fact, during the election campaign which led to his becoming Prime Minister of this nation, and even after the election results were fully in and he was Prime Minister, when asked about the GST he said that a tax such as that would never be released. To give that statement additional emphasis, he said, 'Never ever ever.'

The statement would have to be ranked in the same level as Julius Caesar's being assassinated by his then erstwhile friend Brutus or, indeed, Hitler reneging on his treaty with Stalin when he promptly invaded Russia which, in fact, the Russian-German friendship treaty had sought to prevent. To give the Prime Minister his due, he did at the last Federal election held in October of this year go to the people with his version of the GST as part of his Federal campaign strategy, and since that time there has been a furious debate as to whether or not the Federal Liberal Government has a mandate to introduce the GST. I do not intend to enter into that debate unless I am forced to by some derisory interjections from the benches opposite.

In concluding this part of my contribution, it would be most unfair of me not to briefly examine the role of the Federal Democrats in this GST exercise. It is fair to say that at the last Federal election the Democrats perceived that they were going to have the fight of their political life against the Greens and the Hanson led One Nation Party and to that end, if they were to survive as the major minor Party in Federal Parliament, their Leader, obviously sensing some mood change in the Australian electorate, concocted a very clever policy ploy. Let me say that it was a very clever piece of political tap-dancing, as good as any I have ever seen.

What Senator Meg Lees said was, 'Oh we, the Democrats, are prepared to support a GST but we won't tolerate a GST on foodstuffs.' This statement was at total odds with the Democrats previous position of a GST and in my view was an electorally opportunistic *volte-face*. I make the point that foodstuffs are not the only area where the less well off and underprivileged in our society will suffer more than other better off members of our society. I say—and this statement does not reflect on my own position with the GST—that Senator Lees and her colleagues know now and knew then that they would never have to support this new tax because the policy of no GST on foodstuffs is unacceptable to the

Howard-Costello team simply because all of its current costings are predicated on a GST rate of 10 per cent right across the board. So much for keeping the bastards honest!

If John Howard accepted no GST on food then all the promised tax reductions and his other promises would go out the window or else he would have to lift his taxation levels from 10 per cent to 12½ per cent. I believe that in the future when the electorate understands this policy ploy for the deception it is it will ensure the diminution of the Democrats electoral standing and may well be a bend in the road for them electorally as they wither on the vine of their own electoral deceit.

My position on the GST is clear: I oppose it outright and absolutely. Indeed, in spite of protestations to the contrary from the Liberal Party and others, I know that it is being introduced as an additional revenue raiser for the Federal Government, and for no other reason. I further note that the States no doubt will have to pass complementary legislation if the GST is to have the force of law and that Prime Minister Howard has endeavoured to ensure compliance from all the States by promising them all the revenue raised from GST sources.

We are further told that the introduction of the GST will eliminate the tax cheats from the system. This statement is only at best partially true. It will not eliminate them from that part of the present tax regime which will continue to exist should a GST be introduced. Taxes such as income tax, company taxes and others will still continue to be abused. One has only to bring to mind the recent court case brought by the Commissioner of Taxation, which incidentally he lost, over a debt of some $260 million (or $240 million) to see that because people can afford to pay top accountants and top lawyers the evasion of substantial taxes will still remain.

It would be far better for the Government to close and plug these very considerable tax loopholes than to impose additional revenue raising measures on Australia's long-suffering citizens by the introduction of a GST. As previously stated by me, these statements are only partially true because the bulk of tax evasion stems from taxes which currently are in place and which will remain in place even should a GST be introduced. The recent court case brought about by the Taxation Commissioner concerning that sum of $240 plus million clearly demonstrates that this is the area where major tax avoidance exists and the introduction of a GST will have no effect whatsoever on this form of tax avoidance.

When John Howard was first elected he said, 'There will be no more political correctness.' I inwardly cheered as I had had enough of political correctness. I used to nearly weep when I saw vociferous minorities being rewarded by various Federal Governments with big slabs of 'keep quiet money' whilst the long-suffering, silent majority of Australians went without. John Howard's position, however, on political correctness, was short lived. Indeed, during the lead-up campaign to the last election we saw Prime Minister Howard trading politically correct blows with some of the best in the business and, what's more, he won the contest. Oh, how the mighty have fallen!

We saw, for example, the Prime Minister proffering hundreds of millions of dollars in one of the greatest pork-barrelling exercises in Australian electoral history in an endeavour to shore up the electoral position of his Coalition partners, the National Party, against the Hanson led so-called One Nation Party, which had at that time so decimated the National Party in the Queensland State elections that it assisted in consigning the then National Party Government of Queensland to the Opposition benches.

I return, if I may, to the Federal electoral scene. Let me say that federally Australians go to the polls about every 2.6 years. I make the comment that Federal elections in this nation are like Dutch auctions. I groan every time one is held, full well knowing that all major political Parties will be proffering different 'please elect me' monetary promises that this nation can ill-afford.

Is it any wonder that our present taxation system has been so exploited, taxed so hard that the very pips are squeaking? Is it any wonder that the art of good governance has been lost? Indeed, is it any wonder that in the main no longer are Federal Government expenditures being spent in the interests of people but, rather, in the vested interest of the Government of the day being returned to office during the course of the following Federal election. But the electorate has woken up to all these shenanigans, hence the success of minor Parties such as the Greens, the Democrats and One Nation.

Let me say that as a democratic socialist I never thought I would ever agree with the United States Republican Party, but the facts are that it was right to force the Democratic President to reduce Federal Government expenditure even if I think its program of cuts was too harsh and aimed at many of the wrong areas because, at the end of the day, under its proposals, the poorer have got poorer and the very rich and wealthy of the community have continued to please themselves and grow even richer. Nonetheless, I believe that their approach to cutting Government expenditure was correct, simply because America was living beyond its means.

Likewise, in Great Britain the new Labour Government of Tony Blair has policies in place which would seem on the surface to have similar aims in mind with respect to Government expenditure. It is simply no good for Governments to run up huge deficits, leaving the payments of those for generations to come, many of whom are yet unborn. It is simply no good for Governments to get into such indebtedness when they can no longer afford the upkeep of what I have previously stated to be my Holy Trinity of a national safety net for the underprivileged and the sick of our community. As such, the only way for a Government to progress is to substantially increase taxes, and that most assuredly would not sit well with the majority of working Australians; or, alternatively, to forgo the safety net.

Finally, I want to place this statistic on record, and I do so in order that this contribution will provide members with some food for thought. I shall personally draw no conclusion from it here on the *Hansard* record but, rather, leave it for the listener and the reader to draw their own conclusions. These statistics are from my memory, but they are from the Australian Bureau of Statistics, and I assure members that, even if I have the sums wrong, my proportions are absolutely correct.

In 1975, total Federal Government expenditures were $64 billion. That bears repeating. In 1975, total Federal Government expenditures were $64 billion. Twenty years later, that is to say, in 1995, Federal Government expenditures were $248 billion. I will repeat that: twenty years on from 1975, in 1995, Federal Government expenditures were $248 billion. Expressed in percentage terms, that is almost a 400 per cent increase in expenditure. Simply to me, as a ragged trousered economist, it does not add up that our expenditures should increase in the space of 20 years by almost 400 per cent.

Increases in unemployment levels, increases in the payment of the aged pension, education or indeed inflation cannot account for this almost 400 per cent increase. Indeed, I ask myself why the political media have not picked this up, and I ask the question: are the reporters taking the easy way out in formulating their stories; are they too busy lurking around the political corridors of power for salacious gossip and then formulating their stories and reports on that? One must ask the question: how could an item of such political importance have been missed? It does tend to make one wonder.

In short, then, for the reasons I have outlined, I am equivocally opposed to a GST. It will serve no useful taxation purpose other than raise additional revenue. I further believe that our present taxation system is more than adequate, provided that the Federal Government of the day acts to rein in the tax dodgers, stops living beyond the means of the nation relative to ongoing sustainability and looks very hard at its own programs and expenditure, with a view to taking a leaf out of America's and Britain's book and reining back hard on its own spending.

In conclusion, let me add that no nation which has introduced a GST has maintained the initial percentage of GST levies. They have all, without exception (and I emphasise that), increased the levy. Indeed, the Liberal Party's doyen of all that is wonderful in our capitalist world—America—does not have a GST.

Finally, if the inheritance which we leave our children and descendants is to be able to take care of them, then the Federal Government has to act now, irrespective of what political Party is in power, so as to ensure the absolute end of political correctness and the return of good governance to this nation. I commend this Address in Reply to the Council.

The Hon. J.S.L. DAWKINS secured the adjournment of the debate.

JUDGES' PENSIONS (PRESERVED PENSIONS) AMENDMENT BILL

In Committee (resumed on motion).

(Continued from page 95.)

Clause 3.

The Hon. K.T. GRIFFIN: I thank the Committee for its indulgence. I was concerned to check that the circumstances which I outlined earlier were covered by the Bill, namely, that where a judge is on leave without pay immediately before he or she retired and at that point had no salary the salary which otherwise would have been payable if that judge had been receiving a salary was the appropriate basis upon which the amount for vesting was calculated. That is covered by a special provision in proposed new subsection (2) of section 4, which provides:

> Where a Judge was on leave without pay immediately before he or she retired, resigned or died, the salary payable to the Judge immediately before he or she retired, resigned or died will be taken for the purposes of this Act to be the salary that would have been payable to the Judge if he or she had not been on leave without pay at that time.

So, my earlier anxiety was short-lived. I am satisfied that the Bill now adequately reflects the object which the Government seeks to achieve.

Clause passed.

Title passed.

Bill read a third time and passed.

ADJOURNMENT

At 4.31 p.m. the Council adjourned until Wednesday 4 November at 2.15 p.m.